

BIDENERGY PTY LTD
ACN: 158 837 097

FINANCIAL REPORT
FOR THE PERIOD ENDING 30 JUNE 2013

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Directors' Report

The directors present their report on the entity for the financial period ended 30 June 2013.

Directors

The names of the directors in office at any time during, or since the end of, the period are:

Anthony Du Preez
Bob Browning
Clive Stuart Allinson
Zac Rosenberg (appointed January 2015)

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Review of Operations

The loss for the financial period amounted to \$182,381.

The company commenced operations during the financial period.

Significant Changes in State of Affairs

No significant changes in the company's state of affairs occurred during the financial period.

Principal Activities

The principal activities of the company during the financial period were the provision of cloud based energy procurement systems.

Events Subsequent to the End of the Reporting Period

The company issued convertible notes for \$926,567 and \$2,717,858 in the financial years ended 30 June 2014 and 30 June 2015, respectively. The convertible note liability is expected to be converted to shares as part of the below-mentioned listing on the ASX.

The company has continued to invest in its growth plans and expansion into the USA and UK. As at 31 December 2015, the company had net current liabilities of \$794,661 and net liabilities of \$778,759. In order to continue funding operations, the company completed a private share placement in February 2016 and raised \$2,860,338, before capital raising costs.

No other matters or circumstances have arisen since the end of the financial year which require disclosure.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the company and the expected results of those operations in future financial period have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

Environmental Regulation

The entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Directors' Report

Dividends

No dividends were paid or declared during or since the end of the financial period.

Options

There were 3,797 options over issued shares outstanding at the date of this report.

Indemnifying Officers or Auditor

The company did not pay any insurance premiums to indemnify any person who is or has been a director or officer of the company during the financial period.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings

The company was not a party to any such proceedings during the period.

Auditor's Independence Declaration

A copy of the auditor's independence declaration is set out on page 4.

Signed in accordance with a resolution of the Directors:



.....
Anthony Du Preez
Director

Melbourne, VIC
19 April 2016

RSM Australia Pty Ltd

Level 21, 55 Collins Street Melbourne VIC 3000
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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of BidEnergy Pty Ltd for the period ended 30 June 2013, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Australian professional accounting bodies; and
- (ii) Any applicable code of professional conduct in relation to the audit.

A stylized blue ink signature of "RSM".

RSM AUSTRALIA PTY LTD

A blue ink signature of "J S Croall".

J S CROALL
Director

Melbourne, VIC
19 April 2016

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RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

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Statement of Profit or Loss and Other Comprehensive Income

For the period ended 30 June 2013

	Notes	2013
		\$
Revenue		86,441
Administration expense		(3,152)
Conferences expense		(2,932)
Employee expenses		(164,487)
Finance costs		(213)
Insurance expense		-
Rent expense		(6,609)
Share issues costs		-
Other expenses		<u>(91,429)</u>
Profit/(Loss) before income tax		(182,381)
Income tax expense		<u>-</u>
Profit/(Loss) for the year		<u><u>(182,381)</u></u>
Other comprehensive income for the year		<u>-</u>
Total comprehensive income/(loss) for the year		<u><u>(182,381)</u></u>

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 30 June 2013

	Notes	2013 \$
Current Assets		
Cash and cash equivalents	2	191,665
Trade and other receivables	3	72,605
Other assets	4	-
Total Current Assets		<u>264,270</u>
Non-Current Assets		
Plant and equipment	5	6,314
Other assets	4	4,926
Total Non-Current Assets		<u>11,240</u>
Total Assets		<u>275,510</u>
Current Liabilities		
Trade and other payables	6	41,762
Borrowings	7	-
Provisions	8	16,069
Total Current Liabilities		<u>57,831</u>
Non-Current Liabilities		
Provisions	8	-
Total Non-Current Liabilities		<u>-</u>
Total Liabilities		<u>57,831</u>
Net Assets		<u><u>217,679</u></u>
Equity		
Issued capital		400,060
Reserves		-
Accumulated losses		(182,381)
Total Equity		<u><u>217,679</u></u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity
For the period ended 30 June 2013

	Notes	Issued capital \$	Accumulated losses \$	Total Equity \$
Balance at 6 June 2012		-	-	-
Profit for the year		-	(182,381)	(182,381)
Other comprehensive income for the year		-	-	-
Contributed capital		400,060	-	400,060
Dividends paid		-	-	-
Balance at 30 June 2013		400,060	(182,381)	217,679

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows
For the period ended 30 June 2013

	Notes	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers		13,836
Payments to suppliers and employees		(206,661)
Net cash provided by/(used in) operating activities		<u>(192,825)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment		(10,644)
Payment of deposits		(4,926)
Net cash provided by/(used in) investing activities		<u>(15,570)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issued capital		400,060
Net cash provided by/(used in) financing activities		<u>400,060</u>
Net increase/(decrease) in cash and cash equivalents held		191,665
Cash and cash equivalents at beginning of period		-
Cash and cash equivalents at end of period		<u><u>191,665</u></u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the period ended 30 June 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BidEnergy Pty Ltd is a company limited by shares, incorporated and domiciled in Australia.

Basis of Preparation

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

The financial statements have been prepared in accordance with the Australian Accounting Standards and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a). Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Notes to the Financial Statements

For the period ended 30 June 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(a). Income Tax (Cont.)

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(b). Fair Value of Assets and Liabilities

Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

The company does not measure any of its assets and liabilities at fair value on either a recurring or non-recurring basis.

(c). Plant and Equipment

Each class of plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

Notes to the Financial Statements

For the period ended 30 June 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(c). Plant and Equipment (Cont.)

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Office equipment	15-30%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d). Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at cost.

i. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

ii. Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost.

The fair value of the liability portion of a convertible redeemable preference share is determined using a market interest rate for an equivalent non-convertible note. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Notes to the Financial Statements

For the period ended 30 June 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(d). Financial Instruments (Cont.)

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at cost, loss events may include: indications that the debtors (or a group of debtors) are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account, or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(e). Impairment of Assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Notes to the Financial Statements

For the period ended 30 June 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(f). Employee Benefits

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(g). Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(h). Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(i). Revenue and Other Income

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period, where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

All revenue is stated net of the amount of goods and services tax (GST).

Notes to the Financial Statements

For the period ended 30 June 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(j). Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Trade and other receivables are initially recognised at fair value and subsequently measured at cost less any provision for impairment.

(k). Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(l). Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(m). Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

(n). Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The Directors believe that it is reasonably foreseeable that the company will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

As disclosed in Note 17 Events Subsequent to the End of the Reporting Period:

- The company issued convertible notes of \$926,567 and \$2,717,858 in the financial years ended 30 June 2014 and 30 June 2015, respectively. The convertible note liability is expected to be converted to shares as part of the below-mentioned listing on the ASX.
- The company has continued to invest in its growth plans and expansion into the USA and UK. As at 31 December 2015, the company had net current liabilities of \$794,661 and net liabilities of \$778,759.
- In order to continue funding operations, the company completed a private share placement in February 2016 and raised \$2,860,338, before capital raising costs.
- The company intends on listing on the Australian Securities Exchange (ASX) via reverse takeover of an existing listed vehicle. The listing is planned to take place in May 2016 and will aim to raise \$7 million.

Notes to the Financial Statements

For the period ended 30 June 2013

2013

\$

NOTE 2. CASH AND CASH EQUIVALENTS

Current

Cash at bank

191,665

NOTE 3. TRADE AND OTHER RECEIVABLES

Current

Trade debtors

72,605

NOTE 4. OTHER ASSETS

Current

Prepayments

-

Non Current

Deposit bonds

4,926

NOTE 5. PLANT AND EQUIPMENT

Non Current

Office equipment - at cost

10,644

Less accumulated depreciation

(4,330)

Total plant and equipment

6,314

Notes to the Financial Statements

For the period ended 30 June 2013

	2013
	\$
NOTE 6. TRADE AND OTHER PAYABLES	
Current	
Trade creditors	4,283
Other payables	37,479
	<u>41,762</u>
NOTE 7. BORROWINGS	
Current	
Convertible note liability	<u>-</u>
NOTE 8. PROVISIONS	
Current	
Provision for annual leave	<u>16,069</u>
Non Current	
Provision for long service leave	<u>-</u>

Notes to the Financial Statements

For the period ended 30 June 2013

NOTE 9. CONTINGENT LIABILITIES AND ASSETS

The directors are not aware of any contingent liabilities or contingent assets.

NOTE 10. COMMITMENTS

The company has rental commitment of \$18,450 per annum.

The company has no capital expenditure commitments.

NOTE 11. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

The company issued convertible notes for \$926,567 and \$2,717,858 in the financial years ended 30 June 2014 and 30 June 2015, respectively.

The company has continued to invest in its growth plans and expansion into the USA and UK. As at 31 December 2015, the company had net current liabilities of \$794,661 and net liabilities of \$778,759. In order to continue funding operations, the company completed a private share placement in February 2016 and raised \$2,860,338, before capital raising costs.

No other matters or circumstances have arisen since the end of the financial year which require disclosure.

NOTE 12. COMPANY DETAILS

The registered office principal place of business of the company is:

BidEnergy Pty Ltd

Exchange Tower Suite 1208

530 Little Collins Street

MELBOURNE VIC 3000

Directors' Declaration

In accordance with a resolution of the directors of BidEnergy Pty Ltd, the directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes as set out on pages 5 to 17:
 - (a) comply with Accounting Standards; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2013 and of its performance for the period ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



.....
Anthony Du Preez
Director

Melbourne, VIC

19 April 2016

RSM Australia Pty LtdLevel 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199www.rsm.com.au**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF****BIDENERGY PTY LTD**

We have audited the accompanying financial report, being a special purpose financial report, of BidEnergy Pty Ltd, which comprises the statement of financial position as at 30 June 2013, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors are responsible for the preparation of the financial report, and have determined that the basis of preparation described in Note 1, is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of BidEnergy Pty Ltd as of 30 June 2013 and its financial performance and its cash flows for the period then ended in accordance with the basis of preparation described in Note 1 to the financial statements.

Basis of accounting

Without further modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of preparation. The financial report has been prepared to assist BidEnergy Pty Ltd to meet the needs of the members. As a result, the financial report may not be suitable for another purpose.



RSM AUSTRALIA PTY LTD



J S CROALL
Director

Melbourne, VIC
22 April 2016

BIDENERGY PTY LTD
ACN: 158 837 097

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2014

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Directors' Report

The directors present their report on the entity for the financial year ended 30 June 2014.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Anthony Du Preez
Bob Browning
Clive Stuart Allinson
Adrian Palmer
Bruce Macfarlane
Victor Wenas

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Review of Operations

The loss for the financial year amounted to \$297,931 (2013: \$182,380).

A review of the operations of the company during the financial year and the results of those operations show the company increased revenue by 303% to \$348,740.

Significant Changes in State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

Principal Activities

The principal activities of the company during the financial year were the provision of cloud based energy procurement systems.

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

Environmental Regulation

The entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Directors' Report

Dividends

No dividends were paid or declared during or since the end of the financial year.

Options

No options over issued shares or interests in the entity were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Indemnifying Officers or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings

The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration is set out on page 4.

Signed in accordance with a resolution of the Directors:



Anthony Du Preez
Director

Melbourne, VIC
16 December 2014

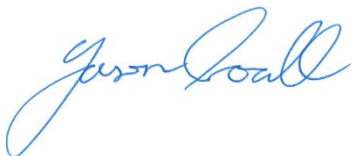
RSM Bird Cameron

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of BidEnergy Pty Ltd for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Australian professional accounting bodies; and
- (ii) Any applicable code of professional conduct in relation to the audit.

**RSM BIRD CAMERON**

J S CROALL
Director

Melbourne, VIC
22 December 2014

Statement of Profit and Loss and Other Comprehensive Income

For the year ended 30 June 2014

	Notes	2014	2013
		\$	\$
Revenue		348,740	86,441
Administration expense		(16,389)	(3,152)
Conferences expense		(42,156)	(2,932)
Employee expenses		(407,491)	(164,487)
Finance costs		(6,204)	(213)
Insurance expense		(7,191)	-
Rent expense		(18,192)	(6,609)
Share issues costs		(73,485)	-
Other expenses		(75,563)	(91,429)
Profit/(Loss) before income tax		<u>(297,931)</u>	<u>(182,381)</u>
Income tax expense		-	-
Profit/(Loss) for the year		<u><u>(297,931)</u></u>	<u><u>(182,381)</u></u>
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income/(loss) for the year		<u><u>(297,931)</u></u>	<u><u>(182,381)</u></u>

The above Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 30 June 2014

	Notes	2014 \$	2013 \$
Current Assets			
Cash and cash equivalents	2	833,520	191,665
Trade and other receivables	3	178,301	72,605
Other assets	4	8,577	-
Total Current Assets		<u>1,020,398</u>	<u>264,270</u>
Non-Current Assets			
Plant and equipment	5	6,328	6,314
Other assets	4	4,926	4,926
Total Non-Current Assets		<u>11,254</u>	<u>11,240</u>
Total Assets		<u>1,031,652</u>	<u>275,510</u>
Current Liabilities			
Trade and other payables	6	77,623	41,762
Borrowings	7	355,043	-
Provisions	8	25,080	16,069
Total Current Liabilities		<u>457,746</u>	<u>57,831</u>
Non-Current Liabilities			
Provisions	8	4,251	-
Total Non-Current Liabilities		<u>4,251</u>	<u>-</u>
Total Liabilities		<u>461,997</u>	<u>57,831</u>
Net Assets		<u>569,655</u>	<u>217,679</u>
Equity			
Issued capital		400,060	400,060
Reserves		649,906	-
Accumulated losses		(480,311)	(182,381)
Total Equity		<u>569,655</u>	<u>217,679</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2014

	Notes	Issued capital \$	Reserves \$	Accumulated losses \$	Total Equity \$
Balance at 1 July 2012		-	-	-	-
Loss for the year		-	-	(182,381)	(182,381)
Other comprehensive income for the year		-	-	-	-
Contributed capital		400,060	-	-	400,060
Dividends paid		-	-	-	-
Balance at 30 June 2013		400,060	-	(182,381)	217,679
Balance at 1 July 2013		400,060	-	(182,381)	217,679
Loss for the year		-	-	(297,931)	(297,931)
Other comprehensive income for the year		-	-	-	-
Convertible redeemable preference share reserve		-	649,906	-	649,906
Dividends paid		-	-	-	-
Balance at 30 June 2014		400,060	649,906	(480,311)	569,655

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 30 June 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BidEnergy Pty Ltd is a company limited by shares, incorporated and domiciled in Australia.

Basis of Preparation

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

The financial statements have been prepared in accordance with the Australian Accounting Standards and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a). Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Notes to the Financial Statements

For the year ended 30 June 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(a). Income Tax (Cont.)

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(b). Fair Value of Assets and Liabilities

Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

The company does not measure any of its assets and liabilities at fair value on either a recurring or non-recurring basis.

(c). Plant and Equipment

Each class of plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

Notes to the Financial Statements

For the year ended 30 June 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(c). Plant and Equipment (Cont.)

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Office equipment	15-30%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d). Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at cost.

i. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

ii. Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost.

The fair value of the liability portion of a convertible redeemable preference share is determined using a market interest rate for an equivalent non-convertible note. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Notes to the Financial Statements

For the year ended 30 June 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(d). Financial Instruments (Cont.)

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at cost, loss events may include: indications that the debtors (or a group of debtors) are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account, or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(e). Impairment of Assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Notes to the Financial Statements

For the year ended 30 June 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(f). Employee Benefits

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(g). Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(h). Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(i). Revenue and Other Income

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period, where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

All revenue is stated net of the amount of goods and services tax (GST).

Notes to the Financial Statements

For the year ended 30 June 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(j). Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Trade and other receivables are initially recognised at fair value and subsequently measured at cost less any provision for impairment.

(k). Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(l). Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(m). Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by Accounting Standards or as a result of changes in accounting policy.

(n). Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

(o). Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the company incurred a loss of \$297,931 for the year ended 30 June 2014 (2013: \$182,381). This factor along with continued cashflow demands from the business indicates a significant uncertainty as to whether the company will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the company will be able to continue as a going concern, after consideration of the planned capital raising which the Directors believe will generate \$3 million in funds before capital raising costs.

Accordingly, the Directors believe that the company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report. The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the company does not continue as a going concern.

Notes to the Financial Statements

For the year ended 30 June 2014

	2014	2013
	\$	\$
NOTE 2. CASH AND CASH EQUIVALENTS		
Current		
Cash at bank	<u>833,520</u>	<u>191,665</u>
NOTE 3. TRADE AND OTHER RECEIVABLES		
Current		
Trade debtors	<u>178,301</u>	<u>72,605</u>
NOTE 4. OTHER ASSETS		
Current		
Prepayments	<u>8,577</u>	<u>-</u>
Non Current		
Deposit bonds	<u>4,926</u>	<u>4,926</u>
NOTE 5. PLANT AND EQUIPMENT		
Non Current		
Office equipment - at cost	14,053	10,644
Less accumulated depreciation	<u>(7,725)</u>	<u>(4,330)</u>
Total plant and equipment	<u>6,328</u>	<u>6,314</u>

Notes to the Financial Statements

For the year ended 30 June 2014

	2014	2013
	\$	\$
NOTE 6. TRADE AND OTHER PAYABLES		
Current		
Trade creditors	4,133	4,283
Other payables	73,490	37,479
	<u>77,623</u>	<u>41,762</u>
NOTE 7. BORROWINGS		
Current		
Convertible redeemable preference share liability	<u>355,043</u>	<u>-</u>
NOTE 8. PROVISIONS		
Current		
Provision for annual leave	<u>25,080</u>	<u>16,069</u>
Non Current		
Provision for long service leave	<u>4,249</u>	<u>-</u>

Notes to the Financial Statements

For the year ended 30 June 2014

NOTE 9. CONTINGENT LIABILITIES AND ASSETS

The directors are not aware of any contingent liabilities or contingent assets.

NOTE 10. COMMITMENTS

The company has a lease commitment until February 2015 for the rent of its offices. The rental commitment is \$18,450 per annum.

The company has no capital expenditure commitments.

NOTE 11. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year which require disclosure.

NOTE 12. COMPANY DETAILS

The registered office principal place of business of the company is:

BidEnergy Pty Ltd

Exchange Tower Suite 1208

530 Little Collins Street

MELBOURNE VIC 3000

Directors' Declaration

In accordance with a resolution of the directors of BidEnergy Pty Ltd, the directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes as set out on pages 5 to 16:
 - (a) comply with Accounting Standards; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Anthony Du Preez
Director

Melbourne, VIC
16 December 2014

RSM Bird Cameron

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BIDENERGY PTY LTD**

We have audited the accompanying financial report, being a special purpose financial report, of BidEnergy Pty Ltd, which comprises the statement of financial position as at 30 June 2014, the statement of profit and loss and other comprehensive income and statement of changes in for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the needs of the members.

The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Basis for Qualified Opinion

The financial report of BidEnergy Pty Ltd for the year ended 30 June 2013 has not been audited. We have been unable to perform alternative audit procedures to enable us to form an opinion on the comparatives for 30 June 2013. The results of the company for the year ended 30 June 2014 would be affected to the extent of any misstatement of the 30 June 2013 consolidated statement of financial position. Accordingly, we are not in a position to and do not express an opinion on the comparatives for 30 June 2013 or the statement of profit and loss and other comprehensive income and the statement of changes in equity for the year ended 30 June 2014.

Qualified Opinion

In our opinion, because of the existence of the limitation on the scope of our audit work as described in the preceding paragraph, and the effect of such adjustments, if any, as might have been determined to be necessary had the limitation in scope not existed, we are unable to and do not express an opinion whether the comparatives for 30 June 2013 and the results of BidEnergy Pty Ltd's operations for the financial year ended 30 June 2014 are presented fairly, in all material respects, in accordance with the basis of accounting described in Note 1 to the financial statements.

In our opinion, the statement of financial position presents fairly, in all material respects, the financial position of BidEnergy Pty Ltd as at 30 June 2014 in accordance with the basis of accounting described in Note 1 to the financial statements.

Emphasis of Matter

Without further qualifying our opinion, we draw attention to Note 1(o) in the financial report, which indicates that the entity reported an operating loss of \$297,931 for the year ended 30 June 2014 (2013: \$182,381) and due to continued cashflow demands from the business it is likely that additional funding will be required from the planned capital raising. These conditions, along with other matters as set forth in Note 1(o), indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business.

Basis of Accounting

Without further modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to meet the needs of the members. As a result, the financial report may not be suitable for another purpose.



RSM BIRD CAMERON

Melbourne, VIC



J S CROALL
Director

BIDENERGY PTY LTD
ACN: 158 837 097

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2015

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Directors' Report

The directors present their report on the entity for the financial year ended 30 June 2015.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Anthony Du Preez
Bob Browning
Clive Stuart Allinson
Zac Rosenberg (appointed January 2015)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Review of Operations

The loss for the financial year amounted to \$1,601,884 (2014: \$224,446).

A review of the operations of the company during the financial year and the results of those operations show the company increased revenue by 81% to \$500,420.

Significant Changes in State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

Principal Activities

The principal activities of the company during the financial year were the provision of cloud based energy procurement systems.

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

Environmental Regulation

The entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Directors' Report

Dividends

No dividends were paid or declared during or since the end of the financial year.

Options

There were 3,797 options over issued shares in the entity during the financial year.

Indemnifying Officers or Auditor

The company paid \$13,722 in insurance premiums to indemnify any person who is or has been a director or officer of the company during the financial year.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings

The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under s307C of the *Corporations Act 2001* is set out on page 4.

Signed in accordance with a resolution of the Directors:



Clive Stuart Allinson
Director

Melbourne, VIC
15 January 2016



RSM Australia Pty Ltd

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of BidEnergy Pty Ltd for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Australian professional accounting bodies; and
- (ii) Any applicable code of professional conduct in relation to the audit.

RSM AUSTRALIA PTY LTD

J S CROALL
Director

Melbourne, VIC
15 January 2016

BIDENERGY PTY LTD
ACN: 158 837 097

Statement of Profit and Loss and Other Comprehensive Income

For the year ended 30 June 2015

	Notes	2015 \$	2014 \$
Revenue	2	500,420	276,319
Other income	2	173,954	72,421
Administration expense		(74,466)	(16,389)
Conferences expense		(82,606)	(42,156)
Employee benefits expense		(1,076,368)	(407,491)
Finance costs		(378,113)	(6,204)
Marketing expense		(134,673)	(1,693)
Consulting expense		(194,020)	(9,980)
Occupancy expense		(56,929)	(18,192)
Other expenses		(279,045)	(71,081)
Profit/(Loss) before income tax	3	(1,601,844)	(224,446)
Income tax expense	4	-	-
Profit/(Loss) for the year		<u>(1,601,844)</u>	<u>(224,446)</u>
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive loss for the year		<u>(1,601,844)</u>	<u>(224,446)</u>

The above Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 30 June 2015

	Notes	2015 \$	2014 \$
Current Assets			
Cash and cash equivalents	5	2,395,880	833,520
Trade and other receivables	6	206,367	178,301
Other assets	7	10,414	8,577
Total Current Assets		<u>2,612,661</u>	<u>1,020,398</u>
Non-Current Assets			
Plant and equipment	8	19,980	6,328
Other assets	7	12,626	4,926
Total Non-Current Assets		<u>32,606</u>	<u>11,254</u>
Total Assets		<u>2,645,267</u>	<u>1,031,652</u>
Current Liabilities			
Trade and other payables	9	146,149	77,623
Borrowings	10	1,734,188	355,043
Provisions	11	58,574	25,080
Other liabilities	12	11,258	-
Total Current Liabilities		<u>1,950,169</u>	<u>457,746</u>
Non-Current Liabilities			
Provisions	11	10,926	4,251
Total Non-Current Liabilities		<u>10,926</u>	<u>4,251</u>
Total Liabilities		<u>1,961,095</u>	<u>461,997</u>
Net Assets		<u>684,172</u>	<u>569,655</u>
Equity			
Issued capital	13	400,060	400,060
Reserves		2,292,782	576,421
Accumulated losses		(2,008,670)	(406,826)
Total Equity		<u>684,172</u>	<u>569,655</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2015

	Notes	Issued capital \$	Reserves \$	Accumulated losses \$	Total Equity \$
Balance at 1 July 2013		400,060	-	(182,380)	217,680
Loss for the year		-	-	(224,446)	(224,446)
Other comprehensive income for the year		-	-	-	-
Convertible note reserve		-	649,906	-	649,906
Capital raising costs		-	(73,485)	-	(73,485)
Balance at 30 June 2014		400,060	576,421	(406,826)	569,655
Balance at 1 July 2014		400,060	576,421	(406,826)	569,655
Loss for the year		-	-	(1,601,844)	(1,601,844)
Other comprehensive income for the year		-	-	-	-
Convertible note reserve		-	1,858,879	-	1,858,879
Share option reserve		-	225,801	-	225,801
Capital raising costs		-	(368,319)	-	(368,319)
Balance at 30 June 2015		400,060	2,292,782	(2,008,670)	684,172

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cashflow

For the year ended 30 June 2015

	Notes	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		483,612	170,623
Receipts from research and development incentive		129,992	62,598
Payments to suppliers and employees		(1,781,979)	(523,040)
Interest received		43,962	9,823
Finance costs paid		(465)	(1,307)
Net cash provided by/(used in) operating activities	14	<u>(1,124,878)</u>	<u>(281,303)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(22,921)	(3,409)
Payment of security deposits		(7,700)	-
Net cash provided by/(used in) investing activities		<u>(30,621)</u>	<u>(3,409)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings, net of capital raising costs		<u>2,717,858</u>	<u>926,567</u>
Net cash provided by/(used in) financing activities		<u>2,717,858</u>	<u>926,567</u>
Net increase/(decrease) in cash and cash equivalents held		1,562,359	641,855
Cash and cash equivalents at beginning of year		<u>833,520</u>	<u>191,665</u>
Cash and cash equivalents at end of year	5	<u><u>2,395,879</u></u>	<u><u>833,520</u></u>

The above Statement of Cashflows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 30 June 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BidEnergy Pty Ltd is a company limited by shares, incorporated and domiciled in Australia.

Basis of Preparation

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

The financial statements have been prepared in accordance with the Australian Accounting Standards and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a). Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Notes to the Financial Statements

For the year ended 30 June 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(a). Income Tax (Cont.)

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(b). Fair Value of Assets and Liabilities

Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

The company does not measure any of its assets and liabilities at fair value on either a recurring or non-recurring basis.

(c). Plant and Equipment

Each class of plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

Notes to the Financial Statements

For the year ended 30 June 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(c). Plant and Equipment (Cont.)

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Office equipment	15-30%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d). Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at cost.

i. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at cost.

ii. Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at cost.

Notes to the Financial Statements

For the year ended 30 June 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(d). Financial Instruments (Cont.)

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at cost, loss events may include: indications that the debtors (or a group of debtors) are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account, or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(e). Impairment of Assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Notes to the Financial Statements

For the year ended 30 June 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(f). Employee Benefits

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(g). Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(h). Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(i). Revenue and Other Income

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period, where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

All revenue is stated net of the amount of goods and services tax (GST).

Notes to the Financial Statements

For the year ended 30 June 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(j). Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at cost less any provision for impairment.

(k). Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(l). Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(m). Share Based Payments

Equity-settled share-based payments are provided to certain suppliers. Equity-settled transactions are awards of shares, or options over shares, that are provided to suppliers in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the entity receives the services that entitle the suppliers to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Notes to the Financial Statements

For the year ended 30 June 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(n). Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by Accounting Standards or as a result of changes in accounting policy.

Correction of Prior Period Error

Due to an accounting error, capital raising costs of \$73,485 was expensed through the statement of profit or loss and other comprehensive income during the year ended 30 June 2014. This error had the effect of overstating the loss for the year ended 30 June 2014 by \$73,485 and overstating equity reserves by \$73,485 as at 30 June 2014. The error did not affect the net asset position at 30 June 2014.

The error as described above has been corrected by restating each of the affected financial statement line items for the prior year.

(o). Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

(p). New Accounting Standards for Application in Future Periods

At the date of this financial report the following standards and interpretations, which may impact the entity in the period of initial application, have been issued but are not yet effective. Other than changes to disclosure formats, it is not expected that the initial application of these Standards and Interpretations in the future will have any material impact.

Reference	Title	Summary	Application date (financial years beginning)
AASB 15	<i>Revenue from Contracts with Customers</i>	This Standard establishes principles (including disclosure requirements) for reporting useful information about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.	1 January 2017
AASB 9	<i>Financial Instruments</i>	This Standard supersedes both AASB 9 (December 2010) and AASB 9 (December 2009) when applied. It introduces a "fair value through other comprehensive income" category for debt instruments, contains requirements for impairment of financial assets, etc.	1 January 2018

Notes to the Financial Statements

For the year ended 30 June 2015

	2015 \$	2014 \$
NOTE 2. REVENUE AND OTHER INCOME		
Revenue:		
Service fees	500,420	276,319
Other income:		
Interest income	43,962	9,823
Research and development tax incentive	129,992	62,598
	<u>674,374</u>	<u>348,740</u>
NOTE 3. PROFIT/(LOSS) FOR THE YEAR		
Profit for the year has been arrived at after charging the following items of expense:		
Depreciation expense	9,269	3,395
Interest expense - convertible notes	<u>377,648</u>	<u>4,897</u>
NOTE 4. INCOME TAX EXPENSE		
The components of tax expense comprise:		
Current tax	-	-
Deferred tax	-	-
	<u>-</u>	<u>-</u>
The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax payable/(receivable) on profit from ordinary activities before income tax at 30% (2014: 30%)	<u>(480,553)</u>	<u>(67,334)</u>
Add:		
Tax effect of:		
- tax losses not recognised	480,553	67,334
	<u>-</u>	<u>-</u>
Income tax attributable to entity	<u>-</u>	<u>-</u>
The applicable weighted average effective tax rates are as follows:	0%	0%

Notes to the Financial Statements

For the year ended 30 June 2015

	2015 \$	2014 \$
NOTE 5. CASH AND CASH EQUIVALENTS		
Current		
Cash at bank	<u>2,395,880</u>	<u>833,520</u>
NOTE 6. TRADE AND OTHER RECEIVABLES		
Current		
Trade debtors	<u>206,367</u>	<u>178,301</u>
NOTE 7. OTHER ASSETS		
Current		
Prepayments	<u>10,414</u>	<u>8,577</u>
Non Current		
Deposit bonds	<u>12,626</u>	<u>4,926</u>
NOTE 8. PLANT AND EQUIPMENT		
Non Current		
Office equipment - at cost	36,974	14,053
Less accumulated depreciation	<u>(16,994)</u>	<u>(7,725)</u>
Total plant and equipment	<u>19,980</u>	<u>6,328</u>
NOTE 9. TRADE AND OTHER PAYABLES		
Current		
Trade creditors	57,696	4,133
Other payables	<u>88,453</u>	<u>73,490</u>
	<u>146,149</u>	<u>77,623</u>

Notes to the Financial Statements

For the year ended 30 June 2015

	2015	2014
	\$	\$
NOTE 10. BORROWINGS		
Current		
Convertible note liability	<u>1,734,188</u>	<u>355,043</u>
NOTE 11. PROVISIONS		
Current		
Provision for annual leave	<u>58,574</u>	<u>25,080</u>
Non Current		
Provision for long service leave	<u>10,926</u>	<u>4,249</u>
NOTE 12. OTHER LIABILITIES		
Current		
Deferred income	<u>11,258</u>	<u>-</u>
NOTE 13. ISSUED CAPITAL		
52,800 fully paid class A shares (2014: 52,800)	<u>400,060</u>	<u>400,060</u>

Notes to the Financial Statements

For the year ended 30 June 2015

	2015	2014
	\$	\$
NOTE 14. CASH FLOW INFORMATION		
Reconciliation of Cash Flow from Operations with Profit/(Loss) from Ordinary Activities after income tax:		
Loss from Ordinary Activities after income tax	(1,601,844)	(224,446)
Non-cash flows in ordinary activities:		
Depreciation expense	9,269	3,395
Interest expense - convertible notes	377,648	4,897
Changes in assets and liabilities:		
(Increase) / decrease in trade and other receivables	(28,066)	(105,696)
(Increase) / decrease in other assets	(1,837)	(8,577)
Increase/ (decrease) in trade and other payables	68,526	35,862
Increase/ (decrease) in other liabilities	11,258	-
Increase/ (decrease) in provisions	40,168	13,262
Cash flows from operating activities	<u>(1,124,878)</u>	<u>(281,303)</u>

NOTE 15. CONTINGENT LIABILITIES AND ASSETS

The directors are not aware of any contingent liabilities or contingent assets.

NOTE 16. COMMITMENTS

Operating Lease Commitments:

Not later than one year	28,350	12,300
Later than one year and not later than five years	-	-
More than five years	-	-
	<u>28,350</u>	<u>12,300</u>

The company has no capital expenditure commitments.

Notes to the Financial Statements

For the year ended 30 June 2015

NOTE 17. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year which require disclosure.

NOTE 18. COMPANY DETAILS

The registered office and principal place of business of the company is:

BidEnergy Pty Ltd

Exchange Tower Suite 1208

530 Little Collins Street

MELBOURNE VIC 3000

Directors' Declaration

In accordance with a resolution of the directors of BidEnergy Pty Ltd, the directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes as set out on pages 5 to 20:
 - (a) comply with Accounting Standards; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2015 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Clive Stuart Allinson
Director

Melbourne, VIC
15 January 2016



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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

BIDENERGY PTY LTD

We have audited the accompanying financial report, being a special purpose financial report, of BidEnergy Pty Ltd, which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors declaration.

Directors' Responsibility for the Financial Report

The directors are responsible for the preparation of the financial report, and have determined that the basis of preparation described in Note 1, is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

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THE POWER OF BEING UNDERSTOOD

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RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation

Basis for Qualified Opinion

The financial report of BidEnergy Pty Ltd for the year ended 30 June 2013 was not audited. As detailed in our audit report dated 22 December 2014 on the 30 June 2014 financial report, we were unable to perform alternative audit procedures to enable us to form an opinion on the corresponding figures for 30 June 2013. In addition, the results of the company for the year ended 30 June 2014 would be affected to the extent of any misstatement of the 30 June 2013 statement of financial position. As a result, we have been unable to determine whether adjustments might have been necessary in respect of the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year ended 30 June 2014. Our audit report on the 30 June 2014 financial report was qualified on that basis. Accordingly, we are not in a position to and do not express an opinion on the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year ended 30 June 2014.

Opinion

In our opinion, except for the effects on the corresponding figures of the matter described in the Basis for Qualified Opinion paragraph, the financial report presents fairly, in all material respects, the financial position of BidEnergy Pty Ltd as of 30 June 2015 and its financial performance and its cash flows for the year then ended in accordance with the basis of preparation described in Note 1 to the financial statements.

Basis of accounting

Without further modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of preparation. The financial report has been prepared to assist BidEnergy Pty Ltd to meet the needs of the members. As a result, the financial report may not be suitable for another purpose

A handwritten signature in blue ink, appearing to read 'RSM'.

RSM AUSTRALIA PTY LTD

A handwritten signature in blue ink, appearing to read 'J S Croall'.

J S CROALL
Director

Melbourne, VIC
15 January 2016

BIDENERGY PTY LTD
ACN: 158 837 097

FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

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Directors' Report

The directors present their report on the entity for the financial half year ended 31 December 2015.

Directors

The names of the directors in office at any time during, or since the end of, the half year are:

Anthony Du Preez
Bob Browning
Clive Stuart Allinson
Zac Rosenberg (appointed January 2015)

Directors have been in office since the start of the financial half year to the date of this report unless otherwise stated.

Review of Operations

The loss for the financial half year amounted to \$1,462,931.

A review of the operations of the company during the financial half year and the results of those operations show the company continued to increased revenue.

Significant Changes in State of Affairs

No significant changes in the company's state of affairs occurred during the financial half year.

Principal Activities

The principal activities of the company during the financial half year were the provision of cloud based energy procurement systems.

Events Subsequent to the End of the Reporting Half Year

The company is conducting a private share placement ("the placement") in February 2016 to raise \$2,860,338. The placement is fully underwritten. As at the date of this report the placement had been fully subscribed. No other matters or circumstances have arisen since the end of the financial period which require disclosure.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the company and the expected results of those operations in future financial half year have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

Environmental Regulation

The entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Directors' Report

Dividends

No dividends were paid or declared during or since the end of the financial period.

Options

There were 3,797 options over issued shares outstanding at the date of this report.

Indemnifying Officers or Auditor

The company paid \$1,395 in insurance premiums to indemnify any person who is or has been a director or officer of the company during the financial period.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings

The company was not a party to any such proceedings during the period.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under s307C of the *Corporations Act 2001* is set out on page 4.

Signed in accordance with a resolution of the Directors:



Anthony Du Preez
Director

Melbourne, VIC
22 February 2016

RSM Australia Pty Ltd

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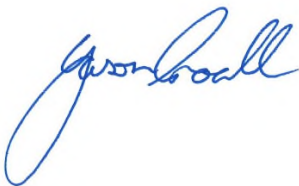
AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of BidEnergy Pty Ltd for the period ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Australian professional accounting bodies; and
- (ii) Any applicable code of professional conduct in relation to the audit.

A stylized blue ink signature of 'RSM'.

RSM AUSTRALIA PTY LTD

A blue ink signature of 'J S Croall'.

J S CROALL

Director

Melbourne, VIC

22 February 2016

Statement of Profit and Loss and Other Comprehensive Income

For the half year ended 31 December 2015

	Notes	December half year 2015 \$
Revenue	2	448,831
Other income	2	120,787
Administration expense		(112,139)
Conferences expense		(70,538)
Employee benefits expense		(990,900)
Finance costs		(314,909)
Marketing expense		(120,337)
Consulting expense		(108,098)
Occupancy expense		(38,443)
Travelling expense		(136,498)
Other expenses		(140,688)
Profit/(Loss) before income tax	3	<u>(1,462,931)</u>
Income tax expense	4	-
Profit/(Loss) for the period		<u><u>(1,462,931)</u></u>
 Other comprehensive income for the period		 <u>-</u>
 Total comprehensive loss for the period		 <u><u>(1,462,931)</u></u>

The above Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 31 December 2015

	Notes	December 2015 \$
Current Assets		
Cash and cash equivalents	5	1,431,701
Trade and other receivables	6	130,347
Other assets	7	4,549
Total Current Assets		<u>1,566,597</u>
Non-Current Assets		
Plant and equipment	8	18,201
Other assets	7	12,626
Total Non-Current Assets		<u>30,827</u>
Total Assets		<u>1,597,424</u>
Current Liabilities		
Trade and other payables	9	213,806
Borrowings	10	2,048,645
Provisions	11	92,888
Other liabilities	12	5,920
Total Current Liabilities		<u>2,361,258</u>
Non-Current Liabilities		
Provisions	11	14,925
Total Non-Current Liabilities		<u>14,925</u>
Total Liabilities		<u>2,376,183</u>
Net Assets/(Deficiency)		<u>(778,759)</u>
Equity		
Issued capital	13	400,060
Reserves		2,292,782
Accumulated losses		(3,471,602)
Total Equity		<u>(778,759)</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the half year ended 31 December 2015

	Notes	Issued capital \$	Reserves \$	Accumulated losses \$	Total Equity \$
Balance at 1 July 2015		400,060	2,292,782	(2,008,670)	684,172
Loss for the half year		-	-	(1,462,931)	(1,462,931)
Other comprehensive income for the half year		-	-	-	-
Convertible note reserve		-	-	-	-
Share option reserve		-	-	-	-
Capital raising costs		-	-	-	-
Balance at 31 December 2015		400,060	2,292,782	(3,471,602)	(778,759)

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cashflow

For the half year ended 31 December 2015

	Notes	December half year 2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers		519,513
Receipts from other income		100,000
Payments to suppliers and employees		(1,598,540)
Interest received		20,787
Finance costs paid		(451)
Net cash provided by/(used in) operating activities	14	<u>(958,692)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment		(5,486)
Payment of security deposits		-
Net cash provided by/(used in) investing activities		<u>(5,486)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings, net of capital raising costs		-
Net cash provided by/(used in) financing activities		<u>-</u>
Net increase/(decrease) in cash and cash equivalents held		(964,178)
Cash and cash equivalents at beginning of period		2,395,879
Cash and cash equivalents at end of period	5	<u><u>1,431,701</u></u>

The above Statement of Cashflows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the half year ended 31 December 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BidEnergy Pty Ltd is a company limited by shares, incorporated and domiciled in Australia.

Basis of Preparation

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a). Income Tax

The income tax expense (revenue) for the half year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the half year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the half year when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Notes to the Financial Statements

For the half year ended 31 December 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(a). Income Tax (Cont.)

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(b). Fair Value of Assets and Liabilities

Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

The company does not measure any of its assets and liabilities at fair value on either a recurring or non-recurring basis.

(c). Plant and Equipment

Each class of plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

Notes to the Financial Statements

For the half year ended 31 December 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(c). Plant and Equipment (Cont.)

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Office equipment	15-30%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d). Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at cost.

i. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at cost.

ii. Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at cost.

Notes to the Financial Statements

For the half year ended 31 December 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(d). Financial Instruments (Cont.)

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at cost, loss events may include: indications that the debtors (or a group of debtors) are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account, or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(e). Impairment of Assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Notes to the Financial Statements

For the half year ended 31 December 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(f). Employee Benefits

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(g). Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(h). Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(i). Revenue and Other Income

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period, where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

All revenue is stated net of the amount of goods and services tax (GST).

Notes to the Financial Statements

For the half year ended 31 December 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(j). Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at cost less any provision for impairment.

(k). Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(l). Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(m). Share Based Payments

Equity-settled share-based payments are provided to certain suppliers. Equity-settled transactions are awards of shares, or options over shares, that are provided to suppliers in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the entity receives the services that entitle the suppliers to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Notes to the Financial Statements

For the half year ended 31 December 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(n). Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

(o). New Accounting Standards for Application in Future Years

At the date of this financial report the following standards and interpretations, which may impact the entity in the period of initial application, have been issued but are not yet effective. Other than changes to disclosure formats, it is not expected that the initial application of these Standards and Interpretations in the future will have any material impact.

Reference	Title	Summary	Application date (financial periods beginning)
AASB 15	<i>Revenue from Contracts with Customers</i>	This Standard establishes principles (including disclosure requirements) for reporting useful information about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.	1 January 2017
AASB 9	<i>Financial Instruments</i>	This Standard supersedes both AASB 9 (December 2010) and AASB 9 (December 2009) when applied. It introduces a "fair value through other comprehensive income" category for debt instruments, contains requirements for impairment of financial assets, etc.	1 January 2018

Notes to the Financial Statements

For the half year ended 31 December 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(p). Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the company incurred a loss of \$1,462,931 and had net cash outflows from operating activities of \$958,692 for the half year ended 31 December 2015. As at that date the company had net current liabilities of \$794,661 and net liabilities of \$778,759.

The Directors believe that it is reasonably foreseeable that the company will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- As disclosed in Note 17 Events Subsequent to the End of the Reporting Period, the company is conducting a private share placement ("the placement") in February 2016 to raise \$2,860,338. The placement is fully underwritten. As at the date of this report the placement had been fully subscribed. The funds raised are expected to be spent on continuing operations.
- The company intends on listing on the Australian Securities Exchange (ASX) via reverse takeover of an existing listed vehicle. The listing is planned to take place in April 2016 and will aim to raise \$7 million.
- The convertible note liability of \$2,048,645 at 31 December 2015 is expected to be converted to shares as part of the above-mentioned listing on the ASX.

Notes to the Financial Statements

For the half year ended 31 December 2015

December
half year
2015
\$

NOTE 2. REVENUE AND OTHER INCOME

Revenue:

Service fees 448,831

Other income:

Interest income 20,787

Research and development tax incentive -

Option fee 100,000

569,618

NOTE 3. PROFIT/(LOSS) FOR THE PERIOD

Profit for the period has been arrived at after charging the following items of expense:

Depreciation expense 7,265

Bad and doubtful debts expense 78,376

Interest expense - convertible notes 314,457

NOTE 4. INCOME TAX EXPENSE

The components of tax expense comprise:

Current tax -

Deferred tax -

-

The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:

Prima facie tax payable/(receivable) on profit from ordinary activities before income tax at 30%

(438,879)

Add:

Tax effect of:

- tax losses not recognised 438,879

Income tax attributable to entity

-

The applicable weighted average effective tax rates are as follows:

0%

Notes to the Financial Statements

For the half year ended 31 December 2015

December
2015
\$

NOTE 5. CASH AND CASH EQUIVALENTS**Current**

Cash at bank	1,431,701
--------------	-----------

NOTE 6. TRADE AND OTHER RECEIVABLES**Current**

Trade debtors	211,919
Provision for doubtful debts	(81,572)
Trade debtors	<u>130,347</u>

NOTE 7. OTHER ASSETS**Current**

Prepayments	<u>4,549</u>
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Non Current

Deposit bonds	<u>12,626</u>
---------------	---------------

NOTE 8. PLANT AND EQUIPMENT**Non Current**

Office equipment - at cost	42,460
Less accumulated depreciation	(24,259)
Total plant and equipment	<u>18,201</u>

NOTE 9. TRADE AND OTHER PAYABLES**Current**

Trade creditors	94,165
Other payables	119,640
	<u>213,806</u>

Notes to the Financial Statements

For the half year ended 31 December 2015

December**2015****\$****NOTE 10. BORROWINGS****Current**

Convertible note liability

2,048,645**NOTE 11. PROVISIONS****Current**

Provision for annual leave

92,888**Non Current**

Provision for long service leave

14,925**NOTE 12. OTHER LIABILITIES****Current**

Deferred income

5,920**NOTE 13. ISSUED CAPITAL**

52,800 fully paid class A shares (2014: 52,800)

400,060

Notes to the Financial Statements

For the half year ended 31 December 2015

December
half year
2015
\$

NOTE 14. CASH FLOW INFORMATION

Reconciliation of Cash Flow from Operations with Profit/(Loss) from Ordinary Activities after income tax:

Loss from Ordinary Activities after income tax	(1,462,931)
Non-cash flows in ordinary activities:	
Depreciation expense	7,265
Interest expense - convertible notes	314,457
Changes in assets and liabilities:	
(Increase) / decrease in trade and other receivables	76,020
(Increase) / decrease in other assets	5,865
Increase/ (decrease) in trade and other payables	67,656
Increase/ (decrease) in other liabilities	(5,338)
Increase/ (decrease) in provisions	38,313
Cash flows from operating activities	<u>(958,692)</u>

NOTE 15. CONTINGENT LIABILITIES AND ASSETS

The directors are not aware of any contingent liabilities or contingent assets.

NOTE 16. COMMITMENTS

Operating Lease Commitments:

Not later than one year	28,350
Later than one year and not later than five years	-
More than five years	-
	<u>28,350</u>

The company has no capital expenditure commitments.

Notes to the Financial Statements

For the half year ended 31 December 2015

NOTE 17. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

The company is conducting a private share placement ("the placement") in February 2016 to raise \$2,860,338. The placement is fully underwritten. As at the date of this report the placement had been fully subscribed.

No other matters or circumstances have arisen since the end of the financial period which require disclosure.

NOTE 18. COMPANY DETAILS

The registered office and principal place of business of the company is:

BidEnergy Pty Ltd

Exchange Tower Suite 1208

530 Little Collins Street

MELBOURNE VIC 3000

Directors' Declaration

In accordance with a resolution of the directors of BidEnergy Pty Ltd, the directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes as set out on pages 5 to 21:
 - (a) comply with Accounting Standards; and
 - (b) give a true and fair view of the company's financial position as at 31 December 2015 and of its performance for the period ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



.....
Anthony Du Preez
Director

Melbourne, VIC
22 February 2016

RSM Australia Pty Ltd

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F +61(0) 3 9286 8199

www.rsm.com.au**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF****BIDENERGY PTY LTD**

We have audited the accompanying financial report, being a special purpose financial report, of BidEnergy Pty Ltd, which comprises the statement of financial position as at 31 December 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors are responsible for the preparation of the financial report, and have determined that the basis of preparation described in Note 1, is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of BidEnergy Pty Ltd as of 31 December 2015 and its financial performance and its cash flows for the period then ended in accordance with the basis of preparation described in Note 1 to the financial statements.

Basis of accounting

Without further modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of preparation. The financial report has been prepared to assist BidEnergy Pty Ltd to meet the needs of the members. As a result, the financial report may not be suitable for another purpose.

A stylized blue ink signature of the letters "RSM".

RSM AUSTRALIA PTY LTD

A blue ink signature that reads "J S Croall".

J S CROALL

Director

Melbourne, VIC
23 February 2016