Annual Report

2022

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Future First Technologies LTD
ABN 50 164 718 361

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Future First Technologies
Annual Report 30 June 2022

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Chairperson / CEO **Report**

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On behalf of the Board of Directors, we are delighted to present Future First Technologies's (FFT) Annual Report for the 2022 financial year. FFT continues to evolve rapidly as it focuses on the commercialisation and growth of its digital assets.

From early FY22 it was clear that the global economic opportunity created from Government infrastructure investment presented an enormous opportunity for Asset Vision and EagleSoft in particular.

During the course of FY22 the success of these businesses has been outstanding and FFT enters FY23 with an almost singular focus on this global market opportunity.

To achieve this focus a number of key structural changes have been made, significant cost savings realised and new appointments made.

We are entering FY23 with the right focus, the right team and on a solid financial base.

Software and Data, as-a-service

The Asset Vision acquisition in FY21 was clearly strategic and FY22 has seen significant success for this market-leading Asset Maintenance platform.

The traditional market in Road Asset Owners and Maintainers continues to grow with strategic wins in Western Australia and Queensland. Commercial relationships with key Australian and New Zealand maintenance contractors also continue to grow.

Beyond this traditional market, Asset Vision has seen new growth in the Local Government marketplace. This is a substantial marketplace in the region with further growth in FY23 being core to our growth expectations.

Asset Vision is an excellent "Software-as-aservice" business with strong growth opportunities both locally and internationally.

With continued strong leadership from its founder, Asset Vision and its market opportunity is core to FFT's future.

The more recent acquisition of EagleSoft with its Video and AI-based asset assessment technology has also proven exciting. Major contracts secured in FY21 have been delivered and market feedback has been excellent.

The market opportunity for the EagleSoft capability is also expansive. Rather than a Software-as-a-service opportunity however it is clear that the market demand is for more of a Data-as-a-service offering.

The marketplace is growing rapidly and the buyers are seeking access to the "Data" about their assets rather than looking for a technology solution. The buyer wants the ultimate outcome, the data, not a platform allowing them to collect that data.

This is a very exciting opportunity for FFT. The combination of EagleSoft to collect and collate Road Asset data combined with Asset Visions' platform for maintaining this data is truly unique in the market.

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Exiting media in order to focus

Recognising the size of the Asset Maintenance opportunity the decision was taken in late 2021 to divest the farmbuy.com assets. Farmbuy.com was beginning to perform well but was still a drain on working capital and as a media platform a potential distraction for the business.

On 30 June 2022, we signed a binding term sheet with the sale completing on 1 September 2022. The sale of the business assets will generate $800K in cash in FY23 and an improvement in cashflow of around $80K/month.

As a consequence of this sale we have also reduced corporate overheads by closing our Melbourne corporate offices further reducing the cost base by around $500K/annum.

1derful Investment

In July 2020 FFT made a strategic investment in The 1deful Group Pty Ltd (1derful), a FinTech start-up. We invested a total of $2.5 million in FY21 in 1derful via convertible notes that were subsequently converted into an 8.8% equity stake. The value of the holding in 1derful continues unchanged.

1derful continues to show great potential and we look forward to the business realising tangible growth in FY23.

Aligning the team with the business

In May 2022, Adrian Rudman joined FFT as Chief Executive Officer. Having worked with the management team of FFT for many months previously I am very excited by the opportunity to leverage my background in the Australian "Software-as-a-service" industry to see FFT seize the burgeoning market opportunity.

Adrian replaced Keith Falconer at this time and the board would like to thank Keith for the important role he played during his time as CEO. We wish Keith well in his future endeavours.

As FFT pivoted away from the media space Nick Chan also elected to leave the board, effective 16 May 2022. The board thanks Nick for his contribution and wish him well for the future.

A significant investment in new AI technical skills have been made to the EagleSoft team. It is a challenging time to recruit staff with these skills and these new recruits are evidence of the clarity of vision of the EagleSoft team.

Financial position

In December 2021 we raised $2.35 million in working capital through sophisticated and institutional investors to accelerate growth. This represented excellent support from the market for our vision which was again validated in May 2022.

In May 2022 we raised a further $2.5 million of working capital in an over-subscribed placement to predominantly institutional investors.

In May 2022 we also restructured the completion payments terms with the EagleSoft vendors to further improve our medium-term cashflow position.

In FY22, our core and continuing operations generated sales revenue of $2,991,493 with farmbuy.com contributing a further $427,971 to the FY22 result. Revenue from continuing operations was up from $1,482,383 or 103% in FY21. The net loss for the period was $14,367,591 which included $8.4 million of non-cash impairment to goodwill and depreciation and amortisation; $2.1 million loss from discontinued operations and approximately $1.2 million of research and development costs for SaaS and IDC platforms.

The Company ended FY22 with net cash at bank of $2.7 million (down from $5.9 million at 30 June 2021). Our balance sheet will provide significant scope for the company to continue to ramp up our sales through FY23 and drive significant top line revenue growth.

The "road" ahead

We enter FY23 with the right focus, the right team and with the right financial strength.

Our investment in sales resource in FY21 have produced a strong pipeline for FY23 and we will recruit further sales resources to continue this trend and to realise this asset.

We have new products ready for launch in FY23 from both our core businesses, all with strong customer demand. This is important to maximise the revenue opportunity from our core markets.

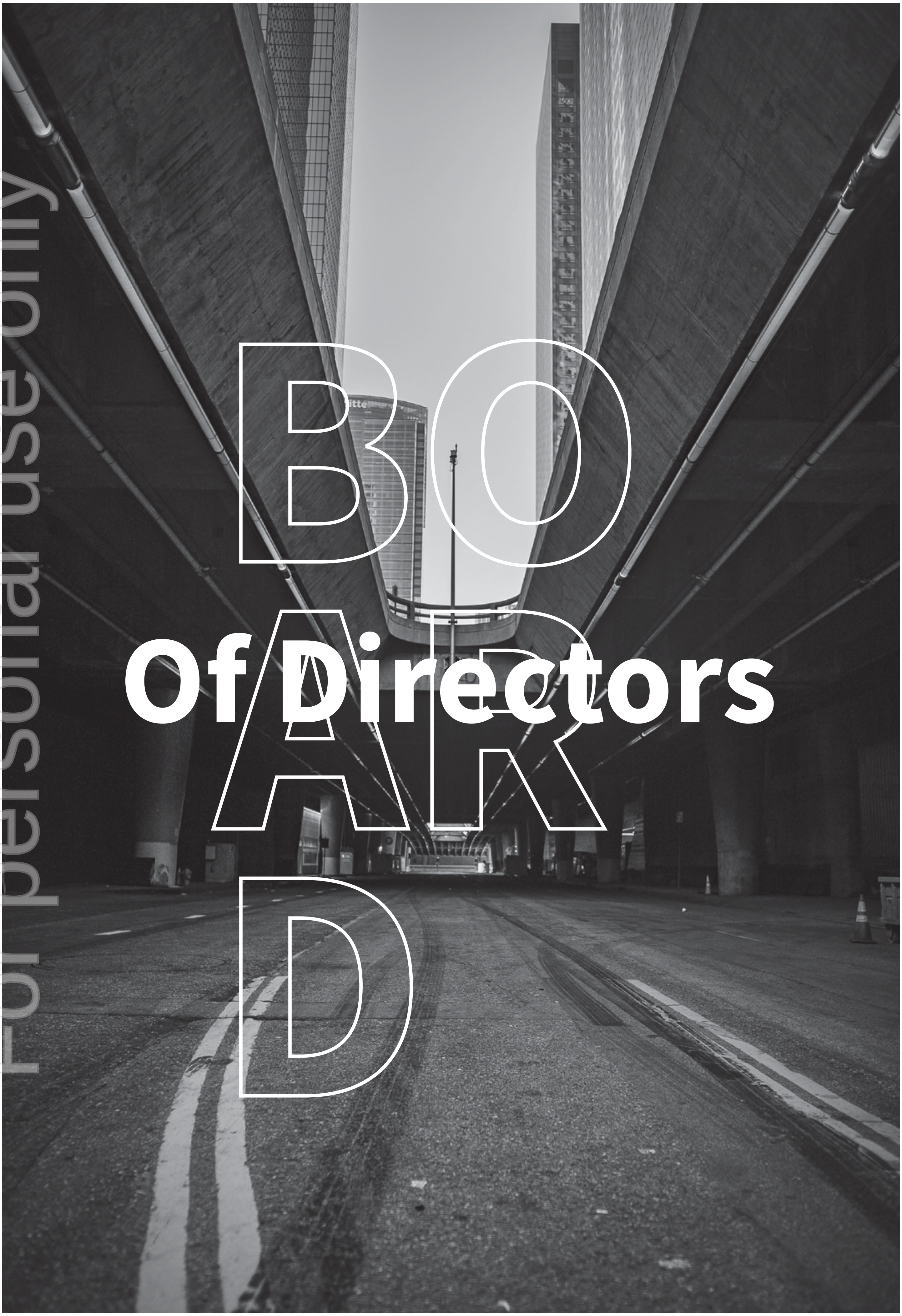
Importantly, we are building relationships with strategic partners to accelerate our growth in new markets. These partners love our technology, our people and our story.

FY22 has seen considerable change for FFT but our core businesses have remained focused. With this focus now extending to the entire FFT business, we look forward to significant revenue growth in FY23.

We would like to thank the entire team for their dedicated efforts during FY22. Finally, we would like to thank you, our shareholders, for your continued support and we look forward to updating you on our continued progress over the course of FY23.

Mrs Renata Sguario
Non-Executive Chairperson, Melbourne

Adrian Rudman
CEO and Managing Director, Sydney



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The Directors of Future First Technologies Ltd (FFT) present their report, together with the financial statements of the Group consisting of FFT and the entities it controlled, (FFT or the Group) for the financial year ended 30 June 2022 and Auditors' Report thereon. This financial report has been prepared in accordance with Australian Accounting Standards.


Mrs Renata Sguario


Mr Scott Coles


Mr Adrian Rudman

Directors

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

Mrs Renata Sguario	Non-Executive Chairperson (Appointed 28 November 2019); Director (appointed 2 September 2019)
Qualifications	Bachelor of Computer Science and Information Management (University of Melbourne); Level 1 & 2 Certificates (Institute of Executive Coaching)
Experience	Renata is an experienced senior executive with almost three decades specialising in customer centred, technology-led, business transformation at leading companies both in Australia and abroad. Renata's intersectoral career has seen her responsible for delivering large scale business and IT change, process optimisation and productivity uplift and mitigating strategic and operational risks in highly regulated environments.
Committees	Renata is a member of the Audit & Risk Management Committee and the Remuneration & Nomination Committee.
Other Directorships in listed entities	None
Former Directorships in listed entities in last 3 years	None

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Mrs Nicole Ferro	Non-Executive Director (Appointed 31 January 2020; Resigned 31 August 2022)
Qualifications	Master of Business (Organisation Development and Change Management) from Victoria University.
Experience	Nicole is a highly experienced senior manager having worked across Telecommunications, Technology, Supply Chain Logistics and Transport industries. With specialisation in large scale business and technology transformation, she has been responsible for strategy development, program delivery and operating model change at the enterprise level. With many years of experience in strategy and delivery Nicole brought knowledge of organisation governance and risk management to the Board of FFT.
Committees	Nicole was the former Chair of the Audit & Risk Management Committee and a former member of the Remuneration & Nomination Committee.
Other Directorships in listed entities	None
Former Directorships in listed entities in last 3 years	None

Mr Nicholas (Nick) Chan	Non-Executive Director (Appointed 6 August 2020; Resigned 16 May 2022)
Qualifications	Bachelor of Commerce (UNSW)
Experience	Nick has had more than 30 years’ experience in senior leadership and held operational roles in media across Australia and New Zealand and consults to a number of companies in the digital, tech and marketing sectors with a particular focus on investment and business transformation. Nick has served as Group Chief Operating Officer at Seven West Media and prior to that, CEO of Pacific Magazines. At Seven, Nick was a director of the Yahoo7! joint venture and also of its healthengine.com.au start-up. He was CEO of ASX listed Text Media Group and has held various senior roles at ACP Publishing including Group Publisher and Chief Operating Officer.
Committees	Nick was the former Chair of the Remuneration & Nomination Committee.
Other Directorships in listed entities	Betmakers Technology Group Ltd (ASX: BET)
Former Directorships in listed entities in last 3 years	None

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Mr Scott Coles	Non-Executive Director (Appointed 15 August 2022)
Qualifications	Scott holds a Bachelor of Computer Science and a Bachelor of Aeronautical Engineering from Sydney University
Experience	Scott specialises in organisation leadership and development, strategic planning, technology commercialisation, business turnarounds and founder exits. A current technology company CEO, Scott also acts as a Non-Executive Director and mentor to other Australian companies. Most recently Scott was Non-executive Chairman of Itree, an Australian RegTech company. Advising on business and technology strategy Scott negotiated the successful exit for the founders through a trade sale to Objective Corporation (ASX: OCL) in July 2020. Prior to current roles, Scott developed and led the ISYS strategic turnaround plan that saw ISYS Search Software generate its best financial results in over 20 years, positioning the company as a desirable acquisition target resulting in the sale to Lexmark (NYSE: LXK) in March 2012. Scott has held a range of senior executive roles including: Director of EDS Asia Pacific, Managing Director of Allied Telesis and Director of Avaya.
Committees	Scott is Chair of the Audit & Risk Management Committee.
Other Directorships in listed entities	None
Former Directorships in listed entities in last 3 years	None

Executive Directors

Mr Keith Falconer	Executive Director (Appointed 2 November 2020; Resigned 9 May 2022)
Experience	Keith is a highly experienced digital executive with over 30 years' experience in media and publishing. Keith has a proven track record developing digital assets for PBL, Nine Entertainment Co and Bauer Media. Keith was previously the CEO of Trader Classifieds, the digital classifieds arm of Australian Consolidated Press (ACP), encompassing carpoint.com.au, boatpoint.com.au, bikepoint.com.au and ihub.com.au, which were sold to carsales.com.au for a 41% stake in carsales.com.au.
Committees	Keith was a former member of the Audit & Risk Management Committee.
Other Directorships in listed entities	None
Former Directorships in listed entities in last 3 years	None

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Mr Adrian Rudman	Executive Director (Appointed 2 May 2022)
Experience	Adrian is an experienced SaaS executive focused on sustainable growth balanced with stakeholder return. Adrian has extensive experience across most executive roles found in Australian Software businesses. He comes with a proven track record of business leadership, particularly across sales, marketing and implementation teams. Adrian's experience includes Compliance Document Management, Product Disclosure Process re-engineering, Workflow, Business Process Outsourcing, Sales Management and Sales Process Development. Adrian had an extensive career at Objective Corporation (ASX:OCL) including the roles in Marketing, Product Management, Product Marketing, Business Development and as Global Vice President with the Keystone business. During this time Adrian was responsible for repositioning the company and transitioning from a technology focused vendor to a market focused vendor.
Committees	Adrian is a member of the Audit & Risk Management Committee and the Remuneration & Nomination Committee.
Other Directorships in listed entities	None
Former Directorships in listed entities in last 3 years	None

Group Secretary

The following person held the position of Group Secretary at the end of the financial year:

Mrs Vesna Jelesic	Company Secretary (Appointed 1 June 2020)
Qualifications	Vesna holds a Bachelor of Commerce with majors in Accounting and Finance, Management and Commercial Law from Deakin University and is a Certified Practising Accountant
Experience	Vesna has an extensive background in all facets of finance and administration having held senior positions at Bank Australia, National Australia Bank and KPMG prior to joining FFT in 2016 as the Company's General Manager – Finance and Administration.

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Principal Activities

The principal activities of the Group during the financial year consisted of:

- Investment in and commercialisation of digital platforms in growth markets.

Results

The consolidated loss after income tax attributable to the members of Future First Technologies Ltd was $14,367,591 (2021: $13,006,294). This represents loss for the period between 1 July 2021 to 30 June 2022 for the parent and operating entities including discontinued operations.

Review of Operations

Refer to the message from the CEO/ Chairperson on pages 4-5.

Significant changes in the state of affairs

During the year, the Group purchased EagleSoft Pty Ltd as outlined in Note 44.

There were no other significant changes in the state of affairs of the Group during the financial year.

Events after the reporting period

On 1 July 2022, the Group announced it had signed a binding Heads of Agreement to sell farmbuy.com (part of Respring Pty Ltd) to Australian Community Media (ACM). Under the Heads of Agreement, ACM will purchase all of the business assets for a purchase price of $800,000.

On 3 August 2022, the Group further announced that the formal Sale of Business Agreement had been executed.

On 15 August 2022, the Group announced the appointment of Scott Coles as Non-Executive Director, effective 15 August 2022.

On 31 August 2022, the Group announced the retirement of Nicole Ferro, Non-Executive Director effective the same day. It was also announced that Scott Coles will take over as Chair of the Audit and Risk Committee.

On 1 September 2022, the Group announced the successful completion of the sale of all business assets associated with farmbuy.com to ACM.

Except for the above, no other matters or circumstances have arisen since the end of the financial period which significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Likely developments and expected results of operations

To further improve the consolidated groups' financial performance and maximise shareholder return, the following developments are intended for implementation in the near future:

- Continue to grow our SaaS Intelligent Asset Performance Management Platform organically within our existing client base in both the Public, Private and Government Agency sectors.
- Leverage the Intelligent Data Capture capabilities from our EagleSoft acquisition to drive new business opportunities as a Data-as-a-Service provider creating cross-sell opportunities and better leverage to garner new clients.
- Assess opportunities to realise value from our strategic equity holding in The 1derful Group Pty Ltd as they continue to push towards commercial launch.
- To assess further strategic acquisitions that would accelerate growth in our current digital assets while also assessing the right corporate structure for our existing assets.

These developments, together with the current strategy, are expected to assist in the achievement of the Group's long-term goals of maximising shareholder value.

Environmental Regulation

The Group's operations are not subject to any significant Commonwealth or State environmental regulations or laws.

Dividends Paid, Recommended and Declared

There were no dividends paid, recommended, or declared during the current or previous financial year.

Director's Meetings

The number of meetings of the Board of Directors and of each board committee held during the financial year and the numbers of meetings attended by each Director were:

	Board of Directors		Audit & Risk Management Committee		Remuneration & Nomination Committee	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Renata Sguario	13	13	2	2	1	1
Nicole Ferro	13	13	2	2	1	1
Nicholas Chan	11	11	0	0	1	1
Keith Falconer	11	11	2	2	0	0
Adrian Rudman	2	2	0	0	0	0
Scott Coles	0	0	0	0	0	0

Additional Information in relation to key management personnel shareholdings

Ordinary shares held in Future First Technologies Ltd (number) as at 30 June 2022:

	Balance 1 July 2021	On-market changes	Balance 30 June 2022
Directors			
Renata Sguario	1,000,000	200,000	1,200,000
Nicole Ferro	500,000	200,000	700,000
Nicholas Chan	2,000,000	250,000	2,250,000
Keith Falconer	75,000,000	-	75,000,000
Adrian Rudman	-	233,333	233,333
Other KMPs			
Damian Smith	24,000,000	(18,000,000)	6,000,000
Vesna Jelesic	2,600,000	-	2,600,000
Total	**105,100,000**	**(17,116,667)**	**87,983,333**

Share Options held in Future First Technologies Ltd (number) as at 30 June 2022:

	Balance 1 July 2021	Options granted	Options forfeited	Balance 30 June 2022	Vested and exercisable
Directors					
Renata Sguario	10,000,000	-	-	10,000,000	NIL
Nicole Ferro	4,000,000	-	-	4,000,000	NIL
Nicholas Chan	20,000,000	-	(20,000,000)	NIL	NIL
Keith Falconer	NIL	-	-	NIL	NIL
Adrian Rudman	NIL	50,000,000	-	50,000,000	NIL
Other KMPs			-		
Damian Smith	NIL	-	-	NIL	NIL
Vesna Jelesic	10,000,000	-	-	10,000,000	NIL
Total	**44,000,000**	**50,000,000**	**(20,000,000)**	**74,000,000**	**NIL**

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Indemnification and insurance of Directors and Officers

During the financial year, the Group paid a premium to insure the Directors and Officers of the Group. The terms of the insurance contract prevent additional disclosure. The Group is not aware of any liability that arose under these indemnities as at the date of this report.

Indemnification and insurance of Auditors

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Group or any related entity against a liability incurred by the auditor. During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Group or any related entity.

Proceedings on behalf of the Group Entity

No person has applied for leave of Court under Section 327 of the Corporations Act 2001 to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purposes of taking responsibility on behalf of the Group for all or part of those proceedings. The Group was not a party to any proceedings during the year.

Directors' Interests in Contracts

Directors' interests in contracts are disclosed in Note 42 of the financial statements.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under s307C of the Corporations Act 2001 in relation to the audit for the financial year is provided in this report.

Non-Audit Services

Non-audit services are approved by resolution of the Audit & Risk Management Committee and approval is provided in writing to the Board of Directors.

No non-audit services were provided during the current and previous financial year.

Remuneration Report - Audited

The Directors present the Group's 2022 audited remuneration report which details the remuneration information for Future First Technologies Ltd's Executive Directors, Non-Executive Directors, and other key management personnel.

Principles used to determine the nature and amount of remuneration

The Board policy for determining the nature and amount of remuneration of key management personnel is agreed by the Remuneration & Nomination Committee as a whole. The Remuneration & Nomination Committee obtains professional advice where necessary to ensure that the Group attracts and retains talented and motivated Directors and employees who can enhance Group performance through their contributions and leadership. No remuneration recommendation was obtained in the current year.

Fixed Remuneration

Fixed remuneration consists of base remuneration (which is calculated on a total cost basis and includes any fringe benefits tax charges related to employee benefits), and employer contributions to superannuation funds.

Remuneration levels will be reviewed annually by the Remuneration & Nomination Committee through a process that considers individual, business unit and overall performance of the Group. In addition, the Board considers external data to ensure Directors' and executives' remuneration is competitive in the marketplace. Remuneration is also reviewed on promotion.

Performance linked remuneration

Performance linked remuneration includes short-term incentives and is designed to reward the CEO and executives for meeting or executing their financial and personal objectives.

The Board, in conjunction with the Remuneration & Nomination Committee, sets the Key Performance Indicators (KPIs) for the CEO and has input to the KPIs for executives. The KPIs generally include measures relating to the Group, the relevant business unit and the individual. They include financial measures (Revenue and EBITDA compared with budgeted amounts) and people, client, strategy, risks and growth measures (these vary with position and include measures such as achieving strategic outcomes, overall shareholder value and meeting leadership objectives).

The Board, in conjunction with the Remuneration & Nomination Committee, has developed an Employee and Director Option Plan. The Option Plan is aimed at incentivising employees to aid the Group in retaining skilled staff. The options are exercisable in two tranches: (1) options with an exercise price of 5 cents with a two-year expiry from commencement date and (2) options with an exercise price of 10 cents with a three-year expiry from commencement.

Non-Executive Directors receive fees and do not receive bonus payments.

The names and positions of each person who held the position of Director at any time during the financial year have been previously provided. The names and positions of other key management personnel in the consolidated Group for the financial year are:

Name	Position
Damian Smith	Chief Executive Officer – Asset Vision
Vesna Jelesic	Chief Financial Officer and Company Secretary

Details of Remuneration

Details of the remuneration of the Directors and key management personnel of the Group are set out in the following tables. The key management personnel of the Group include the Directors of Future First Technologies Ltd, the Chief Executive Officer of Asset Vision and the Chief Financial Officer.

Directors' Remuneration

	Short-Term		Post Employment	Share-Based Payments	Total	Total Performance Related	Options/ Shares As % Of Total
	Salary and Fees	Bonus	Superannuation	Options/ Shares			
	$	$	$	$	$	%	%
2021							
Robert Hogeland[1]	120,000	90,000	-	-	210,000	42.86%	-
Renata Sguario	70,000	-	-	103,000	173,000	-	59.54%
Nicole Ferro	59,361	-	5,639	55,000	120,000	-	45.83%
Nicholas Chan[2]	58,600	-	5,567	252,000	316,167	-	79.7%
Keith Falconer[3]	146,119	-	13,881	-	160,000	-	-
Total	**454,080**	**90,000**	**25,087**	**410,000**	**979,167**	**9.19%**	**41.87%**
2022							
Renata Sguario	70,000	-	-	-	70,000	-	-
Nicole Ferro	59,361	-	5,936	-	65,297	-	-
Nicholas Chan[2]	58,600	-	5,860	-	64,460	-	-
Keith Falconer[3]	182,648	-	18,265	-	200,913	-	-
Adrian Rudman[4]	50,000	-	5,000	360,000	415,000	-	86.75%
Total	**420,609**	**-**	**35,061**	**360,000**	**815,670**	**-**	**44.14%**

(1) Robert Hogeland resigned 26 October 2020
(2) Nicholas Chan appointed 6 August 2020 and resigned 16 May 2022
(3) Keith Falconer appointed 2 November 2020 and resigned 9 May 2022
(4) Adrian Rudman appointed 2 May 2022

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Executives' Remuneration

	Short-Term		Post Employment	Share-Based Payments	Total	Total Performance Related	Options/ Shares As % Of Total
	Salary and Fees	Bonus	Superannuation	Options/ Shares			
	$	$	$	$	$	%	%
2021							
Keith Falconer[1]	60,000	-	-	-	60,000	-	-
Damian Smith[2]	132,778	-	12,614	-	145,392	-	-
Vesna Jelesic	240,000	109,589	33,211	195,000	577,800	18.97%	33.75%
Total	**432,778**	**109,589**	**45,825**	**195,000**	**783,800**	**13.99%**	**24.9%**
2022							
Damian Smith	200,000	-	20,000	-	220,000	-	-
Vesna Jelesic	240,000	-	24,000	-	264,000	-	-
Total	**440,000**	**-**	**44,000**	**-**	**484,000**	**-**	**-**

(1) Keith Falconer held the role of farmbuy.com CEO before being appointed Managing Director on 2 November 2020 and resigned 9 May 2022
(2) Damian Smith appointed CEO of Asset Vision 2 November 2020

Options

(a) Compensation Options: 50,000,000 options were granted to Adrian Rudman, CEO on 8 June 2022. The options are in two tranches: (1) 25,000,000 at 5 cents with a two-year expiry and (2) 25,000,000 at 10 cents with a three-year expiry.

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Service Agreements

The contracts for service between the Group and specified executives are formalised in service agreements. The major provisions in the agreements relating to remuneration are set out below:

Adrian Rudman, Chief Executive Officer

- Permanent employment contract commencing 2 May 2022.
- Remuneration:
  - Base salary $330,000 inclusive of superannuation
  - Short term incentive (STI) with the following targets:
    - Year 1 – up to 30% of annual salary if total shareholder return (TSR) exceeds 100% one year after the day before employment was announced to the market
    - Year 2 – up to 30% of annual salary if TSR exceeds 200% two years after the day before employment was announced to the market
    - Year 3 – up to 30% of annual salary if TSR exceeds 400% three years after the day before employment was announced to the market
- Termination by provision of 3 months' notice by the executive. If the company terminates the agreement, it will provide 3 months' pay or the balance of the agreement (whichever is the lesser).

Damian Smith, Chief Executive Officer, Asset Vision

- Permanent employment contract commencing 2 November 2020.
- Remuneration:
  - Base salary $220,000 inclusive of superannuation
  - Short term incentive (STI) of up to 20% of annual salary if the Company exceeds the annual forecast approved by the Board
- Termination by provision of 3 months' notice by the executive. If the Company terminates the agreement within the first two years from the commencement date, it may give 12 months' pay (or the balance of the agreement whichever is the lesser) in lieu of notice or it may give notice for part of that period and pay in lieu of notice for the rest of the period.

Vesna Jelesic, Chief Financial Officer & Company Secretary

- Permanent employment contract commencing 1 April 2020.
- Remuneration:
  - Base salary $264,000 inclusive of superannuation
  - Short term incentive (STI) of up to 20% of annual salary if the Company exceeds the annual forecast approved by the Board
  - Long-term incentive (LTI) – entitlement to participate in the Long-term Incentive Plan which is currently under development
- Termination by provision of 3 months' notice by the executive. If the Company terminates the agreement within the first two years from the commencement date, it may give 12 months' pay (or the balance of the agreement whichever is the lesser) in lieu of notice or it may give notice for part of that period and pay in lieu of notice for the rest of the period.

End of Remuneration Report.

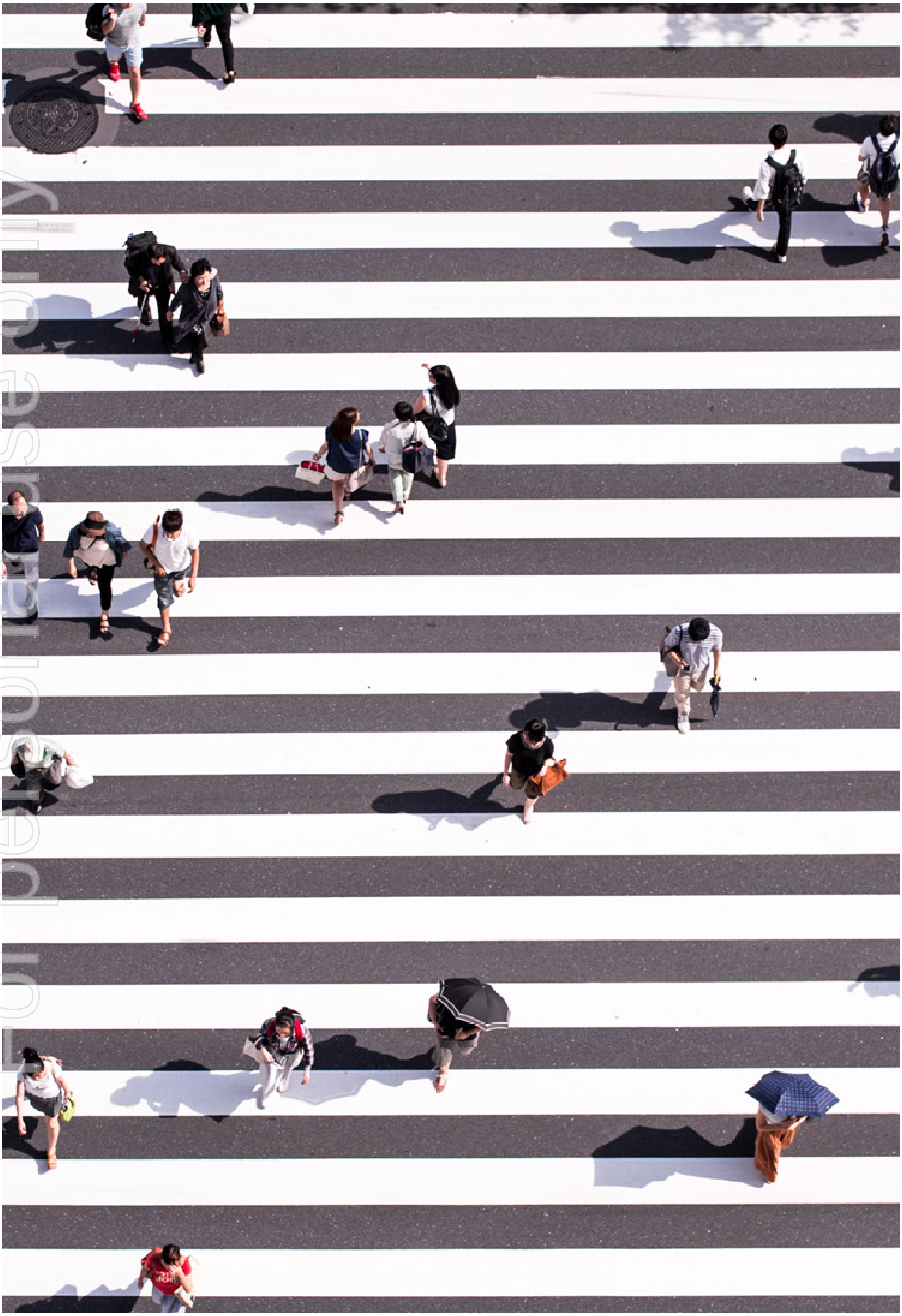
Rounding of Amounts

The Group is the kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

Signed in accordance with a resolution of the Directors made pursuant to s.298 (2) (a) of the Corporations Act 2001.

On behalf of the Directors

Adrian Rudman
CEO and Managing Director, Sydney
Date: 30 September 2022



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FINANCIAL Statements

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Future First Technologies
Annual Report 30 June 2022

General information

The financial statements cover Future First Technologies Ltd as a Group consisting of Future First Technologies Ltd and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Future First Technologies Ltd's functional and presentation currency.

Future First Technologies Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 4, 799 Springvale Road, Mulgrave VIC 3170

Future First Technologies Ltd's Corporate Governance Statement is available on our website at www.futurefirsttech.io.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 30 September 2022. The Directors have the power to amend and reissue the financial statements.

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MOORE

Moore Australia Audit (VIC)
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AUDITOR'S INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF FUTURE FIRST TECHNOLOGIES LIMITED AND CONTROLLED ENTITIES

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Moore Australia

MOORE AUSTRALIA AUDIT (VIC)
ABN 16 847 721 257

GEORGE S. DAKIS
Partner
Audit and Assurance

Melbourne, Victoria

30 September 2022

Statement of profit or loss and other comprehensive income For the year ended 30 June 2022

	Note	Consolidated Group 2022 $	2021 $
Revenue from continuing operations	4	2,991,493	1,470,626
Other income	5	83,080	1,002,757
Expenses			
Third party materials and labour		(285,433)	(29,188)
Acquisition and disposal expenses	44	(133,812)	(3,012,626)
Employee benefits expense		(3,438,427)	(2,960,309)
Depreciation and amortisation expense	6	(940,847)	(707,320)
Impairment of assets	18	(7,131,835)	-
Loss on disposal of assets		(1,149)	-
Other expenses		(2,935,783)	(1,901,479)
Finance costs		(252,803)	(324,506)
Loss before income tax (expense)/benefit from continuing operations		(12,045,516)	(6,462,045)
Income tax (expense)/benefit	7	(229,782)	351,342
Loss after income tax (expense)/benefit from continuing operations		(12,275,298)	(6,110,703)
Loss after income tax (expense)/benefit from discontinued operations	8	(2,092,293)	(6,895,591)
Loss after income tax (expense)/benefit for the year attributable to the members of Future First Technologies Ltd	34	(14,367,591)	(13,006,294)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the members of Future First Technologies Ltd		**(14,367,591)**	**(13,006,294)**
Total comprehensive income for the year is attributable to:			
Continuing operations		(12,275,298)	(6,110,703)
Discontinued operations		(2,092,293)	(6,895,591)
		(14,367,591)	**(13,006,294)**

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Statement of profit or loss and other comprehensive income For the year ended 30 June 2022 (cont.)

		Cents	Cents
Earnings per share for loss from continuing operations attributable to the members of Future First Technologies Ltd			
Basic earnings per share	47	(2.43)	(1.35)
Diluted earnings per share	47	(2.43)	(1.35)
Earnings per share for loss from discontinued operations attributable to the members of Future First Technologies Ltd			
Basic earnings per share	47	(0.41)	(1.52)
Diluted earnings per share	47	(0.41)	(1.52)
Earnings per share for loss attributable to the members of Future First Technologies Ltd			
Basic earnings per share	47	(2.84)	(2.87)
Diluted earnings per share	47	(2.84)	(2.87)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Statement of financial position For the year ended 30 June 2022

		Consolidated Group	
	Note	2022	2021
		$	$
Assets			
Current assets			
Cash and cash equivalents	9	2,684,661	5,932,518
Trade and other receivables	10	483,061	520,255
Income tax refund due	11	-	389,926
Other	12	517,087	148,788
		3,684,809	6,991,487
Assets of disposal group classified as held for sale	13	783,718	-
Total current assets		**4,468,527**	**6,991,487**
Non-current assets			
Financial assets at fair value through other comprehensive income	15	2,676,467	2,676,467
Property, plant and equipment	16	124,508	130,865
Right-of-use assets	17	161,721	591,842
Intangibles	18	12,586,302	13,960,917
Deferred tax	19	118,792	230,784
Other	20	-	245,821
Total non-current assets		15,667,790	17,836,696
Total assets		**20,136,317**	**24,828,183**

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Statement of financial position
For the year ended 30 June 2022 (cont.)

	Note	Consolidated Group 2022 $	2021 $
Liabilities			
Current liabilities			
Trade and other payables	21	662,976	415,243
Lease liabilities	23	140,864	440,387
Employee benefits	24	347,702	217,366
Deferred consideration	25	3,000,000	3,930,333
Other	26	421,454	119,819
		4,572,996	5,123,148
Liabilities of disposal group classified as held for sale	14	25,628	-
Total current liabilities		**4,598,624**	**5,123,148**
Non-current liabilities			
Lease liabilities	28	24,793	165,657
Deferred tax	27	125,000	-
Employee benefits	29	44,398	37,556
Contingent consideration	30	949,880	-
Deferred consideration	31	1,000,000	-
Other		8,871	36,939
Total non-current liabilities		**2,152,942**	**240,152**
Total liabilities		**6,751,566**	**5,363,300**
Net assets		**13,384,751**	**19,464,883**

The above statement of financial position should be read in conjunction with the accompanying notes

	Note	Consolidated Group 2022 $	2021 $
Equity			
Issued capital	32	93,069,131	85,410,272
Reserves	33	2,320,600	1,852,000
Accumulated losses	34	(82,004,980)	(67,797,389)
Total equity		**13,384,751**	**19,464,883**

The above statement of financial position should be read in conjunction with the accompanying notes

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Statement of changes in equity
For the year ended 30 June 2022

Consolidated Group	Issued Capital $	Reserves $	Retained Profits $	Total equity $
Balance at 1 July 2020	90,354,877	1,500,760	(54,791,855)	37,063,782
Loss after income tax benefit for the year	-	-	(13,006,294)	(13,006,294)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(13,006,294)	(13,006,294)
Transactions with members in their capacity as members:				
Contributions of equity, net of transaction costs (note 32)	1,443,000	-	-	1,443,000
Selective share buy-back (note 32)	(7,386,005)	-	-	(7,386,005)
Issue of shares - Asset Vision acquisition (note 32)	998,400	-	-	998,400
Transfer of expired share options to retained earnings (note 33)	-	(760)	760	-
Options granted (note 33)	-	352,000	-	352,000
Balance at 30 June 2021	**85,410,272**	**1,852,000**	**(67,797,389)**	**19,464,883**

Consolidated Group	Issued Capital $	Reserves $	Retained Profits $	Total equity $
Balance at 1 July 2021	85,410,272	1,852,000	(67,797,389)	19,464,883
Loss after income tax benefit for the year	-	-	(14,367,591)	(14,367,591)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(14,367,591)	(14,367,591)
Transactions with members in their capacity as members:				
Contributions of equity, net of transaction costs (note 32)	4,907,459	-	-	4,907,459
Issue of shares - Asset Vision and EagleSoft acquisitions (note 32)	3,020,000	-	-	3,020,000
Transfer of expired share options to retained earnings (note 33)	-	(160,000)	160,000	-
Options granted (note 33)	(268,600)	628,600	-	360,000
Balance at 30 June 2022	**93,069,131**	**2,320,600**	**(82,004,980)**	**13,384,751**

The above statement of changes in equity should be read in conjunction with the accompanying notes

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Statement of cash flows
For the year ended 30 June 2022

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	Note	Consolidated Group	
		2022	2021
		$	$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		4,261,056	22,605,155
Payments to suppliers and employees (inclusive of GST)		(8,446,493)	(26,177,566)
		(4,185,437)	(3,572,411)
Interest received		9,209	46,818
Other revenue		97,778	838,000
Interest and other finance costs paid		(16,259)	(144,686)
Income taxes refunded		89,107	249,511
Net cash used in operating activities	36	**(4,005,602)**	**(2,582,768)**
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired	44	(1,493,237)	(4,650,000)
Payments for prior period's business acquisition	44	(2,000,000)	(640,000)
Acquisition costs		(133,812)	(3,313,888)
Payments for financial assets held at fair value	15	-	(2,500,000)
Payments for property, plant and equipment	16	(92,279)	(38,456)
Payments for development of intangibles	18	-	(171,035)
Payments for security deposits	12	-	(211,199)
Proceeds from disposal of business	8	-	23,000,000
Final proceeds from prior period's business disposal	8	10,000	1,674,222
Proceeds from disposal of property, plant and equipment	16	-	62,366
Interest received		-	176,467
Net cash from/(used in) investing activities		**(3,709,328)**	**13,388,477**
Cash flows from financing activities			
Proceeds from issue of shares	32	4,907,459	1,443,000
Payments for share buy-backs		-	(7,386,005)
Interest and other finance costs paid		-	(62,286)
Repayment of leases	23	(440,386)	(345,404)
Net cash from/(used in) financing activities		**4,467,073**	**(6,350,695)**
Net increase/(decrease) in cash and cash equivalents		(3,247,857)	4,455,014
Cash and cash equivalents at the beginning of the financial year		5,932,518	1,477,504
Cash and cash equivalents at the end of the financial year	9	**2,684,661**	**5,932,518**

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

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The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted and are not expected to have a material impact on the Group.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets at fair value through other comprehensive income and share based payments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Going concern

The consolidated financial statements have been prepared on a going concern basis, which assumes the continuity of normal business activities and the settlement of liabilities in the normal course of business.

During the year ended 30 June 2022, the Group incurred a net loss after tax of $14,367,591 (2021: loss of $13,006,294) and had net cash outflows from operating activities of $4,005,602 (2021: $2,582,768). The result for the current year was impacted by:

- The impairment of goodwill across all cash generating units;
- The performance of the Group's discontinued operations;
- The investment in the Group's Asset Vision operations; and
- Divestment costs associated with the sale of the farmbuy.com assets.

As at 30 June 2022, the Group's current liabilities exceeded its current assets by $130,097 (2021: current assets exceeded current liabilities by $1,868,339).

In determining that the going concern basis is appropriate, the directors have had regard to:

- The Group's ability to raise equity;
- The Group's ability to issue shares in satisfaction of some of the deferred and contingent consideration;
- The Group's ability to divest business segments;
- The Group's ability to reduce corporate costs further given the current business structure; and
- The Group's cash flow forecast and budgets for the next 12 months for the remaining operations are expected to show positive operating cash flows.

The impact of the COVID-19 pandemic has resulted in the Group experiencing challenging and uncertain times during the reporting period. The situation has now stabilised, and the directors remain confident that the Group will be able to continue as a going concern which assumes it will be able to continue trading and realise assets and discharge liabilities in the ordinary course of business for at least 12 months from the date of the consolidated financial report.

The Group's ability to continue to operate as a going concern is dependent upon the items listed above. Should these events not occur as anticipated, the Group may not be able to pursue its business objectives and will have difficulty continuing to operate as a going concern, including realising its assets and extinguishing its liabilities at the amounts shown in the financial statements.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 43.

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Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Future First Technologies Ltd (‘Company’ or ‘parent entity’) as at 30 June 2022 and the results of all subsidiaries for the year then ended. Future First Technologies Ltd and its subsidiaries together are referred to in these financial statements as the ‘Group’.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

An operating segment is a component of an entity: (a) that engages in business activities from which it may earn revenues and incur expenses, (b) whose operating results are regularly reviewed by the entity’s chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and (c) for which discrete financial information is available.

Revenue recognition

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the ‘expected value’ or ‘most likely amount’ method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Revenues from ongoing operations arise mainly from software licence subscriptions and project consulting services.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than passage of time is required before the consideration is due.

Note 1. Significant accounting policies (cont.)

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Software licences
Revenue from the sale of software licence subscriptions is contractual and recognised when the services are provided. Customers are invoiced monthly upon provision of the software. Any amounts remaining unbilled at the end of a reporting period are presented in the statement of financial position as accounts receivable as only the passage of time is required before payment of these amounts will be due as accrued revenue.

Customisation and configuration
The Group provides customisation and configuration services relating to the clients requirements for the implementation of new software license subscriptions and maintenance management systems. Revenue from these services is recognised on a time-and-materials basis as the services are provided. Customers are invoiced monthly as work progresses. Any amounts remaining unbilled at the end of a reporting period are presented in the statement of financial position as accounts receivable as only the passage of time is required before payment of these amounts will be due as accrued revenue.

Project consulting services
The Group provides project consulting services relating to the clients requirements for maintenance management systems. Revenue from these services is recognised on a time-and-materials basis as the services are provided. Customers are invoiced monthly as work progresses. Any amounts remaining unbilled at the end of a reporting period are presented in the statement of financial position as accounts receivable as only the passage of time is required before payment of these amounts will be due as accrued revenue.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Government Grants
Government grants such as the JobKeeper subsidy are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs it is compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Discontinued operations

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial Instruments

Initial recognition and measurement

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

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

Classification of financial assets

Financial assets recognised by the Group are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the Group irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income in accordance with the relevant criteria in AASB 9.

Financial assets not irrevocably designated on initial recognition at fair value through other comprehensive income are classified as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

(a) the Group's business model for managing the financial assets; and

(b) the contractual cash flow characteristics of the financial asset.

Classification of financial liabilities

Financial liabilities as held for trading and contingent consideration payable by the Group for the acquisition of a business and financial liabilities designated at fair value through the profit or loss, are subsequently measured at fair value.

All other financial liabilities recognised by the Group are subsequently measured at amortised cost.

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Note 1. Significant accounting policies (cont.)

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Trade and other receivables

Trade receivables are initially recognised at their transaction price and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

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Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	4 - 5 years
Motor vehicles	8 years
Computer equipment	2 years
Office equipment	5 years
Computer software	5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Research and development

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the group has sufficient resources; and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 7 years.

Website

Significant costs associated with the development of the revenue generating aspects of the website, including the capacity of placing orders, are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3 years.

Intellectual property

Significant costs associated with intellectual property are capitalised at cost on acquisition and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3 years.

Trademarks

Significant costs associated with trademarks are capitalised at cost on acquisition and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3 years.

Note 1. Significant accounting policies (cont.)

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Customer contracts

Customer contracts acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding rightof use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

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 Group receives the services that entitle the employees 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 cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of 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.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- During the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.

- From the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

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Note 1. Significant accounting policies (cont.)

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Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the Group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the noncontrolling interest in the acquiree, if any, the consideration transferred and the

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acquirer's previously held equity interest in the acquirer. Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the members of Future First Technologies Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Notes to the financial statements 30 June 2022
Note 2. Critical accounting judgements, estimates and assumptions

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The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equitysettled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Fair value measurement hierarchy

The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs

Goodwill and other indefinite life intangible assets

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows. Further information is detailed in note 18.

Income tax

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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Contingent consideration

The contingent consideration liability is the difference between the total purchase consideration, usually on an acquisition of a business combination, and the amounts paid or settled up to the reporting date, discounted to net present value. The Group applies provisional accounting for any business combination. Any reassessment of the liability during the earlier of the finalisation of the provisional accounting or 12 months from acquisition-date is adjusted for retrospectively as part of the provisional accounting rules in accordance with AASB 3 'Business Combinations'. Thereafter, at each reporting date, the contingent consideration liability is reassessed against revised estimates and any increase or decrease in the net present value of the liability will result in a corresponding gain or loss to profit or loss. The increase in the liability resulting from the passage of time is recognised as a finance cost.

Lease make good provision

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Business combinations

As discussed in note 1, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Group taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

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Note 3. Operating segments

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Identification of reportable operating segments
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer.

The Group's continuing operations are organised into one operating segment: Asset Vision.

The farmbuy.com business is held for sale and has been treated as Discontinued Operations for the current and prior period. The People segment was divested during the prior reporting period and as such is reported as Discontinued Operations in the prior period.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Types of products and services
The principal products and services of each of these operating segments are as follows:

Asset Vision
The Asset Vision segment, comprises (1) Asset Vision Pty Ltd, a proprietary cloud and mobile based platform which provides a unified approach to asset inspections, maintenance and operations management in the global Enterprise Asset Management software market and (2) EagleSoft Pty Ltd, an Intelligent Data Capture Platform that automatically detects both road defects and asset inventory using Artificial Intelligence (AI) and Machine Learning (ML).

Intersegment transactions
There were no material transactions between operating segments.

Intersegment receivables, payables and loans
Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

Revenue Categorised
Revenue is generated by the Group and is categorised into the reportable segments disclosed below. Sales to external customers are recognised when the performance obligations are delivered over time. Once a contract has been entered into, the Group has an enforceable right to payment for work completed to date. Therefore, revenue is recognised over time.

Operating segment information

Consolidated Group 2022	Asset Vision $	Corporate $	Discontinued Operations $	Total $
Revenue				
Sales to external customers	2,967,586	23,907	427,971	3,419,464
Total revenue	2,967,586	23,907	427,971	3,419,464
EBITDA	(1,347,059)	(2,098,246)	(1,316,726)	(4,762,031)
Depreciation and amortisation	(523,198)	(417,649)	(477,537)	(1,418,384)
Impairment of goodwill	-	(7,131,835)	-	(7,131,835)
Profit on disposal of discontinued operations	-	-	10,000	10,000
Interest revenue	28	9,181	-	9,209
Finance costs	(5,406)	(247,397)	-	(252,803)
Acquisition and disposal expenses	-	(133,812)	-	(133,812)
Restructuring costs	-	(148,974)	-	(148,974)
Other expense	-	(1,149)	-	(1,149)
Loss before income tax expense	1,875,635)	(10,169,881)	(1,784,263)	(13,829,779)
Income tax expense				(537,812)
Loss after income tax expense				(14,367,591)
Assets				
Segment assets	4,778,991	14,365,716	991,610	20,136,317
Total assets				20,135,610
Liabilities				
Segment liabilities	849,578	5,556,703	345,285	6,751,566
Total liabilities				6,751,566

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Notes to the financial statements 30 June 2022
Note 3. Operating segments (cont.)

Consolidated Group 2021	farmbuy.com $	Corporate $	Discontinued Operations $	Total $
Revenue				
Sales to external customers	1,412,626	58,000	17,397,235	18,867,861
Total revenue	1,412,626	58,000	17,397,235	18,867,861
EBITDA	53,743	(2,357,419)	658,082	(1,645,594)
Depreciation and amortisation	(259,321)	(447,999)	(476,206)	(1,183,526)
Loss on disposal of discontinued operations	-	-	(7,454,851)	(7,454,851)
Interest revenue	-	222,757	528	223,285
Finance costs	(5,124)	(319,382)	-	(324,506)
Acquisition and disposal expenses	(2,500)	(3,010,126)	-	(3,012,626)
Restructuring costs	-	(336,673)	-	(336,673)
Loss before income tax benefit	(213,202)	(6,248,842)	(7,272,447)	(13,734,491)
Income tax benefit				728,197
Loss after income tax benefit				(13,006,294)
Assets				
Segment assets	3,923,960	19,568,286	1,335,937	24,828,183
Total assets				24,828,183
Liabilities				
Segment liabilities	749,343	4,506,185	107,772	5,363,300
Total liabilities				5,363,300

Revenue by geographical area
There are no material sales to external customers outside of Australia. There are no material holdings of non-current assets outside of Australia.

Major customers
During the year ended 30 June 2022, $1,914,437 or 64.0% (2021: $1,232,417 or 87.2%) of the consolidated entity's external revenue was derived from sales to three major customers through the Asset Vision segment:

(1) Customer A - $767,895 or 25.7%
(2) Customer B - $602,064 20.1%
(3) Customer C - $544,477 or 18.2%

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Notes to the financial statements 30 June 2022
Note 4. Revenue

	Consolidated Group	
	2022	2021
	$	$
From continuing operations		
Revenue from contracts with customers		
Sale of services	2,967,586	1,412,626
Other revenue		
Professional fees	23,907	58,000
Revenue from continuing operations	**2,991,493**	**1,470,626**

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated Group	
	2022	2021
	$	$
Major sales/service lines		
Software licence subscriptions	1,799,838	923,776
Customisation and configuration services	220,195	93,710
Project consulting services	947,553	395,140
	2,967,586	**1,412,626**
Geographical regions		
Australia	**2,967,586**	**1,412,626**
Timing of revenue recognition		
Services transferred over time	**2,967,586**	**1,412,626**

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Notes to the financial statements 30 June 2022
Note 5. Other income

	Consolidated Group	
	2022	2021
	$	$
Subsidies and grants	-	780,000
Interest income	9,209	222,757
Other income	73,871	-
Other income	**83,080**	**1,002,757**

Subsidies and grants received in the prior period reflect payments under the Australian Government JobKeeper Scheme.

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Note 6. Expenses

	Consolidated Group	
	2022	2021
	$	$
Loss before income tax from continuing operations includes the following specific expenses:		
Depreciation		
Property, plant and equipment	95,926	55,045
Amortisation		
Right of use asset	430,121	445,475
Customer contracts	60,100	40,067
Software	354,700	166,733
Total amortisation	844,921	652,275
Total depreciation and amortisation	940,847	707,320
Impairment		
Goodwill	7,131,835	-
Finance costs		
Interest and finance charges paid/payable on borrowings	-	65,185
Interest and finance charges paid/payable on lease liabilities	16,256	31,411
Unwinding of the discount on deferred cash consideration	236,547	227,910
Finance costs expensed	252,803	324,506
Leases		
Variable lease payments	448,502	426,149
Short-term lease payments	-	14,731
Low-value assets lease payments	8,141	9,120
	456,643	450,000

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Notes to the financial statements 30 June 2022
Note 7. Income tax benefit

	Consolidated Group	
	2022	2021
	$	$
Income tax expense/(benefit)		
Current tax	150,820	(280,375)
Deferred tax - origination and reversal of temporary differences	236,992	(447,822)
Adjustment recognised for prior periods	150,000	-
Aggregate income tax expense/(benefit)	**537,812**	**(728,197)**
Income tax benefit is attributable to:		
Loss from continuing operations	229,782	(351,342)
Loss from discontinued operations	308,030	(376,855)
Aggregate income tax expense/(benefit)	**537,812**	**(728,197)**
Deferred tax included in income tax expense/(benefit) comprises:		
Decrease/(increase) in deferred tax assets (note 19)	111,992	(230,784)
Increase/(decrease) in deferred tax liabilities (note 27)	125,000	(217,038)
Deferred tax - origination and reversal of temporary differences	236,992	(447,822)
Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate		
Loss before income tax (expense)/benefit from continuing operations	(12,045,516)	(6,462,045)
Loss before income tax (expense)/benefit from discontinued operations	(1,784,263)	(7,272,446)
	(13,829,779)	(13,734,491)
Tax at the statutory tax rate of 30%	(4,148,934)	(4,120,347)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Amortisation of operating leases	87,793	133,642
Impairment of goodwill	2,139,551	-
Share-based payments	108,000	105,600
Non-deductible expenses/(non-assessable income)	84,838	916,453
Loss/(profit) on sale of subsidiary	(3,000)	2,236,455
	(1,731,752)	(728,197)
Adjustment recognised for prior periods	150,000	-
Current year tax losses not recognised	1,693,696	-
Current year temporary differences not recognised	117,838	-
Income tax expense reported as discontinued operations	308,030	-
Income tax benefit	**537,812**	**(728,197)**

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Note 7. Income tax benefit (cont.)

	Consolidated Group	
	2022	2021
	$	$
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	4,948,902	1,723,177
Potential tax benefit @ 30%	1,484,671	516,953

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

Note 8. Discontinued operations

Description

Current Period

In March 2022, management committed to a plan to divest the farmbuy.com assets to focus on accelerating the growth of the Asset Vision Software-as-a-Service business leveraging last year's EagleSoft acquisition.

On 1 July 2022, the Group announced it had signed a binding Heads of Agreement to sell farmbuy.com (part of Respring Pty Ltd) to Australian Community Media (ACM). Under the Heads of Agreement, ACM will purchase all of the business assets for a purchase price of $800,000. On 3 August 2022, the Group further announced that the formal Sale of Business Agreement had been executed.

The associated assets and liabilities were consequently presented as a disposal group held for sale in the financial statements (refer disposal group held for sale notes 13 and 14). The sale of the subsidiary completed on 1 September 2022 and the financial performance is therefore reported in the current and prior period as a discontinued operation.

Measurement of fair values

The fair value of financial assets is assumed to be the price that would be received for the financial asset in an orderly transaction between knowledgeable and willing but not anxious market participants acting at arm's length given current market conditions at the relevant measurement date. Fair value for unquoted or illiquid investments is often estimated with reference to the potential realisation price for the investment or underlying business if it were to be realised or sold in an orderly transaction at the measurement date, regardless of whether an exit in the near future is anticipated and without reference to amounts received or paid in a distressed sale.

i. Fair value hierarchy

The non-recurring fair value measurement for the disposal group of $758,090 has been categorised as a Level 2 fair value based on their observable inputs i.e. the binding Heads of Agreement.

Prior Period

On 30 October 2020, the Group announced that it had successfully divested the People business to LVP Technology Services Pty Ltd for a gross cash consideration of $23 million.

As a result of the sale transaction outlined above, the financial result of the business that was divested and associated group reclassification and consolidation impacts are treated as discontinued operations from a financial reporting perspective in the prior year.

The financial performance of the disposal group has also been reclassified as discontinued operations in the prior period.

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Notes to the financial statements 30 June 2022
Note 8. Discontinued operations (cont.)

Details of the financial performance, cash flows and the carrying value of the assets and liabilities of the discontinued operations are shown below.

Financial performance information

	Consolidated Group	
	2022	**2021**
	$	**$**
Revenue from discontinued operations	427,971	17,397,235
Interest income	-	528
Operating expenses from discontinued operations	(1,744,697)	(16,739,153)
Depreciation and amortisation expense from discontinued operations	(477,537)	(476,205)
Total expenses	(2,222,234)	(17,215,358)
Profit/(loss) before income tax (expense)/benefit	(1,794,263)	182,405
Income tax (expense)/benefit	(308,030)	376,855
Profit/(loss) after income tax (expense)/benefit	(2,102,293)	559,260
Gain on disposal before income tax	10,000	-
Loss on disposal before income tax	-	(7,454,851)
Income tax expense	-	-
Gain/(loss) on disposal after income tax expense	**10,000**	**(7,454,851)**
Loss after income tax (expense)/benefit from discontinued operations	**(2,092,293)**	**(6,895,591)**

	Consolidated Group	
	2022	**2021**
	$	**$**
Cash flow information		
Net cash from/(used in) operating activities	173,622	(173,982)
Net cash from investing activities	1,283,613	1,322,298
Net cash used in financing activities	-	(27,302)
Net increase in cash and cash equivalents from discontinued operations	**1,457,235**	**1,121,014**

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Notes to the financial statements 30 June 2022
Note 8. Discontinued operations (cont.)

Carrying amounts of assets and liabilities disposed

	Consolidated Group	
	2022	2021
	$	$
Cash and cash equivalents	-	62,602
Trade and other receivables	-	6,676,950
Other current assets	-	40,520
Property, plant and equipment	-	62,366
Other non-current assets	-	172,786
Total assets	**-**	**7,015,224**
Trade and other payables	-	3,885,937
Provisions	-	655,832
Other liabilities	-	194,897
Total liabilities	**-**	**4,736,666**
Net assets	**-**	**2,278,558**

Details of the disposal

	Consolidated Group	
	2022	2021
	$	$
Total sale consideration	-	23,000,000
Carrying amount of net assets disposed	-	(2,278,558)
Working capital adjustment from prior period disposals	10,000	25,754
Derecognition of investment in discontinued operations	-	(28,264,649)
Net cash payment	-	62,602
Gain/(loss) on disposal before income tax	10,000	(7,454,851)
Gain/(loss) on disposal after income tax	**10,000**	**(7,454,851)**

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Note 9. Cash and cash equivalents

	Consolidated Group	
	2022	2021
	$	$
Cash on hand	100	-
Cash at bank	2,684,561	5,932,518
	2,684,661	**5,932,518**

Note 10. Trade and other receivables

	Consolidated Group	
	2022	2021
	$	$
Trade receivables	482,408	512,657
Other receivables	653	-
GST receivable	-	7,598
	483,061	**520,255**

Allowance for expected credit losses

The Group has not recognised a charge in the profit or loss in respect of impairment of receivables for the year ended 30 June 2022 (2021: NIL).

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2022	2021	2022	2021	2022	2021
Consolidated Group	%	%	$	$	$	$
Not overdue	-	-	363,287	376,442	-	-
30 to 60 days overdue	-	-	30,432	135,775	-	-
60 to 90 days overdue	-	-	87,335	440	-	-
90+ days overdue	-	-	1,354	-	-	-
			482,408	**512,657**	-	-

Trade receivables are non-interest bearing ranging from 30 to 90 day terms. An impairment loss is recognised based on an expected credit loss model. The consolidated entity assesses the expected credit loss based on individual debtor level expectations relative to credit terms.

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Note 10. Trade and other receivables (cont.)

Movements in the allowance for expected credit losses are as follows:

	Consolidated Group	
	2022	2021
	$	$
Opening balance	-	145,021
Disposals	-	(145,021)
Closing balance	**-**	**-**

Note 11. Income tax refund due

	Consolidated Group	
	2022	2021
	$	$
Income tax refund due	**-**	**389,926**

Note 12. Other

	Consolidated Group	
	2022	2021
	$	$
Accrued revenue	112,337	1,500
Prepayments	158,929	147,288
Security deposits	245,821	-
	517,087	**148,788**

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Note 13. Assets of disposal group classified as held for sale

	Consolidated Group	
	2022	2021
	$	$
Plant and equipment (note 16)	2,934	-
Intangibles (note 18)	713,677	-
Trade and other receivables	61,707	-
Other assets	5,400	-
Total assets held for sale	**783,718**	**-**

The assets identified above represent the assets of farmbuy.com which sold on 1 September 2022. Refer to note 8 for further information.

Note 14. Liabilities of disposal group classified as held for sale

	Consolidated Group	
	2022	2021
	$	$
Trade payables	1,925	-
Employee provisions	23,703	
Liabilities held for sale	**25,628**	

The liabilities as at 30 June 2022 identified above represent the liabilities of farmbuy.com which sold on 1 September 2022. Refer to note 8 for further information.

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Note 15. Financial assets at fair value through other comprehensive income

	Consolidated Group	
	2022	2021
	$	$
Unlisted ordinary shares	2,676,467	2,676,467

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

	Consolidated Group	
	2022	2021
	$	$
Opening fair value	2,676,467	-
Additions	-	2,676,467
Closing fair value	**2,676,467**	**2,676,467**

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Fair Values

Valuation Techniques

In the absence of an active market for an identical asset, the Group selects and uses one or more valuation techniques to measure the fair value of that asset. The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value.

The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset being measured. The valuation technique selected by the Group is consistent with the following valuation approach:

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets including ongoing discussions with potential purchasers.

The valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset are considered observable, whereas inputs for which market data is not available and are therefore developed using the best information available about such assumptions are considered unobservable.

The Australian Private Equity and Venture Capital Association (AVCAL) has prepared the International Private Equity and Venture Capital Guidelines (Valuation Guidelines). The Valuation Guidelines set out recommendations on the valuation of private equity investments which are intended to represent current best practice. The Group has referred to the Valuation Guidelines in order to determine the fair value of the Group's financial assets.

The fair value of financial assets is assumed to be the price that would be received for the financial asset in an orderly transaction between knowledgeable and willing but not anxious market participants acting at arm's length given current market conditions at the relevant measurement date. Fair value for unquoted or illiquid investments is often estimated with reference to the potential realisation price for the investment or underlying business if it were to be realised or sold in an orderly transaction at the measurement date, regardless of whether an exit in the near future is anticipated and without reference to amounts received or paid in a distressed sale.

AVCAL suggests that one or more techniques should be adopted to calculate a private equity investment based on the valuer's opinion of which method or methods are considered most appropriate given the nature, facts and circumstances of the particular investment. In considering the appropriateness of each technique, AVCAL suggests the economic substance of the investment should take priority over the strict legal form.

AVCAL provides guidance on a range of valuation methodologies that are commonly used to determine the value of private equity investments in the absence of an active market, including:

- price of recent investments;
- earnings multiples;
- revenue multiples;
- net asset values;
- discounted cash flows of the underlying assets;
- discounted cash flows of the investment; and
- industry valuation benchmarks.

An assessment will be made at each measurement date as to the most appropriate valuation methodology. As of 30 June 2022:

- Financial assets measured using the most recent round price valuation methodology were $2.68 million (2021: $2.68 million).

The fair value measurement has been categorised as a Level 2 fair value based on the observable inputs to the valuation technique used.

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Note 16. Property, plant and equipment

	Consolidated Group	
	2022	2021
	$	$
Leasehold improvements - at cost	168,987	168,987
Less: Accumulated depreciation	(158,190)	(117,094)
	10,797	**51,893**
Motor vehicles - at cost	46,582	-
Less: Accumulated depreciation	(5,126)	-
	41,456	**-**
Computer equipment - at cost	67,250	60,720
Less: Accumulated depreciation	(31,038)	(38,485)
	36,212	**22,235**
Office equipment - at cost	140,497	140,528
Less: Accumulated depreciation	(136,343)	(131,562)
	4,154	**8,966**
Computer software - at cost	192,932	192,932
Less: Accumulated depreciation	(161,043)	(145,161)
	31,889	**47,771**
	124,508	**130,865**

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Note 16. Property, plant and equipment (cont.)

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Consolidated Group	Leasehold Improvements $	Computer Equipment $	Office Equipment $	Motor Vehicles $	Computer Software $	Total $
Balance at 1 July 2020	85,081	27,984	62,977	-	63,658	239,700
Additions	-	26,869	8,090	-	-	34,959
Disposals from discontinued operations	-	(16,822)	(45,544)	-	-	(62,366)
Write off of assets	-	(471)	-	-	-	(471)
Depreciation expense	(33,188)	(15,325)	(16,557)	-	(15,887)	(80,957)
Balance at 30 June 2021	51,893	22,235	8,966	-	47,771	130,865
Additions	-	40,496	-	46,582	-	87,078
Additions through business combinations (note 44)	-	-	8,219	-	-	8,219
Disposals	-	(1,149)	-	-	-	(1,149)
Classified as held for sale	-	(2,934)	-	-	-	(2,934)
Depreciation expense	(41,096)	(22,436)	(13,031)	(5,126)	(15,882)	(97,571))
Balance at 30 June 2022	**10,797**	**36,212**	**4,154**	**41,456**	**31,889**	**124,508**

Note 17. Right-of-use assets

	Consolidated Group 2022 $	Consolidated Group 2021 $
Leases	1,377,773	1,377,773
Less: Accumulated depreciation	(1,216,052)	(785,931)
	161,721	**591,842**

The Group leases land and buildings for its offices under agreements of three to five years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

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Note 17. Right-of-use assets (cont.)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated Group	Leases
Balance at 1 July 2020	1,087,999
Additions through business combinations (note 44)	220,563
Disposals	(271,245)
Amortisation expense	(445,475)
Balance at 30 June 2021	591,842
Amortisation expense	(430,121)
Balance at 30 June 2021	**161,721**

Note 18. Intangibles

	Consolidated Group	
	2022	2021
	$	$
Goodwill - at cost	16,191,737	9,876,146
Less: Impairment	(7,131,835)	-
	9,059,902	9,876,146
Development - at cost	-	310,876
Website - at cost	-	1,350,880
Less: Accumulated amortisation	-	(562,867)
	-	788,013
Intellectual property - at cost	-	10,000
Trademarks - at cost	-	80,682
Customer contracts - at cost	601,000	601,000
Less: Accumulated amortisation	(100,167)	(40,067)
	500,833	560,933
Software - at cost	3,547,000	2,501,000
Less: Accumulated amortisation	(521,433)	(166,733)
	3,025,567	2,334,267
	12,586,302	**13,960,917**

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Note 18. Intangibles (cont.)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial period are set out below:

Consolidated Group	Goodwill $	Website $	Trademarks $	Intellectual Property $	Development $	Software $	Customer Contracts $	Total $
Balance at 1 July 2020	31,513,669	1,238,307	80,682	10,000	155,390	-	-	32,998,048
Additions	-	-	-	-	155,486	-	-	155,486
Additions through business combinations (note 44)	6,627,126	-	-	-	-	2,501,000	601,000	9,729,126
Disposals	(28,264,649)	-	-	-	-	-	-	(28,264,649)
Amortisation expense	-	(450,294)	-	-	-	(166,733)	(40,067)	(657,094)
Balance at 30 June 2021	9,876,146	788,013	80,682	10,000	310,876	2,334,267	560,933	13,960,917
Additions through business combinations (note 44)	6,315,591	-	-	-	-	1,046,000	-	7,361,591
Classified as held for sale (note 13)	-	(683,450)	(26,984)	(3,333)	-	-	-	(713,677)
Reclassification	-	310,876	-	-	(310,876)	-	-	-
Impairment of goodwill	(7,131,835)							(7,131,835)
Amortisation expense	-	(415,439)	(53,788)	(6,667)	-	(354,700)	(60,100)	(890,694)
Balance at 30 June 2022	**9,059,902**	**-**	**-**	**-**	**-**	**3,025,567**	**500,833**	**12,586,302**

Impairment testing

Goodwill is allocated to the Group's cash-generating units (CGU's) as follows:

	Consolidated Group 2022 $	Consolidated Group 2021 $
Asset Vision	4,638,988	6,627,126
farmbuy.com	-	3,249,020
EagleSoft (note 44)	4,420,914	-
Total	**9,059,902**	**9,876,146**

The Group undertakes impairment testing of the relevant businesses as required. Impairment testing was performed at 30 June 2022 to support the carrying value of goodwill for the Asset Vision and EagleSoft CGUs. The recoverable amount of the Group's goodwill was based on a value in use calculation, determined by a discounting cash flows model based on a 5 year projection period approved by Management, together with a terminal value. Management's determination of cash flow projections and gross margins are based on past performance and its expectation for the future.

Key assumptions are those to which the recoverable amount of an asset or cash generating unit are most sensitive.

The key assumptions used in the value in use calculation for Asset Vision were as follows:

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Notes to the financial statements 30 June 2022
Note 18. Intangibles (cont.)

	2022	2021
Pre-tax discount rate	17.9%	N/A
Terminal value growth rate	2.5%	N/A
Revenue growth rate (average over next five years)	41.9%	N/A

There were no other key assumptions for the Asset Vision division.

Based on the above, an impairment charge of $1,988,138 has been applied as the carrying value of goodwill exceeded its recoverable amount for the Asset Vision division.

The key assumptions used in the value in use calculation for EagleSoft were as follows:

	2022	2021
Pre-tax discount rate	22.9%	N/A
Terminal value growth rate	2.5%	N/A
Revenue growth rate (average over next five years)	50.0%	N/A

There were no other key assumptions for the EagleSoft division.

Based on the above, an impairment charge of $1,894,677 has been applied as the carrying value of goodwill exceeded its recoverable amount for the EagleSoft division.

In respect to farmbuy.com, the opening balance carried was $3,249,020, and an impairment charge of $1,660,583 was applied at 31 December 2021, as the division's carrying value at that point exceeded its recoverable value.

In March 2022, the farmbuy.com disposal group was classified as held for sale (refer to note 8 for further detail). Immediately before reclassification of the disposal group held for sale, the carrying value of assets were written down to their carrying value per their applicable accounting standards as required by AASB 5 Non-Current Assets Held for Sale and Discontinued Operations. This resulted in an impairment charge of $1,588,438 on farmbuy.com's goodwill under AASB 136 Impairment of Assets.

Impact of a Reasonably Possible Change in Key Assumptions:
Management believes that the growth rates disclosed above over the 5-year forecast period are realistic and achievable based on the organic growth prospects and significant existing investment in the Group's software platforms.

Any adverse movement in a key assumption would lead to a reduction in the estimated recoverable amount exceeding the carrying value for the Asset Vision and EagleSoft CGU's. For example, a 1% reduction in revenue growth rates would cause a reduction of $408,747 to the value in use of Asset Vision and a reduction of $420,499 to the value in use of EagleSoft.

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Note 19. Deferred tax

	Consolidated Group	
	2022	2021
	$	$
Deferred tax asset	**118,792**	**230,784**
Movements:		
Opening balance	230,784	-
Credited/(charged) to profit or loss (note 7)	(111,992)	230,784
Closing balance	**118,792**	**230,784**

Note 20. Other

	Consolidated Group	
	2022	2021
	$	$
Security deposits	-	245,821

Note 21. Trade and other payables

	Consolidated Group	
	2022	2021
	$	$
Trade payables	93,730	162,595
GST payable	19,762	44,829
Other payables	549,484	207,819
	662,976	415,243

Refer to note 37 for further information on financial instruments.

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Note 22. Borrowings

The facilities with ANZ bank contractually expired on 30 December 2020. The lender has agreed to keep the credit card facilities in place.

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated Group	
	2022	2021
	$	$
Total facilities		
Credit Card Facility	95,000	95,000
Used at the reporting date		
Credit Card Facility	19,590	26,695
Unused at the reporting date		
Credit Card Facility	75,410	68,305

There is a corporate cross-deed of guarantee between the parent company and all subsidiaries ("General Security Agreement") which is secured by all present and after-acquired property.

Note 23. Lease liabilities: current

	Consolidated Group	
	2022	2021
	$	$
Lease liability	140,864	440,387

Refer to note 37 for further information on financial instruments.

Note 24. Employee benefits: current

	Consolidated Group	
	2022	2021
	$	$
Annual leave	270,890	186,558
Long service leave	76,812	30,808
	347,702	**217,366**

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Note 24. Employee benefits: current (cont.)

Amounts not expected to be settled within the next 12 months

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Group does not have an unconditional right to defer settlement. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect leave that is not expected to be taken within the next 12 months:

	Consolidated Group	
	2022	2021
	$	$
Employee benefits obligation expected to be settled after 12 months	93,937	58,285

Note 25. Deferred consideration: current

	Consolidated Group	
	2022	2021
	$	$
Deferred consideration	**3,000,000**	**3,930,333**

The deferred consideration represents the obligation to pay consideration following the acquisition of a business or assets. It is measured at the present value of the estimated liability.

On 2 June 2022, the Group announced that it had successfully restructured completion payment terms for the EagleSoft acquisition. $1,000,000 of the overall outstanding balance of $4,000,000 was deferred by 12 months and is now payable in July 2023 and this has been reclassified as non-current in the current year.

Note 26. Other

	Consolidated Group	
	2022	2021
	$	$
Accrued expenses	333,784	119,819
Other current liabilities	87,670	-
	421,454	119,819

Lease make good

Other current liabilities represents the present value of the estimated costs to make good the premises leased by the Group at the end of the respective lease terms. The lease for the premises at 410 Collins Street expired on 31 August 2022.

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Note 27. Deferred tax

Deferred tax liability comprises temporary differences attributable to:

	Consolidated Group	
	2022	2021
	$	$
Amounts recognised in profit or loss:		
Accrued expenses	-	(100,693)
Lease liabilities	-	157,572
Accrued Revenue	-	390
Expenses deductible over five years	-	(95,322)
Employee benefits	-	(85,037)
Customer Contracts	125,000	-
Right of return assets	-	115,611
Property, plant and equipment	-	7,479
Deferred tax liability	**125,000**	**-**

	Consolidated Group	
Movements:		
Opening balance	-	67,038
Charged/(credited) to profit or loss (note 7)	125,000	(217,038)
Additions through business combinations (note 44)	-	150,000
Closing balance	**125,000**	**-**

Note 28. Lease liabilities: non-current

	Consolidated Group	
	2022	2021
	$	$
Lease liability	**24,793**	**165,657**

Refer to note 37 for further information on financial instruments.

Note 29. Employee benefits: non-current

	Consolidated Group	
	2022	2021
	$	$
Long service leave	**44,398**	**37,556**

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Note 30. Contingent consideration

Contingent consideration

The provision represents the obligation to pay contingent consideration following the acquisition of a business or assets, the majority of which may be satisfied by way of an issue of shares in Future First Technologies Ltd. It is measured at the present value of the estimated liability. The contingent consideration liability is reassessed at each reporting date against revised estimates and any increase or decrease in the net present value of the liability will result in a corresponding gain or loss to profit or loss.

On 2 June 2022, the Group announced that it had successfully restructured the completion payment terms for the EagleSoft acquisition including an extension of the milestone achievement period.

Movements in provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

Consolidated Group - 2022	Contingent Consideration $
Carrying amount at the start of the year	-
Additions through business combinations (note 44)	949,000
Unwinding of discount	880
Carrying amount at the end of the year	**949,880**

Note 31. Deferred consideration: non-current

	Consolidated Group	
	2022 $	2021 $
Deferred consideration	**1,000,000**	**-**

Deferred consideration represents the obligation to pay outstanding consideration following the acquisition of a business or assets. It is measured at the present value of the estimated liability.

On 2 June 2022, the Group announced that it had successfully restructured completion payment terms for the EagleSoft acquisition. $1,000,000 of the overall outstanding balance of $4,000,000 was deferred by 12 months and is now payable in July 2023 and this has been reclassified as non-current in the current year.

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Note 32. Issued capital

	Consolidated Group			
	2022 Shares	2021 Shares	2022 $	2021 $
Ordinary shares - fully paid	**640,813,035**	**410,885,795**	**93,069,131**	**85,410,272**

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 July 2020	501,103,515		90,354,877
Issue of shares on acquisition of Asset Vision	2 November 2020	24,000,000	$0.04	998,400
Issue of shares for the Employee Incentive Plan	3 November 2020	5,002,339	$0.00	-
Issue of shares to the FFT Employee Trust	12 November 2020	23,000,000	$0.04	1,058,000
Selective share buy-back	10 December 2020	(147,720,059)	$0.05	(7,386,005)
Issue of shares to the FFT Employee Trust	2 June 2021	5,500,000	$0.07	385,000
Balance	30 June 2021	410,885,795		85,410,272
Issue of shares on acquisition of EagleSoft	1 July 2021	15,000,000	$0.06	1,020,000
Rights issue	27 October 2021	9,348,669	$0.04	420,690
Issue of shares on acquisition of Asset Vision	8 November 2021	23,500,000	$0.04	1,000,000
Rights issue placement	24 December 2021	78,400,000	$0.03	2,352,000
Issue of shares on acquisition of Asset Vision	28 February 2022	32,250,000	$0.03	1,000,000
Institutional placement	24 May 2022	71,428,571	$0.03	2,500,000
Share issue transaction costs, net of tax		-	$0.00	(633,831)
Balance	**30 June 2022**	**640,813,035**		**93,069,131**

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

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Notes to the financial statements 30 June 2022
Note 33. Reserves

	Consolidated Group	
	2022	2021
	$	$
Revaluation surplus reserve	1,500,000	1,500,000
Employee share options/Performance rights reserve	820,600	352,000
	2,320,600	**1,852,000**

Revaluation surplus reserve
The reserve is used to recognise increments and decrements in the fair value of investments.

Employee share options/Performance rights reserve
his reserve is used to recognise options and performance rights granted to Directors and employees under the current FFT Directors and Employee Benefits Plan. Further information on the operation of this plan is outlined in the Directors' Report.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated Group	Employee share option/ Revaluation performance rights reserve $	Revaluation reserve $	Total $
Balance at 1 July 2020	760	1,500,000	1,500,760
Options granted	352,000	-	352,000
Expired Options	(760)	-	(760)
Balance at 30 June 2021	352,000	1,500,000	1,852,000
Options granted	628,600	-	628,600
Options forfeited	(160,000)		(160,000)
Balance at 30 June 2022	**820,600**	**1,500,000**	**2,320,600**

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Note 34. Accumulated losses

	Consolidated Group	
	2022	2021
	$	$
Accumulated losses at the beginning of the financial year	(67,797,389)	(54,791,855)
Loss after income tax (expense)/benefit for the year	(14,367,591)	(13,006,294)
Transfer from options/performance rights reserve	160,000	760
Accumulated losses at the end of the financial year	**(82,004,980)**	**(67,797,389)**

Note 35. Dividends

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Franking credits

	Consolidated Group	
	2022	2021
	$	$
Franking credits available at the reporting date based on a tax rate of 30%	7,268,419	7,357,526
Franking credits available for subsequent financial years based on a tax rate of 30%	**7,268,419**	**7,357,526**

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Notes to the financial statements 30 June 2022

Note 36. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated Group	
	2022	2021
	$	$
Loss after income tax (expense)/benefit for the year	(14,367,591)	(13,006,294)
Adjustments for:		
Depreciation and amortisation	1,418,301	1,158,891
Impairment	7,131,835	-
Share-based payments	360,000	352,000
Net loss/(gain) on disposal of non-current assets	(10,000)	7,454,851
Other expenses - non-cash	25,194	(687,420)
Finance costs - non-cash	236,547	(117,534)
Change in operating assets and liabilities:		
Decrease in trade and other receivables	37,194	6,571,700
Decrease/(increase) in income tax refund due	389,926	(487,330)
Decrease in deferred tax assets	111,992	-
Decrease in accrued revenue	-	2,013,758
Increase in prepayments and other assets	(122,478)	(27,172)
Increase/(decrease) in trade and other payables	247,733	(1,849,740)
Increase in deferred tax liabilities	125,000	8,644
Increase in employee benefits	137,178	4,723
Increase/(decrease) in other liabilities	273,567	(3,971,845)
Net cash used in operating activities	**(4,005,602)**	**(2,582,768)**

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Note 37. Financial instruments

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and manages financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The Group is not currently exposed to any material fluctuations in foreign currency.

Price risk

Price risk is the risk that the value of a security or investment will decrease. The Group's main price risk arises from unlisted shares held at fair value through other comprehensive income. Factors that affect price risk include earnings volatility, poor business management, and price changes.

Apart from the above, the Group is not exposed to any other significant price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

The table below outlines the variable interest rate on cash at bank:

		2022		2021
	Weighted average interest rate	Balance	Weighted average interest rate	Balance
Consolidated Group	%	$	%	$
Cash at bank	-	2,684,661	0.73%	5,932,518
Net exposure to cash flow interest rate risk		**2,684,661**		**5,932,518**

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Note 37. Financial instruments (cont.)

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date of recognised financial assets is the carrying amount of those assets, net of any provisions for impairment of those assets, as disclosed in consolidated statement of financial position and notes to the consolidated financial statements. The Group does not hold any collateral.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

The Group does not have any material credit risk exposure to any single debtor or Group of debtors under financial instruments entered into by the Group.

The Group minimises concentrations of credit risk in relation to trade receivables by undertaking transactions with a large number of customers.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Financing arrangements

Unused borrowing facilities at the reporting date:

	Consolidated Group	
	2022	2021
	$	$
Credit Card Facility	75,410	68,305

Maturity Analysis

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

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Note 37. Financial instruments (cont.)

Consolidated Group - 2022	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	93,730	-	-	-	93,730
Other payables	-	549,484	-	-	-	549,484
Accrued expenses	-	333,784	-	-	-	333,784
Deferred consideration	-	3,000,000	1,000,000	-	-	4,000,000
Contingent consideration	-	-	-	949,880	-	949,880
Interest-bearing - variable						
Lease liability	4.00%	140,864	24,793	-	-	165,657
Total non-derivatives		**4,117,862**	**1,024,793**	**949,880**	**-**	**6,092,535**

Consolidated Group 2021	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Non-interest bearing	-	162,595	-	-	-	162,595
Trade payables	-	207,819	-	-	-	207,819
Other payables	-	119,819	-	-	-	119,819
Accrued expenses	-	3,930,333	-	-	-	3,930,333
Deferred consideration						
Interest-bearing - variable						
Lease liability	4.00%	440,387	139,577	26,080	-	606,044
Total non-derivatives	**-**	**4,860,953**	**139,577**	**26,080**	**-**	**5,026,610**

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

The fair values of cash, receivables, trade and other payables and current tax payables approximate their carrying amounts as a result of their short-term maturity.

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Note 38. Key management personnel disclosures

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	Consolidated Group	
	2022	2021
	$	$
Short-term employee benefits	860,609	1,086,445
Post-employment benefits	79,061	70,912
Share-based payments	360,000	605,000
	1,299,670	**1,762,357**

Note 39. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Moore Australia Audit (VIC), the auditor of the Company:

	Consolidated Group	
	2022	2021
	$	$
Audit services - Moore Australia Audit (VIC)		
Audit or review of the financial statements	104,621	125,264

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Note 40. Contingent liabilities

The Group has given bank guarantees as at 30 June 2022 of $245,821 (2021: $245,821) in satisfaction of building lease guarantees, which have been cash-backed.

There are no other matters which the Group considers would result in a contingent liability as at the date of this report.

Note 41. Commitments

The Group has no capital or lease commitments at at 30 June 2022.

Note 42. Related party transactions

Parent entity
Future First Technologies Ltd is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 45.

Key management personnel
Disclosures relating to key management personnel are set out in note 38.

Transactions with related parties
On 12 November 2020, the Group entered into a building lease agreement with DKEL Investment Pty Ltd (formerly SyncIT Development Pty Ltd), a company wholly owned by Damian Smith, the CEO of Asset Vision Pty Ltd. The premises are used for the principal place of business for Future First Technologies Ltd and Asset Vision Pty Ltd. The lease is for a period of three years.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

The following transactions occurred with related parties:

	Consolidated Group	
	2022	2021
	$	$
Current payables:		
Trade payables to key management personnel	97,222	166,816

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

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Notes to the financial statements 30 June 2022
Note 43. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2022	2021
	$	$
Loss after income tax	(10,341,600)	(12,653,989)
Total comprehensive income	(10,341,600)	(12,653,989)

Statement of financial position

	Parent	
	2022	2021
	$	$
Total current assets	7,502,427	8,517,118
Total assets	24,421,188	25,847,535
Total current liabilities	3,470,018	4,916,298
Total liabilities	5,431,703	5,094,637
Equity		
Issued capital	93,069,131	85,410,272
Revaluation surplus reserve	1,500,000	1,500,000
Employee share options/Performance rights reserve	820,600	352,000
Accumulated losses	(76,400,244)	(66,509,373)
Total equity	**18,989,487**	**20,752,899**

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
Please see note 46 in relation to the deed of cross guarantee in place.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2022.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment at as 30 June 2022.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

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Note 44. Business combinations

(a) Current Period

EagleSoft Pty Ltd

On 23 June 2021, the Group announced the strategic acquisition of EagleSoft, an Intelligent Data Capture Platform that automatically detects both road defects and asset inventory using Artificial Intelligence (AI) and Machine Learning (ML), with the execution of a Share Sale and Purchase Agreement. The business operates in the Asset Vision segment of the Group.

The consideration for the acquisition of EagleSoft's proprietary solution will be a mix of cash and FFT shares, being $1.5m in cash and 15,000,000 shares on completion with further deferred and conditional consideration payments of up to $8.0m across the next three years post completion. Post completion payments will also be a mixture of cash and FFT shares on a 50:50 ratio.

The transaction successfully completed on 1 July 2021.

Details of the purchase consideration, the net assets acquired and goodwill are set out below. The goodwill of $6,315,591 represents the amount of consideration paid for the business acquisition less fair value of net assets, plus additional amounts paid for performance, both current and implied by forecasts. The acquired business contributed revenue of $641,204 and a profit after income tax of $233,017 from 1 July 2021 to 30 June 2022.

Details of the acquisition are as follows:

	EagleSoft Pty Ltd Fair value $	Total $
Cash and cash equivalents	6,763	6,763
Trade receivables	432,713	432,713
Plant and equipment	8,219	8,219
Software	1,046,000	1,046,000
Other payables	(112,911)	(112,911)
Revenue received in advance	(393,375)	(393,375)
Net assets acquired	987,409	987,409
Goodwill	6,315,591	6,315,591
Acquisition-date fair value of the total consideration transferred	**7,303,000**	**7,303,000**
Representing:		
Cash paid or payable to vendor	1,500,000	1,500,000
FFT Ltd shares issued to vendor	1,020,000	1,020,000
Deferred consideration	3,834,000	3,834,000
Contingent consideration - non-current	949,000	949,000
	7,303,000	**7,303,000**

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	EagleSoft Pty Ltd Fair value $	Total $
Cash used to acquire business, net of cash acquired:		
Acquisition-date fair value of the total consideration transferred	7,303,000	7,303,000
Less: cash and cash equivalents	(6,763)	(6,763)
Less: deferred consideration	(3,834,000)	(3,834,000)
Less: shares issued by company as part of consideration	(1,020,000)	(1,020,000)
Less: contingent consideration	(949,000)	(949,000)
Net cash used	**1,493,237**	**1,493,237**

Acquisition costs expensed to the statement of profit or loss and other comprehensive income during the year ended 30 June 2022 amounted to $133,812 (2021: $3,012,626) for services provided by consultants and legal advisers as well as share issue costs. This was incurred in relation to acquisitions and disposals of existing businesses and prospective transactions.

During the year ending 30 June 2022, cash payments of $2,000,000 were made to the vendors of the businesses acquired in prior periods, in satisfaction of business purchase and earn out payments as per the terms of the share sale and purchase agreements.

(b) Prior Period

Asset Vision Pty Ltd

On 20 October 2020, the Group announced that it had executed a Business Sale and Purchase Deed ('BPSD') to acquire a 100% interest in Asset Vision. The Asset Vision platform provides a unified approach to asset inspections, maintenance and operations management in the global Enterprise Asset Management software market. The business operates in the Asset Vision segment of the Group.

The transaction completed on 2 November 2020. The total consideration payable under the BSPD is:
- $4.65 million cash on completion
- 24 million fully paid ordinary shares in Future First Technologies Ltd on completion
- $4 million in a combination of cash and shares on the 12-month anniversary from completion

Details of the purchase consideration, the net assets acquired and goodwill are set out below. The goodwill of $6,627,126 represents the amount of consideration paid for the business acquisition less fair value of net assets, plus additional amounts paid for performance, both current and implied by forecasts. The acquired business contributed revenue of $1,412,626 and a loss after income tax of $20,723 from 2 November 2020 to 30 June 2021. If the acquisition occurred on 1 July 2020, the contribution for the full year reporting period would have been a profit after tax of $246,523.

Notes to the financial statements 30 June 2022
Note 44. Business combinations (cont.)

Details of the acquisition are as follows:

	Asset Vision Pty Ltd Fair value $	Total $
Customer contracts	601,000	601,000
Software	2,501,000	2,501,000
Deferred tax liability	(150,000)	(150,000)
Employee benefits	(139,726)	(139,726)
Net assets acquired	2,812,274	2,812,274
Goodwill	6,627,126	6,627,126
Acquisition-date fair value of the total consideration transferred	**9,439,400**	**9,439,400**

Details of the acquisition are as follows:

	Asset Vision Pty Ltd Fair value $	Total $
Representing:		
Cash paid or payable to vendor	4,650,000	4,650,000
FFT Ltd shares issued to vendor	998,400	998,400
Deferred consideration	3,791,000	3,791,000
	9,439,400	9,439,400
Cash used to acquire business, net of cash acquired:		
Acquisition-date fair value of the total consideration transferred	9,439,400	9,439,400
Less: deferred consideration	(3,791,000)	(3,791,000)
Less: shares issued by company as part of consideration	(998,400)	(998,400)
Net cash used	**4,650,000**	**4,650,000**

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Note 45. Interests in subsidiaries

The Group financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest 2022 %	Ownership interest 2021 %
Respring Pty Ltd	Australia	100.00%	100.00%
Asset Vision Pty Ltd	Australia	100.00%	100.00%
EagleSoft Pty Ltd	Australia	100.00%	-

Note 46. Deed of cross guarantee

The following entities are party to a deed of cross guarantee under which each company guarantees the debts of the others:

Asset Vision Pty Ltd
Respring Pty Ltd
EagleSoft Pty Ltd
Future First Technologies Ltd

By entering into the deed, the wholly-owned entities have been relieved from the requirement to prepare financial statements and Directors' report under Corporations Instrument 2016/785 issued by the Australian Securities and Investments Commission.

The above companies represent a 'Closed Group' for the purposes of the Corporations Instrument, and as there are no other parties to the deed of cross guarantee that are controlled by Future First Technologies Ltd, they also represent the 'Extended Closed Group'.

The statement of profit or loss and other comprehensive income and statement of financial position are the same as the Group and therefore have not been separately disclosed.

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Note 47. Earnings per share

	Consolidated Group	
	2022	2021
	$	$
Earnings per share for loss from continuing operations		
Loss after income tax attributable to the members of Future First Technologies Ltd	**(12,275,298)**	**(6,110,703)**

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	505,612,726	452,918,274
Weighted average number of ordinary shares used in calculating diluted earnings per share	**505,612,726**	**452,918,274**

	Cents	Cents
Basic earnings per share	(2.43)	(1.35)
Diluted earnings per share	(2.43)	(1.35)

	Consolidated Group	
	2022	2021
	$	$
Earnings per share for loss from discontinued operations		
Loss after income tax attributable to the members of Future First Technologies Ltd	**(2,092,293)**	**(6,895,591)**

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	505,612,726	452,918,274
Weighted average number of ordinary shares used in calculating diluted earnings per share	**505,612,726**	**452,918,274**

	Cents	Cents
Basic earnings per share	(0.41)	(1.52)
Diluted earnings per share	(0.41)	(1.52)

	Consolidated Group	
	2021	2020
	$	$
Earnings per share for profit/(loss)		
Profit/(loss) after income tax attributable to the members of Future First Technologies Ltd	**(14,367,591)**	**(13,006,294)**

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	505,612,726	452,918,274
Weighted average number of ordinary shares used in calculating diluted earnings per share	**505,612,726**	**452,918,274**

	Cents	Cents
Basic earnings per share	(2.84)	(2.87)
Diluted earnings per share	(2.84)	(2.87)

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Notes to the financial statements 30 June 2022
Note 48. Share-based payments

The Group has a Long-Term Incentive Plan (LTIP) that includes options and performance rights, with a view to aligning the interests of employees with the objectives of the Group and to provide incentives to Directors, senior executives and staff. The Group's LTIP applies to both past and present employees and Directors and is subject to vesting conditions for option holders. Options are granted over ordinary shares in the Company to certain key management personnel of the Group. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Remuneration and Nomination Committee.

Set out below are summaries of options granted under the plan:

Name	Number of options 2022	Weighted average exercise price 2022	Number of options 2021	Weighted average exercise price 2021
Outstanding at the beginning of the financial year	44,040,000	$0.08	40,000	$0.39
Granted	64,000,000	$0.07	44,000,000	$0.08
Forfeited	(20,000,000)	$0.08	-	$0.08
Outstanding at the end of the financial year	88,040,000	$0.08	44,040,000	$0.08

2022

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
15/12/2016	14/12/2022	$0.39	40,000	-	-	-	40,000
26/10/2020	06/08/2022	$0.05	10,000,000	-	-	(10,000,000)	-
26/10/2020	06/08/2023	$0.10	10,000,000	-	-	(10,000,000)	-
13/11/2020	06/08/2022	$0.05	5,000,000	-	-	-	5,000,000
13/11/2020	06/08/2023	$0.10	5,000,000	-	-	-	5,000,000
13/11/2020	06/08/2022	$0.05	2,000,000	-	-	-	2,000,000
13/11/2020	06/08/2023	$0.10	2,000,000	-		-	2,000,000
23/11/2020	06/08/2022	$0.05	5,000,000	-		-	5,000,000
23/11/2020	06/08/2023	$0.10	5,000,000	-		-	5,000,000
10/05/2022	10/05/2025	$0.05	-	4,000,000		-	4,000,000
12/05/2022	12/05/2025	$0.05	-	10,000,000		-	10,000,000
08/06/2022	08/06/2024	$0.05	-	25,000,000		-	25,000,000
08/06/2022	08/06/2025	$0.10	-	25,000,000		-	25,000,000
			44,040,000	64,000,000	-	(20,000,000)	88,040,000

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Note 48. Share-based payments (cont.)

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2021

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
15/12/2016	14/12/2022	$0.39	40,000	-	-	-	40,000
26/10/2020	06/08/2022	$0.05	-	10,000,000	-	-	10,000,000
26/10/2020	06/08/2023	$0.10	-	10,000,000	-	-	10,000,000
13/11/2020	06/08/2022	$0.05	-	5,000,000	-	-	5,000,000
13/11/2020	06/08/2023	$0.10	-	5,000,000	-	-	5,000,000
13/11/2020	06/08/2022	$0.05	-	2,000,000	-	-	2,000,000
13/11/2020	06/08/2023	$0.10	-	2,000,000	-	-	2,000,000
			40,000	44,000,000			44,040,000

The fair value of the equity share settled options granted under the LTIP is estimated as at the grant date using the Binomial model taking into account the terms and conditions upon which the options were granted.

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.96 years (2021: 1.6 years).

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
10/05/2022	10/05/2025	$0.04	$0.05	88.00%	-	3.00%	$85,600
12/05/2022	12/05/2025	$0.04	$0.05	88.00%	-	2.90%	$183,000
08/06/2022	08/06/2024	$0.03	$0.05	88.00%	-	3.09%	$280,000
08/06/2022	08/06/2025	$0.03	$0.10	88.00%	-	3.09%	$80,000

Notes to the financial statements 30 June 2022
Note 49. Events after the reporting period

- On 1 July 2022, the Group announced it had signed a binding Heads of Agreement to sell farmbuy.com (part of Respring Pty Ltd) to Australian Community Media (ACM). Under the Heads of Agreement, ACM will purchase all of the business assets for a purchase price of $800,000.
- On 3 August 2022, the Group further announced that the formal Sale of Business Agreement had been executed.
- On 15 August 2022, the Group announced the appointment of Scott Coles as Non-Executive Director, effective 15 August 2022.
- On 31 August 2022, the Group announced the retirement of Nicole Ferro, Non-Executive Director effective the same day. It was also announced that Scott Coles will take over as Chair of the Audit and Risk Committee.
- On 1 September 2022, the Group announced the successful completion of the sale of all business assets associated with farmbuy.com to ACM.
- No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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DIRECTORS'

Declaration 30 June 2022

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FUTURE FIRST TECHNOLOGIES LIMITED AND CONTROLLED ENTITIES

Opinion

We have audited the accompanying financial report of Future First Technologies Limited and Controlled Entities (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and (consolidated) statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration of the Group comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

In our opinion:

a. the financial report of Future First Technologies Limited and Controlled Entities is in accordance with the *Corporations Act 2001*, including:

    i. giving a true and fair view of the Company's financial position as at 30 June 2022 and of their performance for the year ended on that date; and

    ii. complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Regulations 2001*;

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements with Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which identifies that during the year ended 30 June 2022 the Group incurred a consolidated net loss of $12.27m from continuing operations (2021: $6.1m loss from continuing operations), had net cash outflows from operating activities of $4.01m (2021: $2.58m), and that the Group's current liabilities exceed its current assets by $0.13m (2021: current assets exceed its current liabilities by $1.87m). These events and conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER 1 – VALUE OF INTANGIBLE ASSETS

Refer to Note 18 "Intangibles"

As at 30 June 2022, the Group has total intangible assets of $12.5m. As required by Australian Accounting Standards, the Group must assess whether there are any indicators of impairment relating to the Group's Intangible Assets.

We considered this a key audit matter due to the size of this balance and because the Directors' assessment of the 'value in use' of the Group's CGUs involve complex judgements about the future results of the CGU and the discount rates applied to the future cash flows, which are both inherently uncertain.

Based on the annual impairment test whereby a discounted cash flow model was prepared, the board concluded that an impairment charge was required for the year ended 30 June 2022 of $7,131,835.

Our procedures included, amongst others:

- We evaluated management's cash flow forecasts and the process by which they were developed, including verifying the mathematical accuracy of the underlying calculations. We also compared them to the latest board approved budgets.
- We also challenged whether:
  1. Management's key assumptions for short and long term growth rates in the forecasts were appropriate, considering the historical reliability of the Group's cash flow forecasting process;
  2. The discount rate used in the model was appropriate by assessing the cost of capital for the Group by comparing it to market data and industry research.
- We then tested the assumptions used by management, analysing the impact on the value in use calculation by adjusting the EBIT growth rate, WACC and terminal value growth rate used within a reasonably foreseeable range.
- We independently developed expectations regarding the impairment testing results based on our understanding of the CGUs and the Group's historic achievement of budgeted results. We evaluated the Group's impairment testing results against those expectations.
- We assessed the adequacy of the Group's disclosure of key assumptions used and sensitivities to changes in assumptions as required by Australian Accounting Standards.

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KEY AUDIT MATTER 2 – DISCONTINUED OPERATIONS Refer to Note 8 DISCONTIUED OPERATIONS AND 13 "ASSETS CLASSIFIED AS HELD FOR SALE"	
During the year ended 30 June 2022, the Group entered into a binding Heads of Agreement to sell Farmbuy.com and thereby divest its ownership in Respring Pty Ltd. As required by Australian Accounting Standards, the Group is required to disclose the net non-current asset held for sale as a single line within the statement of financial position, and the divestment in the financial report as a single line item within the statement of profit & loss and other comprehensive income. We considered this a key audit matter due to the size of these transactions and the qualitative nature of information that this will provide to all users of the financial statements	Our procedures included, amongst others: • Obtaining and reviewing the Heads of Agreement in detail to understand the key terms and conditions; • Assessing the accounting treatment with the requirements of AASB 5: Non-current Assets Held for Sale and Discontinued Operations. • Performing a detailed review of the disclosure made in the financial report to ensure this is correctly stated and in accordance with the requirements of AASB 5: Non-current Assets Held for Sale and Discontinued Operations.

KEY AUDIT MATTER 3 – ACCOUNTING FOR BUSINESS COMBINATIONS Refer to Note 44 "Business Combinations"	
During the year, the Group acquired Eaglesoft Pty Ltd. The details of this acquisition are disclosed in Note 44 of the financial report. We considered this a key audit matter given the financial significance of the acquisition and the complex judgements required by the Group in accounting for the acquisition. These judgements include identifying and estimating the fair value of assets and liabilities acquired, including the identifiable intangible assets acquired. The Group was assisted by an external valuation expert in this process.	Our procedures included, amongst others: • Obtaining and reviewing the share sale agreements in detail to understand the key terms and conditions of the acquisition; • Evaluating the Group's accounting for this acquisition against the requirements of Australian Accounting Standards. • Assessing the appropriateness of the fair values of the acquired assets and liabilities recognised, including: 1. Reviewing the judgements and methodology used by the external Valuer to ensure this was appropriate. 2. Reviewing the identifiable intangible assets acquired, including the assessment of the useful live relating to identifiable intangible assets. • Performing a detailed review of the disclosure made in the financial report to ensure this is correctly stated and in accordance with the requirements of AASB 3: Business Combinations.

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KEY AUDIT MATTER 4 – FAIR VALUE OF FINANCIAL ASSETS Refer to Note 15 "Financial assets at fair value through other comprehensive income"	
The Group holds an investment in The 1derful Group Pty Ltd, the investment is represented in the financial report as a financial asset at fair value through other comprehensive income. We considered this a key audit matter based on the value of the investment as well as it being an area requiring management estimate and significant judgement.	Our procedures included, amongst others: • We assessed the appropriateness of the accounting policies applied by the Group, including those relevant to the fair value hierarchy of investments against the requirements of the accounting standards. • For investments held at year end, we evaluated the conditions since acquisition to year end for matters which may significantly change the recorded value. • Performing a detailed review of the disclosure made in the financial report to ensure this is correctly stated and in accordance with the requirements of AASB 9: Financial Instruments.

KEY AUDIT MATTER 5 – GOING CONCERN Refer to Note 1 "Significant accounting policies" paragraph on Going Concern	
During the year ended 30 June 2022, the Group incurred a consolidated net loss of $12.27m from continuing operations (2021: $6.1m loss from continuing operations), had net cash outflows from operating activities of $4.01m (2021: $2.58m), and that the Group's current liabilities exceed its current assets by $0.13m (2021: current assets exceed its current liabilities by $1.87m). We focused on this area due to significance of impact on operating cash flows and profit and loss, the nature of the factors causing the impact, the uncertainty of future economic conditions and the possible impact on the Groups ability to continue as a going concern.	Our procedures included, amongst others: • Obtained and reviewed management forecasts to assess whether forecast cash levels and current asset levels are sufficient to sustain the operations of the Group for at least 12 months. • We challenged and tested the assumptions used by management in the preparation of the forecasts, including sensitivity analysis on projected growth rates, timing of cash inflows and outflows and the accuracy of forecasting.

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Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report of the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Corporations Act 2001, and for such internal control as the directors determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

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Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 12 to 15 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of the Group, for the year ended 30 June 2022 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Group are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Moore Australia

MOORE AUSTRALIA AUDIT (VIC)
ABN 16 847 721 257

GEORGE S, DAKIS
Partner
Audit and Assurance

Melbourne, Victoria

30 September 2022

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2022 and of
- its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 46 to the financial statements.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Adrian Rudman
Managing Director

30 September 2022
Sydney

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Notes to the financial statements 30 June 2022
Shareholder information

The shareholder information set out below was applicable as at 5 September 2022.

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

		Ordinary shares	
	Number of holders	% of total shares issued	Number of shares
1 to 1,000	48	-	14,731
1,001 to 5,000	44	0.02	122,017
5,001 to 10,000	71	0.09	569,139
10,001 to 100,000	450	2.76	17,739,401
100,001 and over	232	97.13	625,191,276
	845	**100.00**	**643,636,564**
Holding less than a marketable parcel	**31**	**-**	**1,197**

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Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	**% of total shares issued**
DKEL INVESTMENT PTY LTD	67,750,000	10.57
BOND STREET CUSTODIANS LIMITED, SALTER - D79836 A/C	61,500,000	9.60
NATIONAL NOMINEES LIMITED	52,059,800	8.12
TOON CONSULTING PTY LTD, FALCONER FAMILY A/C	50,000,000	7.80
ANALYST RECRUITMENT PTY LTD, MURTAGH FAMILY A/C	50,000,000	7.80
PEANO INVESTMENTS PTY LTD, PEANO INVESTMENTS A/C	50,000,000	7.80
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	43,803,162	6.84
REMSTRATEGY EST 1120 PTY LTD, FFT EIT A/C	29,150,000	4.55
FLASHLIGHT ADVISORY PTY LTD, FLASHLIGHT ADVISORY INVESTMENT A/C	17,200,000	2.68
FIP INVESTMENTS (VIC) PTY LTD, FIP INVESTMENTS A/C	14,000,000	2.18
MR BLAIR CAMERON GOWANS	6,982,293	1.09
BABAK BIGDELI	6,970,588	1.09
ARVAND PTY LTD, THE BIGDELI FAMILY A/C	6,970,588	1.09
MR PAUL RICHARD FIELDING	6,000,560	0.94
DKEL INVESTMENT PTY LTD	6,000,000	0.94
GLENNFIELD PTY LTD, GELNNFIELD FAMILY A/C	5,567,310	0.87
MRS LAURA CATHERINE GOWANS	5,329,980	0.83
CHRIS MAHONEY	4,764,705	0.74
MR COREY PETER YEATMAN	4,483,967	0.70
VISTRA TRUST (SINGAPORE) PTE L, IS&P SG R/F SUB FUND 289 A/C	4,231,381	0.66
	492,764,334	**76.89**

Unquoted equity securities

	Number on issue	Number of holders
Options over ordinary shares issued	74,040,000	6

The following person holds 20% or more of unquoted equity securities:

Name	Class	Number held
Adrian Rudman	Ordinary	50,000,000

Notes to the financial statements 30 June 2022
Shareholder information (cont.)

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Substantial holders

Substantial holders in the Company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
Falconer, Keith	75,000,000	11.70
Murtagh, Lucas	75,000,000	11.70
DKEL Investment Pty Ltd	73,750,000	11.51
Bond Street Custodians Limited	61,500,000	9.60
National Nominees Limited	52,059,800	8.12
J P Morgan Nominees Australia Pty Limited	43,803,162	6.84

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Securities subject to voluntary escrow

Class	Expiry date	Number of shares
Ordinary	02/11/2022	6,000,000
Ordinary	12/07/2023	10,294,118
Ordinary	12/07/2024	10,294,118
		26,588,236

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Annual Report 2022