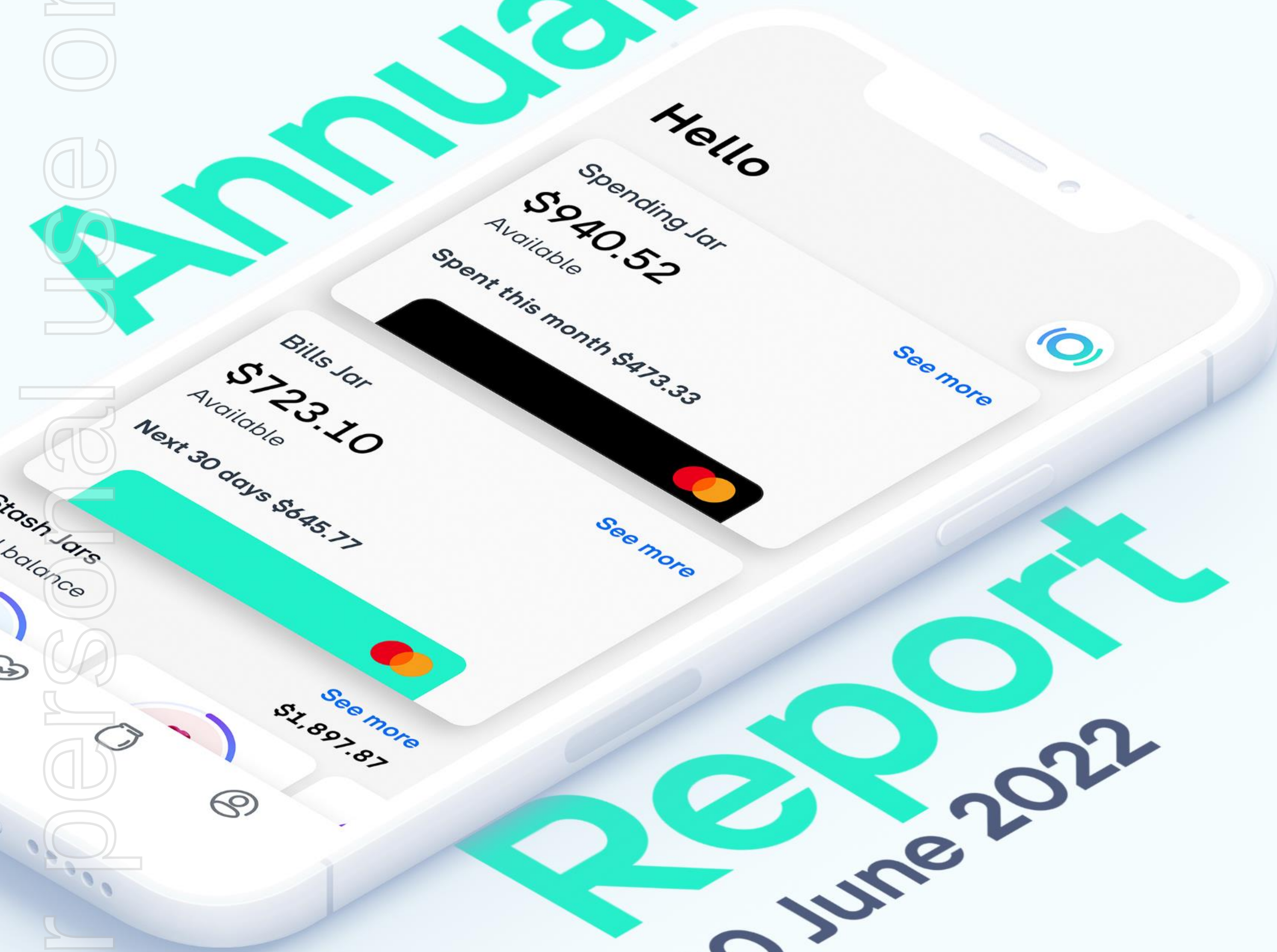
Annual Report

30 June 2022



Douugh

Douugh Limited. ABN 41 108 042 593

Douugh Limited
Corporate directory
30 June 2022

Directors	Steve Bellotti (Non-Executive Chairman) Andrew Taylor (Managing Director and CEO) Bert Mondello (Non-Executive Director)
Company secretary	Derek Hall
Registered office	Level 5, 24 Campbell St, Haymarket, NSW 2000
Principal place of business	Level 5, 24 Campbell St, Haymarket, NSW 2000
Share register	Automic Group Share Registry Level 5, 126 Phillip Street Sydney NSW 2000 T 1300 288 664
Auditor	RSM Australia Partners Level 13, 60 Castlereagh Street Sydney, NSW 2000
Solicitors	Steinepreis Paganin Level 4, The Read Buildings 16 Milligan Street Perth WA 6000 Australia
Stock exchange listing	Douugh Limited shares are listed on the Australian Securities Exchange (ASX code: DOU)
Website	douugh.com
Corporate Governance Statement	douugh.com/investors/#corporategovernance

A Letter from the CEO

Dear Fellow Shareholders,

On behalf of the Board, I am pleased to present the Douugh Ltd Annual Report for 2022, its second as an ASX listed company.

Douugh is a fintech company on a mission to empower everyday people to better manage & grow their money by creating winning habits through a single super app to achieve financial independence.

Since our IPO in October 2020 and following the acquisition of Goodments in Australia, the Company has invested heavily in R&D to engineer our technology platform, AI-powered automation engine and consumer facing mobile applications, whilst simultaneously launching and validating the service with U.S customers and preparing for our AU launch.

Following the launch of our integrated robo-advisory investment product late last year in the U.S and subsequent marketing ramp up, the dramatic shift in the macroeconomic environment resulting in the mass devaluing of technology stocks and weakening of the AUD, has forced us to rethink our strategy and level of investment in the U.S business.

This has resulted in us conducting a strategic review of our business plan and overall customer value proposition - undertaking extensive customer research with the goal of forming a revised plan that sharpens the Company's focus and accelerates its path to profitability.

Our learnings and market research across the U.S and Australia has shown that leading with a marketing message and product architecture that requires customers to sign up and fund a Douugh bank account in order to unlock key features (closed loop) creates unnecessary friction. Whilst people are excited about the notion and convenience of a super app medium-term, initially they would prefer to connect their existing bank account (open loop) to the Douugh platform to build trust, before committing to moving over their primary banking relationship.

Our priority moving forward is to generate material ARPU, whilst minimise CAC - removing the barriers to entry for customers to onboard and activate, whilst reducing our reliance on paid marketing channels by building a supportive community of loyal customers to foster viral growth. Assisted by the formation of B2B2C channel partnerships to access larger pools of potential customers.

As communicated to shareholders in our most recent quarterly update, Douugh is now putting its energy and focus into launching the Douugh app in Australia (replacing it's Goodments app), with a greater emphasis on wealth management utilising Open Banking to appeal to a more affluent customer base and capitalise on the emerging opportunity to help people build long-term wealth. I look forward to presenting the new plan in detail in the coming weeks.

I'd like to personally thank all our valued shareholders for their unwavering support and patience to date as we navigate these uncertain economic times, whilst continuing to focus on building out a valuable product that delivers on our mission.

We can't wait to introduce the revised Douugh proposition to Australians, and the wait is almost over!

Yours faithfully,

Andy Taylor
Managing Director and CEO
Douugh Limited

30 September 2022

Douugh Limited
Directors' report
30 June 2022

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Douugh Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2022.

Directors
The following persons were Directors of Douugh Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Steve Bellotti	Non-Executive Chairman (appointed 18 September 2020)
Andrew Taylor	Managing Director and CEO (appointed 18 September 2020)
Bert Mondello	Non-Executive Director (appointed 12 June 2014)
Leanne Graham	Non-Executive Director (resigned 29 July 2022)
Patrick Tuttle	Non-Executive Director (resigned 28 February 2022)

Principal activities
The principal activity of the Group during the financial year was developing an artificial intelligence (AI) first approach to reimagine banking, enabling our customers to better manage their money and achieve financial freedom through a smart mobile banking app.

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

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $11,628,452 (30 June 2021: $13,487,518).

Significant changes in the state of affairs
On 13 December 2021, the Company completed a placement of 76,388,889 fully paid ordinary shares at $0.072 per share in order to accelerate research and development, marketing and growth of the Douugh platform.

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

Matters subsequent to the end of the financial year
The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the consolidated entity up to 30 June 2022, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation
The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on Directors

Name:	Steve Bellotti
Title:	Non-Executive Chairman
Experience and expertise:	Steve has an extensive track record in building and running large, complex global markets and loans businesses and has proven to be a very effective risk taker and manager, leader and investor across global financial markets. He has built a number of large complex global markets operations for global banks, including Merrill Lynch and Dresdner Kleinwort in London, New York, Sydney, Hong Kong and Singapore. Steve's most recent role was Managing Director of Global Markets & Institutional Loans at ANZ Bank (managing over AUD$300b in assets), and Managing Director and Head of Global Markets at Dresdner Kleinwort Group. Steve is also currently a Director of Trovio Pty Ltd (ACN 619 726 608), CEO - Digital Native Assets Pty Ltd (ACN 620 623 234) and Executive Chairman of TCM Capital AM Pty Ltd (ACN 632 888 638).
Other current directorships:	None
Former directorships (last 3 years):	None

Name:	Andrew Taylor
Title:	Founder, Managing Director and CEO
Experience and expertise:	Andy holds a Bachelor of Business Studies, majoring in Marketing Communications from Massey University. Andy was previously Co-founder & Co-CEO of SocietyOne Australia Pty Ltd (ACN 151 627 977), a peer-to-peer lending platform, Founder & CEO of Yatango Pty Ltd (ACN 159 748 240), an online consumer services and rewards platform, and was also previously Co-founder & CEO of Unity ID Ltd, a digital marketing and technology agency.
Other current directorships:	None
Former directorships (last 3 years):	None

Name:	Bert Mondello
Title:	Non-Executive Director
Experience and expertise:	Bert Mondello is an experienced Public Company Director, Corporate Advisor and Technology Expert with 20 years' experience across both the private and public sectors. An as Executive, Bert has substantial capital markets experience and knowledge of equity markets having participated in company restructures, complex M & A transactions, IPOs, RTOs, investor placements and capital raisings. Bert has widespread experience spanning across retail and institutional sectors and an extensive knowledge of marketing communications and investor relations. With deep rooted expertise across multiple technology sectors, Bert has provided strategic corporate advice and mentoring to a number of private and public organisations internationally across multiple industries. He holds a Bachelor of Laws from the University of Notre Dame, Australia.
Other current directorships:	Vection Technologies Limited, Emerge Gaming Limited
Former directorships (last 3 years):	Sinetech Limited, WestStar Industrial Limited
Special responsibilities:	Member of the Nomination Committee

Name:	Patrick Tuttle (resigned 28 February 2022)
Title:	Former Non-Executive Director
Experience and expertise:	Mr Patrick Tuttle has in excess of 30 years' experience in non-bank, consumer, SME and asset-based finance.
Other current directorships:	Openpay Group Limited (ASX:OPY), COG Financial Services Limited (ASX:COG).
Former directorships (last 3 years):	None
Special responsibilities:	None

Name:	Leanne Graham (resigned 29 July 2022)
Title:	Non-Executive Director
Experience and expertise:	Mrs Leanne Graham is a highly experienced technology executive, with a comprehensive understanding of Software-as-a-Service (SaaS) based business models.
Other current directorships:	Bill Identity Limited (ASX:BID), ArchTis Limited (ASX:AR9).
Former directorships (last 3 years):	Health House (ASX:HHI), Apps Village (ASX:APV).
Special responsibilities:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Directors' relevant interests

The directors' relevant Interests in shares, rights and options notified to the ASX in accordance with the Corporations Act 2001 at the date of this report are as follows:

	Ordinary shares	Performance rights	Options (Expiring 31/7/2024)
Steve Bellotti	5,301,276	1,369,329	1,107,987
Andrew Taylor	229,526,905	24,425,147	52,275,440
Bert Mondello	16,596,041	2,800,000	-
	251,424,222	28,594,476	53,383,427

Company secretary
Derek Hall is a Chartered Accountant, Fellow of the Financial Services Institute and Fellow of the Governance Institute.

Meetings of Directors
The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2022, and the number of meetings attended by each Director were:

	Full Board	
	Attended	Held
Steve Bellotti	3	5
Andrew Taylor	5	5
Patrick Tuttle	2	5
Bert Mondello	5	5
Leanne Graham	5	5

Held: represents the number of meetings held during the time the Director held office.

Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including all Directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration
The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its Directors and executives. The performance of the consolidated entity depends on the quality of its Directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:
- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:
- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive Director and executive Director remuneration is separate.

Non-executive Directors remuneration
Fees and payments to non-executive Directors reflect the demands and responsibilities of their role. Non-executive Directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive Directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive Directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive Directors do not receive share options or other incentives.

ASX listing rules require the aggregate non-executive Directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Extraordinary General Meeting held on 17 August 2020, where the shareholders approved a maximum annual aggregate remuneration of $300,000.

Executive remuneration
The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:
- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation, and non-monetary benefits, are reviewed annually by the Board based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

The long-term incentives ('LTI') include long service leave and share-based payments. Shares are awarded to executives based on long-term incentive measures. These include increase in shareholders value relative to the entire market and the increase compared to the consolidated entity's direct competitors

Voting and comments made at the Company's 29 January 2021 Annual General Meeting ('AGM')
At the 29 January 2021 AGM, 94.6% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2022. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments		% of Performance Related
30 June 2022	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $	
Non-Executive Directors:								
Steve Bellotti	40,000	-	-	-	-	57,677	97,677	59%
Bert Mondello	40,000	-	-	-	-	161,497	201,497	80%
Patrick Tuttle	26,667	-	-	-	-	57,677	84,344	68%
Leanne Graham	40,000	-	-	-	-	28,839	68,839	42%
Executive Directors:								
Andrew Taylor	270,933	-	-	27,083	-	361,540	659,556	55%
	417,600	-	-	27,083	-	667,230	1,111,913	

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
30 June 2021	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Steve Bellotti	30,000	-	-	-	-	-	30,000
Bert Mondello	146,000	-	-	-	-	115,500	261,500
Patrick Tuttle	30,000	-	-	-	-	-	30,000
Salvatore Vallelonga	18,000	-	-	-	-	115,500	133,500
Joshua Hunt	18,000	-	-	-	-	115,500	133,500
Leanne Graham	6,666	-	-	-	-	-	6,666
Executive Directors:							
Andrew Taylor	229,167	-	44,983	21,771	-	-	295,921
	477,833	-	44,983	21,771	-	346,500	891,087

Service agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Andrew Taylor
Title:	Managing Director and CEO
Agreement commenced:	18 September 2020
Details:	$250,000 per annum exclusive of superannuation. 6 months' termination notice.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of performance rights

Details of performance rights issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2022 are set out below:

Name	Date	Rights			Total value	Value recognised in 2022
		Class A*	Class B*	Class C*	$	$
Steve Bellotti	7 December 2021	500,000	500,000	500,000	122,950	57,677
Andrew Taylor	7 December 2021	3,000,000	3,000,000	4,000,000	817,400	361,540
Bert Mondello	7 December 2021	1,400,000	1,400,000	1,400,000	344,260	161,497
Patrick Tuttle	7 December 2021	500,000	500,000	500,000	122,950	57,677
Leanne Graham	7 December 2021	250,000	250,000	250,000	61,475	28,839
		5,650,000	5,650,000	6,650,000	1,469,035	667,230

*Class A, B and C Performance rights were valued at $0.084, $0.082 and $0.080 per right respectively.

Of these rights, 5,650,000 vested into fully paid ordinary shares during the year.

Additional information

The earnings of the consolidated entity for the five years to 30 June 2022 are summarised below:

	2022 $	2021 $	2020 $	2019 $	2018 $
Revenue	588,364	34,081	218	241,329	246,300
Loss after income tax	(11,628,452)	(13,487,518)	(1,299,600)	(1,550,285)	(685,529)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2022	2021
Share price at financial year end ($)	0.01	0.09
Basic earnings per share (cents per share)	(1.59)	(2.55)
Diluted earnings per share (cents per share)	(1.59)	(2.55)

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions*	Disposals/ other	Balance at the end of the year
Ordinary shares					
Steve Bellotti	4,062,618	500,000	738,658	-	5,301,276
Andrew Taylor	191,676,612	3,000,000	34,850,293	-	229,526,905
Patrick Tuttle (resigned 28 February 2022)**	3,310,788	500,000	-	(3,810,788)	-
Bert Mondello	15,196,041	1,400,000	-	-	16,596,041
Leanne Graham (resigned post year end)	-	250,000	-	-	250,000
	214,246,059	5,650,000	35,588,951	(3,810,788)	251,674,222

* Additions reflect conversion of performance rights issued in relation to the acquisition of Douugh.
** Director resigned during the year, therefore shareholding shown as nil at period end.

Option holding

The number of options over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Steve Bellotti	1,107,987	-	-	-	1,107,987
Andrew Taylor	52,275,440	-	-	-	52,275,440
Bert Mondello	-	-	-	-	-
Patrick Tuttle (resigned 28 February 2022)*	902,942	-	-	(902,942)	-
Leanne Graham (resigned post year end)	-	-	-	-	-
	54,286,369	-	-	(902,942)	53,383,427

* Director resigned during the year, therefore options shown as nil at period end.

The number of performance rights over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Vested and issued as shares	Expired/ forfeited/ other	Balance at the end of the year
Steve Bellotti	1,107,987	1,500,000	(1,238,658)	-	1,369,329
Andrew Taylor	52,275,440	10,000,000	(37,850,293)	-	24,425,147
Bert Mondello	-	4,200,000	(1,400,000)	-	2,800,000
Patrick Tuttle (resigned 28 February 2022)*	902,942	1,500,000	(500,000)	(1,902,942)	-
Leanne Graham (resigned post year end)	-	750,000	(250,000)	-	500,000
	54,286,369	17,950,000	(41,238,951)	(1,902,942)	29,094,476

* Director resigned during the year, therefore rights shown as nil at period end.

Payables to key management personnel and their related parties
Consulting fees payable of $7,044 to Andrew Taylor, for expenses incurred on behalf of the consolidated entity.

This concludes the remuneration report, which has been audited.

Shares under option
Unissued ordinary shares of Douugh Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
17/08/2020	31/07/2024	$0.04	30,000,000
17/08/2020	31/08/2024	$0.04	73,767,878
13/12/2021	13/12/2024	$0.108	10,000,000
			113,767,878

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Shares under performance rights
Unissued ordinary shares of Douugh Limited under performance rights at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under rights
17/08/2020	06/10/2023	$0.000	25,000,000
16/04/2021	30/09/2023	$0.000	81,080
07/12/2021	07/12/2024	$0.000	12,300,000
02/07/2021	02/07/2024	$0.000	2,475,804
			39,856,884

Indemnity and insurance of officers
The Company has indemnified the Directors and executives of the Company for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the Directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Statement regarding use of cash and assets
The following information is provided in accordance with Listing Rule 4.10.19:

From the time of the Company's admission to the ASX until 30 June 2022, the Company has used the cash and assets in a form readily convertible to cash, that it had at the time of admission, in a way that is consistent with its business objectives at that time.

Non-audit services
The auditor was engaged for preparation of the Company's tax return. There were no other non-audit services provided during the financial year by the auditor

Officers of the Company who are former partners of RSM Australia Partners
There are no officers of the Company who are former partners of RSM Australia Partners.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

Auditor
RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

Steve Bellotti
Chairman

30 September 2022

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Douugh Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS

D Talbot

David Talbot
Partner

Sydney, NSW
Dated: 30 September 2022

Douugh Limited
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30 June 2022

General information

The financial statements cover Douugh Limited as a consolidated entity consisting of Douugh Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Douugh Limited's functional and presentation currency.

Douugh Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 5, 24 Campbell St,
Haymarket, NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

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.

Douugh Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2022

	Note	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
Revenue	6	588,364	34,081
Other income	7	3,903,887	304,886
Expenses			
Share based payments	32	(1,478,905)	(1,099,781)
Administrative and operating activities		(1,505,347)	(1,292,749)
Employee benefits expense		(5,195,538)	(2,943,607)
Research and development costs		(975,062)	(1,634,336)
Depreciation and amortisation expense	8	(25,175)	(14,931)
Impairment expense	13	-	(1,417,192)
Direct and other operational costs		(2,526,062)	(496,219)
Corporate restructure costs		-	(3,001,690)
Finance costs	8	(5,106)	(119,231)
Advertising and marketing		(4,409,508)	(1,805,581)
Loss before income tax expense		(11,628,452)	(13,486,350)
Income tax expense	9	-	(1,168)
Loss after income tax expense for the year attributable to the owners of Douugh Limited	20	(11,628,452)	(13,487,518)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		15,774	21,567
Other comprehensive income for the year, net of tax		15,774	21,567
Total comprehensive income for the year attributable to the owners of Douugh Limited		(11,612,678)	(13,465,951)

	Note	Cents	Cents
Basic earnings per share	31	(1.59)	(2.55)
Diluted earnings per share	31	(1.59)	(2.55)

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

Douugh Limited
Consolidated statement of financial position
As at 30 June 2022

	Note	Consolidated 2022 $	Consolidated 2021 $
Assets			
Current assets			
Cash and cash equivalents	10	3,266,418	10,325,223
Trade and other receivables	11	2,385,924	227,817
Other assets		100,483	37,190
Total current assets		5,752,825	10,590,230
Non-current assets			
Plant and equipment	12	44,317	53,358
Intangibles	13	72,300	71,571
Total non-current assets		116,617	124,929
Total assets		5,869,442	10,715,159
Liabilities			
Current liabilities			
Trade and other payables	14	1,281,204	1,806,590
Contract liabilities	15	330,000	330,000
Employee benefits	16	521,379	160,292
Other liabilities	17	27,276	20,414
Total current liabilities		2,159,859	2,317,296
Total liabilities		2,159,859	2,317,296
Net assets/(liabilities)		3,709,583	8,397,863
Equity			
Issued capital	18	30,697,856	25,198,242
Reserve	19	2,151,099	710,541
Accumulated losses	20	(29,139,372)	(17,510,920)
Total equity/(deficiency)		3,709,583	8,397,863

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

Douugh Limited
Consolidated statement of changes in equity
For the year ended 30 June 2022

Consolidated	**Issued capital $**	**Reserves $**	**Accumulated losses $**	**Total deficiency in equity $**
Balance at 1 July 2020	3,104,485	19,210	(4,023,402)	(899,707)
Loss after income tax expense for the year	-	-	(13,487,518)	(13,487,518)
Other comprehensive income for the year, net of tax	-	21,567	-	21,567
Total comprehensive income for the year	-	21,567	(13,487,518)	(13,465,951)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 18)	21,681,257	(17,517)	-	21,663,740
Share-based payments (note 32)	412,500	687,281	-	1,099,781
Balance at 30 June 2021	25,198,242	710,541	(17,510,920)	8,397,863

Consolidated	**Issued capital $**	**Reserves $**	**Accumulated losses $**	**Total equity $**
Balance at 1 July 2021	25,198,242	710,541	(17,510,920)	8,397,863
Loss after income tax expense for the year	-	-	(11,628,452)	(11,628,452)
Other comprehensive income for the year, net of tax	-	15,774	-	15,774
Total comprehensive income for the year	-	15,774	(11,628,452)	(11,612,678)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 18)	5,445,493	-	-	5,445,493
Share-based payments (note 32)	150,000	1,328,905	-	1,478,905
Transaction costs paid via options issued (note 32)	(866,593)	866,593	-	-
Vesting of employee performance rights (note 18)	77,785	(77,785)	-	-
Transfer from share based payments reserve options exercised (note 18)	692,929	(692,929)	-	-
Balance at 30 June 2022	30,697,856	2,151,099	(29,139,372)	3,709,583

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

Douugh Limited
Consolidated statement of cash flows
For the year ended 30 June 2022

	Note	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		641,735	41,874
Payments to suppliers and employees (inclusive of GST)		(14,734,448)	(7,790,478)
		(14,092,713)	(7,748,604)
Interest received		1,570	1,512
Government grants received		1,681,948	167,001
Interest and other finance costs paid		(5,106)	(119,231)
Income taxes refunded/(paid)		-	637,621
Net cash used in operating activities	30	(12,414,301)	(7,061,701)
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired	4	-	16,359
Payments for property, plant and equipment	12	(16,134)	(65,338)
Payments for intangibles	13	(729)	(1,720)
Payments for security deposits		(63,292)	(24,692)
Cash from acquisition of subsidiary	4	-	443,309
Net cash from/(used in) investing activities		(80,155)	367,918
Cash flows from financing activities			
Proceeds from issue of shares	18	6,435,868	18,000,001
Share issue transaction costs	18	(1,000,217)	(983,156)
Share buyback		-	(169,975)
Net cash from financing activities		5,435,651	16,846,870
Net increase/(decrease) in cash and cash equivalents		(7,058,805)	10,153,087
Cash and cash equivalents at the beginning of the financial year		10,325,223	172,136
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at the end of the financial year	10	3,266,418	10,325,223

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

Note 1. Significant accounting policies

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 consolidated entity 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.

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

As disclosed in the financial statements the consolidated entity incurred a net loss after tax of $11,628,452 and had net cash outflows from operating activities of $12,414,301 during the year ended 30 June 2022. As of that date, the consolidated entity had net assets of $3,709,583.

The Directors believe that it is reasonably foreseeable that the Consolidated Entity will continue as a going concern and it is appropriate to prepare the financial statements on a going concern basis. In determining this position, the Directors have considered the following factors:
- Cash on hand of $3,266,418 as at 30 June 2022.
- An equity facility agreement of up to $20M available on call subject to placement capacity rules provides sufficient access to funding as required and the Group has an established track record of being able to raise funds through the issues of equity when required;
- The upcoming launch of the Douugh platform in Australia;
- Research and development tax incentives and other grant receipts estimated to be received in excess of $2M.

The consolidated entity is constantly assessing its ongoing cash requirements. The consolidated entity maintains an internal cash flow management process which is based on detailed revenue and expense projections. Should these assumptions not be achieved, the consolidated entity has the ability to implement additional cost savings to maintain a positive cash balance over the next 12 months.

Accordingly, the Directors believe that the consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial statements.

The financial statements do not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the consolidated entity does not continue as a going concern.

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.

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 Company'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.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the Company only. Supplementary information about the parent entity is disclosed in note 27.

Note 1. Significant accounting policies (continued)

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Douugh Limited ('Company' or 'parent entity') as at 30 June 2022 and the results of all subsidiaries for the year then ended. Douugh Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity 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 consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity 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 consolidated entity.

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.

Where the consolidated entity 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 consolidated entity 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.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Douugh Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

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 consolidated entity'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 consolidated entity'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.

Note 1. Significant accounting policies (continued)

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.

Employee benefits

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments
Equity-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 consolidated entity 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.

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 consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity 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.

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.

Note 1. Significant accounting policies (continued)

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Douugh Limited, 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.

Note 2. Critical accounting judgements, estimates and assumptions

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 consolidated entity 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 equity-settled 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 consolidated entity 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.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

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.

Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Estimation of useful lives of assets
The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Goodwill and other indefinite life intangible assets
The consolidated entity 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.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax
The consolidated entity 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 consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity'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.

Employee benefits provision
As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Business combinations
As discussed in note 3, 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 consolidated entity 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.

Note 3. Business combination

On 25 February 2021, Douugh Limited entered into a Share Sale Agreement (the 'Agreement') to acquire 99.8% of the ordinary shares of Goodments Pty Ltd through the issuance of 8,203,542 ordinary shares at the price of 18.268 cents per share, giving a total consideration (including transaction costs) of $1,498,623. The settlement date of the acquisition was 15 April 2021.

Goodments holds an Australian Financial Services License and operates a Millennial and Gen-Z investing App. access to which will further accelerate the Company’s development pathways and customer growth in both the USA and Australian markets.

The goodwill of $711,259 arising on acquisition relates predominantly to the specialised know-how of the workforce and mobile application development that do not meet the recognition criteria for an intangible asset at the date of acquisition. Goodwill will not be deductible for tax purposes.

Details of the acquisition are as follows:

Cash and cash equivalents	16,359
Deposits	12,500
Software	70,801
Trademarks	2,000
Trade and other payables	(39,799)
Loan to related party	(32,883)
Net assets acquired	28,978
Purchase price allocation:	
Goodwill	711,259
Software	480,933
Australian Financial Services License	50,000
Funds under management / client list / brand name	175,000
	1,417,192
	1,466,170
Representing:	
Douugh Limited shares issued to vendor as purchase consideration	1,498,623
Douugh Limited shares issued to advisor as transaction costs, treated as equity transaction costs	(52,453)
	1,446,170

Of this value, in the previous period the Company has recognised an impairment expense of $1,417,192, representing the full value of the Goodwill, Software, Australian Financial Services License and Funds under management / client list / brand name intangible assets recognised in the acquisition.

Note 3. Business combination (continued)

Accounting policy for business combination

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. All acquisition costs are expensed as incurred to profit or loss.

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

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and the fair value of the consideration transferred is recognised as goodwill. If the consideration transferred 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.

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.

Note 4. Reverse acquisition

Douugh Limited (formerly Ziptel Limited) (the Company) acquired Douugh Technologies Limited (formerly Douugh Limited) on 17 September 2020.

From a legal and taxation perspective the Company is considered the acquiring entity. However, the acquisition has the features of a reverse acquisition as described in the Australian Accounting Standard AASB 3 *Business Combinations* (AASB 3) because the acquisition resulted in Douugh Technologies Limited shareholders holding a controlling interest in the Company after the transaction notwithstanding the Company being the legal parent of the Group. At the time of the acquisition the Company divested all of its operations, and its activities were limited to managing its cash balances, filing obligations (i.e., a listed shell), and completion of the acquisition. It is therefore considered that the Company does not meet the definition of a business for the purposes of AASB 3 as it did not have any processes or outputs.

The transaction has therefore been accounted for as a reverse acquisition from a consolidated perspective, where Douugh Technologies Limited is the accounting acquirer and the Company is the legal acquirer. The comparative period FY2021 includes the consolidated financial statements of Douugh Technologies Limited for the financial year and the Company for the period 17 September 2020 to 30 June 2021. The comparative period FY2021 represents a continuation of Douugh Technologies Limited's financial statements with the exception of the capital structure. The amount recognised as equity instruments in these consolidated statements represents the issued equity of the Company adjusted to reflect the equity issued by the Company on acquisition.

Under the reverse acquisition principles, the consideration provided by Douugh Technologies Limited was determined to be $3,120,701 which is the deemed fair value of the 104,023,356 shares owned by the former Douugh Limited shareholders at the completion of the acquisition, valued at the capital raising share price of $0.03 per share.

The excess of the deemed fair value of the shares owned by the Company shareholders and the fair value of the identifiable net assets of the Company immediately prior to the completion of the merger is accounted for under AASB 2 *Share Based Payment* and resulted in the recognition of $3,001,690 being recorded as "Corporate restructure costs". The net assets of the Company were recorded at fair value at acquisition date. As the carrying value of all assets and liabilities held by the Company at acquisition date approximated their fair value, no adjustments were required.

Note 4. Reverse acquisition (continued)

The fair values of the assets and liabilities of the Company (being the accounting acquiree) as at the date of acquisition and the deemed consideration is as follows:

	Fair value $
Cash and cash equivalents	443,309
Trade and other receivables	536
Trade and other payables	(324,834)
Net assets acquired	119,011
Fair value of net assets acquired	119,011

	At 17 September 2020 $
Corporate restructure expense on acquisition:	
Fair value of the shares deemed to have been issued by Douugh Technologies Limited*	3,120,701
Less: fair value of identifiable net assets acquired - Douugh Limited (as per above)	(119,011)
	3,001,690

** The fair value of the deemed consideration of $3,120,701 was based on the Company's capital raising price for the acquisition of $0.03 multiplied by the number of shares on issue at the date of the transaction being 104,023,356. The directors believe that this is the most reasonable measurement of the consideration given the facts and circumstances surrounding the acquisition.*

Existing shareholders of Douugh Technologies Limited were granted the following unlisted options and performance rights pursuant to the acquisition of Douugh Technologies Limited:

- 75,000,000 unlisted share options issued with an exercise price of $0.04, vesting date of 17 August 2020, expiry 31 August 2024; and
- 75,000,000 performance rights issued with nil exercise price for one fully ordinary share upon the achievement of certain non-market conditions.

The terms of the performance rights granted to the existing shareholders of Douugh Technologies Limited are outlined below:

Performance Rights	**Milestones**	**No. on issues**	**Expiry date**
Class A Performance rights	Whichever occurs first of: 1. The acquisition of 10,000 customer accounts; or 2. Achievement of $100,000 monthly recurring revenue for 3 consecutive calendar months.	25,000,000	6/10/2023
Class B Performance rights	Whichever occurs first of: 1. The acquisition of 12,500 customer accounts; or 2. Achievement of $125,000 in monthly recurring revenue for 3 consecutive calendar months.	25,000,000	6/10/2023
Class C Performance rights	Whichever occurs first of: 1. The acquisition of 25,000 customer accounts or; 2. Achievement of $250,000 in monthly recurring revenue for 3 consecutive calendar months.	25,000,000	6/10/2023

Note 4. Reverse acquisition (continued)

The unlisted options and performance rights are deemed to be outside the scope of AASB 2 *Share Based Payment* and therefore, are not reflected as an expense in note 32.

Class A and B milestones were met in the period ended 30 June 2022 and from this, 50,000,000 performance rights were converted to ordinary shares during the year.

Note 5. Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), 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 for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors. The Board monitors the operations of the Company based on 2 segments; its development of a smart mobile app for banking; and wealth management.

The financial results of each segments are reported to the Board to assess the performance of the Company. The Board has determined that strategic decision making is facilitated by evaluation of the operations of the legal parent and subsidiaries which represent the operational performance of the Company’s revenues and the research and development activities as well as the finance, treasury, compliance and funding elements of the Company.

Segment information	**Mobile Banking App $**	**Wealth Management $**	**Corporate $**	**Total $**
Year ended 30 June 2022				
Segment Revenue	574,986	13,378	-	588,364
Other income	3,838,362	-	65,525	3,903,887
Significant items				
Direct and operational costs	(2,169,617)	(323,917)	(32,528)	(2,526,062)
Advertising and marketing	(2,376,034)	(43,835)	(1,989,639)	(4,409,508)
Employee benefits expense	(4,939,934)	(255,604)	-	(5,195,538)
Research and development costs	(680,820)	(90,039)	(204,203)	(975,062)
Financing costs	(5,100)	(6)	-	(5,106)
Depreciation and amortisation	(25,175)	-	-	(25,175)
Other administrative expenses	(343,175)	(101,692)	(1,060,480)	(1,505,347)
Share based payments	-	-	(1,478,905)	(1,478,905)
Tax expenses	-	-	-	-
Segment operating loss after tax	(6,126,507)	(801,715)	(4,700,230)	(11,628,452)

	Mobile Banking App $	**Wealth Management $**	**Corporate $**	**Total $**
Year ended 30 June 2021				
Segment Revenue	32,309	1,772	-	34,081
Other income	308,434	(3,548)	-	304,886
Significant items				
Direct and operational costs	(456,576)	(39,643)	-	(496,219)
Advertising and marketing	(710,526)	(377)	(1,094,678)	(1,805,581)
Employee benefits expense	(2,917,641)	(25,966)	-	(2,943,607)
Research and development costs	(1,626,049)	(8,287)	-	(1,634,336)
Financing costs	(119,231)	-	-	(119,231)
Depreciation and amortisation	(14,931)	-	-	(14,931)
Corporate restructure costs	-	-	(3,001,690)	(3,001,690)
Impairment expense	-	-	(1,417,192)	(1,417,192)
Other administrative expenses	(244,999)	(22,844)	(1,024,906)	(1,292,749)
Share based payments	-	-	(1,099,781)	(1,099,781)
Tax expenses	(1,168)	-	-	(1,168)
Segment operating loss after tax	(5,750,378)	(98,893)	(7,638,247)	(13,487,518)

Note 5. Segment reporting (continued)

Segment information	**Mobile Banking App**	**Wealth Management**	**Corporate**	**Total**
Segment assets	**$**	**$**	**$**	**$**
Year ended 30 June 2022	3,216,091	181,384	2,471,967	5,869,442
Year ended 30 June 2021	10,227,847	97,924	389,388	10,715,159
Segment liabilities				
Year ended 30 June 2022	(1,719,866)	(137,982)	(302,011)	(2,159,859)
Year ended 30 June 2021	(1,766,589)	(11,337)	(539,370)	(2,317,296)

Note 6. Revenue

	Consolidated	
	30 June 2022	**30 June 2021**
	$	**$**
Rendering of services	588,364	34,081

Disaggregation of revenue
The disaggregation of revenue from rendering of services is as follows:

	Consolidated	
Geographical regions	**30 June 2022**	**30 June 2021**
	$	**$**
North America	574,986	32,309
Australia	13,378	1,772
Rendering of services	588,364	34,081

	Consolidated	
Timing of revenue recognition	**30 June 2022**	**30 June 2021**
	$	**$**
Transferred at a point in time	588,364	34,081
Transferred over time	-	-
Rendering of services	588,364	34,081

Accounting policy for revenue recognition

Rendering of services
Transaction processing fees are recognised upon the completion of the transfer of funds. This is when the consolidated entity meets their performance obligation under the contract to facilitate the payment.

Subscription revenue is recognised over time and in line with the invoice period. Performance obligations are satisfied over time. This is a faithful depiction of the transfer of services, as customers simultaneously receive and consume the services provided of the invoice period.

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: 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.

Note 7. Other income

	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
Government grant - ATO - Jobkeeper subsidy	-	139,500
Government grant - ATO - Cash flow boost	-	27,500
Government incentive R&D	3,482,956	-
Other Government subsidies	288,349	-
Interest income	1,570	1,512
Other income	131,012	136,374
Other income	3,903,887	304,886

Accounting policy for other income

Government grant

Government grants are recognised at fair value where there is reasonable assurance 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 they are compensating. Except for amount received under the R&D tax incentive program, 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.

Other income

Other income includes $131,012 of grant income that is recognised to the extent to which it is believed to be recoverable through future use and are subject to the satisfaction of certain conditions. Any unused amounts at the end of the relevant grant period will be refunded.

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.

Note 8. Expenses

	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
Loss before income tax includes the following specific expenses:		
Depreciation		
Computer and office equipment	25,175	11,981
Amortisation		
Software	-	2,950
Total depreciation and amortisation	25,175	14,931
Impairment		
Goodwill and other intangible assets	-	1,417,192
Finance costs		
Interest and finance charges paid on borrowings	3,762	111,758
ATO interest charges	1,344	7,473
Finance costs expensed	5,106	119,231
Superannuation expense - included within employee benefits expense		
Defined contribution superannuation expense	423,879	242,943

Note 9. Income tax expense

	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
Income tax expense		
Current tax	-	1,168
Aggregate income tax expense	-	1,168
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(11,628,452)	(13,486,350)
Tax at the statutory tax rate of 25% (2021: 26%)	(2,907,113)	(3,506,451)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-assessable income	(942,826)	(7,150)
Non-deductible expenses	1,645,958	1,416,907
Income tax benefit on temporary differences not brought to account	7,170	15,238
	(2,196,811)	(2,081,456)
Income tax benefit not brought to account	2,196,811	2,082,624
Income tax expense	-	1,168

Deferred tax assets have not been recognised in respect of the following items:

Note 9. Income tax expense (continued)

Accrued expenses	7,170
Accumulated tax losses	4,369,877
Total deferred tax assets	4,377,047

The consolidated entity has unrecognised tax losses available totalling $10,709,185. The benefits of these unrecognised tax losses will only be realised if certain conditions are met, including:

- The consolidated entity derives future assessable income of a nature and amount sufficient to enable the benefits from the deductions for the losses to be realised; and
- The consolidated entity continues to comply with the conditions for deductibility imposed by law.

Accounting policy for 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.

Douugh Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Note 10. Current assets - cash and cash equivalents

	Consolidated 2022 $	Consolidated 2021 $
Cash at bank	3,266,418	10,325,223

Accounting policy for 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.

Note 11. Current assets - trade and other receivables

	Consolidated 2022 $	Consolidated 2021 $
Trade receivables	-	134,488
Other receivables	165,555	93,329
R&D refund due	2,220,369	-
	2,385,924	227,817

Allowance for expected credit losses
Management have assessed that there is no indication of impairment of the consolidated entity's receivables as at 30 June 2022 (30 June 2021: nil).

Accounting policy for trade and other receivables

Trade receivables are initially recognised at fair value 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 consolidated entity 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 grouped based on days overdue.

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

Note 12. Non-current assets - plant and equipment

	Consolidated 2022 $	Consolidated 2021 $
Computer equipment - at cost	100,501	84,367
Less: Accumulated depreciation	(58,373)	(34,873)
	42,128	49,494
Office equipment - at cost	11,618	11,618
Less: Accumulated depreciation	(9,429)	(7,754)
	2,189	3,864
	44,317	53,358

Note 12. Non-current assets - plant and equipment (continued)

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

Consolidated - 2022	Computer equipment $	Office equipment $	Total $
Balance at 1 July 2021	49,494	3,864	53,358
Additions	16,134	-	16,134
Depreciation expense	(23,500)	(1,675)	(25,175)
Balance at 30 June 2022	42,128	2,189	44,317

Consolidated - 2021	Computer equipment $	Office equipment $	Total $
Balance at 1 July 2020	-	-	-
Additions	59,031	6,308	65,339
Depreciation expense	(9,537)	(2,444)	(11,981)
Balance at 30 June 2021	49,494	3,864	53,358

Accounting policy for 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:

Plant and equipment	3-7 years

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. 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.

Note 13. Non-current assets - intangibles

	Consolidated 2022 $	2021 $
Goodwill - at cost	711,259	711,259
Less: Impairment	(711,259)	(711,259)
	-	-
Patents and trademarks - at cost	4,449	3,720
Software - at cost	551,734	551,734
Less: Accumulated amortisation	(2,950)	(2,950)
Less: Impairment	(480,933)	(480,933)
	67,851	67,851
Australian Financial Services License - at cost	50,000	50,000
Less: Impairment	(50,000)	(50,000)
	-	-
Funds under management / client list / brand name - at cost	175,000	175,000
Less: Impairment	(175,000)	(175,000)
	-	-
	72,300	71,571

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

Consolidated	Goodwill $	Patents and trademarks $	Software $	Australian Financial Services License $	Funds under management / client list / brand name $	Total $
Balance at 1 July 2021	-	3,720	67,851	-	-	71,571
Additions	-	729	-	-	-	729
Additions through business combination (note 3)	-	-	-	-	-	-
Impairment of assets	-	-	-	-	-	-
Amortisation expense	-	-	-	-	-	-
Balance at 30 June 2022	-	4,449	67,851	-	-	72,300

Note 13. Non-current assets - intangibles (continued)

Consolidated	Goodwill $	Patents and trademarks $	Software $	Australian Financial Services License $	Funds under management / client list / brand name $	Total $
Balance at 1 July 2020	-	-	-	-	-	-
Additions	-	1,720	-	-	-	1,720
Additions through business combination (note 3)	711,259	2,000	551,734	50,000	175,000	1,489,993
Impairment of assets	(711,259)	-	(490,933)	(50,000)	(175,000)	(1,417,192)
Amortisation expense	-	-	(2,950)	-	-	(2,950)
Balance at 30 June 2021	-	3,720	67,851	-	-	71,571

Accounting policy for 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.

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.

Management performed an assessment of the recoverable amount of goodwill recognised on the acquisition of Goodments Pty Ltd ('Goodments') during the year (refer note 3). The rapid integration of the Goodments platform into the Douugh platform formed one cash generating unit ('CGU') at 30 June 2022, and the forecasted future cash flows of the Douugh CGU did not support the carrying value of goodwill at the reporting date.

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.

Patents and trademarks

Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Software

Software acquired through business combinations were recognised at fair value. Software is amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Note 14. Current liabilities - trade and other payables

	Consolidated 2022 $	Consolidated 2021 $
Trade payables	643,722	956,166
Other payables	402,419	510,090
Accrued expenses	235,063	340,334
	1,281,204	1,806,590

Refer to note 22 for further information on financial instruments.

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity 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.

Note 15. Current liabilities - contract liabilities

	Consolidated 2022 $	Consolidated 2021 $
Contract liabilities	330,000	330,000

Accounting policy for contract liabilities

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

Note 16. Current liabilities - employee benefits

	Consolidated 2022 $	Consolidated 2021 $
Employee benefit liabilities	521,379	160,292

Accounting policy for 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.

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 consolidated entity does not have an unconditional right to defer settlement. However, based on past experience, the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Note 17. Current liabilities - other liabilities

	Consolidated	
	2022	**2021**
	$	**$**
Other current liabilities	27,276	20,414

Amount represents balance of business insurance funding loan which is payable within 12 months and an amount payable to a director as per previous period, detailed below.

Other current liabilities in the comparative period comprised of:
Amounts payable to Director - Andrew Taylor relate to reimbursements that are to be repaid during the ordinary course of business.

Note 18. Equity - issued capital

	Consolidated			
	2022 Shares	**2021 Shares**	**2022 $**	**2021 $**
Ordinary shares - fully paid	843,020,209	663,320,201	30,697,856	25,198,242

Movements in ordinary share capital

Details	**Date**	**Shares**	**Issue price**	**$**
Balance	1 July 2021	663,320,201		25,198,242
Exercise of performance rights issued on reverse acquisition of Douugh Technologies Limited	29 October 2021	433,951	$0.040	17,358
Exercise of performance rights - note 32	29 October 2021	1,928,817	$0.000	-
Issue of shares due to capital raising	13 December 2021	76,388,889	$0.072	5,500,000
Exercise of performance rights - note 32	31 December 2021	5,650,000	$0.000	-
Transfer from share based payments reserve for options exercised		-	$0.000	692,929
Transaction costs paid via issuance of options		-	$0.000	(866,593)
Share issue costs		-	$0.000	(391,187)
Issue of shares due to share purchase plan	19 January 2022	4,131,121	$0.070	297,440
Share issue costs	19 January 2022	-	-	(10,045)
Issue of shares for services rendered	24 January 2022	1,388,889	$0.072	100,000
Option conversion	18 February 2022	798,171	$0.04	31,927
Vesting of employee performance rights	18 March 2022	527,652	$0.034	17,940
Conversion of vendor performance rights	18 March 2022	50,000,000	-	-
Issue of shares for services rendered	28 March 2022	1,388,889	$0.036	50,000
Issue of collateral shares*	28 March 2022	35,000,000	$0.000	-
Vesting of employee performance rights	20 April 2022	2,063,629	$0.029	59,845
Balance	30 June 2022	843,020,209		30,697,856

*In addition to the issue of collateral shares, the Company agreed to issue 10,000,000 options to the facility provider with an exercise price of $0.108 and an expiry of 13/12/2024 (i.e. the same terms as the existing unlisted option class), subject to shareholder approval at the Company’s 2022 Annual General Meeting.

Note 18. Equity - issued capital (continued)

Details	Date	Shares	Issue price	$
Balance	1 July 2020	129,784,045		3,104,485
Elimination of Douugh existing Douugh share on acquisition date	17 September 2020	(129,784,045)	$0.00	-
Existing Company shares at acquisition of Douugh	17 September 2020	104,023,356	$0.00	-
Company shares issued to Douugh vendors on acquisition - note 4	17 September 2020	275,000,000	$0.03	3,120,701
Conversion of convertible notes	21 September 2020	8,333,333	$0.03	250,000
Placement of shares	25 September 2020	200,000,000	$0.03	6,000,000
Issue of shares to advisors, directors and company secretary - note 32	25 September 2020	13,750,000	$0.03	412,500
Placement of shares	7 December 2020	54,545,455	$0.22	12,000,000
Exercise of performance rights	15 April 2021	437,924	$0.04	17,517
Issue of shares to acquire Goodments PL - note 3	16 April 2021	8,203,542	$0.18	1,498,623
Share buyback	27 April 2021	(973,409)	$0.17	(169,975)
Share issue costs		-	$0.00	(1,035,609)
Balance	30 June 2021	663,320,201		25,198,242

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.

Capital risk management
The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the previous year.

Accounting policy for 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.

Note 19. Equity - reserve

	Consolidated 2022 $	Consolidated 2021 $
Foreign currency reserve	56,551	40,777
Share-based payments reserve	2,094,548	669,764
	2,151,099	710,541

Foreign currency reserve
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

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

Consolidated - 2022	Foreign currency reserve $	Share based payments reserve $	Total $
Balance at 1 July 2021	40,777	669,764	710,541
Foreign currency translation	15,774	-	15,774
Share based payments issued to directors, management and advisors	-	1,346,999	1,346,999
Performance rights exercised	-	77,785	77,785
Balance at 30 June 2022	56,551	2,094,548	2,151,099

Consolidated - 2021	Foreign currency reserve $	Share based payments reserve $	Total $
Balance at 1 July 2020	19,210	-	19,210
Foreign currency translation	21,567	-	21,567
Share based payments issued to directors, management, company secretary and financial advisors	-	687,281	687,281
Performance rights exercised	-	(17,517)	(17,517)
Balance at 30 June 2021	40,777	669,764	710,541

Note 20. Equity - accumulated losses

	Consolidated	
	2022 $	2021 $
Accumulated losses at the beginning of the financial year	(17,510,920)	(4,023,402)
Loss after income tax expense for the year	(11,628,452)	(13,487,518)
Accumulated losses at the end of the financial year	(29,139,372)	(17,510,920)

Note 21. Equity - dividends

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

Note 22. Financial instruments

Financial risk management objectives
The consolidated entity'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 consolidated entity's risk management policy focuses on actively securing the consolidated entity's short to medium-term cash flows by minimising the exposure to volatile financial markets. The consolidated entity does not actively engage in the trading of financial assets for speculative purposes, nor does it write options. The most significant financial risks to which the consolidated entity is exposed are described below.

Market risk

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

Foreign exchange risk arises primarily from transactions within the controlled entity, Douugh USA LLC, which is denominated in USD.

Price risk
The consolidated entity is not exposed to any significant price risk.

Interest rate risk
The consolidated entity is not exposed to any significant interest rate risk.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

The consolidated entity 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 consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available.

Note 22. Financial instruments (continued)

Management have assessed that there is no indication of impairment of the consolidated entity's receivables as at 30 June 2022.

The credit quality of the consolidated entity's neither past due nor impaired financial assets based on their historical experience with the corresponding third parties has been defined as below:

- Grade A: Financial assets that are consistently collected before maturity.
- Grade B: Financial assets that are collected on their due dates, prior to the consolidated entity exerting efforts to follow up.
- Grade C: Financial assets that are collected on their due dates, provided that the consolidated entity has made a persistent effort to collect.

Liquidity risk
Liquidity risk arises from the possibility that the consolidated entity may encounter difficulties in raising funds to meet commitments from financial instruments.

The consolidated entity manages liquidity risk by maintaining a balance between continuity of funding and flexibility. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements. Management closely monitors the consolidated entity's future and contingent obligations and sets up required cash reserves as necessary in accordance with internal policies.

The consolidated entity 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.

Remaining contractual maturities
The following tables detail the consolidated entity'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.

Consolidated - 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	-	643,722	-	-	-	643,722
Other payables	-	402,419	-	-	-	402,419
Total non-derivatives		1,046,141	-	-	-	1,046,141

Consolidated - 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						
Trade payables	-	956,166	-	-	-	956,166
Other payables	-	510,090	-	-	-	510,090
Total non-derivatives		1,466,256	-	-	-	1,466,256

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

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 23. Key management personnel disclosures

Remuneration arrangements of key management personnel are disclosed in the annual financial report.

Securities granted during the period
During the period, no securities were granted as remuneration.

Directors
The following persons were Directors of Douugh Limited during the financial year:

Steve Bellotti	Non-Executive Chairman
Andrew Taylor	Managing Director and CEO
Patrick Tuttle	Non-Executive Director (resigned 28 February 2022)
Bert Mondello	Non-Executive Director
Leanne Graham	Non-Executive Director (resigned 29 July 2022)

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

	Consolidated	
	30 June 2022 $	30 June 2021 $
Short-term employee benefits	417,600	522,816
Post-employment benefits	27,083	21,771
Share-based payments	667,230	346,500
	1,111,913	891,087

Note 24. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the Company, and its network firms:

	Consolidated	
	30 June 2022 $	30 June 2021 $
Audit services - RSM Australia Partners (2021: RSM Australia Partners)		
Audit or review of the financial statements	62,500	40,000
Other services - network firms		
Preparation of the tax return	28,551	12,968

Note 25. Contingencies

There were no contingencies as at 30 June 2022 (30 June 2021: none).

Note 26. Related party transactions

Parent entity
Douugh Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 28.

Note 26. Related party transactions (continued)

Key management personnel
Disclosures relating to key management personnel are set out in note 23 and the remuneration report included in the Directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
Payment for other expenses:		
Consulting fees paid to key management personnel	-	257,049
Legal fees paid on behalf of key management personnel	-	62,098

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated 2022 $	Consolidated 2021 $
Current payables:		
Amounts payable to Director - Andrew Taylor	7,044	20,414

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.

Note 27. Parent entity information

Parent entity information required to be disclosed in accordance with the Corporations Act 2001. The legal parent entity of the Group is Douugh Limited, and the results shown below are for the 12 months ended 30 June 2022 and 30 June 2021.

Statement of profit or loss and other comprehensive income

	Parent 30 June 2022 $	Parent 30 June 2021 $
Loss after income tax	(2,790,676)	(3,326,401)
Total comprehensive income	(2,790,676)	(3,326,401)

Note 27. Parent entity information (continued)

Statement of financial position

	Parent 2022 $	Parent 2021 $
Total current assets	4,619,857	350,477
Total non-current assets	16,671,085	16,938,718
Total assets	21,290,942	17,289,195
Total current liabilities	302,011	490,538
Total liabilities	302,011	490,538
Net assets	20,988,931	16,798,657
Equity		
Issued capital	30,697,856	25,198,241
Share-based payments reserve	2,151,099	669,764
Accumulated losses	(11,860,024)	(9,069,348)
Total equity	20,988,931	16,798,657

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2022 and 30 June 2021.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2022 and 30 June 2021.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2022 and 30 June 2021.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

Note 28. Interests in subsidiaries

The consolidated 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 %	2021 %
AussieSim Pty Ltd	Australia	100.00%	100.00%
Douugh (Australia) Pty Ltd	Australia	100.00%	100.00%
Douugh Crypto LLC (incorporated on 3 May 2021)	USA	100.00%	100.00%
Douugh Labs Pty Ltd	Australia	100.00%	100.00%
Douugh Technologies Pty Ltd	Australia	100.00%	100.00%
Douugh USA LLC	USA	100.00%	100.00%
Douugh Wealth LLC	USA	100.00%	100.00%
Goodments Pty Ltd	Australia	99.80%	99.80%
Roam Like Home Pty Ltd	Australia	100.00%	100.00%
Zipt Pty Ltd	Australia	100.00%	100.00%
Zipt IP Pty Ltd	Australia	100.00%	100.00%

Note 29. Events after the reporting period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the consolidated entity up to 30 June 2022, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 30. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated 30 June 2022 $	30 June 2021 $
Loss after income tax expense for the year	(11,628,452)	(13,487,518)
Adjustments for:		
Depreciation and amortisation	25,175	14,931
Impairment of goodwill and other intangible assets	-	1,417,192
Share-based payments	1,478,905	1,099,781
Foreign exchange differences	15,774	21,567
Corporate restructuring costs	-	3,001,690
Change in operating assets and liabilities:		
Increase in trade and other receivables	(2,158,107)	(225,716)
Decrease in income tax refundable	-	638,789
Increase in trade and other payables	(518,342)	551,236
Increase in employee benefits	361,087	105,009
Decrease in other non-current liabilities	(182)	(198,662)
Net cash used in operating activities	(12,414,301)	(7,061,701)

Note 31. Earnings per share

	Consolidated	
	30 June 2022 **$**	**30 June 2021** **$**
Loss after income tax attributable to the owners of Douugh Limited	(11,628,452)	(13,487,518)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	732,348,980	528,021,160
Weighted average number of ordinary shares used in calculating diluted earnings per share	732,348,980	528,021,160
	Cents	**Cents**
Basic earnings per share	(1.59)	(2.55)
Diluted earnings per share	(1.59)	(2.55)

Note 32. Share-based payments

During the financial period, the Group has issued the following equity instruments to its directors, employees and advisors.

- 10,000,000 options issued with a $0.1087 exercise price, vesting date of 26/11/2021, expiry of 13/12/2024
- 5,500,455 performance rights issued with a nil exercise price, vesting date of 1/10/2021, expiry of 2/07/2024.
- 17,950,000 performance rights issued with a nil exercise price, vesting date of 30/11/2024 and expiry of 7/12/2024.

Refer to note 4 for options and performance rights issued pursuant to the reverse acquisition of Douugh Technologies Limited.

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
26/11/2021	31/12/2024	$0.090	$0.108	242.00%	-	0.94%	$866,593

Set out below are summaries of performance (ESOP) rights granted during the year:

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
		-	1,576,527	-	(1,495,447)	-	81,080
02/07/2021	02/07/2024	-	-	5,500,455	(3,024,651)	-	2,475,804
30/11/2021	07/12/2024	-	-	17,950,000	(5,650,000)	-	12,300,000

The weighted average remaining contractual life of performance rights outstanding at the end of the financial period was 2.42 years.

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

Note 32. Share-based payments (continued)

Grant date	Expiry date	Share price at grant date	Exercise price	Dividend yield	Fair value at grant date
02/07/2021	02/07/2024	0.099	-	-	$632,172
30/11/2021	07/12/2024	0.074	-	-	$1,469,035

Total expense recognised in the profit or loss for the period ended 30 June 2022 amounted to $1,478,905 (2021: $1,099,781).

	30 June 2022	30 June 2021
Performance rights issued to employees	494,482	-
Performance rights issued to directors	667,230	-
Issue of shares to advisors, directors and company secretary	150,000	412,500
Unlisted share options issued on acquisition of ZipTel Ltd - note 19	-	576,000
Options and performance rights issued to founder of Goodments Pty Ltd - note 19	167,193	111,281
	1,478,905	1,099,781

Douugh Limited
Directors' declaration
30 June 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 consolidated entity's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Stephen Bellotti

Steve Bellotti
Chairman

30 September 2022

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INDEPENDENT AUDITOR'S REPORT
To the Members of Douugh Limited

Opinion

We have audited the financial report of Douugh Limited. (the Company) and its subsidiaries (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 the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

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 Group in accordance with the auditor independence requirements of the 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 confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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.

Share-based payments	

During the financial year ended 30 June 2022, the Group entered into the following share-based payment arrangements:
 	
• The issue of share options to key management personnel/ employees through the set up of an Employee Share Option Plan;
The issue of performance rights to key management personnel/ employees
 	
We have determined the share-based payment transactions to be a key audit risk due to:
 	
• The complexity of the accounting required to value the instruments
• The judgemental nature of inputs into the valuation models and appropriate valuation methodology apply
• The variety of conditions associated with each instrument
• The non-routine nature of the transactions
• Management engaged a third party as expert for the valuation process.
	Our audit procedures in relation to share-based payment include:
	• Making enquiries of management about the nature of and the rationale behind the instruments issued.
	• Reviewing the terms and conditions of the instruments issued.
	• Engaging an auditor's expert to review the valuation methodology and report produced, due to the complexity of the valuation and the materiality of the underlying balances.
	• Reviewing the valuation methodology to ensure it is in compliance with AASB 2.
	• Verifying the mathematical accuracy of the underlying model.
	• Testing the inputs to the valuation model for reasonableness by:
	    ○ Critically evaluating the key assumptions used, considering the market, the grant-date share price and current-date share price, the expected volatility in the share price, the vesting period, and the number of instruments expected to vest.
	    ○ Obtaining evidence to justify management's judgements over key inputs.
	    ○ Recalculating the value of the share-based payment expense to be recognised and the reserve balance, for accuracy, factoring in any cancellations, modifications, expiry, or vesting.
	• Reviewing the adequacy of the relevant disclosures, including the disclosures in respect of judgments made, in the financial statements.

Going Concern	
For the year ended 30 June 2022, the Group has incurred a net loss of $11.6M and net cash outflows from operating activities of $12M. The directors have prepared the financial report on the going concern basis. The directors' assessment of the Group's ability to continue as a going concern is based on a cash flow budget which includes future capital raisings and the available equity facility funding $20M as the commitment amount. We determined this assessment of going concern to be a key audit matter due to significant judgements	Our audit procedures included, among others: • Critically assessing the directors' reasons as why they believe it is appropriate to prepare the financial report on a going concern basis. • Reviewing the current financial position of the Group. • Assessing the appropriateness and mathematical accuracy of the cash glow forecasts and budgets prepared by management.

involved in preparing the cashflow budget, and the potential material impact of the results of management's assessment.	• Challenging the reasonableness of key assumptions used, including the likelihood of future capital raisings. • Performing sensitivity testing on these assumptions. • Reviewing the terms and conditions of the Equity Facility Agreement and assessing whether the available committed amounts of \$20M under the placement offer of shares is sufficient for the Group to continue to operate under a going concern basis. • Assessing the adequacy of the going concern disclosures in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and the 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 the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and 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 Group 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 Group or to cease operations, or have no realistic alternative but to do so.

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 at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar2_2021.pdf This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 6-11 of the directors' report for the year ended 30 June 2022.

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

Responsibilities

The directors of the Company 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.

RSM

RSM Australia Partners

D Talbot

David Talbot
Partner

Sydney, NSW
Dated:

Douugh Limited
Shareholder information
30 June 2022

The shareholder information set out below was applicable as at 31 August 2022.

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

	Ordinary shares		
	Number of holders	Number of shares	% of total shares issued
1 to 1,000	692	167,373	0.02
1,001 to 5,000	2,722	7,794,512	0.92
5,001 to 10,000	1,533	11,936,743	1.42
10,001 to 100,000	3,302	116,489,886	13.82
100,001 and over	890	706,631,695	83.82
	9,139		100.00
Holding less than a marketable parcel (at $0.023)	6,307		-

For a $500 marketable parcel holding the minimum parcel size is 21,740

Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest security holders (ungrouped) of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
THE DIGITAL BAKERY LIMITED	226,526,905	26.87%
PATRAS CAPITAL PTE LTD	35,000,000	4.15%
INDOMAIN ENTERPRISES PTY LTD (U C MONDELLO FAMILY A/C)	12,212,541	1.45%
HUMM GROUP LTD	11,363,636	1.35%
TRUE COLOUR ADVERTISEMENT PTY LTD <THE CHEN FAMILY A/C>	11,200,000	1.33%
TEFIG PTY LTD <AJ ABERCROMBIE S/FUND A/C>	10,416,667	1.24%
WHALE WATCH HOLDINGS LIMITED	10,000,000	1.19%
CITICORP NOMINEES PTY LIMITED	8,508,181	1.01%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	8,227,482	0.98%
SUPERHERO SECURITIES LIMITED <CLIENT A/C>	8,192,888	0.97%
MUHLBAUER INVESTMENTS PTY LTD <MUHLBAUER FAMILY A/C>	8,000,000	0.95%
PERSHING SECURITIES AUSTRALIA PTY LTD	7,825,500	0.93%
MR MARK DAVID TAYLOR	6,547,537	0.78%
ULTRA ALPHA INVESTMENTS LTD	5,301,276	0.63%
MR WEI CHEN	5,000,000	0.59%
PACIFIC NOMINEES LIMITED	4,881,945	0.58%
MRS SUZANNA POMEROY	4,231,084	0.50%
INDOMAIN ENTERPRISES PTY LTD <U C MONDELLO FAMILY A/C>	3,850,000	0.46%
SHELF PTY LTD <THE CRUZ A/C>	3,850,000	0.46%
NYG PTY LTD <JNH LAW FUND A/C>	3,850,000	0.46%
TOTAL	402,119,079	47.70%

Douugh Limited
Shareholder information
30 June 2022

Unquoted equity securities

	Number on issue
Options over ordinary shares issued	103,767,878
Performance securities (ESOP)	24,856,884
Performance shares (vendor rights)	25,000,000

Substantial holders
Substantial holders in the Company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
THE DIGITAL BAKERY LIMITED	229,526,905	27.22

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.