Rent.com.au Limited
ABN 25 062 063 692

Financial Report
for the year ended 30 June 2021

made for renters

Contents

Corporate Information

This financial report includes the financial statements and notes of Rent.com.au Limited ('the Company') and its controlled entities ('the Group'). The Group's functional presentation currency is AUD ($).

A description of the Group's operations and of its principal activities is included in the Review of Operations and Activities in the Directors' Report on pages 4 to 15. The Directors' Report is not part of the financial report.

Directors

Dr. Garry Garside	(Non-Executive Chairman)
Mr. John Wood	(Non-Executive Director)
Mr. Sam McDonagh	(Non-Executive Director)
Mr. Philip Warren	(Non-Executive Director)

Joint Company Secretaries
Mr. Jan Ferreira
Mr. Steven Wood

Registered Office
3 Craig Street
Burswood
WA 6100

Principal place of business
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Burswood
WA 6100

Share Registry
Automic Registry Services
267 St Georges Terrace
Perth WA 6000

Auditors

RSM Australia Partners
Level 32, Exchange Tower
2 The Esplanade
Perth WA 6000

Bankers

Commonwealth Bank of Australia
150 St Georges Terrace
Perth WA 6000

Australia and New Zealand Bank
833 Collins St
Docklands VIC 3008

Solicitors
GTP Legal
68 Aberdeen Street
Northbridge WA 6003

K&L Gates
Level 25 South Tower
525 Collins Street
Melbourne VIC 3000

Stock Exchange
Australian Securities Exchange Limited
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

ASX Code:

RNT

Website
http://investors.rent.com.au

Directors Report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'the Group') consisting of Rent.com.au Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled for the year ended 30 June 2021.

Directors

The following persons were directors of Rent.com.au Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

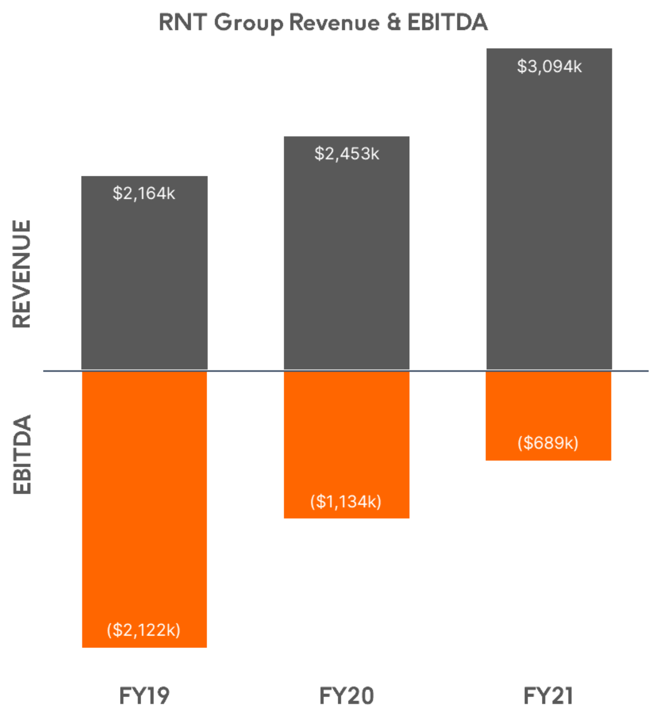
Dr. Garry Garside	(Non-Executive Chairman)
Mr. John Wood	(Non-Executive Director)
Mr. Sam McDonagh	(Non-Executive Director)
Mr. Philip Warren	(Non-Executive Director)

Principal Activities

The Group operates real estate websites focusing on the rental property market. The primary website operated by the Group is www.rent.com.au.

Review of Operations

The Consolidated Statement of Profit or Loss and Other Comprehensive Income shows a net operating loss after tax of $1,294,013 for the year ended 30 June 2021 (for year ended 30 June 2020: $1,665,215). The net operating loss for the year ended 30 June 2021 included non-cash share-based payments of $279,649 (30 June 2020 share-based payment reversal: $4,372) associated with the issue of performance based convertible securities to employees and options issued to directors as outlined in Note 17. Earnings Before Interest, Tax, Depreciation, and Amortisation (and excluding non-cash share-based payments) ("**EBITDA**") for the year ended 30 June 2021 was a loss of $689,055 (30 June 2020: $1,133,541) an improvement of 39%.



The Group achieved overall revenue of $3,094,402 for the year ended 30 June 2021 which represents growth of 26% compared with the previous year ($2,452,239). Both of its key revenue streams grew strongly. Renter Products grew 40% to $1,552,237 and Advertising Sales grew by 28% to $1,263,450.

Review of Operations (continued)

During the year the Group's original rent.com.au business (defined as Group results less RentPay impact) achieved its goal of EBITDA profitability off the back of strong revenue growth, earning an EBITDA profit of $117,468. The new RentPay business incurred an EBITDA loss of $806,524 as resources were allocated to building a new rental payments system which is the primary product via which the Group seeks to gain market share within the tenancy period.

Operationally, the Groups renter app on the Apple and Android platforms continues to achieve higher customer ratings than other leading real estate sector apps. While all three existing Renter Products grew, especially the RentConnect utility connection service offered under an exclusive arrangement with AGL. The Group's research indicates that this now accounts for greater than 10% of AGL's net new utility service connections nationally. Advertising Sales also grew strongly off the back of the Group's efforts to drive greater repeat business. During the year ended 30 June 2021, greater than 50% of advertising campaigns ran continuously for 6 months or longer.

The Group also completed the first iteration (beta release) of the development of RentPay, its first product aimed at renters during their tenancy. $1,230,862 of labour costs and $440,697 of external costs were incurred in this development during the year.

Significant changes in the state of affairs

On 15 September 2020, the Group announced that it had completed the placement under ASX Listing Rule 7.1 of 33,333,333 new fully paid ordinary shares at an issue price of $0.045 per share with existing shareholders to raise $1.5 million (before costs).

On 5 February 2021, the Group issued 55 million new fully paid ordinary shares at an issue price of $0.05 per share to sophisticated, professional and other exempt investors pursuant to section 708 of the Corporations Act 2001 (Cth) to raise $2,750,000 (before costs). The funds will be applied towards the upcoming RentPay launch and to provide additional working capital for marketing and product development.

Dividends

No dividend has been paid or recommended by the Directors since the commencement of the financial period.

Matters Subsequent to the end of the Financial Year

On 30 July 2021, the Group issued 538,461 ordinary shares on conversion of 538,461 performance rights.

Apart from the performance rights conversion above, no other matter or circumstance has been arisen since 30 June 2021 that has significantly affected, or maybe significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely Developments and Expected Results

The Group is currently optimising the RentPay rental payments platform prior to full market launch. RentPay is the platform via which the Group seeks to gain market share within the tenancy period. The Group's addressable market in Australia is estimated at more than 2.5 million rental households which, in the director's opinion, provides ample scope for further commercialisation of the group's products and for the Group to achieve profitability.

Environmental regulation

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

Financial Position

The net assets of the Group have increased to $4,910,847 at 30 June 2021 (30 June 2020: $1,795,125). Cash reserves increased to $2,918,306 at 30 June 2021 (30 June 2020: $631,771).

Information on Directors

Dr. Garry Garside	– Chairman (Non-Executive), *appointed 15 June 2015*
Age	– 64
Qualifications	– MBA (UWA)
Experience	– Dr. Garside has extensive corporate experience, successfully establishing and operated a variety of significant businesses. He currently manages an emerging property development company and chairs a range of unlisted investment syndicates and companies.
Special responsibilities	– Chairman Member of the Audit & Risk Committee Member of the Nomination & Remuneration Committee.
Interest in shares & options held in Rent.com.au Limited	– 8,000,499 Ordinary shares (indirect) 916,667 Ordinary shares 2,700,000 options
Directorships held in other listed entities	– None

Mr. Sam McDonagh	– Director (Non-Executive), *appointed 15 June 2015*
Age	– 50
Qualifications	– Chartered Accountant
Experience	– Mr. McDonagh has over 20 years' experience in senior management roles at companies including eBay in Southeast Asia, iiNet Limited and most recently Airbnb Australia and New Zealand
Special responsibilities	– Member of the Audit & Risk Committee.
Interest in shares & options held in Rent.com.au Limited	– 1,484,906 Ordinary shares 1,500,000 options
Directorships held in other listed entities	– None

Mr. Philip Warren	– Director (Non-Executive), *appointed 18 September 2014*
Age	– 47
Qualifications	– B. Com, Chartered Accountant
Experience	– Mr. Warren is Managing Director of Grange Consulting Group Pty Ltd. He has over 20 years of experience in finance and corporate roles in Australia and Europe, establishing several ASX listed companies during that time.
Special responsibilities	– Chair of the Audit & Risk Committee Member of the Nomination & Remuneration Committee
Interest in shares & options held in Rent.com.au Limited	– 1,146,206 Ordinary shares (indirect) 1,500,000 options
Directorships held in other listed entities	– Non-Executive Director of Family Zone Cyber Safety Limited and Anax Metals Limited.

Information on Directors (continued)

Mr. John Wood Age	– Director (Non-Executive) *appointed 15 June 2015* – 55
Qualifications	– N/A
Experience	– Mr. Wood is the founder of National Lifestyle Villages (NLV). He was awarded the Telstra WA Business of the Year award in 2007 and the Rothwell's Young Entrepreneur Award and the West Australian Young Achievers Award.
Special responsibilities	– Chair of the Nomination & Remuneration Committee.
Interest in shares & options held in Rent.com.au Limited	– 1,756,058 Ordinary shares 13,590,307 Ordinary shares (indirect) 1,500,000 options
Directorships held in other listed entities	– None

Directors' Meetings

The number of directors' meetings held, and the number of meetings attended by each of the directors of the Group for the time the director held office for the period ended 30 June 2021:

	Board Meetings		**Audit & Risk Management Committee Meetings**		**Nomination & Remuneration Committee Meetings**	
	A	B	A	B	A	B
Garry Garside	12	12	2	2	1	1
Sam McDonagh	12	12	2	2	n/a	n/a
Philip Warren	12	12	2	2	1	1
John Wood	12	12	n/a	n/a	1	1

A – meetings eligible to attend
B – meetings attended

Company Secretaries

Jan Ferreira was appointed as company secretary from 15 June 2015. Jan is a CPA (Australia) and has a Certificate in Governance Practice from the Governance Institute of Australia. He has more than 15 years' experience within ASX listed businesses, having previously been Chief Financial Officer and Company Secretary at ThinkSmart Limited and a Financial Controller at Alinta Limited.

Steven Wood was appointed as a company secretary effective 18 September 2014. Steven specialises in corporate advisory, company secretarial and financial management services. Steven is a Chartered Accountant and has previously been involved in various private and seed capital raisings as well as successful ASX listings, whilst also providing company secretarial and financial management services to both ASX and unlisted public and private companies.

Performance Rights

Upon the achievement of the applicable performance milestone, the Performance Rights convert into Ordinary Shares at a ratio of 1 Ordinary Share for every 1 Performance Right held. No payment is necessary to exercise a Performance Right. As at the date of this report, Performance Rights on issue are as follows:

Tranche	Date Granted	Expiry Date	Number
9	02 December 2020	31 August 2023	13,500,000
10	02 December 2020	31 July 2021	538,461

The vesting conditions of the various tranches of performance rights on issue are outlined below:

- Tranche 9 – will vest upon continuous employment with the Group until 30 June 2023
- Tranche 10 – have vested and converted to ordinary shares subsequent to year end.

Shares under Option

Unissued ordinary shares of Rent.com.au Limited under option at the date of this report are as follows:

Date Options Granted	Expiry Date	Tranche	Issue Price of Share	Number Under Option
9 September 2016	9 September 2021	7	$0.25	1,250,000[1]
9 September 2016	9 September 2021	8	$0.35	1,250,000[1]
9 September 2016	9 September 2021	9	$0.50	1,250,000[1]
2 December 2020	1 December 2025	10	$0.10	2,400,000[2]
2 December 2020	1 December 2025	11	$0.125	2,400,000[2]
2 December 2020	1 December 2025	12	$0.15	2,400,000[2]
Total				**10,950,000**

1. Employee options have vested and are exercisable.
2. Director options will vest upon 3 year service condition.

Shares issued on the exercise of options

There were no ordinary shares of Rent.com.au Limited issued on the exercise of options during the year ended 30 June 2021 and up to the date of this report.

Indemnification of officers

During the financial period, the Group entered into a policy to indemnify directors and officers against certain liabilities incurred as a director or officer, including costs and expenses associated in successfully defending legal proceedings. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium. The Group has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or an auditor of the Group or of any related body corporate against a liability incurred as such an officer or auditor.

Proceedings on behalf of the Group

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

Officers of the Group who are former partners of RSM Australia Partners

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

Auditor

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

Non-Audit Services

Details of the amounts paid or payable to the auditor for non-audit services provided by the auditor are outlined in Note 20 to the financial statements.

The Board is satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Board is of the opinion that the services as disclosed in Note 20 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the Group or jointly sharing economic risks and rewards.

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.

Audited Remuneration Report

The remuneration report details the key management personnel remuneration arrangements for the Group, 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:
A. Principles used to determine the nature and amount of remuneration
B. Details of remuneration
C. Share-based compensation
D. Additional information

A. Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The Board has elected to establish a Nomination and Remuneration Committee in accordance with its Corporate Governance Policy.

The Nomination and Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives and for developing and facilitating a process for Board and Director evaluation.

A. Principles used to determine the nature and amount of remuneration (continued)

The key management personnel of the Group consisted of the following directors:

- Dr. Garry Garside (Non-Executive Chairman)
- Mr. John Wood (Non-Executive Director)
- Mr. Sam McDonagh (Non-Executive Director)
- Mr. Philip Warren (Non-Executive Director)

And the following executives:

- Mr Greg Bader (Chief Executive Officer)
- Mr. Jan Ferreira (Chief Financial Officer / Chief Operating Officer)

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

Non-Executive Director Remuneration

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee.

Non-executive directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at $350,000 per annum and was approved at a previous annual general meeting.

Executive Remuneration

The executive remuneration framework has the following components:

- base pay and benefits, including superannuation.
- short-term performance incentives; and
- long-term incentives provided as share-based payments.

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 Nomination and Remuneration Committee based on individual and business unit performance, the overall performance of the Group 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 Group and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the Group 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.

Long term incentives have been provided to directors through the issue of director options as approved by shareholders at the November 2020 Annual General Meeting. Long term incentives have been provided to employees through the issue of performance rights pursuant to the Employee Long-Term Incentive Plan ('LTIP') approved by shareholders at the November 2019 Annual General Meeting.

Voting and comments made at the Group's 2020 Annual General Meeting ('AGM')

At the 2020 AGM, 99.5% of the eligible votes received supported the adoption of the remuneration report for the year ended 30 June 2020. The Group did not receive any specific feedback at the AGM regarding its remuneration practices.

B. Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables.

Details of remuneration for the year ended 30 June 2021.

KMP	Base Fee $	STI Payment $	Super-annuation $	Long service leave $	Performance Rights $	Options $	Total $
Garry Garside	55,000	-	-	-	-	9,949	64,949
Sam McDonagh	40,000	-	-	-	-	5,527	45,527
Phillip Warren	40,000	-	-	-	-	5,527	45,527
John Wood	40,000	-	-	-	-	5,527	45,527
Greg Bader	249,552	2,500	20,756	-	13,264	-	286,072
Jan Ferreira	223,253	3,750	20,409	24,875	13,264	-	285,551
Total	**647,805**	**6,250**	**41,165**	**24,875**	**26,528**	**26,530**	**773,153**

Details of remuneration for the year ended 30 June 2020

KMP	Base Fee $	STI Payment $	Super-annuation $	Performance Rights $	Options[1] $	Total $
Garry Garside	32,083	-	-	-	-	32,083
Sam McDonagh	23,333	-	-	-	-	23,333
Phillip Warren	23,333	-	-	-	-	23,333
John Wood	23,333	-	-	-	-	23,333
Greg Bader	220,000	1,250	21,019	-	-	242,269
Jan Ferreira	215,000	2,500	20,741	-	-	238,241
Total	**537,082**	**3,750**	**41,760**	**-**	**-**	**582,592**

1. Options include both share based payments and advisor options.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2021	2020	2021	2020	2021	2020
Non-Executive Directors:						
Garry Garside	84.7%	100.0%	-	-	15.3%	-%
Sam McDonagh	87.9%	100.0%	-	-	12.1%	-%
Phillip Warren	87.9%	100.0%	-	-	12.1%	-%
John Wood	87.9%	100.0%	-	-	12.1%	-%
Other Key Management Personnel:						
Greg Bader	94.5%	99.5%	0.9%	0.5%	4.6%	-%
Jan Ferreira	94%	99.0%	1.35%	1.0%	4.65%	-%

B. Details of remuneration – continued

Service Agreements

Remuneration and other terms of employment for the Chief Executive Officer and other Key Management Personnel are formalised in employment contracts. The major provisions of the agreements relating to remuneration are set out below:

Greg Bader, Chief Executive Officer (commenced 23 August 2016)

- Mr. Bader's Executive Services Agreement for the position of Chief Executive Officer has no fixed period and may be terminated by provision of six months' prior written notice by either party.
- Mr. Bader is entitled to a base salary of $250,000 per annum, plus statutory superannuation entitlements. He has elected to receive $30,000 of this in the form of equity securities. 1,600,001 performance rights issued in May 2020 in lieu of salary were converted to shares during the year ended 30 June 2021. 403,846 performance rights issued on 2 Dec 2020 in lieu of salary were converted to ordinary shares subsequent to year end.
- Mr. Bader is eligible to participate in the Long-Term Incentive Plan and has been issued 3,750,000 Employee Options (expire 30 September 2021) and 4,500,000 performance rights (expire 31 August 2023).
- Mr. Bader is also eligible to participate in a Short-Term Incentive ("STI") scheme which the Group has implemented. A maximum of $10,000 per annum may be payable to Mr. Bader on the achievement of key performance indicators to be set having regard to the financial position and performance of the Group.

Jan Ferreira, Chief Financial Officer / Chief Operating Officer (commenced 28 April 2014)

- Mr. Ferreira's Executive Services Agreement for the position of Chief Financial Officer / Chief Operating Officer has no fixed period and may be terminated by provision of six months' prior written notice by either party.
- Mr. Ferreira is entitled to a base salary of $225,000 per annum, plus statutory superannuation entitlements. He has however elected to receive $10,000 of this in the form of equity securities. 883,334 performance rights issued in May 2020 in lieu of salary were converted to shares during the year ended 30 June 2021. 134,615 performance rights issued on 2 Dec 2020 in lieu of salary were converted to ordinary shares subsequent to year end.
- Mr. Ferreira is eligible to participate in the Long-Term Incentive Plan and has been issued 4,500,000 performance rights (expire 31 August 2023).
- Mr. Ferreira is also eligible to participate in a Short-Term Incentive scheme which the Group has implemented. A maximum of $10,000 per annum may be payable to Mr. Ferreira on the achievement of key performance indicators to be set having regard to the financial position and performance of the Group.

The non-executive directors are subject to service agreements which cover relevant provisions including term, fees, independence, re-election and the role requirements.

C. Share based compensation

Other than outlined above, Rent.com.au Limited paid no share-based compensation to KMP during the year and there were no new performance rights or options granted to KMP for the year ended 30 June 2021.

During the year ended 30 June 2021, 6,750,000 performance rights (expire 31 August 2023) were issued to employees of the Group who are not KMP as outlined in Note 17.

D. Additional Information

Financial Performance Information

The earnings of the Group for the five years to 30 June 2021 are summarised below:

	2021	2020	2019	2018	2017
	$	$	$	$	$
Sales revenue	3,094,402	2,452,239	2,164,192	2,324,880	1,654,395
EBITDA*	(689,055)	(1,133,540)	(2,121,568)	(2,322,710)	(5,822,425)
Loss after income tax	(1,294,013)	(1,665,215)	(2,497,183)	(2,822,539)	(8,513,631)

* excluding non-cash share-based payments, R&D income, government grant and loss on disposal of asset.

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

	2021	2020	2019	2018	2017
Share price at financial year end ($)	0.120	0.033	0.035	0.086	0.065
Total dividends declared (cents per share)	-	-	-	-	-
Basic loss per share (cents per share)	(0.36)	(0.57)	(1.05)	(1.38)	(4.72)

Equity instruments held by Key Management Personnel

1. Ordinary Shares

The number of ordinary shares in Rent.com.au Limited held by each KMP of the Group during the year ended 30 June 2021 is as follows:

30 June 2021	Balance at beginning of the year	Granted as remuneration during the year	Performance rights converted during the year	Other changes during the year	Balance at 30 June 2021
Garry Garside	7,000,499	-	916,667	1,000,000	8,917,166
Sam McDonagh	818,239	-	666,667	-	1,484,906
Philip Warren	479,539	-	666,667	-	1,146,206
John Wood	15,229,696	-	666,667	(549,998)	15,346,365
Greg Bader	16,400,711	-	1,600,001	555,000	18,555,712
Jan Ferreira	1,000,080	-	883,334	(983,414)	900,000
Total	**40,928,764**	**-**	**5,400,003**	**21,588**	**46,350,355**

2. Options

The number of options over ordinary shares in Rent.com.au Limited held by each KMP of the Group during the year ended 30 June 2021 is as follows:

30 June 2021	Balance at start of the year	Granted as remuneration during the year	Exercised during the year	Other changes during the year	Balance at 30 June 2021
Garry Garside	-	-	-	2,700,000	2,700,000
Sam McDonagh	-	-	-	1,500,000	1,500,000
Philip Warren	-	-	-	1,500,000	1,500,000
John Wood	-	-	-	1,500,000	1,500,000
Greg Bader	3,750,000	-	-	-	3,750,000
Jan Ferreira	-	-	-	-	-
Total	**3,750,000**	**-**	**-**	**7,200,000**	**10,950,000**

<u>Equity instruments held by Key Management Personnel (continued)</u>

3. Performance Rights

The number of performance rights in Rent.com.au Limited held by each KMP of the Group during the year ended 30 June 2021 is as follows:

30 June 2021	Balance at start of the year	Received as Remuneration	Performance Rights Converted	Other Movements	Balance at 30 June 2021	Vested and Exercisable at 30 June 2021	Unvested at 30 June 2021
Garry Garside	-	916,667	(916,667)	-	-	-	-
Sam McDonagh	-	666,667	(666,667)	-	-	-	-
Philip Warren		666,667	(666,667)				
John Wood	-	666,667	(666,667)	-	-	-	-
Greg Bader	1,600,001	403,846	(1,600,001)	4,500,000	4,903,846	-	4,903,846
Jan Ferreira	883,334	134,615	(883,334)	4,500,000	4,634,615	-	4,634,615
Total	**2,483,335**	**3,455,129**	**(5,400,003)**	**9,000,000**	**9,538,461**	**-**	**9,538,461**

4. Performance Shares

Performance shares were issued as consideration to the shareholders of Rent.com.au (Operations) Pty Ltd, who were shareholders prior to the acquisition by Select Exploration Limited (renamed Rent.com.au Limited). There are no outstanding performance shares in Rent.com.au Limited held by each KMP of the Group during the year ended 30 June 2021.

<u>Other KMP Transactions</u>

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The following transactions occurred with related parties:

	2021 $
Transactions:	
Office outgoings and others – Watersun Property Pty Ltd[1]	85,505
Cleaning expenses – Servco Pty Ltd[1]	7,933
Interest expense[1]	5,663
Depreciation expense[1]	84,215
Software Development, Technology Hosting and AFSL – Novatti Pty Ltd[2]	176,600
Balances:	
Amount owing to Watersun Property Pty Ltd[1]	34,700
Amount owing to Servco Pty Ltd[1]	630
Right of use asset[1]	20,150
Lease liability[1]	22,511
Amount owing to Novatti Pty Ltd[2]	51,600

[1] Garry Garside is a director and shareholder of both Watersun Property Pty Ltd & Servco Pty Ltd

[2] Novatti Pty Ltd is the minority shareholder of RentPay Technology Pty Ltd

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

This concludes the remuneration report, which has been audited.

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

Dr. Garry Garside
Non-executive Chairman
Perth, 27 August 2021

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Rent.com.au Limited for the year ended 30 June 2021, 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

AWhyte

Perth, WA
Dated: 27 August 2021

ALASDAIR WHYTE
Partner

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
RENT.COM.AU LIMITED

Opinion

We have audited the financial report of Rent.com.au Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, 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 2021 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.

Key Audit Matter	How our audit addressed this matter
Revenue Recognition Refer to Note 1 and 3 in the financial statements	
The Group generates revenue through its role as an operator of a real estate website focusing on the rental property market. The major revenue streams are: • Fees from agents and landlords; • Rental products revenue; and • Advertising sales. Revenue was considered a key audit matter because it is the most significant account balance in the consolidated statement of profit or loss and other comprehensive income and the process of revenue recognition is complex due to multiple revenue streams for services or products rendered. Furthermore, the revenue transactions are high volume and of low value. The revenue recognition of each revenue stream is subject to management judgements. These include: • Determining the appropriate accounting policy in relation to each revenue stream; and • Determining the revenue recognised is for an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer.	Our audit procedures included: • Obtaining a detailed understanding of each of the revenue streams and the process for calculating and recording revenue; • Assessing whether the revenue recognition policies comply with Australian Accounting Standards; • Performing substantive testing on each revenue stream on a sample basis; • Reviewing the deferred revenue calculation for revenue received in advance; • Reviewing revenue transactions before and after year-end to ensure that revenue is recognised in the correct financial period; and • Reviewing the appropriateness of disclosure in the financial statements.

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 2021, 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/auditors_responsibilities/ar2.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 within the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Rent.com.au Limited, for the year ended 30 June 2021, 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

AWhyte

ALASDAIR WHYTE
Partner

Perth, WA
Dated: 27 August 2021

Rent.com.au Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2021

	Note	Consolidated 2021 $	2020 $
Revenue	3	3,094,402	2,452,239
Other income	4	567,505	357,390
Total Income		**3,661,907**	**2,809,629**
Administration charges		(534,642)	(404,657)
Consulting & business development costs		(94,225)	(22,595)
Depreciation and amortisation expense	8,9,10	(870,939)	(882,943)
Employee benefit expenses		(1,583,305)	(1,859,402)
Finance costs		(9,401)	(10,593)
Information technology costs		(326,609)	(385,610)
Share based payment expenses	17	(279,649)	4,372
Sales and marketing expenses		(481,866)	(398,092)
Others		(762,084)	(515,324)
Loss before income tax expense		**(1,280,813)**	**(1,665,215)**
Income tax expense	5	(13,200)	-
Loss after income tax expense for the year		**(1,294,013)**	**(1,665,215)**
Other comprehensive income		-	-
Total comprehensive loss for the year		**(1,294,013)**	**(1,665,215)**
Total comprehensive income for the year is attributable to:			
Non-controlling interest		(22,409)	(230)
Owners of Rent.com.au Limited		(1,271,604)	(1,664,985)
Total comprehensive loss for the year		**(1,294,013)**	**(1,665,215)**
Earnings Per Share		**Cents**	**Cents**
Basic and diluted (loss) per share	21	(0.36)	(0.57)

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

Rent.com.au Limited
Consolidated Statement of Financial Position
As at 30 June 2021

	Note	Consolidated 2021 $	2020 $
Assets			
Current assets			
Cash and cash equivalents	6	2,918,306	631,771
Trade and other receivables	7	503,685	381,542
Total current assets		3,421,991	1,013,313
Non-current assets			
Plant and equipment	8	43,467	19,400
Right-of-use assets	9	20,149	96,970
Intangible assets	10	2,426,630	1,523,357
Total non-current assets		2,490,249	1,639,727
Total assets		**5,912,237**	**2,653,040**
Liabilities			
Current liabilities			
Trade and other payables	11	736,796	556,823
Borrowings	12	13,018	8,602
Lease liabilities	13	22,511	80,988
Employee benefits	14	218,934	184,403
Total current liabilities		991,259	830,816
Non-current liabilities			
Borrowings	12	10,131	5,734
Lease Liabilities	13	-	21,365
Total non-current liabilities		10,131	27,099
Total liabilities		**1,001,390**	**857,915**
Net Assets		**4,910,847**	**1,795,125**
Equity			
Issued capital	15	41,468,040	37,114,067
Share based payments reserve	16	6,370,618	6,314,856
Other reserve	16	243,726	243,726
Accumulated losses	18	(43,155,138)	(41,883,534)
Equity attributable to the owners of Rent.com.au Ltd		4,927,246	1,789,115
Non-controlling interest	19	(16,399)	6,010
Total equity		**4,910,847**	**1,795,125**

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

Rent.com.au Limited
Consolidated Statement of Changes in Equity
For the year ended 30 June 2021

Consolidated	Issued capital $	Share based payment reserves $	Other Reserve $	Accumulated Loss $	Non Controlling Interest $	Total equity $
Balance at 1 July 2020	37,114,067	6,314,856	243,726	(41,883,534)	6,010	1,795,125
Loss after income tax expense for the year	-	-	-	(1,271,604)	(22,409)	(1,294,013)
Total comprehensive loss for the year	-	-	-	(1,271,604)	(22,409)	(1,294,013)
Transactions with owners in their capacity as owners:						
Shares issued	4,503,054	(223,887)	-	-	-	4,279,167
Share issue costs	(149,081)	-	-	-	-	(149,081)
Share based payments	-	279,649	-	-	-	279,649
Balance at 30 June 2021	**41,468,040**	**6,370,618**	**243,726**	**(43,155,138)**	**(16,399)**	**4,910,847**

Consolidated	Issued capital $	Share based payment reserves $	Other Reserve $	Accumulated loss $	Non Controlling Interest $	Total Equity $
Balance at 1 July 2019	35,313,752	6,319,226	-	(40,217,335)	-	1,415,643
Adjustment for Impact of AASB 16 [note 1]	-	-	-	(1,214)	-	(1,214)
Restated Balance	35,313,752	6,319,226	-	(40,218,549)	-	1,414,429
Loss after income tax expense for the year	-	-	-	(1,664,985)	(230)	(1,665,215)
Total comprehensive loss for the year	-	-	-	(1,664,985)	(230)	(1,665,215)
Transactions with owners in their capacity as owners:						
Shares issued	2,016,984	-	-	-	-	2,016,984
Changes in ownership	-	-	243,726	-	6,240	249,966
Share issue costs	-	(4,370)	-	-	-	(4,370)
Share based payments	(216,669)	-	-	-	-	(216,669)
Balance at 30 June 2020	**37,114,067**	**6,314,856**	**243,726**	**(41,883,534)**	**6,010**	**1,795,125**

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

	Note	Consolidated	
		2021	**2020**
Cash flows from operating activities		**$**	**$**
Receipts from customers (inclusive of GST)		3,250,625	2,704,473
Payments to suppliers and employees (inclusive of GST)		(3,846,622)	(3,810,099)
		(595,997)	(1,105,626)
Other income		567,052	355,437
Interest received		453	1,952
Interest and other finance costs paid		(9,401)	(10,593)
Income taxes paid		(13,200)	-
Net cash used in operating activities	27	**(51,093)**	**(758,830)**
Cash flows from investing activities			
Payments for plant and equipment		(49,512)	(3,354)
Payments for intangible assets (net)		(1,619,052)	(477,163)
Proceeds from disposal of plant and equipment		727	100
Net cash used in investing activities		**(1,667,837)**	**(480,417)**
Cash flows from financing activities			
Proceeds from issue of share capital		4,249,997	2,016,981
Share issue costs		(149,079)	(216,703)
Proceeds from borrowings		26,510	2,850
Repayment of borrowings		(121,963)	(83,644)
Net cash provided by financing activities		**4,005,465**	**1,719,484**
Net increase in cash and cash equivalents		2,286,535	480,237
Cash and cash equivalents at the beginning of the financial year		631,771	151,534
Cash and cash equivalents at the end of the financial year		**2,918,306**	**631,771**

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

This financial report of Rent.com.au Limited ('the Company') and its controlled entities ('the Group') for the year ended 30 June 2021 was authorised for issue in accordance with a resolution of the Directors on 27 August 2021.

Rent.com.au Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

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.

Going concern

These 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 Group incurred a loss of $1,294,013 and had net cash outflows from operating and investing activities of $51,093 and $1,667,837 respectively for the year ended 30 June 2021. As at that date the Group had net current assets of $2,430,732 including cash and cash equivalents of $2,918,306.

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

- The ability to issue additional shares under the Corporations Act 2001 to raise further working capital; and
- The Group has the ability to scale down its operations in order to curtail expenditure, in the event cash available is insufficient to meet projected expenditure.

New or amended Accounting Standards and Interpretations adopted

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

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the Group:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The Group has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the Group's financial statements.

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').

Note 1. Significant Accounting Policies (continued)

Basis of Preparation (continued)

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivatives financial instruments.

Critical accounting estimates

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

Parent entity information

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

The presentation currency is Australian dollars.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Rent.com.au Limited as at 30 June 2021 and the results of all subsidiaries for the year then ended. Rent.com.au Limited and its subsidiaries together are referred to in these financial statements as the “Group”.

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

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

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

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

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

Note 1. Significant Accounting Policies (continued)

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Board (the Chief Operating Decision Makers ('CODM') of the business). The Board is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Rent.com.au 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.

Revenue Recognition

The Group recognises revenue as follows:

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

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

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest
Interest revenue is recognised as interest accrues using the effective interest method.

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

Note 1. Significant Accounting Policies (continued)

Government Grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

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.

Rent.com.au Limited and its wholly-owned Australian subsidiaries have formed an income tax group under the tax consolidation regime. The head entity and each subsidiary in the tax group continue to account for their own current and deferred tax amounts. The tax group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax 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 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 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 1. Significant Accounting Policies (continued)

Current and non-current classification

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

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

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

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

Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

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 provision for impairment. Trade receivables are generally due for settlement within 30 days.

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

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

Plant and equipment

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

- Computer equipment 2-4 years
- Furniture and fittings 4 years

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.

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

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

An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 1. Significant Accounting Policies (continued)

Right-of-use assets

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

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

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

Intangible assets

IT development and software
Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems.

These intangible assets have finite lives and are subject to amortisation on a straight-line basis. The useful lives for these assets are as follows:

- Software 4 years

Research and development
Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved services) are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of direct overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred.

Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as an intangible asset and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life of 4 years.

Impairment of non-financial assets

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

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

Note 1. Significant Accounting Policies (continued)

Trade and Other Payables

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

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities

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

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

Finance costs

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

Provisions

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

Employee benefits

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

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of

Note 1. Significant Accounting Policies (continued)

Employee benefits (continued)

employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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

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

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

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

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

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

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

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

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

Note 1. Significant Accounting Policies (continued)

Employee benefits (continued)

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.

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

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

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.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the Group.

Business Combinations

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

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

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

Note 1. Significant Accounting Policies (continued)

Business Combinations (continued)

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

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

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

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

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of the Group, 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)

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

Receivables and payables in the statement of financial position are shown inclusive of GST. 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 1. Significant Accounting Policies (continued)

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

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

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

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

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

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

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2021. The Group's has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

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 various other factors, including expectations of future events which management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to 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 statement of profit or loss and other comprehensive income and equity.

Revenue from contracts with customers involving sale of products
When recognising revenue in relation to the sale of products to customers, the key performance obligation of the Group is considered to be the point of delivery of the products to the customer, as this is deemed to be the time that the customer obtains control of the promised products and therefore the benefits of the unimpeded access.

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, historical collection rates, the impact of Coronavirus (COVID-19) pandemic and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 10, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

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 Group 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 Group operates. Other than as addressed in specific notes, there does not 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.

Note 3. Revenue

	Consolidated 30 June 2021 Timing of revenue recognition		Consolidated 30 June 2021
	Goods transferred at a point in time	*Services transferred over a period of time*	***Total***
	$	***$***	**$**
Fees from agents and landlords	*19,802*	*110,001*	**129,803**
Renter Products Revenue	*1,548,841*	*3,396*	**1,552,237**
Advertising Sales	*321,559*	*941,891*	**1,263,450**
Payments Revenue	*11,058*	*137,854*	**148,912**
Total	***1,900,336***	***1,194,066***	**3,094,402**

	Consolidated 30 June 2020 Timing of revenue recognition		Consolidated 30 June 2020
	Goods transferred at a point in time	*Services transferred over a period of time*	***Total***
	$	***$***	**$**
Fees from agents and landlords	*28,996*	*124,986*	**153,982**
Renter Products Revenue	*1,097,797*	*6,923*	**1,104,720**
Advertising Sales	*228,707*	*756,639*	**985,346**
Payments Revenue	*13,087*	*195,104*	**208,191**
Total	***1,368,587***	***1,083,652***	**2,452,239**

	Consolidated	
	2021	**2020**
Consolidated 30 June 2021	**$**	**$**
Geographical regions		
Australia	**3,094,402**	**2,452,239**

Note 4. Other Income

	Consolidated	
	2021	**2020**
	$	**$**
R&D Incentive recognised in income	263,052	193,438
Interest income	453	1,952
Government grants	304,000	162,000
	567,505	**357,390**

Note 5. Income Tax

		Consolidated	
		2021	2020
		$	$
a)	The components of tax expense comprise:		
	Current tax	-	-
	Deferred tax	-	-
	under provision in prior year	13,200	-
	Total income tax expense	**13,200**	**-**

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

	Consolidated	
	2021	2020
	$	$
Prima facie tax payable on loss from ordinary activities before income tax at 26% (2020:27.5%)	(333,011)	(457,934)
Tax effect of:		
Share based payments	72,709	(1,202)
Tax losses not recognised	355,103	480,258
Timing differences not recognised	(3,925)	49,857
R&D Tax Rebate	(76,089)	(56,102)
Other	(14,787)	(14,877)
Under provision in prior period	13,200	-
Total income tax expense	**13,200**	**-**

c) Deferred tax assets at 30 June 2021 not brought to account are:

Revenue tax losses	5,715,427	5,742,422
Other	118,370	24,382
Total Deferred tax asset not recognised	**5,833,797**	**5,766,804**

The benefit for tax losses will only be obtained if:

- the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised; and
- the losses are transferred to an eligible entity in the Group; and
- the Group continues to comply with the conditions for deductibility imposed by tax legislation; and
- no changes in tax legislation adversely affect the consolidated in realising the benefit from the deduction for the losses.

Note 6. Cash and Cash Equivalents

	Consolidated	
	2021	**2020**
	$	**$**
Cash at bank and in hand	2,898,031	611,506
Term Deposits	20,275	20,265
Total cash and cash equivalents	**2,918,306**	**631,771**
Reconciliation to cash and cash equivalents at the end of the financial year		
Balance as per statement of cash flows	2,918,306	631,771

Cash at bank and in hand earns interest at floating rates based on daily bank rates. The effective interest rate on short-term bank deposits was 0.1% (2020: 0.84%).

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

As at 30 June 2021, the group held customer funds of $30,511 in trust. This relates to funds held in RentPay wallet accounts and payable at the direction of the customers of RentPay payment services. The fund held in trust has not been disclosed on consolidated statement of financial position as it doesn't meet the definition of financial assets and liabilities.

Note 7. Trade and Other Receivables

	Consolidated	
	2021	**2020**
	$	**$**
Trade debtors	366,468	332,397
Less: Allowance for expected credit losses	(3,634)	(2,815)
	362,834	329,582
Prepayments	140,851	51,960
Total trade and other receivables	**503,685**	**381,542**

Allowance for expected credit losses
The Group has recognised a loss of $- (2020: $10,274) in profit or loss in respect of the expected credit losses for the year ended 30 June 2021.

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

	Consolidated	
	2021	**2020**
	$	**$**
0 to 3 months overdue	-	-
3 to 6 months overdue	3,634	2,815
Over 6 months overdue	-	-
	3,634	**2,815**

Note 7. Trade and Other Receivables (continued)

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

	Consolidated	
	2021	2020
	$	$
Opening balance	2,815	7,549
Additional provisions recognised	819	10,274
Receivables written off during the year as uncollectable	-	(15,008)
Closing Balance	**3,634**	**2,815**

As at the reporting date, all overdue balances had been received.

Credit Risk – Trade and Other Receivables

The Group has no significant concentration of credit risk with respect to any single counter party other than Australian Taxation Office. The class of assets described as trade and other receivables is considered to be the main source of credit risk related to the Group.

Other than as noted above, all trade and other receivables are within initial trade terms and considered to be of high credit quality.

Note 8. Plant and Equipment

	Consolidated	
	2021	2020
	$	$
Plant and equipment at cost	257,255	207,744
Less: accumulated depreciation	(213,788)	(188,344)
	43,467	**19,400**

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

	Consolidated	
	2021	2020
	$	$
Balance at the beginning of the year	19,400	36,254
Additions	49,511	3,354
Depreciation	(25,444)	(20,208)
Written down balance at end of year	**43,467**	**19,400**

Note 9. Right-of-use asset

	Consolidated	
	2021	2020
	$	$
Building – right of use	181,346	174,546
Less: accumulated depreciation	(161,197)	(77,576)
	20,149	**96,970**

Note 9. Right-of-use asset (continued)

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

	Consolidated	
	2021	2020
	$	$
Balance at the beginning of the year	96,970	-
Additions	7,394	174,546
Amortisation	(84,215)	(77,576)
Written down balance at end of year	**20,149**	**96,970**

Note 10. Intangible Assets

	Consolidated	
	2021	2020
	$	$
Software and website development at cost	7,147,969	5,483,416
Less: accumulated amortisation	(4,721,339)	(3,960,059)
	2,426,630	**1,523,357**

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

	Consolidated	
	2021	2020
	$	$
Balance at the beginning of the year	1,523,356	1,707,567
Additions	1,664,554	600,949
Amortisation	(761,280)	(785,159)
Written down balance at end of year	**2,426,630**	**1,523,357**

Note 11. Trade and Other Payables

	Consolidated	
	2021	2020
	$	$
Trade creditors	410,989	257,832
Other payables	319,564	293,882
GST Payable	6,243	5,109
Total Trade and Other Payables	**736,796**	**556,823**

Trade payables are non-interest bearing and are normally settled on 30 to 60-day terms.

Note 12. Borrowings

	Consolidated 2021 $	2020 $
Finance lease liability – current	13,018	8,602
Finance lease liability – non-current	10,131	5,734
Total Borrowings	**23,149**	**14,336**

These are finance leases for computer equipment with an average remaining term of 41 months. The interest rates and repayments are fixed.

Note 13. Lease liability

	Consolidated 2021 $	2020 $
Lease liability – current	22,511	80,988
Lease liability – non-current	-	21,365
Total Lease liability	**22,511**	**102,353**

Note 14. Employee Benefits

	Consolidated 2021 $	2020 $
Annual leave	156,630	153,226
Long service leave	62,304	31,177
Total Employee Benefits	**218,934**	**184,403**
Expected to be settled within 12 months	218,934	184,403
Expected to be settled after 12 months	-	-

The Group encourages employees to take leave when due and accordingly expects that the leave accruals above will be utilised during the next 12 months.

Note 15. Issued Capital

	Consolidated 2021 $	2020 $
Ordinary shares fully paid	**41,468,040**	**37,114,067**
	Shares	**Shares**
Ordinary shares fully paid	**397,654,227**	**302,635,759**

Note 15. Issued Capital (continued)

Movements in ordinary share capital

Details	Shares	Issue price	$
Opening Balance – 1 July 2019	249,497,272		35,313,752
Issue of shares – July and August 2019	41,582,864	$0.036	1,496,983
Issue of shares – March 2020	11,555,554	$0.045	519,999
Issue of shares – performance shares 31 Jan 2019	69	$0.048	3
Share issue transaction costs	-		(216,670)
Closing Balance – 30 June 2020	**302,635,759**		**37,114,067**

Details	Shares	Issue price	$
Opening Balance – 1 July 2020	302,635,759		37,114,067
Issue of shares – September 2020	33,333,333	$0.045	1,500,000
Issue of shares – performance shares October 2020	3,768,467	$0.030	113,054
Issue of shares – performance shares December 2020	2,916,668	$0.048	140,000
Issue of shares – February 2021	55,000,000	$0.050	2,750,000
Share issue transaction costs	-		(149,081)
Closing Balance – 30 June 2021	**397,654,227**		**41,468,040**

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Group in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Group 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.

Share buy-back
There is no current on-market share buy-back.

Capital management

Capital risk management
The Group'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 Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group 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

Note 15. Issued Capital (continued)

investment. The Group 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 Group 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 prior financial year.

Note 16. Reserves

	Consolidated	
	2021	2020
	$	$
Share based payment reserve	**6,370,618**	**6,314,854**
Other reserve	**243,726**	**243,726**

Share Based Payment Reserve
The share-based payment reserve recognises options, performance rights and performance shares that have been issued as share based payments.

Other reserve
This reserve is used to recognise the change in the share of the non-controlling interest.

Note 17. Share Based Payments

The current Rent.com.au Limited Employee Long-Term Incentive Plan ("LTIP") was approved by shareholders on 29 November 2019. All employees, directors and consultants are eligible to participate in the LTIP.

The LTIP provides for the issue of:

- Performance Rights which, upon a determination by the Board that the performance conditions attached to the Performance Rights have been met, will result in the issue of one ordinary Share in the Group for each Performance Right; and
- Plan Options which, upon a determination by the Board that the vesting conditions attached to the Plan Options have been met, will result in the Plan Options vesting and being able to be exercised into Shares by payment of the exercise price.

The key features of the Plan are as follows:

- The Board will determine the number of Performance Rights and Plan Options (Plan Securities) to be granted to Eligible Employees (or their Affiliates) and the vesting conditions, expiry date of the Plan Securities and the exercise price of the Plan Options in its sole discretion.
- The Plan Securities are not transferable unless the Board determines otherwise or the transfer is required by law and provided that the transfer complies with the Corporations Act.

Subject to the Corporations Act and the Listing Rules and restrictions on reducing the rights of a holder of Plan Securities, the Board will have the power to amend the Plan as it sees fit

Note 17. Share Based Payments (continued)

a) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period were as follows:

	Consolidated	
	2021	**2020**
	$	**$**
Performance rights issued/(reversed) under LTIP	253,116	(4,373)
Performance shares issued to shareholders	-	3
Options issued under LTIP	26,533	-
Total share-based payments (reversal)/expense	**279,649**	**(4,370)**

b) Options
All options granted to key employees, consultants and advisors of the Group are for ordinary shares in Rent.com.au Limited which confer a right of one ordinary share for every option held.

Grant Date	Expiry Date	Exercise Price	Balance at start of year	Granted during the year	Exercised during the year	Expired/ forfeited/ Other	Balance at end of the year	Vested & exercisable at end of the year
2021			**Number**	**Number**	**Number**	**Number**	**Number**	**Number**
13 Aug 2015	13 Aug 2020	$0.300	400,000	-	-	(400,000)	-	-
22 Feb 2016	22 Feb 2021	$0.300	1,740,000	-	-	(1,740,000)	-	-
9 Sep 2016	9 Sep 2021	$0.250	1,250,000	-	-	-	1,250,000	1,250,000
9 Sep 2016	9 Sep 2021	$0.350	1,250,000	-	-	-	1,250,000	1,250,000
9 Sep 2016	9 Sep 2021	$0.500	1,250,000	-	-	-	1,250,000	1,250,000
30 Nov 2020	30 Nov 2025	$0.100	-	2,400,000	-	-	2,400,000	-
30 Nov 2020	30 Nov 2025	$0.125	-	2,400,000	-	-	2,400,000	-
30 Nov 2020	30 Nov 2025	$0.150	-	2,400,000	-	-	2,400,000	-
			5,890,000	**7,200,000**	**-**	**(2,140,000)**	**10,950,000**	**3,750,000**
Weighted average exercise price			$0.34	n/a	n/a	n/a	$0.21	$0.25

The following table sets out the assumptions made in determining the fair value of the options grated during the financial year:

	Options Granted 30 November 2020	Options Granted 30 November 2020	Options Granted 30 November 2020
Expected volatility (%)	85	85	85
Risk free interest rate (%)	0.30	0.30	0.30
Weighted average expected life of options (years)	5	5	5
Expected dividends	Nil	Nil	Nil
Option exercise price (cents)	10	12.5	15
Share price at grant date ($)	0.043	0.043	0.043
Fair value of option (cents)	2.07	1.89	1.75
Number of options*	2,400,000	2,400,000	2,400,000
Expiry date	30 November 2025	30 November 2025	30 November 2025
Grant date	30 November 2020	30 November 2020	30 November 2020

Note 17. Share Based Payments (continued)

Grant Date	Expiry Date	Exercise Price	Balance at start of year	Granted during the year	Exercised during the year	Expired/ forfeited/ other	Balance at end of the year	Vested & exercisable at end of the year
			Number	Number	Number	Number	Number	Number
2020								
17 Jun 2015	17 Jun 2020	$0.25	19,000,000	-	-	(19,000,000)	-	-
17 Jun 2015	17 Jun 2020	$0.30	13,385,000	-	-	(13,385,000)	-	-
23 Jun 2015	22 Jun 2020	$0.30	7,000,000	-	-	(7,000,000)	-	-
13 Aug 2015	13 Aug 2020	$0.30	400,000	-	-	-	400,000	266,666
22 Feb 2016	22 Feb 2021	$0.30	1,740,000	-	-	-	1,740,000	-
9 Sep 2016	9 Sep 2021	$0.25	1,250,000	-	-	-	1,250,000	1,250,000
9 Sep 2016	9 Sep 2021	$0.35	1,250,000	-	-	-	1,250,000	1,250,000
9 Sep 2016	9 Sep 2021	$0.50	1,250,000	-	-	-	1,250,000	1,250,000
			45,275,000	**-**	**-**	**(39,385,000)**	**5,890,000**	**4,016,666**
Weighted average exercise price			$0.28	n/a	n/a	n/a	$0.34	$0.25

c) Performance Shares/Rights

Performance shares and performance rights do not have an exercise price. Upon satisfaction of the relevant performance vesting condition they convert to ordinary shares in the ratio of one ordinary share for every one performance share / performance right.

Grant Date	Expiry Date	Balance at start of year	Granted during the year	Exercised during the year	Expired/ forfeited/ other	Balance at end of the year	Vested & exercisable at end of the year
		Number	Number	Number	Number	Number	Number
2021							
Performance Rights							
1 May 2020[1]	30 Nov 2020	3,863,337	-	(3,768,467)	(94,870)	-	-
2 Dec 2020[2]	31 July 2021	-	538,461	-	-	538,461	-
14 Aug 2020[6]	30 Nov 2020	-	2,916,668	(2,916,668)	-	-	-
30 Nov 2020[5a&b]	31 Aug 2023	-	5,950,000	-	(850,000)	5,100,000	-
30 Nov 2020[5a&c]	31 Aug 2023	-	1,487,500	-	(212,500)	1,275,000	-
30 Nov 2020[5a&d]	31 Aug 2023	-	1,487,500	-	(212,500)	1,275,000	-
30 Nov 2020[5a&e]	31 Aug 2023	-	1,050,000	-	(150,000)	900,000	-
30 Nov 2020[5a&f]	31 Aug 2023	-	262,500	-	(37,500)	225,000	-
30 Nov 2020[5a&g]	31 Aug 2023	-	262,500	-	(37,500)	225,000	-
30 Nov 2020[5a&h]	31 Aug 2023	-	2,625,000	-	(375,000)	2,250,000	-
30 Nov 2020[5a&i]	31 Aug 2023	-	2,625,000	-	(375,000)	2,250,000	-
Total		**3,863,337**	**19,205,129**	**(6,685,135)**	**(2,344,870)**	**14,038,461**	**-**
2020							
Performance Shares							
17 Jun 2015[3]	31 Dec 2019	8,160,771	-	-	(8,160,771)	-	-
Performance Rights							
17 Jun 2015[4]	31 Dec 2019	701,899	-	-	(701,899)	-	-
13 Aug 2015[4]	31 Dec 2019	46,666	-	-	(46,666)	-	-
22 Feb 2016[4]	31 Dec 2019	80,000	-	-	(80,000)	-	-
9 Sep 2016[4]	31 Dec 2019	3,183,741	-	-	(3,183,741)	-	-
1 May 2020[1]	30 Nov 2020	-	3,863,337	-	-	3,863,337	-
Total		**12,173,077**	**3,863,337**	**-**	**(12,173,077)**	**3,863,337**	**-**

Note 17. Share Based Payments (continued)

1 Tranche 7 performance rights - these performance rights vested upon continuous employment with the Group until 31 October 2020.
2 Tranche 10 performance rights will vest upon continuous employment with the Group until 30 June 2021.
3 Class B Performance Shares did not meet their performance hurdle and expired in January 2020.
4 Class C Performance Rights did not meet their performance hurdle and expired in January 2020.
5 Performance rights issued during the year consist of following performance condition.

5(a) Vesting Condition: 3 year service requirement. To be continuously employed to 30 June 2023 (Overall)
5(b) Achieve $0.100 share price (20-day VWAP by 30 June 2023)
5(c) Achieve $0.125 share price (20-day VWAP by 30 June 2023)
5(d) Achieve $0.150 share price (20-day VWAP by 30 June 2023)
5(e) Achieve > $3.75m in revenue in FY 21
5(f) Achieve > $4.50m in revenue in FY 21
5(g) Achieve > $5.0m in revenue in FY 21
5(h) Achieve > 200k paying RentPay customers by 30 June 2023
5(i) Achieve > 50% of FY23 revenue from new (since FY 20) sources
6 Tranche 8 performance rights - these performance rights vested upon continuous employment with the Group until 31 October 2020.

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

Grant date	Number of performance rights	Share price at grant date	Total fair value at grant date
14 Aug 2020	2,916,668	$0.048	$140,000
2 Dec 2020	538,461	$0.045	$24,231
30 November 2020	15,750,000	$0.046	$724,500

Type	Rights	Underlying share price	Probability %*	Value ($)
Performance Rights	2,916,668	$0.048	100%	140,000
Performance Rights	538,461	$0.045	100%	$24,231
Performance Rights	13,500,000**	$0.046	28%	$173,509

* The probability estimated by the management is over the expiry date of the performance shares/rights.

**2.25million performance rights were cancelled during the year.

Note 18. Accumulated Losses

	Consolidated	
	2021	**2020**
	$	**$**
Accumulated losses at the beginning of the financial year	(41,883,534)	(40,217,335)
Adjustment for change in accounting	-	(1,214)
	(41,883,534)	(40,218,549)
Loss after income tax for the year	(1,271,604)	(1,664,985)
Accumulated losses at the end of the financial year	**(43,155,138)**	**(41,883,534)**

Note 19. Non-controlling interest

	Consolidated	
	2021	2020
	$	$
Issued Capital	6,240	6,240
Accumulated losses	(22,639)	(230)
	(16,399)	6,010

The non-controlling interest relates to Novatti Group holding a 2.5% equity holding in RentPay Technology Pty Ltd.

Note 20. Auditor's Remuneration

The Group's sole auditor is RSM Australia Partners. The following amounts were paid or payable to RSM Australia Partners for the services set out below:

	Consolidated	
	2021	2020
	$	$
Auditing or reviewing the financial statements	53,500	52,000
Taxation and corporate services	15,000	9,870
Research & Development Grant services	29,598	26,217
Total auditor's remuneration	**98,098**	**88,087**

Note 21. Earnings per Share

	Consolidated	
	2021	2020
	$	$
Loss after income tax	(1,294,013)	(1,665,215)
Less: Non-controlling interest	(22,409)	230
Loss after income tax attributable to the owners of Rent.com.au Limited	(1,271,604)	(1,664,985)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic loss per share	354,956,678	291,564,581
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	-	-
	354,956,678	291,564,581
	Cents	**Cents**
Basic and diluted (loss) per share	(0.36)	(0.57)

Options have not been included in the calculation of dilutive loss per share as the options are anti-dilutive.

Note 22. Dividends Paid or Proposed

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

Note 23. Operating Segments

Identification of reportable operating segments
The Group operates as two operating segments with different revenue streams. The Board (the Chief Operating Decision Makers ('CODM') of the business) reviews performance of the Group both as a whole and as separate operating segments.

The Board evaluates Group performance by reference to revenue which is measured consistently with these consolidated financial statements, as well as measuring performance by evaluating EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the Board are consistent with those adopted in the financial statements.

The information is reported to the Board monthly.

Consolidated 2021	**Consolidated**		
	Rent.com.au	**RentPay**	**Total**
	$	**$**	**$**
Sales to external customers	2,945,490	148,912	3,094,402
EBITDA	**117,468**	**(806,524)**	**(689,056)**
Depreciation and amortisation	-	-	(870,939)
Share based Payments	-		(279,649)
Gain on Asset Disposal	-		727
Interest Income	-		453
Interest Charges	-		(9,401)
Other revenue	-	-	567,052
Income tax		-	(13,200)
Net Loss	**-**	**-**	**(1,294,013)**
Assets			
Segment assets	**5,644,611**	**267,626**	**5,912,237**
Liabilities			
Segment liabilities	**974,415**	**26,975**	**1,001,390**

Note 23. Operating Segments (continued)

Consolidated 2020	Consolidated		
	Rent.com.au	RentPay	Total
	$	$	$
Sales to external customers	2,388,871	63,368	2,452,239
EBITDA	**(771,841)**	**(361,699)**	**(1,133,540)**
Depreciation and amortisation	-	-	(882,944)
Share based Payments	-		4,372
Gain on Asset Disposal	-		100
Interest Income	-		1,952
Interest Charges	-		(10,593)
Other revenue	-		355,437
Net Loss	**-**	**-**	**(1,665,215)**
Assets			
Segment assets	**2,062,338**	**590,702**	**2,653,040**
Liabilities			
Segment liabilities	**856,402**	**1,513**	**857,915**

Note 24. Commitments

Finance lease commitments

Future minimum payments payable under non-cancellable finance leases are as follows:

	Consolidated	
	2021	2020
	$	$
Within one year	13,018	8,602
After one year but not more than five years	10,131	5,734
Total finance lease commitments	**23,150**	**14,336**
Total commitment	23,150	14,336
Less: future finance charges	-	-
Net commitment recognised as Borrowings	**23,150**	**14,336**

Note 25. Events After the Reporting Period

On 30 July 2021, the Group issued 538,461 ordinary shares on conversion of 538,461 performance rights. Other than the above, there have been no matters or circumstances which have arisen since 30 June 2021 that have significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Note 26. Controlled Entities

All controlled entities are included in the consolidated financial statements. The Group does not guarantee to pay the deficiency of its controlled entities in the event of a winding up of any controlled entity. The financial year ends of the controlled entities are the same as that of the Company, being 30 June.

	Country of Incorporation	Principal Activity	Percentage Owned	
			2021	**2020**
Parent Entity				
Rent.com.au Limited	Australia	Investment/Parent		
Name of controlled entity				
Rent.com.au (Operations) Pty Ltd	Australia	Information Technology	100%	100%
Lease.com.au Pty Ltd	Australia	Information Technology	100%	100%
RentPay Technology Pty Ltd	Australia	Information Technology	97.5%	97.5%

The Group financial statements incorporate the assets, liabilities and result of the following subsidiary with non-controlling interests in accordance with the accounting policy described in note 1:

		Parent		Non-controlling interest	
	Country of Incorporation	Ownership interest 2021 %	Ownership interest 2020 %	Ownership interest 2021 %	Ownership interest 2020 %
Name					
RentPay Technology Pty Ltd*	Australia	97.5%	97.5%	2.5%	2.5%

** the non-controlling interests hold 2.5% of the voting rights of RentPay Technology Pty Ltd*

Summarised financial information

Summarised financial information of the subsidiary with non-controlling interests that are material to the consolidated entity are set out below:

	RentPay Technology Pty Ltd	
	2021	**2020**
	$	**$**
Summarised statement of financial position		
Current assets	145,656	103,677
Non-current assets	121,970	455,275
Total assets	267,626	558,952
Current liabilities	26,837	1,513
Non-current liabilities	896,719	317,017
Total liabilities	923,556	318,530
Net (liabilities)/assets	(655,930)	240,422

Note 26. Controlled Entities (continued)

	RentPay Technology Pty Ltd	
	2021	2020
	$	$
Summarised statement of profit or loss and other comprehensive income		
Revenue	150,666	63,368
Expenses	(1,033,819)	(72,571)
Loss before income tax expense	(883,153)	(9,203)
Income tax expense	(13,200)	-
Loss after income tax expense	(896,352)	(9,203)
Other comprehensive income	-	-
Total comprehensive loss	(896,352)	(9,203)
Statement of cash flows		
Net cash used in operating activities	(43,776)	39,277
Net cash used in investing activities	-	(63,750)
Net cash used in financing activities	-	32,725
Net increase/(decrease) in cash and cash equivalents	(43,776)	8,252
Other financial information		
Loss attributable to non-controlling interests	(22,409)	(230)
Accumulated non-controlling interests at the end of reporting year	(16,399)	6,010

Note 27. Cashflow Information

a) Reconciliation of Cash Flow from Operations with Loss after Income Tax

	Consolidated	
	2021	2020
	$	$
(Loss) after income tax	**(1,294,013)**	**(1,665,215)**
- Share based payments	279,649	(4,372)
- Depreciation and amortisation	870,939	882,943
- Provision for doubtful debts	-	15,008
- Interest expense	8,947	12,878
Changes in assets and liabilities:		
- trade and other receivables	(122,281)	29,384
- trade payables and accruals	173,457	(36,358)
- employee benefits	32,209	6,902
Cash flows used in operations	**(51,093)**	**(758,830)**

Note 28. Non-cash investing and financing activities

	Consolidated	
	2021	2020
	$	$
Acquisition of plant and equipment by means of finance leases	20,838	2,850
Total non-cash investing and financing activities	20,838	2,850

Note 29. Changes in liabilities arising from financing activities

	Consolidated	
	2021	2020
	$	$
Finance lease liability		
Balance at the beginning of the year	14,336	22,937
Net cash used in financing activities	(12,024)	(11,451)
Acquisition of plant and equipment by means of finance leases	20,838	2,850
Balance at the end of the year	**23,149**	**14,336**
Lease liability		
Balance at the beginning of the year	102,353	-
Lease liability recognised	-	175,761
Net cash used in financing activities	(79,843)	(73,408)
Balance at the end of the year	**22,510**	**102,353**

Note 30. Related Party Transactions

The Group's main related parties are as follows:

(i) *Entities exercising control over the Group:*
The ultimate parent entity that exercises control over the Group is Rent.com.au Limited, which is incorporated in Australia.

(ii) *Key management personnel:*
Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, are considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 31.

(iii) *Entities subject to significant influence by the Group:*
An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

(iv) *Other related parties:*
Other related parties include entities controlled by the ultimate parent entity and entities over which key management personnel have joint control.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Note 30. Related Party Transactions (continued)

The following transactions occurred with related parties:	Consolidated	
	2021	**2020**
	$	**$**
Transactions:		
Outgoings and others – Watersun Property Pty Ltd[2]	85,505	126,049
Cleaning – Servco Pty Ltd[2]	7,933	5,912
Interest expense[2]	5,663	10,593
Amortisation of right of use asset[2]	84,215	77,576
Software development and AFSL representative fees[4]	176,600	-
Total Related Party Transactions	**359,916**	**220,130**

	Consolidated	
	2021	**2020**
	$	**$**
Balances owing to related parties at 30 June 2021:		
Watersun Property Pty Ltd[2]	34,700	109,170
Servco Pty Ltd[2]	630	1,102
Directors' fees[3]	-	29,168
Right of use asset[2]	20,149	96,970
Lease liability[2]	22,511	102,353
Novatti Pty Ltd[4]	51,600	-
	125,709	**338,763**

1 Philip Warren is a director and shareholder of Grange Consulting Group Pty Ltd.
2 Garry Garside is a director of Watersun Property Pty Ltd and Servco Pty Ltd.
3 Directors' fees will be repaid with performance rights in lieu of shares. Performance rights were approved by the shareholders on 14 August 2020.
4 Novatti Pty Ltd is a minority shareholder of RentPay Technology Pty Ltd, a subsidiary of Rent.com.au Ltd

Note 31. Interests of Key Management Personnel

Compensation of Key Management Personnel (KMP)

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

	Consolidated	
	2021	**2020**
	$	**$**
Short-term employee benefits	654,055	540,833
Post-employment benefits	66,040	41,760
Share-based payments	53,058	-
Total KMP remuneration	**773,153**	**582,593**

Note 32. Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks and accounts payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

		Consolidated	
		2021	**2020**
	Note	**$**	**$**
Cash and cash equivalents	6	2,918,306	631,771
Trade and other receivables*	7	362,834	329,582
Total Financial Assets		**3,281,140**	**961,353**

		Consolidated	
		2021	**2020**
		$	**$**
Trade and other payables*	11	730,553	551,714
Borrowings	12	23,149	14,336
Lease liability	13	22,511	102,353
Total Financial Liabilities		**776,213**	**668,403**

* Excluding GST and prepayment.

Financial Risk Management Policies

The Board of Directors are responsible for monitoring and managing financial risk exposures of the Group. The Board monitors the Group's financial risk management policies and approves financial transactions. It also reviews the effectiveness of internal controls relating to counterparty credit risk, financing risk and interest rate risk.

The Board's overall risk management strategy seeks to assist the Group in meeting its financial targets, while minimising potential adverse effects on financial performance. Its functions include the review of the credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk and foreign currency risk.

a) Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposures against such limits and monitoring of the financial stability of significant customers and counterparties), ensuring to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Credit terms are generally 30 days from the invoice date.

Note 32. Financial Risk Management (continued)

a) Credit Risk (continued)

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating.

Credit risk exposures
The maximum exposure to credit risk by class of recognised financial assets at reporting date is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The Group has no significant concentration of credit risk with any single counterparty or group of counterparties, except the Australian Taxation Office.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality.

Credit risk related to balances with banks and other financial institutions is managed by the board in accordance with approved board policy. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard & Poor's counterparty credit ratings.

		Consolidated	
Cash and cash equivalents	**Note**	**2021**	**2020**
		$	**$**
AA- Rated		2,918,306	631,771
A+ Rated		-	-
Unrated		-	-
	6	**2,918,306**	**631,771**

b) Liquidity Risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

Note 32. Financial Risk Management (continued)

Financial liabilities due for payment		Within 1 year		1 to 5 Years		Total	
	Weighted average effective interest rate	2021	2020	2021	2020	2021	2020
	%	$	$	$	$	$	$
Trade and other payables	-	730,553	551,714	-	-	730,553	551,714
Borrowings	-	13,018	8,602	10,131	5,734	23,149	14,336
Lease liability	7.43%	22,511	80,989	-	21,364	22,511	102,353

Financial assets realisable cash flows		Within 1 year		1 to 5 Years		Total	
	Weighted average effective interest rate	2021	2020	2021	2020	2021	2020
	%	$	$	$	$	$	$
Cash and cash equivalents	0.50%	2,918,306	631,771	-	-	2,918,306	631,771
Trade and other receivables	-	362,835	329,582	-	-	362,835	329,582

c) Market Risk

(i) Interest rate risk
Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group does not have material exposure to interest rate risk at reporting date.

(ii) Price risk
The Group currently has no exposure to equity securities price risk arising from investments held by the Group and classified in the statement of financial position as fair value through profit or loss.

(iii) Foreign Currency Risk
Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency and net investments in foreign operations.

The Group does not have any foreign currency exposure.

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

Note 33. Contingent Liabilities

There are no contingent liabilities for the year ended 30 June 2021 (30 June 2020: nil).

Note 34. Parent Information

The following information has been extracted from the accounting records of the parent entity and has been prepared in accordance with the Australian Accounting Standards.

	2021 $	2020 $
Statement of profit or loss and other comprehensive income		
(Loss) for the year	(1,294,013)	(1,665,215)
Total comprehensive (loss) for the year	**(1,294,013)**	**(1,665,215)**
Statement of financial position		
Assets		
Current assets	9,235	1,134
Non-current assets	4,962,370	1,858,301
Total assets	**4,971,605**	**1,859,435**
Liabilities		
Current liabilities	(44,362)	(70,319)
Total liabilities	**(44,362)**	**(70,319)**
Equity		
Issued capital	90,147,743	75,119,623
Share-based payment reserve	9,757,453	9,701,691
Accumulated losses	(94,977,953)	(83,032,198)
Total equity	**4,927,243**	**1,789,116**

Contingent Liabilities and Capital expenditure

There are no contingent liabilities for the parent entity for both financial periods ended 30 June 2021 and 30 June 2020.

The parent entity did not have capital expenditure commitments for the acquisition of property, plant and equipment contracted but not provided for.

Guarantees

During the reporting period, Rent.com.au Limited had not entered into any guarantees in relation to the debts of its subsidiaries.

Significant accounting policies

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

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity;
- Investments in associates are accounted for at cost, less any impairment, in the parent entity; and
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may indicate the need to adjust the carrying value of the investment.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

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

Dr. Garry Garside
Non-executive Chairman
Perth, 27 August 2021

ASX Additional Information

Additional information required by the ASX Limited Listing Rules not disclosed elsewhere in this Annual Report is set out below.

1. Holdings

The issued capital of the Company as at 13 October 2021 includes the following securities:

Equity Class	Number of holders	Total on issue
Fully paid ordinary shares	5,565	398,192,688
Employee Options	4	7,200,000
Unlisted options (exp 6 Feb 2022, ex $0.042)	1	5,982,028
Performance Rights	4	13,500,000

All issued fully paid ordinary shares carry one vote per share.

2. Distribution of Ordinary Shares as at 13 October 2021

Range	Holders	Units	%
1-1,000	190	13,684	0.00%
1,001-5,000	1,665	5,118,961	1.29%
5,001-10,000	1,117	8,875,172	2.23%
10,001-100,000	2,150	74,197,836	18.63%
100,001-and over	443	309,987,035	77.85%
Total	5,565	398,192,688	100.00%

There were 2,004 holders of less than a marketable parcel of ordinary share, and 52 holders from overseas holding 4,187,332 shares.

3. Substantial shareholder notices lodged with the Company

Name	Number*	%
Capital B Asset Management Pty Ltd	40,000,000	10.05%

** Number of shares held at 13 October 2021 where known, otherwise number of shares is at date of substantial shareholder notice lodged with the Company*

4. Voting Rights

See note 15 of the financial statements.

5. Restricted securities subject to escrow period

8,500,343 Ordinary Shares held by Mr John Wood are currently in a voluntary escrow period until 5 May 2022.

6. On-market buy back

There is currently no on-market buyback program for any of Rent.com.au Limited's listed securities.

7. Top 20 Largest Holders of Ordinary Shares as at 13 October 2021

	Name	Number	%
1	CAPITAL B ASSET MANAGEMENT PTY LTD	40,000,000	10.05%
2	BADER SMSF PTY LTD	16,705,711	4.20%
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	15,795,172	3.97%
4	CITICORP NOMINEES PTY LIMITED	12,158,387	3.05%
5	MR MARK DANIEL NEEDHAM	8,500,000	2.13%
6	MR JASON ALAN CARROLL	5,925,000	1.49%
7	DR GARRY DESMOND & MRS FRANCES SAMBRAILO GARSIDE	5,840,269	1.47%
8	TEFIG PTY LTD	5,779,546	1.45%
9	REEFBAY HOLDINGS PTY LTD	5,433,867	1.36%
10	ALI YOUNG SUPER PTY LTD	4,733,333	1.19%
11	MR MARK WOSCHNAK	4,400,000	1.10%
12	MR BENJAMIN PATRICK SANDEMAN	4,273,358	1.07%
13	NETWORK CAPITAL PTY LTD	4,000,000	1.00%
14	ARVADA PTY LTD	3,800,000	0.95%
15	CAPITAL J INVESTMENTS PTY LTD	3,500,000	0.88%
16	BFB HOLDINGS PTY LTD	3,227,814	0.81%
17	BADGER 31 PTY LTD	3,000,000	0.75%
18	MR ANTHONY BRENDON COPE & MRS AMANDA GAY COPE	3,000,000	0.75%
19	GARRY DESMOND & FRANCES GARSIDE	2,160,230	0.54%
20	REEFBAY HOLDINGS PTY LTD	2,151,168	0.54%
	Total Top 20	154,383,855	38.77%
	Others	243,808,833	61.23%
	Total Ordinary Shares on Issue	**398,192,688**	**100.00%**

8. Unquoted Securities

The names of the security holders holding more than 20% of an unlisted class of security are listed below:

	Unlisted Options $0.042 6 Feb 2022	Performance Rights	Employee Options
Novatti Pty Ltd	5,982,028	-	-
Mr Greg Bader	-	4,500,000	-
Mr Johannes Steyn Ferreira	-	4,500,000	-
Mr Garry Desmond Garside	-	-	2,700,000
Mr Samuel Ian McDonagh	-	-	1,500,000
Philuchna Pty Ltd	-	-	1,500,000
Mr John Wood	-	-	1,500,000
Total other holders	-	4,500,000	-
Total	**5,982,028**	**13,500,000**	**7,200,000**
Total holdings over 20%	1	2	4
Other holders	0	2	-