Hiremii Limited

ABN 48 642 994 214

Annual Report – for the financial year ended 30 June 2021

Hiremii Limited
Corporate directory
30 June 2021

Directors	Christopher Brophy Alison Gaines David Buckingham Conor O'Brien
Company secretary	Ildiko Wowesny
Registered office	198 Stirling Street Perth WA 6000 Phone: 1300 280 061
Principal place of business	198 Stirling Street Perth WA 6000 Phone: 1300 280 061
Share register	Automic Pty Ltd Level 5 126 Phillip Street Sydney NSW 2000 Phone: 1300 288 664
Auditor	RSM Australia Partners Level 32 The Exchange Towers 2 The Esplanade Perth WA 6000
Solicitors	Thomson Gear Level 27 The Exchange Towers 2 The Esplanade Perth WA 6000
Bankers	The Australia and New Zealand Banking Group 239 Murray Street Perth WA 6000
Stock exchange listing	Hiremii Limited shares are listed on the Australian Securities Exchange (ASX code: HMI)
Website	www.hiremiigroup.com
Corporate Governance Statement	www.hiremiigroup.com/corporate

Dear Shareholder,

2021 represents an exciting beginning for Hiremii as a newly listed company. Since May 2021 there has been much to do to execute the listing and adopt the Company's growth strategy and governance systems.

Management led by Chris Brophy, with the Board's supervision, is executing the agreed strategy, which is to provide to clients and candidates an efficient and transparent recruitment service that makes the best use of Artificial intelligence. As a recruitment and technology company our aim is to be a positive disruptor to the cumbersome and costly traditional recruitment model. The Australian recruitment industry worth $15 billion is poised for disruption. The timing of our strategy suits the Covid pandemic which has normalised technology-based client and candidate interaction. This occurs in a pandemic environment where there is significant workforce turnover, reduced unemployment and improved workforce participation. We are making significant investment in the AI platform so it provides a leading product that improves the accuracy and timeliness and reduces the cost of candidate recruitment.

Our Oncontractor business, which is a labour hire firm, continues to build its client base with its diversification a key plank of our strategy. We want to share in the large $25.7billion Australian market for labour hire. We started the build of our team with the appointment of the Chief Operating Officer Andy Stone who is leading the business planning, business development and recruitment and contracting management strategy and building his Australian team.

The new Board has been formed of the independent Chair, independent Non Executive Directors of myself and David Buckingham and founder Non Executive Director Conor O'Brien and Managing Director Chris Brophy. The Board has worked together to create its governance structure of the Audit and Risk Committee chaired by David Buckingham who is an experienced ASX 100 CEO and CFO and Audit Committee chair and Remuneration and Nomination Committee which I chair. Combined, the Board brings to Hiremii deep understanding of recruitment, contracting, financial and governance disciplines to suit the ASX environment and the power of technology to change participant and market behaviour.

The Board and CFO/ Company Secretary Ildiko Wowesny have developed the risk framework for the business and also ensured the financial management framework monitors enterprise performance and ensures monies raised in the IPO are allocated prudently to the activities identified in the prospectus. We have identified as the Corporate Social Responsibility priorities good governance, worker safety and ethical development of AI.

In summary, Hiremii's purpose and strategy that was outlined in the prospectus is on track and sets our path for the forthcoming year. On behalf of the Board I would like to thank you, our shareholders, for your support and trust for this new company and thank the management team and employees for their dedication and commitment to making Hiremii a successful disruptor in the Australian recruitment industry.

Alison Gaines
Chair

Hiremii Limited
Directors' report
30 June 2021

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Hiremii Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2021.

Directors

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

Christopher Brophy (resigned 9 December 2020; appointed 18 January 2021)
Conor O'Brien
Alison Gaines (appointed 3 May 2021)
David Buckingham (appointed 14 July 2020; resigned 8 December 2020; appointed 3 May 2021)
Andrew Kirkwood (resigned 23 December 2020)
Joe Schofield (resigned 8 December 2020)

Principal activities

During the financial year the principal continuing activities of the consolidated entity consisted of technology driven full-service labour hire and recruitment services.

Dividends

No dividends were paid during the year ended 30 June 2021 (30 June 2020: nil).

Our business model and objectives

Hiremii Limited is a technology-driven full-service labour hire and recruitment company with two core business components, Hiremii Recruitment Pty Ltd, a fixed fee recruitment business, and Oncontractor Pty Ltd, a recruitment and full-service labour hire business, providing digitised employee onboarding and labour hire services.

Both businesses, use Hiremii's cloud-based platform which utilises machine learning and artificial intelligence to remove the tedious manual tasks associated with the recruitment and onboarding process, pre-vetting and shortlisting candidates based on employer's specific requirements.

With a strategic focus on developing world-class leading candidate matching, speed of placement and candidate intelligence, the Hiremii technology approach looks to target the most effective and efficient talent acquisition technology of its kind.

Operating results

The loss for the consolidated entity after providing for income tax was $3,810,114 (2020: loss of $1,912,042).

The loss includes some non-recurring items incurred as part of the listing on the ASX, such as $388,830 in share based payments, $82,050 in finance costs relating to the issue of Convertible Notes in February 2021 and $51,452 in interest payments to Convertible Note holders.

Net cash inflows of $2,225,316 were attributable to $5,751,076 received through financing activities, offset by $3,504,194 in net operating outflows and purchase of plant and equipment of $21,566.

Review of Operations

The Company delivered a 10.6% increase in total revenue from $6,288,074 in FY2020 to $6,954,679 for year ended 30 June 2021. Sales revenue increased from $6,186,274 in FY2020 to $6,937,027 for year ended 30 June 2021, an increase of 12.1%.

At year end, the Company had $4,206,433 in cash reserves (30 June 2020: $1,981,117).

Net tangible asset backing per ordinary share was 5.1 cents per share as compared to (2.3) cents per share for the year ended 30 June 2020.

Capital Raisings

In February 2021 Hiremii Ltd raised $500,000 via an unsecured Convertible Loan. Hiremii Ltd successfully completed an IPO on the ASX in May 2021 successfully offering 30,000,000 Shares at an issue price of A$0.20 each to raise A$6,000,000 (before costs).

Funds raised from the IPO will be applied to the further development of the Hiremii platform and further research and development activities, sales and marketing activities, expansion of operational support team and implementation of internal security systems to improve the Platform’s data security.

Risk Management

Hiremii Ltd takes a proactive approach to risk management. The Board is responsible for ensuring that risks, and opportunities, are identified on a timely basis and that the Hiremii Ltd’s objectives and activities are aligned with the risks and opportunities identified by the Board. Hiremii Ltd believes that it is crucial for all Board members to be part of this process, and as such the Board has not established a separate risk management committee. Instead, sub-committees are convened as appropriate in response to issues and risks identified by the Board as a whole and the sub-committee further examines the issue and reports back to the Board.

The Board has several mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

- Implementation of Board approved budget and Board monitoring of progress against budget, including the establishment and monitoring of financial KPl's; and
- The establishment of committees to report on specific business risks.

Significant changes in the state of affairs

On 19 February 2021 Hiremii Limited acquired 100% of the ordinary shares of Oncontractor Pty. Hiremii Limited issued a total of 14,274,907 fully paid ordinary shares to the shareholders of Oncontractor Pty Ltd for the acquisition of 100% shares in Oncontractor Pty Ltd.

Hiremii Limited listed on the Australian Securities Exchange on 11 May 2021 having raised $6m in its fully subscribed IPO.

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

Matters subsequent to the end of the financial year

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Other than as described in Note 27 to the Financial Statements, no matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the consolidated entity’s operations, the results of those operations, or the consolidated entity’s state of affairs in future financial years.

Likely developments

Consistent with the Company’s Prospectus dated 29 March 2021, Hiremii will continue to work towards further development of the Company’s platform’s existing machine learning and artificial intelligence capabilities, establishment of a customer support services team and increased client engagement and sales and marketing activities.

Environmental regulation

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

Information on directors

Name:	Christopher Brophy
Title:	Managing Director and CEO
Qualifications:	BSc, MBA
Experience and expertise:	Chris has more than 15 years of senior leadership and consulting experience, specialising in strategy, portfolio growth and financial and operational restructuring.
Other current directorships:	N/A
Former directorships (last 3 years):	Non-executive director of Vysarn Limited, appointed 15th May 2019, resigned 28th January 2021
Special responsibilities:	None
Interests in shares:	471,614
Interests in options:	235,807
Contractual rights to shares:	None

Name:	Alison Gaines
Title:	Independent Non-executive Chair
Qualifications:	BA (Hons), BLaw, Grad Dip Leg Pract, MA, Doctorate University (Hon Causa), Cert Corporate Governance INSEAD, FAICD, LFAIMWA
Experience and expertise:	Alison has more than 20 years of experience as an executive with chief executive officer experience, largely in international executive search and board consulting. She is currently non-executive director of College of Law Ltd and non-executive director of Tura New Music Ltd. Ms Gaines is active in the Australian Institute of Company Directors and a member of the 30% Club Executive Search Working Party.
Other current directorships:	Non-executive Director Blackstone Minerals Ltd,
Former directorships (last 3 years):	Chair Australian Institute of Management (WA) Ltd (unlisted)
Special responsibilities:	Chair of the Nomination and Remuneration Committee; member of the Audit and Risk Committee
Interests in shares:	67,714
Interests in options:	1,500,000 options exercisable at 30 cents on or before 11 May 2024
Contractual rights to shares:	None

Name:	David Buckingham
Title:	Independent Non-executive Director
Qualifications:	Bachelor of Technology (Hons); ACA (England and Wales)
Experience and expertise:	Mr Buckingham has over 30 years of experience as a corporate leader in telecommunications, media, technology, IT and education. Recently he served as both chief executive officer and chief financial officer of Navitas Limited, a global education provider with over 120 colleges and campuses across 31 countries. Prior to that David worked for Telewest Global as the Group Treasurer and Director of Financial Planning, Virginmedia as Finance Director Business Division and iiNet, where he held the roles of chief financial officer and chief executive officer from 2008 to 2015.
Other current directorships:	OpenLearning Limited – appointed 9 December 2019 Nuheara Limited – appointed 1 November 2019 Pentanet Limited (Chairman) – appointed 10 September 2020
Former directorships (last 3 years):	Navitas Limited – appointed 1 July 2018, resigned 5 July 2019
Special responsibilities:	Member of the Nomination and Remuneration Committee and Chair of the Audit and Risk Committee
Interests in shares:	107,150
Interests in options:	1,000,000 options exercisable at 30 cents on or before 11 May 2024
Contractual rights to shares:	None

Name:	Conor O’Brien
Title:	Non-Executive Director
Qualifications:	Bachelor of Laws
Experience and expertise:	Mr O’Brien is a founder of Oncontractor Pty Ltd; he is currently the managing director of Rigforce, a specialist international oil and gas labour hire company. Prior to this Conor was a lawyer practising in taxation and commercial law. Mr O’Brien has experience in high growth businesses across a range ofr commercial, human resources and industrial relations matters.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Nomination and Remuneration Committee and member of the Audit and Risk Committee
Interests in shares:	4,120,425 ordinary shares
Interests in options:	778,161 options exercisable at 30c on or before 11 May 2024
Contractual rights to shares:	None

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

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

Company secretary

Ildiko Wowesny (B.Bus, CPA) has held the role of Company Secretary since July 2020. She was previously the Company Secretary of Magmatic Resources Ltd and other ASX listed companies. Ildiko is a member of CPA Australia.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2021, and the number of meetings attended by each director were:

	Full board		Nomination and Remuneration Committee		Audit and Risk Commit	
	Attended	Held	Attended	Held	Attended	Held
Christopher Brophy	9	9	-	-	-	
Alison Gaines	2	2	-	-	-	
David Buckingham	2	2	-	-	-	
Conor O’Brien	9	9	-	-	-	

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.
Hiremii Ltd only listed on 11 May 2021 and as such, no committee meetings were held during the year ended 30 June 2021.

Remuneration report (audited)

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

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

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

Principles used to determine the nature and amount of remuneration

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

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

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

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

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

Non-executive directors' remuneration

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

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. As the Company only listed on 11 May 2021, no general meeting has been held as at the date of this report. The Company's Constitution states that the maximum annual aggregate remuneration for non-executive directors will be $300,000. This will be put to the next General Meeting as a resolution to be approved by the shareholders.

Executive remuneration

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

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

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

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

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

Use of remuneration consultants
During the financial year ended 30 June 2021 the consolidated entity, did not use the services of external remuneration consultants.

Details of remuneration

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

The key management personnel of the consolidated entity consisted of the following directors of Hiremii Limited:
- Alison Gaines - Non-Executive Chair
- David Buckingham – Non-Executive Director
- Christopher Brophy - Managing Director and Chief Executive Officer
- Conor O’Brien - Non-Executive Director
- Andrew Kirkwood – Managing Director (resigned 23 December 2020)
- Joseph Schofield – Non-Executive Director (resigned 8 December 2020)
    - Ildiko Wowesny – Non-Executive Director (appointed 24 February 2021, resigned 3 May 2021).

And included the following persons:
- Ildiko Wowesny - Company Secretary and Chief Financial Officer.

2021	Short-term benefits Cash salary $	Cash bonus $	Non-monetary $	Post employment benefits Superannuation $	Share-based payments Equity-settled shares $	Equity-settled options $	Total $
Non-Executive Directors:							
Alison Gaines* (Chair)	16,425	-	-	-	-	82,050	98,475
David Buckingham	38,038	-	-	3,613	-	54,700	96,351
Conor O'Brien	21,428	-	-	2,035	-	-	23,463
Ildiko Wowesny****	-	-	-	-	-	-	-
Executive Directors:							
Christopher Brophy	254,289	50,000	-	27,071	-	-	331,360
Andrew Kirkwood**	165,747	-	-	14,254	-	-	180,001
Joseph Schofield***	196,070	-	-	16,871	60,000	10,940	283,881
Other Key Management Personnel:							
Ildiko Wowesny	193,076	50,000	-	22,215	110,000	10,940	386,231
	885,073	100,000	-	86,059	170,000	158,630	1,399,762

* Represents remuneration from 3 May 2021 to 30 June 2021
** Represents remuneration from 1 July 2020 – 23 December 2021
*** Represents remuneration from 1 July 2020 – 8 March 2020
**** Ms Wowesny did not draw any remuneration as director of the Company

2020	Short-term benefits Cash salary and fees $	Cash bonus $	Non-monetary $	Post-employment benefits Super-annuation $	Share-based payments Equity-settled shares $	Equity-settled options $	Total $
Executive Directors:							
Christopher Brophy	184,670	-	-	6,618	-	-	191,288
Andrew Kirkwood	107,692	-	-	10,230	-	-	117,922
Joseph Schofield	208,521	-	-	12,185	-	-	220,706
	500,883	-	-	29,033	-		529,916

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

Name	Fixed remuneration 2021	Fixed remuneration 2020	At risk - STI 2021	At risk - STI 2020	At risk - LTI 2021	At risk - LTI 2020
Non-Executive Directors:						
Alison Gaines* (Chair)	17%	-	83%	-	-	-
David Buckingham	43%	-	57%	-	-	-
Conor O’Brien	100%	-	-	-	-	-
Executive Directors:						
Christopher Brophy	83%	100%	17%	-	-	-
Andrew Kirkwood**	100%	100%	-	-	-	-
Joseph Schofield***	75%	100%	25%	-	-	-
Other Key Management Personnel:						
Ildiko Wowesny	55%	-	45%	-	-	-

David Buckingham and Alison Gaines were issued the options noted above on their appointments as Non-Executive Directors to the Board of Hiremii Limited at the Company’s recent IPO, as disclosed in the Company’s Prospectus dated 29 March 2021.Cash bonuses are dependent on meeting defined performance measures. The cash bonuses paid in the financial year ended June 2021 were paid for services provided to the Company in the lead up to the IPO. The maximum bonus values are established at the start of each financial year and amounts payable are determined in the first month after the financial year end by the Nomination and Remuneration Committee.

Service agreements

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

Name:	Christopher Brophy
Title:	Managing Director and Chief Executive Officer
Agreement commenced:	24 February 2021
Term of agreement:	No fixed term
Details:	Base salary for the year ending 30 June 2021 of $250,000 plus superannuation, to be reviewed annually by the Nomination and Remuneration Committee. 3-month termination notice by either party, cash bonus of 30% as per Nomination and Remuneration Committee approval and KPI achievement, non-solicitation and non-compete clauses.

Name:	Ildiko Wowesny
Title:	Company Secretary and Chief Financial Officer
Agreement commenced:	24 February 2021
Term of agreement:	No fixed term
Details:	Base salary for the year ending 30 June 2021 of $240,000 plus superannuation, to be reviewed annually by the Nomination and Remuneration Committee. 3-month termination notice by either party, cash bonus of 25% as per Nomination and Remuneration Committee approval and KPI achievement, non-solicitation and non-compete clauses.

Name:	Andrew Kirkwood (resigned 23 December 2020)
Title:	Managing Director and Chief Executive Officer
Agreement commenced:	25 June 2020
Term of agreement:	No fixed term
Details:	Base salary for the year ending 30 June 2021 of $250,000 plus superannuation, to be reviewed annually. 3-month termination notice by either party.

Name:	Joseph Schofield (resigned 8 December 2020)
Title:	Executive Director and Operations Director
Agreement commenced:	26 June 2020
Term of agreement:	No fixed term
Details:	Base salary for the year ending 30 June 2021 of $240,000 plus superannuation, to be reviewed annually. 3-month termination notice by either party.

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

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2021 other than 850,000 shares issued upon exercise of options for NIL consideration to certain KMP.

Options
The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Options granted	Grant date	Vesting date and exercise date	Expiry date	Exercise price	FV per option at grant date
Alison Gaines	1,500,000	30 April 2021	11 May 2021	7 May 2024	$0.30	$0.0547
David Buckingham	1,000,000	30 April 2021	11 May 2021	7 May 2024	$0.30	$0.0547
Ildiko Wowesny	200,000	30 April 2021	11 May 2021	7 May 2024	$0.30	$0.0547
Joseph Schofield	200,000	30 April 2021	11 May 2021	7 May 2024	$0.30	$0.0547

Options granted carry no dividend or voting rights.

All options were granted over unissued fully paid ordinary shares in the company under the terms and conditions of the company's Employee Share Scheme. Options vest based on the provision of service over the vesting period whereby the executive becomes beneficially entitled to the option on vesting date. Options are exercisable by the holder as from the vesting date. There has not been any alteration to the terms or conditions of the grant since the grant date. There are no amounts paid or payable by the recipient in relation to the granting of such options other than on their potential exercise.

Values of options over ordinary shares granted, exercised and lapsed for directors and other key management personnel as part of compensation during the year ended 30 June 2021 are set out below:

Name	Value of options granted during the year $	Value of options exercised during the year $	Value of options lapsed during the year $	Remuneration consisting of options for the year %
Alison Gaines	82,050	-	-	83%
David Buckingham	54,700	-	-	57%
Ildiko Wowesny	10,940	-	-	3%
Joseph Schofield	10,940	-	-	4%

Additional information

The earnings of the consolidated entity for the four years to 30 June 2021 are summarised below:

	2021 $'000	2020 $'000	2019 $'000	2018 $'000
Sales revenue	6,937,027	6,186,274	858,714	73,246
EBITDA	(3,555,483)	(1,686,790)	(925,154)	(187,964)
EBIT	(3,632,501)	(1,766,948)	(925,154)	(187,964)
(Loss) after income tax	(3,810,114)	(1,912,042)	(925,154)	(187,964)

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

	2021	**2020**
Share price at financial year end ($)	0.115	-
Total dividends declared (cents per share)	-	-
Loss per share (cents/share) (see Note 29)	16.13	14.14

Additional disclosures relating to key management personnel

Shareholding

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

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ Other	Balance at the end of the year
Ordinary shares					
Christopher Brophy	471,614	-	-	-	471,614
Alison Gaines	-	-	67,714	-	67,714
David Buckingham	-	-	107,150	-	107,150
Conor O'Brien	4,056,325	-	64,100	-	4,120,425
Joseph Schofield	-	300,000	-	-	300,000
Ildiko Wowesny	-	550,000	-	-	550,000
	4,527,939	850,000	238,964	-	5,616,903

Option holding

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

	Balance at the start of the year	Granted	Free attaching options	Exercised	Expired /Forfeited	Balance at the end of the year
Options over ordinary shares						
Christopher Brophy	-	-	235,807	-	-	235,807
Conor O'Brien	-	-	778,161	-		778,161
Alison Gaines	-	1,500,000	-	-	-	1,500,000
David Buckingham	-	1,000,000	-	-	-	1,000,000
Joe Schofield	-	200,000	-	-	-	200,000
Ildiko Wowesny	-	200,000	-	-	-	200,000
	-	2,900,000	1,013,968	-	-	3,913,968

Other transactions with key management personnel and their related parties
There were no transactions with key management personnel and their related parties during the financial year.

This concludes the remuneration report, which has been audited.

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

Grant date	Expiry date	Exercise price	Number under option
30 April 2021	7 May 2024	$0.30	4,374,557
30 April 2021	7 May 2024	$0.30	18,162,896
30 April 2021	7 May 2024	$0.30	1,100,000

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

Shares issued on the exercise of options
There were no ordinary shares of Hiremii Limited issued during the year ended 30 June 2021 and up to the date of this report on the exercise of options granted other than as described above in additional disclosures relating to key management personnel.

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

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

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

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

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

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 22 to the financial statements.

The directors are 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 directors are of the opinion that the services as disclosed in note 22 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 company or jointly sharing economic risks and rewards.

Rounding of amounts

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

Auditor's independence declaration

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

Auditor

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

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

On behalf of the directors

____

Alison Gaines
Chair

15 September 2021
Perth

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Hiremii 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.

David Wall
Partner
RSM Australia Partners

Perth, WA
Dated: 15 September 2021

General information

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

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

Registered office	Principal place of business
198 Stirling Street Perth WA 6000	198 Stirling Street Perth WA 6000

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 15 September 2021. The directors have the power to amend and reissue the financial statements.

Hiremii Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2021

	Note	Consolidated 2021 $	2020 $
Revenue from continuing operations	3	6,937,027	6,186,274
Other revenue	4	17,652	101,800
Expenses			
Operating expenses	5	(6,287,970)	(5,627,682)
Employee benefit expense		(1,631,827)	(659,224)
Research and development expense	5	(921,889)	(667,932)
Professional and consulting fees		(603,278)	(325,182)
Share based payment expense	5	(388,830)	(330,646)
Depreciation and amortisation expense	5	(77,018)	(80,158)
Other expenses	5	(676,368)	(364,198)
Finance costs	5	(177,613)	(145,094)
Loss before income tax expense from continuing operations		(3,810,114)	(1,912,042)
Income tax expense	6	-	-
Loss after income tax expense for the year		(3,810,114)	(1,912,042)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		(3,810,114)	(1,912,042)

		Cents	Cents
Earnings per share for profit from continuing operations attributable to the owners of Hiremii Limited			
Basic loss per share	29	(16.13)	(14.14)

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

Hiremii Limited
Statement of financial position
As at 30 June 2021

	Note	Consolidated 2021 $	Consolidated 2020 $
Assets			
Current assets			
Cash and cash equivalents	7	4,206,433	1,981,117
Trade and other receivables	8	312,766	956,000
Other current receivables	9	255,127	185,410
Total current assets		4,774,326	3,122,527
Non-current assets			
Property, plant and equipment	10	27,138	14,206
Right-of-use assets	11	59,190	127,573
Total non-current assets		86,328	141,779
Total assets		4,860,654	3,264,306
Liabilities			
Current liabilities			
Trade and other payables	12	1,117,245	1,972,091
Employee benefits	13	64,839	34,797
Lease liability	14	43,854	63,812
Total current liabilities		1,225,938	2,070,700
Non-current liabilities			
Borrowings	16	-	2,285,000
Lease liabilities	15	27,661	71,515
Total non-current liabilities		27,661	2,356,515
Total liabilities		1,253,599	4,427,215
Net assets		3,607,055	(1,162,909)
Equity			
Issued capital	17	9,581,439	1,631,692
Reserves	18	950,976	320,645
Accumulated losses	19	(3,115,246)	(1,203,204)
Current year losses		(3,810,114)	(1,912,042)
Total equity		3,607,055	(1,162,909)

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

Hiremii Limited
Statement of changes in equity
For the year ended 30 June 2021

Consolidated	Issued capital $	Other equity $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2019	976,712	194,000	-	(1,203,204)	(32,492)
Loss after income tax expense for the year	-	-	-	(1,912,042)	(1,912,042)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(1,912,042)	(1,912,042)
Issue of ordinary shares, net of transaction costs (note 17)	644,980	(194,000)	-	-	450,980
Share based payments (note 30)	10,000	-	320,645	-	330,645
Balance at 30 June 2020	1,631,692	-	320,645	(3,115,246)	(1,162,909)

Refer to note 3 for detailed information on Restatement of comparatives.

Consolidated	Issued capital $	Other equity $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2020	1,631,692	-	320,645	(3,115,246)	(1,162,909)
Loss after income tax expense for the year	-	-	-	(3,810,114)	(3,810,114)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(3,810,114)	(3,810,114)
Issue of ordinary shares, net of transaction costs (note 17)	7,779,747	-	329,451	-	8,109,198
Share-based payments (note 30)	170,000	-	300,880	-	470,880
Balance at 30 June 2021	9,581,439	-	950,976	(6,925,360)	3,607,055

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

Hiremii Limited
Statement of cash flows
For the year ended 30 June 2021

	Note	Consolidated 2021 $	Consolidated 2020 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		7,604,111	5,801,328
Payments to suppliers and employees (inclusive of GST)		(11,057,005)	(6,651,942)
		(3,452,894)	(850,614)
Other revenue		-	35,962
Interest received		152	-
Finance costs paid		(51,452)	-
Net cash used in operating activities	28	(3,504,194)	(814,652)
Cash flows from investing activities			
Payments for property, plant and equipment		(21,566)	(16,789)
Net cash used in investing activities		(21,566)	(16,789)
Cash flows from financing activities			
Proceeds from issue of shares (net of costs)	17	5,322,947	450,980
Proceeds from borrowings		500,000	2,175,000
Repayment of lease liabilities		71,871	(69,822)
Net cash from financing activities		5,751,076	2,556,158
Net increase/(decrease) in cash and cash equivalents		2,225,316	1,724,717
Cash and cash equivalents at the beginning of the financial year		1,981,117	256,400
Cash and cash equivalents at the end of the financial year	7	4,206,433	1,981,117

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

Note 1. Significant accounting policies

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

New and Revised Accounting Standards and Interpretations
In the current year, the Consolidated Entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. The adoption of these new and revised Standards and Interpretations has not resulted in a significant or material change to the Consolidated Entity's accounting policies.

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

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

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets 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 derivative 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 consolidated entity'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 consolidated entity only. Supplementary information about the parent entity is disclosed in note 27.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Hiremii Limited ('company' or 'parent entity') as at 30 June 2021 and the results of all subsidiaries for the year then ended. Hiremii Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

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

The pooling interest method of accounting is used to account for business combinations by the consolidated entity (refer to Note 1 Business combination under common control – Pooling of interest).

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

Interests in subsidiaries are accounted for at cost, less any impairment, in the parent entity. Dividends received from subsidiaries are recognized as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 1. Significant accounting policies (continued)

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

Business Combinations under Common Control – Pooling of Interests
On 19 February 2021, Hiremii Limited, an entity incorporated in July 2020, issued shares exclusively to the existing shareholders of Oncontractor Pty Ltd. All 56,325,975 shares held by the shareholders of Oncontractor were transferred to Hiremii Ltd and Hiremii Ltd issued 14,274,907ordinary Hiremii shares to those shareholders as full consideration for their Oncontractor shares.

Therefore, these consolidated financial statements combine those of Hiremii Ltd and the commonly controlled entities at 30 June 2021. Those entities considered to be under common control are:
- Oncontractor Pty Ltd
- Hiremii Recruitment Pty Ltd
- Hiremii Technology Pty Ltd

All entities have a reporting date of 30 June.

The Pooling of Interests method has been adopted to account for the combination as a business combination carried out under common control. This means assets and liabilities of the entities coming under common control have been transferred to the financial statements of Hiremii Ltd at book value without revaluation. There has been co consideration paid by Hiremii Ltd to acquire any of the entities therefore the value of the combined assets is represented as an entry directly to equity with no impact on the Statement of Profit or Loss and Other Comprehensive Income and no goodwill is recognised.

Intercompany transactions, balances and realised 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.

Comparative Figures
The comparative period has been presented as if the consolidated entity was in existence from the beginning of the comparative period.

Functional and presentation currency
The Annual Report is presented in Australian dollars, which is the Consolidated Entity’s functional currency.

Revenue recognition
The consolidated entity recognises revenue as follows:

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

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.

Note 1. Significant accounting policies (continued)

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

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

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.

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

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

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

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

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

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

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 allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

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

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

Contract assets
Contract assets are recognised when the consolidated entity has transferred goods or services to the customer but where the consolidated entity is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Customer acquisition costs
Customer acquisition costs are capitalised as an asset where such costs are incremental to obtaining a contract with a customer and are expected to be recovered. Customer acquisition costs are amortised on a straight-line basis over the term of the contract.

Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained or which are not otherwise recoverable from a customer are expensed as incurred to profit or loss. Incremental costs of obtaining a contract where the contract term is less than one year is immediately expensed to profit or loss.

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

Note 1. Significant accounting policies (continued)

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity 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 consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets
The consolidated entity 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 consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

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

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

Property, plant and equipment
Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

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

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

Plant and equipment	3 years

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

Note 1. Significant accounting policies (continued)

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

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

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

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

The consolidated entity 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.

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

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

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 consolidated entity'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.

Note 1. Significant accounting policies (continued)

Provisions
Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity 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 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 are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

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

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 multipli 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 liabi 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.

Note 1. Significant accounting policies (continued)

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

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

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

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

Fair value measurement

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

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

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.

Impairment of non-financial assets
The Company 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 Company’s assessment at the end of each reporting period as to whether the financial instrument’s risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

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 company.

Note 1. Significant accounting policies (continued)

Earnings per share

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

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

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

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

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

Rounding of amounts
The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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 consolidated entity for the annual reporting period ended 30 June 2021. The consolidated entity 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 other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

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

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

Share-based payment transactions
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 30 for further information.

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

Note 3. Revenue

	Consolidated	
	2021	**2020**
	$	**$**
From continuing operations		
Revenue from contracts with customers		
Labour hire and recruitment services	6,937,027	6,186,274
Revenue from continuing operations	6,937,027	6,186,274

Note 4. Other income

	Consolidated	
	2021	**2020**
	$	**$**
ATO cash flow boost	-	100,000
WA Office of State Revenue Covid-19 Grant	17,500	-
Other	152	1,800
Other income	17,652	101,800

Note 5. Expenses

	Consolidated	
	2021	**2020**
	$	**$**
Loss before income tax from continuing operations includes the following specific expenses:		
Operating expenses		
Operating expenses	6,287,970	5,627,682
Depreciation		
Plant and equipment	11,217	2,582
Right of Use of Asset	65,801	77,576
Total depreciation	77,018	80,158

Note 5. Expenses (continued)

	Consolidated 2021 $	2020 $
Finance costs		
Interest paid on borrowings	95,563	145,094
Share based payment	82,050	-
Total finance costs	177,613	145,094
Share-based payments expense		
Share-based payments expense	388,830	330,646
Research costs		
Research & development costs	921,889	667,932
Other expenses		
Website development expenses	124,901	-
Advertising and entertainment	193,166	64,014
Other expenses	358,301	300,184
Total other expenses	676,368	364,198

Note 6. Income tax expense

	Consolidated 2021 $	2020 $
Major components of income tax expense are:		
Income tax expense reported in the statement of profit or loss and other comprehensive income	-	-

A reconciliation of income tax expense applicable to accounting loss before income tax at the statutory income tax rate to income tax expense at the company's effective income tax rate is as follows;

	2021 $	2020 $
Net profit/(loss) before income tax	(3,810,114)	(1,912,042)
Tax at the statutory tax rate of 26%	(990,630)	(525,812)
Non- deductible expenses	660,724	286,641
Tax losses caried forward	329,906	239,171
Income tax expense	-	-

Note 6. Income tax expense (continued)

	2021 $	2020 $
Unrecognised tax losses		
Revenue losses	2,696,132	1,543,374
Total unrecognized tax losses	2,696,132	1,543,374

Availability of Tax Losses

The availability of the tax losses for future periods is uncertain and will be dependent on the company satisfying strict requirements with respect to continuity of ownership and the same business test imposed by income tax legislation. The recoupment of available tax losses as at 30 June 2021 is contingent upon the following:

a) the company deriving future assessable income of a nature and of an amount sufficient to enable the benefit from the losses to be realised;
b) the conditions for deductibility imposed by income tax legislation continuing to be complied with; and
c) there being no changes in income tax legislation which would adversely affect the company from realising the benefit from the losses.

Given the company is currently in a loss making position, a deferred tax asset has not been recognised with regard to unused tax losses, as it has not been determined that the company will generate sufficient taxable profit against which the unused tax losses can be utilised.

Note 7. Current assets - cash and cash equivalents

	Consolidated	
	2021 $	2020 $
Cash at bank	4,184,337	1,959,021
Cash on deposit	22,096	22,096
	4,206,433	1,981,117

Note 8. Current assets - trade and other receivables

	Consolidated	
	2021 $	2020 $
Trade receivables	312,766	311,624
Research & development rebate	-	468,538
Receivable from issue of convertible loan	-	110,000
Other receivables	-	65,838
	312,766	956,000

Allowance for expected credit losses
The consolidated entity has not recognised a loss in profit or loss in respect of expected credit losses for the year ended 30 June 2021 (2020: Nil).

Note 8. Current assets - Current assets - trade and other receivables (continued)

The ageing of the receivables are as follows:

	Consolidated 2021 $	Consolidated 2020 $
Not overdue	312,766	300,151
0 to 3 months overdue	-	11,473
3 to 6 months overdue	-	-
Over 6 months overdue	-	-
	312,766	311,624

Note 9. Current assets - other

	Consolidated 2021 $	Consolidated 2020 $
Prepayments	88,780	33,633
Accrued income	166,347	151,777
	255,127	185,410

Note 10. Non-current assets - property, plant and equipment

	Consolidated 2021 $	Consolidated 2020 $
Office equipment - at cost	38,355	16,789
Less: Accumulated depreciation	(11,217)	(2,582)
	27,138	14,207

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

Consolidated	Plant and equipment $	Total $
Balance at 1 July 2019	-	-
Additions	16,789	16,789
Disposals	-	-
Depreciation expense	(2,582)	(2,582)
Balance at 30 June 2020	14,207	14,207
Additions	21,566	21,566
Disposals	-	-
Depreciation expense	(8,635)	(8,635)
Balance at 30 June 2021	27,138	27,138

Note 11. Non-current assets - right-of-use assets

	Consolidated 2021 $	Consolidated 2020 $
Land and buildings - right-of-use	205,149	205,149
Less: Accumulated depreciation	(145,959)	(77,576)
	59,190	127,573

There were no additions to the right-of-use assets during the year ended 30 June 2021.

The consolidated entity leases office equipment under agreements of less than two years. These leases are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

Note 12. Current liabilities - trade and other payables

	Consolidated 2021 $	Consolidated 2020 $
Trade payables	103,903	67,641
ATO payable	312,368	1,039,369
Accrued expenses	260,689	726,618
Loan to related parties	-	15,182
GST payable	6,926	85,796
Other payables	433,359	37,485
	1,117,245	1,972,091

Note 13. Current liabilities - employee benefits

	Consolidated 2021 $	Consolidated 2020 $
Provision for annual leave	64,839	34,797

Note 14. Current liabilities – lease liabilities

	Consolidated 2021 $	Consolidated 2020 $
Lease liability	43,854	63,812

Note 15. Non-current liabilities - lease liabilities

	Consolidated 2021 $	Consolidated 2020 $
Lease liability	27,661	71,515

Note 16. Non-current liabilities - borrowings

	Consolidated 2021 $	Consolidated 2020 $
Convertible notes	-	2,285,000

Refer to Note 20 for further information on financial instruments.

On 12 June 2020 the Company issued unsecured convertible loans with a face value of $1 each for total proceeds of $2,285,000 and a maturity date of 24 months from the date of issue. The convertible notes were converted into 20,604,166 fully paid ordinary shares at $0.12/share at the Company's IPO. Refer to Note 17 Equity – issued capital for further details.

Note 17. Equity - issued capital

	Consolidated			
	2021 Shares	2020 Shares	2021 $	2020 $
Ordinary shares - fully paid	69,300,505	56,325,975	9,581,439	1,631,692

Movements in ordinary share capital

Details	Date	Shares	Issue price $	$
Balance	1 July 2019	46,988,475		976,712
Issue of shares	4 October 2019	6,700,000	0.08	536,000
Issue of shares	6 November 2019	1,812,500	0.08	145,000
Issue of shares	28 February 2020	200,000	0.08	16,000
Share based payment	26 June 2020	125,000	0.08	10,000
Issue of shares for nil consideration	26 June 2020	500,000		-
Share issue costs, net of tax		-	-	(52,020)
Balance	30 June 2020	56,325,975		1,631,692
Share consolidation on business combination		(42,051,068)	-	-
Common control reserve*		14,274,907		1,631,692
Issue of shares on incorporation of Hiremii Ltd		3	0.20	1
Conversion of June 2020 Convertible Notes to shares	30 April 2021	20,604,166	0.12	2,285,000
Conversion of February 2021 Convertible Notes to shares	30 April 2021	3,571,429	0.14	500,000
Conversion of 850,000 KMP options to shares	30 April 2021	850,000	0.20	170,000
Issue of shares on IPO	30 April 2021	30,000,000	0.20	6,000,000
Share issue costs, net of tax	30 April 2021	-	-	(1,005,254)
Balance	30 June 2021	69,300,505		9,581,439

* The pooling of interest method has been adopted to account for the combination as a business combination carried out under common control.

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

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

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

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

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

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

The capital risk management policy remains unchanged from the 30 June 2020 Annual Report.

Note 18. Equity - reserves

	Consolidated	
	2021 $	2020 $
Option reserve	950,976	320,645
	950,976	320,645

Option reserve
The option reserve records items recognized as expenses on the valuation of share options.

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

	No of options	Value ($)
Opening balance 1 July 2020	-	-
Broker options issued during the year	5,000,000	320,645
Closing balance 30 June 2020	5,000,000	320,645
Opening balance 1 July 2021	5,000,000	320,645
Options issued to existing shareholders (free and attaching)	7,137,454	-
Options issued to directors and employees	4,000,000	218,830
Options issued to holders of convertible notes (finance cost)	1,500,000	82,050
Broker options (share issue transaction costs)	6,000,000	329,451
Closing balance 30 June 2021	23,637,454	950,976

Note 19. Equity – accumulated losses

	Consolidated	
	2021	2020
	$	$
Accumulated losses at the beginning of the financial year	(3,115,246)	(1,203,204)
Loss after income tax expense for the year	(3,810,114)	(1,912,042)
Accumulated losses at the end of the financial year	(6,925,360)	(3,115,246)

Note 20. Financial instruments

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

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

Market risk – Interest rate risk
The company’s main interest rate risk arises from borrowings. The company’s borrowings which are fixed rate convertible loans expose the company to fair value risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing. The company does not engage in any hedging or derivative transactions to manage interest rate risk.

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

The consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available. No expected credit losses were recorded for the current and previous financial year.

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

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

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and through continuous monitoring of budgeted and actual cash flows.

Note 20. Financial instruments (continued)

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

Consolidated - 2021	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $
Non-derivatives				
Non-interest bearing				
Trade payables	-	103,903	-	-
ATO payable	-	312,368	-	-
Interest-bearing - fixed rate				
Lease liability	8%	43,854	27,661	-
Total non-derivatives		460,125	27,661	-

Consolidated - 2020	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $
Non-derivatives				
Non-interest bearing				
Trade payables	-	932,722	-	-
ATO payable	-	1,039,369	-	-
Interest-bearing - fixed rate		-		
Convertible notes payable	8%	-	2,467,800	-
Lease liability	8%	71,871	48,002	28,403
Total non-derivatives		2,043,962	2,515,802	28,403

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

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

Note 21. Key management personnel disclosures

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

	Consolidated 2021 $	Consolidated 2020 $
Short-term employee benefits	985,073	500,883
Post-employment benefits	86,059	29,033
Share-based payments	328,630	-
	1,399,762	529,916

Note 22. Remuneration of auditors

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

	Consolidated 2021 $	Consolidated 2020 $
Audit services		
Audit or review of the financial statements	58,500	20,000
Other services		
Preparation of Investigating Accountant's Report	23,000	-
	81,500	20,000

Note 23. Contingent liabilities

The Company has given bank guarantees as at 30 June 2020 of $22,096 to various landlords.

Note 24. Related party transactions

Parent entity
Hiremii Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 26.

Key management personnel
Disclosures relating to key management personnel are set out in note 21 and the remuneration report included in the directors' report.

Transactions with related parties
There were no transactions with related parties.

Note 24. Related party transactions (continued)

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

	Consolidated 2021 $	Consolidated 2020 $
Loan receivable/(payable) from directors	3,000	(15,182)

Note 25. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent 2021 $	Parent 2020 $
Loss after income tax	(6,925,360)	-
Total comprehensive loss	(6,925,360)	-

Statement of financial position

	Parent 2021 $	Parent 2020 $
Total current assets	3,818,919	-
Total assets	3,818,919	-
Total current liabilities	211,864	-
Total liabilities	211,864	-
Equity		
Issued capital	9,581,439	-
Options reserve	950,976	-
Accumulated losses	(6,925,360)	-
Total equity	3,607,055	-

The parent company was incorporated on 29 July 2020 and consequently there are no balances as at 30 June 2020.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2021 and 30 June 2020.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2021 and 30 June 2020.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1.

Note 26. Interests in subsidiaries

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

Name	Principal place of business / Country of incorporation	Ownership interest 2021 %	Ownership interest 2020 %
Oncontractor Pty Ltd	Australia	100.00%	-
Hiremii Recruitment Pty Ltd	Australia	100.00%	-
Hiremii technology Pty Ltd	Australia	100.00%	-

Note 27. Events after the reporting period

Other than as described below, no other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

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

Note 28. Reconciliation of profit after income tax to net cash from operating activities

	Consolidated 2021 $	Consolidated 2020 $
Loss after income tax expense for the year	(3,810,114)	(1,912,042)
Adjustments for:		
Depreciation and amortisation	77,018	80,158
Finance costs	82,050	-
Share-based payments	388,830	330,645
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	643,234	(175,430)
Movement in other current assets	(69,717)	(652,823)
Increase/(decrease) in trade and other payables	(738,531)	1,511,744
Increase in other provisions	(76,964)	3,096
Net cash used in operating activities	(3,504,194)	(814,652)

Note 29. Earnings per share

	Consolidated 2021 $	Consolidated 2020 $
Earnings per share for profit from continuing operations		
Loss after income tax	(3,810,114)	(1,912,042)
Loss after income tax attributable to the owners of Hiremii Limited	(3,810,114)	(1,912,042)
Loss after income tax attributable to the owners of Hiremii Limited used in calculating diluted earnings per share	(3,810,114)	(1,912,042)

	Cents	Cents
Basic loss per share	(16.13)	(14.14)

The prior year earnings per share has been restated to reflect the share consolidation which occurred during the year, applying the principles of AASB 133.

	Number	Number
Weighted average number of ordinary shares		
Weighted average number of ordinary shares used in calculating basic earnings per share	23,621,724	13,520,716

Note 30. Share-based payments

On 2/3/2021 850,000 options over unissued shares were issued to key management personnel at an issue price of $NIL per share. These options converted into fully paid ordinary shares at the IPO and were recorded at a total transactional value of $170,000.

A share option plan has been established by the consolidated entity and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the Nomination and Remuneration Committee, grant options over ordinary shares in the company to certain key management personnel of the consolidated entity. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Nomination and Remuneration Committee.

Set out below are summaries of options granted during the year:

2021

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Balance at the end of the year
30/4/2021	7/5/2024	$0.30	-	1,500,000	-	1,500,000
30/4/2021	7/5/2024	$0.30	-	6,000,000	-	6,000,000
30/4/2021	7/5/2024	$0.30	-	7,134,453	-	7,134,453
30/4/2021	7/5/2024	$0.30	-	4,000,000	-	4,000,000
			-	18,634,453	-	18,634,453

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.8 years (2020: N/A).

Note 30. Share-based payments (continued)

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

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
30/4/2021	7/5/2024	$0.20	$0.30	60%	-	0.13%	$0.0574
30/4/2021	7/5/2024	$0.20	$0.30	60%	-	0.13%	$0.0574
30/4/2021	7/5/2024	$0.20	$0.30	60%	-	0.13%	$0.0574
30/4/2021	7/5/2024	$0.20	$0.30	60%	-	0.13%	$0.0574

Hiremii Limited
Directors' declaration
30 June 2021

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 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

Alison Gaines
Perth

15 September 2021
Perth

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INDEPENDENT AUDITOR'S REPORT
To the members of Hiremii Limited

Opinion

We have audited the financial report of Hiremii Limited (**Company**) and its subsidiaries (**Group**), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed this matter</th></tr>
<tr><td colspan="2">Revenue
Refer to Note 3 in the financial statements</td></tr>
<tr><td>As disclosed in Note 3 to the financial statements, the Group has recognised total revenue of $6,937,027.

We determined revenue recognition to be a key audit matter due to the following:
• The balance is material to the Group and there are risks associated with management judgements, which includes identification of contracts and performance obligations, determination of the transaction price and the timing of revenue recognition; and
• Revenue recognition is a presumed fraud risk under Australian Auditing Standards.</td><td>Our audit procedures included:
• Ensuring the Group’s revenue recognition policies comply with Australian Accounting Standards;
• On a sample basis, we agreed revenue transactions to supporting documentation and performed substantive analytical procedures to assess whether the revenue recognition criteria were met;
• Performing revenue cut-off procedures to ensure that revenue is recognised in the correct financial period; and
• Reviewing the relevant disclosures in the financial statements to ensure compliance with Australian Accounting Standards.</td></tr>
<tr><td colspan="2">Share-based payments
Refer to Note 18 in the financial statements</td></tr>
<tr><td>As disclosed in Note 18 to the financial statements, the Group has brought to account share-based payments of $630,331 in relation to the issue of 11,500,000 options to key management personnel, directors and third party suppliers for the provision of services.

We determined this to be a key audit matter due to the material amount of the share-based payment and the significant judgement involved in assessing the fair value of the transactions.</td><td>Our audit procedures included:
• Obtaining the valuation models prepared by management and assessing whether the models were appropriate for valuing the options granted during the year
• Challenging the reasonableness of key assumptions used by management to value the options;
• Reviewing the key terms and conditions of the options issued; and
• Reviewing the relevant disclosures in the financial statements to ensure compliance with Accounting Standards.</td></tr>
</table>

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 – Reduced Disclosure Requirements 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: http://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 in the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Hiremii 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.

David Wall
Partner
RSM Australia Partners

Perth, Western Australia
15 September 2021

Hiremii Limited
Shareholder information
30 June 2021

The shareholder information set out below was applicable as at 7 September 2021.

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

	Ordinary shares	
	Number of holders	% of total shares issued
1 to 1,000	17	0.00
1,001 to 5,000	36	0.20
5,001 to 10,000	176	2.38
10,001 to 100,000	435	25.51
100,001 and over	126	71.91
	790	100.00
Holding less than a marketable parcel	6	-

Equity security holders

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

	Ordinary shares	
	Number held	% of total quoted shares on issue
SANLAM PRIVATE WEALTH PTY LTD <WESTBOURNE LONG SHORT A/C>	3,360,714	5.65%
CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	1,911,587	3.21%
CONOR O'BRIEN	1,785,980	3.00%
BEARAY PTY LIMITED <BRIAN CLAYTON S/F A/C>	1,500,000	2.52%
THE CODE FLAG Z TRADING COMPANY PTY LTD <THE EASE VANG SUPER FUND>	1,310,000	2.20%
JETA NOMINEES PTY LIMITED <JETA SUPER FUND A/C>	1,000,000	1.68%
MR JOSHUA DAVID THURLOW	952,863	1.60%
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	911,934	1.53%
ALASTAIR HALDANE	875,000	1.47%
VECTOR NOMINEES PTY LTD <THE VECTOR SUPER FUND A/C>	833,571	1.40%
AEI AUSTRALIA PTY LTD <ROD LADD FAMILY A/C>	800,000	1.34%
TOTUS PROJECTS PTY LTD	800,000	1.34%
MR ALASTAIR MIYAMORI HALDANE	785,980	1.32%
MR KOBI BEN SHABATH	763,442	1.28%
YUCAJA PTY LTD <THE YOEGIAR FAMILY A/C>	707,551	1.19%
STEVSAND INVESTMENTS PTY LTD <STEVEN FORMICA FAMILY A/C>	625,000	1.05%
CANNES MANAGEMENT PTY LTD <KESTELMAN FAMILY NO 2 A/C>	606,300	1.02%
MR RICHARD MERLIN O'SULLIVAN	600,670	1.01%
FLINT EQUITY PTY LTD <THE FLINT INVESTMENT A/C>	600,670	1.01%
DATAQ (WA) PTY LTD	600,670	1.01%
SANDTON CAPITAL PTY LTD	600,000	1.01%
VALAGEN PTY LTD <MAY SUPERANNUATION FUND A/C>	575,287	0.97%
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	545,667	0.92%
	23,052,886	38.74%%

Hiremii Limited
Shareholder information
30 June 2021

Unquoted equity securities

	Number on issue	Number of holders
Options over ordinary shares issued	24,137,453	78

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
Conor O'Brien	4,056,325	5.85
Alastair Haldane	3,743,824	5.40

Voting rights

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

Ordinary shares

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

There are no other classes of equity securities.

Restricted securities

Class	Expiry date	Number of shares
Ordinary shares	19/2/2022	996,429
Ordinary shares	11/5/2023	8,791,536
		9,787,965

Class	Expiry date	Number of options
Options exercisable at $0.30 on or before 7/5/2024	30/4/2022	4,374,557
Options exercisable at $0.30 on or before 7/5/2024	11/5/2023	18,162,896
		22,537,453