

ASX:GLH

ANNUAL
REPORT
2021



FY21 HIGHLIGHTS

Global Health At a Glance



\$7.48M
REVENUE

+20%
compared with
FY20 (\$1.22M
increase)

\$7.03M
CUSTOMER
REVENUE

Up 18% on FY20
(\$1.06M increase)

+13%
RECURRING
REVENUE

\$545k increase
on FY20

\$7.8M
CAPITAL
RAISED

Positioned for
growth in 2022

- > Raised \$7.8M through a two-tranche institutional share placement to sophisticated and professional investors
- > Appointment of a new Chief Executive Officer to lead the Group through the next phase of its projected growth
- > Recruitment of senior personnel to support sales and marketing growth

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FORWARD OUTLOOK

Positioned for Growth

The Group is in a strong cash position following a successful capital raise of \$7.8M via a two-tranche institutional share placement with sophisticated and professional investors. This was completed by July, 2021.

The new capital will be used to expand the sales and marketing activity of Global Health, while also funding an acceleration of the product development in our MasterCare+ and Lifecard products.

Recruitment of key personnel in the sales, marketing and customer success units will enable the Group to leverage new and existing opportunities within the healthcare sector.

COVID-19 continues to present challenges, as evidenced with the impairment of certain products and delayed implementation roll-outs of key projects with existing and new customers.

COVID-19 has reinforced the importance for organisations within the healthcare sector to have access to comprehensive digital solutions to support patient care and compliance requirements.



The Group will continue its efforts to accelerate growth and increasing market share in three core areas, namely:

- Community Health services;
- Hospitals; and
- Mental Health

FORWARD OUTLOOK

Sector Trends

Electronic Medical Records

- > Our platforms align with the Government's "Better at Home" initiative. We expect this will lead to a shift in demand from Patient Administration Systems (PAS) to Electronic Medical Record (EMR) solutions.
- > The shift toward activity-based charging will complement the existing capabilities of our product portfolio.
- > Community Health organisations are likely to consolidate in Victoria over the coming 24 months where our platform has significant market share.

Interoperable Solutions

- > Our ReferralNet Secure Messaging solution is well positioned to benefit from the Commonwealth's focus toward enhancing secure messaging across the healthcare sector.
- > We expect our MasterCare+ solution to benefit from the increasing demand for modular digital solutions in the healthcare sector.

Digital Front Door Platforms

- > We anticipate an increase in demand for our HotHealth solution due to the emergence of Digital Front Door solutions for patient care.
- > Our HotHealth solution offers customisable and integrated forms. We expect this will lead to increased product demand and cross-selling opportunities.

Personal Health Records

- > Our Lifecard solution delivers patient centred engagement and communication with healthcare providers. This approach is in line with the Commonwealth's "Better at Home" initiative.



FORWARD OUTLOOK

Product Roadmap

The Group is developing a mobility application, M+ Connect, meeting the rising demand for in-home patient care management solutions. We expect pilot testing to commence in November 2021.

We are on track to deliver PRODA upgrades to our full product suite in line with the mandatory Medicare changes due in March, as well as deliver prescribing enhancements to PrimaryClinic for our general practice and specialist users.

Achieving ISO27001 certification reinforces our priority around secure management of digital information.

Continued focus around the interoperability of our product range is expected to provide cross-selling opportunities with our front door solution, HotHealth.



New Clients Onboarded

We are delighted to onboard both Ballarat Community and Peninsula Health from October 1, 2021.

We recently won two new clients, including Waratah and the New South Wales Rural Fire Service.

Exploring New Opportunities

The Group is exploring new consumer marketing opportunities in the ASEAN region with three indirect sales channels. In particular, these opportunities will initially focus on the HotHealth and Lifecard consumer engagement platforms.

The Group continues to explore opportunities for merger and acquisition opportunities within Australia.



MOVING FORWARD

Half One

Sales and Marketing Drive to Lift Opportunity Development.

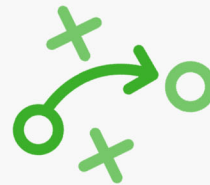
- > Establishing core sales functions
- > Commencing campaigns for EMR, PAS, HotHealth and PrimaryClinic

Brand Review

- > Simplify our go-to-market messaging
- > Emphasise SaaS modular solutions
- > Align capability with sector trends for patient engagement and care

Product Review

- > Enhance products to meet the mandatory changes to the Medicare funding process
- > Move new M+ Connect functionality to Beta testing



Half Two

SaaS Upgrade Strategy Review

- > Undertake a review of our SaaS upgrade strategy

Shift R&D Focus

- > Shift R&D focus to enhance capabilities of core SaaS platform

Explore Potential M&A Opportunities

- > Develop re-seller partnerships in Australia and other markets

FINANCIAL RESULTS

Global Health Limited

ABN 75 091 377 892

Consolidated Financial
Statements For The
Year Ended 30
June 2021



CORPORATE DIRECTORY

Directors

Steven Leigh Pynt – Independent Non-Executive Chairman

Mathew Cherian – Executive Director

Robert Knowles – Independent Non-Executive Director

Grant Smith - Independent Non-Executive Director

Karen Corry - Independent Non-Executive Director

Company Secretary

Sam Butcher

Registered Office

Level 2, 696 Bourke Street

Melbourne, Victoria, 3000, Australia

Ph: +61 3 9675 0600

Share Registry

Link Market Services Limited

Tower 4, 727 Collins Street

Melbourne, Victoria, 3008

Stock Exchange Listing

Global Health Limited shares are listed on the Australian Securities Exchange (ASX code: GLH)

Website

www.global-health.com

CORPORATE GOVERNANCE STATEMENT

For the Year ended 30 June 2021

The 2021 corporate governance statement is dated as at 30 June 2021 and reflects the corporate governance practices in place throughout the 2021 financial year. The 2021 corporate governance statement was approved by the Board on 29 September 2021. A description of the Group's current corporate governance practices is set out in the Group's corporate governance statement which can be viewed at <https://www.globalhealth.com/our-approach/governance/> and should be read in conjunction with the recent Company announcements on the ASX website.

FINANCIAL AND OPERATIONS REVIEW

Executive Summary

- ✓ Total Group revenue and income for FY21 closed \$1.22M up on prior year at \$7.48M, a 20% increase on FY20 (\$6.26m).
- ✓ Client revenues have materially increased in FY21- \$7.03M, up 18%/\$1.06M on FY20 (\$5.97M).
- ✓ The Group reported a net loss after income tax of \$488K in FY21, an increase of \$288K from FY20 (\$200K).
- ✓ Global Health posted an adjusted EBITDA of \$1.05M, \$565K favourable from prior year (FY20 \$489K).
- ✓ Operating expenses \$6.42M, increased \$654K from prior year, a 11% increase.
- ✓ Impairment charge of \$998,546 was applied against all capitalised products other than the flagship MasterCare platform due to write downs resulting from reduced sales outputs in FY21 and forecasted future sales impacts, which has materially impacted FY21 EBIT and NPAT results.

Global Health has shown resilience in FY21, producing strong revenue growth in a challenging, pandemic dominated, operating environment. The recurring revenue base of the business increased 13% from prior year, and professional services administered for onboarding new and recurring clients increased 70% from prior year. MasterCare EMR continues to be the flagship product for Global Health with year-on-year revenue growth of 36% in its subscription revenue and 32% growth in its expansion revenues. On-boarding of large clients including Peninsula Health has contributed to the strong gains.

Operating expenses increased \$654K in FY21, primarily due to resource requirements for new customer on boarding and investments in product development.

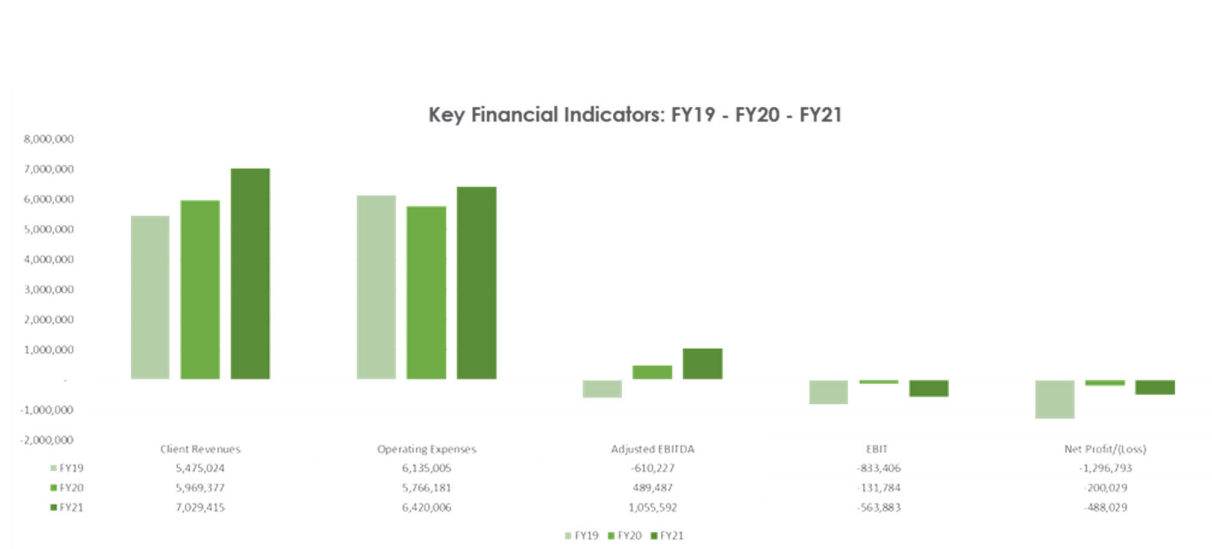
New key hires in FY21 align with the Group's focus on growth via recruitment for, customer support and on boarding. Although staffing costs were 14% higher to prior year, salaries, and wages as a percentage of revenue and income was favourable (53% in FY21 vs 55% in FY20). Scaling resources for additional growth will continue in FY22, as the Group acquires more market share.

The impact of COVID-19 has been significant in the development and revenue growth of ancillary products resulting in the impairment of PrimaryClinic, Lifecard, ReferralNet and HotHealth. The diminished capacity to engage and secure new customers for these products in the year past and potential for similar challenges in the coming year required a review and resulting impairment of these products.

Finance

The Group has continued a positive trend across underlying financial indicators.

Total customer revenue \$7.03M increased 18% on prior year, while operating expenses increased \$654k on prior year, a 11% increase, these increases were primarily related to on boarding new customers and product development.



Client revenue performance has been positive year on year, with 18%/\$1.06m growth from prior year. This represents a positive uplift in growth rate from FY19 (9%/494K). This resulted in a positive operating cash flow of \$1.37M generated in FY21.

Adjusted EBITDA is used by the Group to define the underlying results, which has been adjusted for and excludes impairment expense.

Non-IFRS measures, including adjusted EBITDA, are financial measures used by management and the Directors as the primary measures of assessing the financial performance of the Group. The Directors also believe that these non-IFRS measures assist in providing additional meaningful information for stakeholders and provide them with the ability to compare against prior periods in a consistent manner.

The table below provides a reconciliation to adjusted EBITDA for the Group and is unaudited, non-IFRS financial information.

Reconciliation to Adjusted EBITDA
(Unaudited, Non-IFRS Financial Information)

	FY19	FY20	FY21
Net loss after income tax	(1,296,793)	(200,090)	(488,029)
Adjustments:			
Finance expenses	138,324	110,315	61,682
Income tax expense/(benefit)	325,063	(42,009)	(137,536)
EBIT	(833,406)	(131,784)	(563,883)
Adjustments:			
Depreciation	32,850	219,147	210,869
Amortisation	190,329	402,124	410,060
Impairment of intangible assets	-	-	998,546
Adjusted EBITDA (unaudited, non-IFRS term)	610,227	489,487	1,055,592

Adjusted EBITDA margins have substantially grown from FY20, \$565K ahead from prior year (\$1.055M FY21 vs \$489K FY20). The result is encouraging, demonstrating the Group's ability to translate revenues into operational efficiency.

Revenue Detail

Recurring revenues continue to grow year on year, with the FY21 recurring group growing by an additional 13%/\$545K. The Group's MasterCare EMR product has been a key driver in this space.

Professional services increased by 70%/676K due to additional projects revenue, and the on-boarding of large clients.

Revenue and Income	FY20	FY21	Var	Var %
Subscription Revenue	3,612,263	4,021,255	408,992	11%
Expansion Revenue	567,145	703,069	135,924	24%
Total Recurring Revenue	4,179,408	4,724,324	544,916	13%
Professional Services	965,317	1,641,029	675,712	70%
Other Product Revenue	824,652	664,062	(160,590)	(19%)
Other Customer Revenue	1,789,969	2,305,091	515,122	29%
Total Customer Revenue	5,969,377	7,029,415	1,060,038	18%
Other Income	280,000	443,000	163,000	58%
Finance Income	6,291	3,183	(3,108)	(49%)
Total Revenue and Income	6,255,668	7,475,598	1,219,930	20%

Financial position

Trade receivables owing has declined by 54%, enhancing the timeliness and cash cycle of the business. Short term borrowings and obligations have reduced significantly, providing for a more favourable net liquidity ratio.

From a cash perspective, Global Health delivered \$1.37M positive cashflow from operating activities in FY21. This outcome is a significant improvement from prior year, where cashflow was in decline from operating activities (FY20 (\$141K)).

	FY20	FY21
Cash and Cash Equivalents	666,276	4,840,318
Trade and Other Receivables	1,208,968	550,536
Quick Assets	1,875,244	5,390,854
Trade and Other Payables	1,059,512	1,362,270
S/T Borrowings and Lease Liabilities	541,785	162,280
Short Term Obligations	1,601,297	1,524,550
Net Liquidity	273,947	3,866,304

Capital Raising

In June – July 2021, the Group raised \$7.8M via a placement to sophisticated investors and leading institutional investors, conducted in two tranches.

Proceeds from the placement will provide the Group with:

- a stronger Balance Sheet
- support for an expanded sales force to accelerate revenue growth rates and
- support for an expanded R & D team to accelerate the progression of customers to the Group's SaaS platforms comprising:
 - MasterCare Plus (www.mastercare-plus.net.au)
 - ReferralNet Secure Connectivity platform (www.referralnet.com.au)
 - HotHealth Patient Engagement platform (www.hothealth.com) and
 - Lifecard consumer-empowerment platform (www.lifecard.com).

The Group is holding cash and cash equivalents of \$4.84M at the close of FY21, which will enable Global Health the ability to undertake its strong growth plans from FY22 onwards.

Operations

Global Health's portfolio of solutions commenced several key national infrastructure integration projects in FY21 signalling our continued commitment to the Australian healthcare billing, statutory reporting, prescribing and e-health landscape. Working together with an engaged community health client-base we continued to improve on our feature-set and build on a competitive advantage in that segment.

To meet current and anticipated growth we have invested in our people and culture filling key roles in product ownership, customer service, project execution, sales, and marketing. The team is primed to deliver a better experience to our growing client base and execute on several active projects scheduled to take place in FY22 and beyond.

Differences Between the Preliminary and Final Report

Subsequent to the announcement of its preliminary results on 31 August 2021, management undertook an overall review of its tax calculations, specifically in relation to the historical treatment of certain key items for tax purposes. One of the main findings of the review was that the treatment of the research and development tax offset had been incorrect, resulting in a net reduction of historical deferred tax liabilities. Further information regarding this can be found in Notes 4 and 30 to the financial statements.

DIRECTORS' REPORT

For the Year Ended 30 June 2021

The directors present their report, together with the consolidated financial statements of the Group, being Global Health Limited (the Company) and its controlled entities, for the financial year ended 30 June 2021.

Information on directors

The names, qualifications, experience and special responsibilities of each person who has been a director during the year and to the date of this report are:



Steven Leigh Pynt

Independent Non-Executive Chairman

Qualifications	LLB, BBus, MBA, MTax
Experience	He is a Director of the Perth legal firm, MP Commercial Lawyers, and his main area of practice is in commercial law including corporations' law, franchising and contracts. He was formerly a member of the Racing Penalties Appeals Tribunal and Chairman of the Commercial Tribunal of WA.
Interest in shares and options	375,408 ordinary shares; 59,001 options
Special responsibilities	Independent Non-Executive Chairman; Member of Audit Committee
Other current directorships in listed entities	None
Other directorships in listed entities held in the previous three years	Ephraim Resources Limited



Mathew Cherian

Executive Director

Qualifications	BBus (IS/IT), MACS, MAICD
Experience	Mr Cherian has been in the information technology industry since 1981. In 1985, he established Working Systems Pty Ltd in Perth, Western Australia. Mr Cherian was appointed CEO of Working Systems Solutions Limited in January 2002 to re-focus the Group as a software product developer for the Healthcare sector. The initial phase culminated with the re branding of the Company as Global Health Limited in December 2007. Mr Cherian plays an active role in product strategy and the development of overseas markets for the Company.
Interest in shares and options	23,376,619 ordinary shares; 2,378,625 options
Special responsibilities	Executive Director (from 1 July 2021); previously Chief Executive Officer and Managing Director
Other current directorships in listed entities	None
Other directorships in listed entities held in the previous three years	None



Grant Smith

Independent Non-Executive Director

Qualifications	BComm, AAIM, ASIA
Experience	<p>Mr Smith has worked in insurance, superannuation, investment and funds management for over 40 years. He started with National Mutual (now AMP) in the investments division and was responsible for the establishment of the funds management business for National Mutual.</p> <p>In 1984, he established an independent funds management group and floated Hospitals of Australia the first healthcare investment fund in Australia. Hospitals of Australia owned and operated a number of hospitals throughout Australia.</p> <p>Mr Smith was intimately involved in the building of a number of hospitals including Strathfield Private, Southern Highlands Private Hospital, Port Macquarie Hospital and the refurbishment of a number of other healthcare facilities. Hospitals of Australia was ultimately acquired by Mayne Nickless Limited. In the past 15 years, Mr Smith developed and built the Medica Centre and opened the first digital (paperless) private surgical hospital in Australia. He is currently involved in developing new hospitals in Melbourne. Mr Smith is also involved in utilising digital technology to generate increased productivity and efficiencies for the Healthcare sector.</p>
Interest in shares and options	424,481 ordinary shares; 62,241 options
Special responsibilities	Independent Non-Executive Director; Chairman of the Audit Committee
Other current directorships in listed entities	None
Other directorships in listed entities held in the previous three years	None



Robert Knowles AO

Independent Non-Executive Director

Qualifications	MAICD
Experience	<p>Mr Knowles is a farmer and company director. He is a director of the Silver Chain Group of Companies, IPG Pty Ltd, Drinkwise Australia Ltd and Beyond Blue Ltd.</p> <p>He is Chair of the Royal Children's Hospital. Mr Knowles was Victorian Minister for Health from 1996 until 1999 and as a member of the Victorian Legislative Council from 1976 to 1999. He has also served as Chairman of Food Standards Australia and New Zealand, as a Commissioner with the National Mental Health Commission, and as an Aged Care Complaints Commissioner.</p>
Interest in shares and options	66,234 ordinary shares; 23,117 options
Special responsibilities	Independent Non-Executive Director
Other current directorships in listed entities	None
Other directorships in listed entities held in the previous three years	None



Karen Corry

Independent Non-Executive Director
 (Appointed 10 August 2021)

Qualifications	BCom, ACA, GAICD
Experience	Karen is an experienced board director and business leader with a background in digital health and technology, consulting and finance. Previously a partner at KPMG Consulting, she is a qualified chartered accountant and has worked globally, including KPMG London. In her consulting career she has led strategic planning and transformational programs and has been responsible for business development and growth. She established a consulting company, Delta Management Consulting, achieving success during the health sector's transitional period of embracing digital technology and electronic medical records. Karen is a non-executive director at Peninsula Health, Holmesglen Institute, ACMI (Australian Centre for the Moving Image) and Chair of the Australian Community Support Organisation (ACSO).
Interest in shares and options	40,000 ordinary shares
Special responsibilities	Independent Non-Executive Director
Other current directorships in listed entities	None
Other directorships in listed entities held in the previous three years	None

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

Principal activities and significant changes in nature of activities

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

- the development, sales and support of application software for the healthcare sector; and
- the development of systems integration software that enables data to be securely exchanged between multiple, disparate applications within an enterprise and across the healthcare value chain.

There were no significant changes in the nature of the Group's principal activities during the financial year.

Operating result

The consolidated loss of the Group for the financial year after providing for income tax amounted to \$488,029 (2020: consolidated loss of \$200,090).

Dividends paid or recommended

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Review of operations

A review of the operations of the Group during the financial year and the results of those operations found that, during the year, the Group continued to engage in its principal activities, the result of which are disclosed in the attached financial statements.

Commentary regarding the Group's operations for the financial year is contained in the "Financial and Operations Review" preceding this Directors' Report.

Significant changes in state of affairs

There have been no significant changes in the state of affairs of entities in the Group during the year.

Events after the reporting date

There were a number key appointments subsequent to the financial year end, namely:

- Mr Michael Davies was appointed as Chief Executive Officer (CEO) of the Group on 1 July 2021. The current Managing Director and CEO, Mr Mathew Cherian, will remain with the Group in the new role of Executive Director;
- Ms Karen Corry was appointed as a non-executive director to the Group's Board of Directors on 10 August 2021; and
- Mr Ershad Ali was appointed as Chief Financial Officer (CFO) of the Group on 16 August 2021.

750,000 rights under the Long Term Incentive (LTI) Plan were offered to Mr Michael Davies with the performance period taking effect from 1 July 2021.

An Extraordinary General Meeting ("EGM") of the members of the Company was held on 27 July 2021 and all resolutions requiring shareholders approval were carried.

On 2 August 2021, the Company issued 7,039,640 ordinary shares at \$0.555 per share to various sophisticated and professional investors under the second tranche of a two-tranche institutional share placement announced to the ASX on 15 June 2021, raising \$3,907,000 before costs.

On 3 August 2021, the Company issued the following options exercisable at \$0.8325 and expiring on 3 August 2023:

- 7,039,663 options attached to new shares issued under two tranche institutional share placement with 1 free option for every 2 shares; and
- A total of 1,131,354 options to the Joint Lead Managers for services provided in respect of the two-tranche institutional share placement in June - July 2021.

On 6 September 2021, 41,667 ordinary shares were issued upon exercise of options.

The COVID-19 pandemic has created unprecedented economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by the Group at the reporting date. As responses by the Government continue to evolve, management recognises that it is difficult to reliably estimate with any degree of certainty the potential impact of the pandemic after the reporting date on the Group's operations, its future results and financial position.

Subsequent to year end, the state of emergency in Victoria was extended until 21 October 2021. Refer to Note 37 for further information regarding the impact of COVID-19 on the Group.

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

Future developments and results

The Group will continue to pursue its objective of increasing the profitability and market share of its major business sectors during the next financial year.

Environmental issues

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Company secretary

Mr Sam Butcher (LLB(Hons), BEc) was appointed as company secretary in June 2018. Mr Butcher was previously company secretary of BHP Billiton Limited, Zinifex Limited and Bonlac Foods Limited.

Meetings of directors

During the financial year, 13 meetings of directors and 6 audit and risk committee meetings were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Audit and Risk Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Steven Leigh Pynt	13	13	6	6
Mathew Cherian	13	13	-	-
Grant Smith	13	12	6	6
Robert Knowles AO	13	12	-	-
Karen Corry (Appointed 10/08/21)	-	-	-	-

Indemnification and insurance of officers and auditors

During or since the end of the financial year, the Company has not, in any aspect, or for any person who is or has been an officer or director of the Company or a related body corporate, indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings.

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.

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.

Options and rights

At the date of this report, the unissued ordinary shares of Global Health Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
19 December 2016	30 November 2021	\$0.75	600,000
11 November 2019	11 November 2022	\$0.25	3,778,081
12 December 2019	11 December 2024	\$0.25	870,000
22 June 2021	03 August 2023	\$0.83	3,519,822
03 August 2021	03 August 2023	\$0.83	4,651,195
			13,419,098

900,000 performance rights with expiry date of 30 June 2026 were granted during the year ended 30 June 2021 for which will convert into shares, subject to the achievement of vesting hurdles and agreed performance criteria over the period from 1 July 2020 to 30 June 2023. If the vesting hurdles and performance criteria are met over the period, some or all of the rights will vest on 30 June 2023. If the eligible employee remains employed by the Group, the vested rights will be exercisable until their expiry on 30 June 2026. Each vested right will entitle the eligible employee to receive one share in the Company at no cost. The values of the performance rights at grant date were determined using the Black-Scholes and Monte Carlo Simulation method. Refer to Note 28 to the financial statements for further information.

During the year ended 30 June 2021, the following ordinary shares of Global Health Limited were issued on the exercise of options granted. On 6 September 2021, a further 41,667 ordinary shares were issued upon exercise of options. No amounts are unpaid on any of these shares.

Grant Date	Exercise Price	Number of Shares Issued
11 November 2019	\$ 0.25	390,125
		390,125

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

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

There have been no options granted over unissued shares or interests of any controlled entity within the Group since the end of the financial year other than detailed above.

Option and performance rights holders do not have any rights to participate in any issues of shares or other interests in the Company or any other entity.

The options and performance rights granted during the year ended 30 June 2021 have been brought to account in these financial statements in the options reserve.

For details of options and performance rights issued to directors and other key management personnel as remuneration, refer to the remuneration report.

Proceedings on behalf of Company

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

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

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 30 June 2021 has been received and can be found on page 30 of the consolidated financial report.

Remuneration report (audited)

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

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

The remuneration report is set out under the following main headings:

- 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

Remuneration of Directors and key management personnel of the Group is established by the Board. Remuneration of executives is determined as part of an annual performance review, having regard to market factors and a performance evaluation process. The remuneration framework is designed to align executive reward with achievement of strategic objectives and the creation of value for shareholders, and aligns with good practice in remuneration. For Directors, remuneration packages generally comprise salary and superannuation. Remuneration packages for executives include salary, superannuation and incentives. Many executives are offered short-term cash incentives and some key executives are also offered longer term incentives under the Equity Incentive Plan, which seeks to align the interests of executives with the interests of shareholders. Directors, including the Executive Director do not receive incentives or performance-based payments.

The Board reviews its own performance annually and the Chairman holds individual discussions with each Director to discuss their performance. The Non-Executive Directors are responsible for evaluating the performance of the Executive Director, and the Chief Executive Officer, who in turn evaluates the performance of all other senior executives.

In accordance with good practice, the structures of Non-Executive Director and Executive Director remuneration are quite different.

Performance based remuneration

Performance based remuneration of executives is evaluated based on specific criteria, including the Group's business performance and achievement of revenue and Net Profit After Tax (NPAT) targets, whether short and long-term objectives are achieved and individual performance objectives.

Non-executive directors' remuneration

Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-Executive Directors' fees and payments are reviewed periodically by the Board to ensure all payments are appropriate and in line with the market. In August 2021, the board received advice from an independent remuneration consultant and on the basis of that advice resolved to increase the Chairman's remuneration to \$65,000 per annum plus superannuation and the remuneration of other Non-Executive Directors to \$45,000 per annum plus superannuation. The remuneration of Non-Executive Directors had not been reviewed since 2009.

ASX listing rules require the aggregate Non-Executive Directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 24 November 2009, where the shareholders approved a maximum annual aggregate remuneration of \$350,000. This amount may be divided among Non-Executive Directors in the manner determined by the Board from time to time.

Executive directors' remuneration

The Executive Directors' salary and conditions are determined by the Board of Directors and reviewed at the expiry of each contract period.

Executive remuneration

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for senior executives is reviewed annually to ensure the executive's pay is competitive with the market. There are no guaranteed base pay increases included in any senior executive's contract.

As part of executive remuneration, during the year ended 30 June 2021, the Company initiated a new Short Term Incentive Plan (STI) and a new Long Term Incentive Plan (LTI Plan) as set out below:

Short Term Incentive Plan (STI)

The STI is designed to motivate and incentivise executives towards the Group achieving strong performance in the areas that matter most. Participation in the STI entitled the participating executives to receive a bonus cash payment if the weighted Key Performance Indicators (KPIs) stipulated for the financial year ended 30 June 2021 were met, subject to the Group achieving a specified Earnings Before Interest, Tax, Depreciation, Amortisation and Research & Development costs (EBITDAR) target for the year ended 30 June 2021.

The Group's EBITDAR for the year ended 30 June 2021 was not met and as a result the participating executives were not entitled to receive bonus cash payments under the STI for the year, and no payments were made.

Participation in the STI for any year does not guarantee participation in future years.

Long Term Incentive Plan (LTI Plan)

During the year, the board implemented a new Long Term Incentive Plan following the approval by shareholders of the new Equity Incentive Plan at the Annual General Meeting in 2020.

During the year ended 30 June 2021, offers were made to three Key Management Personnel to participate in the Long Term Incentive Plan: Keith Jayesuria, Damon Groenveld and Kye Cherian. These offers entitled each participant to 300,000 rights to acquire fully paid ordinary shares in the Company, subject to the achievement of vesting hurdles and agreed performance criteria over the period from 1 July 2020 to 30 June 2023. If the vesting hurdles and performance criteria are met over the period, some or all of the rights will vest on 30 June 2023. If the eligible employee remains employed by the Group, the vested rights will be exercisable until their expiry on 30 June 2026. Each vested right will entitle the eligible employee to receive one share in the Company at no cost.

These rights constitute the long term incentive component of each eligible employee's remuneration for the period 1 July 2020 to 30 June 2023.

Participation in the LTI Plan for the year ended 30 June 2021 does not guarantee participation in future years.

The Board has offered participation in the LTI Plan to the Chief Executive Officer, Michael Davies, as announced to the market on 31 May 2021, and may also offer participation to other executives.

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

At the AGM held on 30 November 2020, 99.40% of votes cast by shareholders were in support of adopting the remuneration report for the year ended 30 June 2020. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Relationship between remuneration policy and Group performance

The Group's remuneration policy has been designed to align the interests of shareholders, directors and executives. Two methods have been applied to achieve this aim: the STI Plan and the LTI Plan. Historically, options have also been issued to directors and executives to encourage the alignment of personal and shareholder interests. There is no formal remuneration policy linking remuneration and the Group's performance.

The following table shows the gross revenue, profits and dividends for the last five years for the Company, as well as the share prices at the end of the respective financial years.

	2021	2020 *	2019 **	2018	2017
	\$	\$	\$	\$	\$
Revenue	7,029,415	5,969,377	5,475,024	5,157,539	4,607,570
Net Profit/(Loss)	(488,029)	(200,090)	(1,296,793)	(1,860,399)	1,728,045
Share Price at Year-end	0.48	0.20	0.14	0.20	0.32
Dividends Paid (cents)	-	-	-	-	-

* The Company adopted AASB 16 Leases for the first time on 1 July 2019, and accordingly, the results include the impacts of applying this standard. The net loss for the year ended 30 June 2020 have been restated as a result of the correction of a prior period error. Refer to Note 30 to the financial statements for further details.

** The Company adopted AASB 9 Financial Instruments and AASB 15 Revenue from Contracts with Customers for the first time on 1 July 2018, and accordingly, the results include the impact of applying these standards.

Remuneration details for the year ended 30 June 2021

Amounts of remuneration

The Key Management Personnel of the Group consists of the following directors of Global Health Limited:

- Mr S Pynt - Non-Executive Chairman
- Mr M Cherian - Executive Director (from 1 July 2021), previously Chief Executive Officer and Managing Director
- Mr G Smith - Non-Executive Director
- Mr R Knowles - Non-Executive Director

And the following personnel:

- Mr D Groenveld - Principal Architect
- Mr K Jayesuria - Chief Operating Officer
- Mr K Cherian - Manager, Product Portfolio
- Ms D Hudson - Manager, Customer Success Group (Resigned 4 March 2021)

The following table of benefits and payment details, in respect to the financial year, the components of remuneration for each member of the Key Management Personnel of the Group.

Table of benefits and payments

	Short-term benefits			STI	Post-employment	Long-term	Share-based	Total
	Cash salary and fees	Annual leave accrued	Allowances **		benefits	benefits	payments	
2021	\$	\$	\$	\$	\$	\$	\$	\$
Directors								
<i>Non-Executive Directors:</i>								
Mr S L Pynt	41,284	-	-	N/A	3,974	-	-	45,258
Mr G Smith	32,037	-	-	N/A	3,084	-	-	35,121
Mr R Knowles	32,037	-	-	N/A	3,084	-	-	35,121
<i>Executive Director:</i>								
Mr M Cherian	253,455	34,066	26,000	N/A	21,694	150,465	-	485,680
Other KMP								
Mr D Groenveld	166,418	20,974	-	-	15,616	29,485	8,192	240,685
Mr K Jayesuria	156,407	7,470	-	-	15,616	20,882	8,192	208,567
Mr K Cherian	164,714	14,617	15,000	-	15,455	28,202	5,756	243,744
Ms D Hudson *	95,826	-	-	N/A	8,409	-	-	104,235
Total remuneration	942,178	77,127	41,000	-	86,932	229,034	22,140	1,398,411

* Resigned on 4 March 2021.

** These amounts relate to car allowances paid.

*** Share-based payments included above are in relation to the recognition of the expense relating to share options and performance rights issued in the current year to Directors and KMP, including those for which vesting conditions have been met during the current financial year.

2020	Short-term benefits				Post-employment	Long-term	Share-	Total
	Cash salary and fees	Annual leave accrued	Allowances *	STI	benefits Superannuation	benefits Long service leave accrued	based payments Share options **	
	\$	\$	\$	\$	\$	\$	\$	\$
Directors								
<u>Non-Executive</u>								
<u>Directors:</u>								
Mr S L Pynt	47,477	-	-	N/A	-	-	748	48,225
Mr G Smith	28,833	-	-	N/A	-	-	374	29,207
Mr R Knowles	36,842	-	-	N/A	-	-	374	37,216
<u>Executive Director:</u>								
Mr M Cherian	212,405	18,287	26,000	N/A	25,277	3,959	-	285,928
Other KMP								
Mr D Groenveld	164,383	12,645	-	N/A	15,616	2,738	7,646	203,028
Mr K Jayesuria	144,407	12,645	-	N/A	24,710	2,738	7,646	192,146
Mr K Cherian	171,655	11,240	15,000	N/A	15,929	2,433	3,008	219,265
Ms D Hudson	159,326	9,435	-	N/A	14,594	2,043	-	185,398
Total remuneration	965,328	64,252	41,000	-	96,126	13,911	19,796	1,200,413

* These amounts relate to car allowances paid.

** Share-based payments included above are in relation to the recognition of the expense relating to share options issued in the current year to Directors and KMP, including those for which vesting conditions have been met during the financial year.

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

Name	Fixed remuneration		At risk - Short Term Incentive		At risk - Long Term Incentive	
	2021	2020	2021	2020	2021	2020
	%	%	%	%	%	%
<u>Non-Executive Directors:</u>						
Mr S L Pynt	100	98	-	-	-	2
Mr G Smith	100	99	-	-	-	1
Mr R Knowles	100	99	-	-	-	1
<u>Executive Director:</u>						
Mr M Cherian	100	100	-	-	-	-
<u>Other KMP:</u>						
Mr D Groenveld	97	96	-	-	3	4
Mr K Jayesuria	96	96	-	-	4	4
Mr K Cherian	98	99	-	-	2	1
Ms D Hudson	100	100	-	-	-	-

Cash bonuses are dependent on meeting defined performance measures. The amount of the bonus is determined having regard to the satisfaction of performance measures and weightings as described above in the section 'Principles used to determine the nature and amount of remuneration'. The maximum bonus values are established at the start of each financial year and amounts payable are determined in the final month of the financial year by the Board.

The proportion of the cash bonus paid/payable or forfeited is as follows:

	Cash bonus paid/payable		Cash bonus forfeited	
	2021	2020	2021	2020
	%	%	%	%
<i>Other KMP:</i>				
Mr D Groenveld	-	N/A	100	N/A
Mr K Jayesuria	-	N/A	100	N/A
Mr K Cherian	-	N/A	100	N/A

Service Agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. It is the Company's policy that employment contracts contain provisions for termination with notice or payment in lieu of notice, and for termination by the Company without notice for serious misconduct or breach of contract. The Executive Director is entitled to receive a termination payment in addition to notice where the Company terminates employment on grounds of illness or incapacity. The notice period required to be given by the employee or the Company along with any termination payments are set out below.

Name:	Mr M Cherian
Title:	Executive Director
Term of agreement:	No fixed term
Details:	Notice period to be provided by Company: 6 months; Notice period to be provided by employee: 6 months; Termination payment: 6 months (if termination is by reason of the employee's illness or incapacity).
Name:	Mr D Groenveld
Title:	Principal Architect
Term of agreement:	No fixed term
Details:	Notice period to be provided by Company: 1 month; Notice period to be provided by employee: 1 month; Termination payment: None.
Name:	Mr K Jayesuria
Title:	Chief Operating Officer
Term of agreement:	No fixed term
Details:	Notice period to be provided by Company: 1 month; Notice period to be provided by employee: 1 month; Termination payment: None.
Name:	Mr K Cherian
Title:	Manager, Product Portfolio
Term of agreement:	No fixed term
Details:	Notice period to be provided by Company: 1 month; Notice period to be provided by employee: 1 month; Termination payment: None.
Name:	Ms D Hudson
Title:	Manager, Customer Success Group
Term of agreement:	No fixed term
Details:	Notice period to be provided by Company: 1 month; Notice period to be provided by employee: 1 month; Termination payment: None.

Changes in KMP

There are no changes to Key Management Personnel during the year, except for the resignation of Ms Deborah Hudson on 4 March 2021. Subsequent to the end of the year, there have been changes to the Key Management Personnel, including the appointments of Mr Michael Davies as Chief Executive Officer and Mr Ershad Ali as Chief Financial Officer in July and August 2021.

Share-based compensation

Issue of shares

There were no shares issued to Directors and other Key Management Personnel as part of compensation during the years ended 30 June 2021 and 30 June 2020.

Options and rights granted

	Grant details		For the financial year ended 30 June 2021			Overall			
	Date	No.	Value	Lapsed	Lapsed	Vested	Vested	Unvested	Lapsed
			\$	No.	\$	No.	%	%	%
<i>Performance rights</i>									
<i>Other KMP:</i>									
Mr D Groenveld	26 April 2021	300,000	1,963	-	-	-	-	100.00	-
Mr K Jayesuria	26 April 2021	300,000	1,963	-	-	-	-	100.00	-
Mr K Cherian	26 April 2021	300,000	1,963	-	-	-	-	100.00	-

There were no options granted to Directors and other key management personnel as part of compensation during the years ended 30 June 2021 and 30 June 2020.

There were no rights granted to Directors and other key management personnel as part of compensation during the year ended 30 June 2020.

Description of Options/Rights Granted as Remuneration

Details of the options/rights granted as remuneration to those key management personnel and executives during the year:

Share-based payments	Included as Remuneration	Number of rights	Grant date	Vested in	Forfeited/lapsed in	Vesting date
				period	period	
Year Ended 30 June 2021	\$	No.		%	%	
<i>Other KMP:</i>						
Mr D Groenveld	1,963	300,000	26/04/2021	-	-	30/06/2023
Mr K Jayesuria	1,963	300,000	26/04/2021	-	-	30/06/2023
Mr K Cherian	1,963	300,000	26/04/2021	-	-	30/06/2023

Values of the performance rights at grant date were determined using the Black-Scholes and Monte Carlo Simulation method. Refer to Note 28 of the financial statements for further information.

There were no options granted as remuneration to key management personnel and executives during the year ended 30 June 2021.

Options and performance rights granted carry no dividend or voting rights.

All options/rights were issued by Global Health Limited and entitle the holder to ordinary shares in Global Health Limited for each option/right exercised.

There have not been any alterations to the terms or conditions of any share-based payment arrangements since grant date.

Key management personnel options and rights holdings

Options

The number of options in the Company held by each KMP and their related parties up to and including the financial year end is as follows:

	Balance at beginning of year	Granted as remuneration	Exercised	Other changes*	Balance at the end of year	Vested during the year	Vested and exercisable
	No.	No.	No.	No.	No.	No.	No.
30 June 2021							
<i>Non-Executive Directors:</i>							
Mr S L Pynt	59,001	-	-	-	59,001	-	59,001
Mr G Smith	62,241	-	-	-	62,241	-	62,241
Mr R Knowles	23,117	-	-	-	23,117	-	23,117
<i>Executive Director:</i>							
Mr M Cherian	2,378,625	-	-	-	2,378,625	-	2,378,625
<i>Other KMP:</i>							
Mr D Groenveld	450,000	-	-	-	450,000	60,000	300,000
Mr K Jayesuria	452,000	-	-	-	452,000	60,000	302,000
Mr K Cherian	150,000	-	-	-	150,000	-	-
Ms D Hudson	-	-	-	-	-	-	-
Total	3,574,984	-	-	-	3,574,984	120,000	3,124,984

30 June 2020

Non-Executive Directors:

Mr S L Pynt	200,000	-	(200,000)	59,001	59,001	-	59,001
Mr G Smith	100,000	-	(100,000)	62,241	62,241	-	62,241
Mr R Knowles	100,000	-	(100,000)	23,117	23,117	-	23,117

Executive Director:

Mr M Cherian	-	-	-	2,378,625	2,378,625	-	2,378,625
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Other KMP:

Mr D Groenveld	300,000	150,000	-	-	450,000	60,000	240,000
Mr K Jayesuria	300,000	150,000	-	2,000	452,000	60,000	242,000
Mr K Cherian	-	150,000	-	-	150,000	-	-
Ms D Hudson	-	-	-	-	-	-	-

Total	1,000,000	450,000	(400,000)	2,524,984	3,574,984	120,000	3,004,984
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* These options relate to the free options which were attached to the shares issued pursuant to the 1 for 2 rights issue which was completed in November 2019.

Performance Rights

During the year ended 30 June 2021, offers were made to three Key Management Personnel to participate in the Long-Term Incentive Plan: Keith Jayesuria, Damon Groenveld and Kye Cherian. These offers entitled each participant to 300,000 rights to acquire fully paid ordinary shares in the Company, subject to the achievement of vesting hurdles and agreed performance criteria over the period from 1 July 2020 to 30 June 2023. If the vesting hurdles and performance criteria are met over the period, some or all of the rights will vest on 30 June 2023. If the eligible employee remains employed by the Group, the vested rights will be exercisable until their expiry on 30 June 2026. Each vested right will entitle the eligible employee to receive one share in the Company at no cost.

There have been no transactions involving equity instruments apart from those described in the tables above relating to options, rights, and shareholdings.

Key Management Personnel Shareholdings

The number of ordinary shares in Global Health Limited held by each key management person of the Group, including their personally related parties, during the financial year is as follows:

	Balance at beginning of year	On exercise of options and rights	Other changes during the year	Balance at end of year
30 June 2021	No.	No.	No.	No.
<u>Non-Executive Directors:</u>				
Mr S L Pynt	375,408	-	-	375,408
Mr G Smith	424,481	-	-	424,481
Mr R Knowles	66,234	-	-	66,234
<u>Executive Director:</u>				
Mr M Cherian	23,376,619	-	-	23,376,619
<u>Other KMP:</u>				
Mr D Groenveld	304,000	-	-	304,000
Mr K Jayesuria	8,000	-	-	8,000
Mr K Cherian *	99,999	-	(30,000)	69,999
Ms D Hudson	-	-	-	-
Total	24,654,741	-	(30,000)	24,624,741

* Other changes during the year relates to shares sold on the market.

	Balance at beginning of year	On exercise of options and rights	Other changes during the year	Balance at end of year
30 June 2020	No.	No.	No.	No.
<u>Non-Executive Directors:</u>				
Mr S L Pynt *	257,408	-	118,000	375,408
Mr G Smith *	300,000	-	124,481	424,481
Mr R Knowles *	20,000	-	46,234	66,234
<u>Executive Director:</u>				
Mr M Cherian *	18,619,370	-	4,757,249	23,376,619
<u>Other KMP:</u>				
Mr D Groenveld *	304,000	-	-	304,000
Mr K Jayesuria *	4,000	-	4,000	8,000
Mr K Cherian **	-	-	99,999	99,999
Ms D Hudson	-	-	-	-
Total	19,504,778	-	5,149,963	24,654,741

* Other changes during the year relates to shares issued pursuant to the 1 for 2 rights issue which was completed in November 2019.

** Mr Kye Cherian's holdings relate to those shareholdings as at date of commencement as a member of key management personnel.

KMP Related Party Transactions

The Group undertook the following transactions with:

- Key Management Personnel (KMP)
- A close member of the family of that person, or
- An entity over which the key management person or family member has, directly or indirectly, control, joint control, or significant influence,

during the reporting period.

Information regarding share-based payment transactions with these persons or entities are included elsewhere in the remuneration report.

Amount Payable to Key Management Personnel and their Related Parties

At the end of the reporting period, accrued wages totalling \$75,390 (2020: \$75,390) were payable to the Managing Director, Mathew Cherian. This amount payable is interest free and unsecured.

Loans to Key Management Personnel and their Related Parties

There were no loans made to KMP during the period.

Other Transactions with Key Management Personnel and their Related Parties

There were no other transactions conducted between the Group and KMP or their related parties, apart from those disclosed above relating to equity, compensation, and loans, that were conducted other than in accordance with normal employee, customer or supplier relationships on terms no more favourable than those reasonably expected under arm's length dealings with unrelated persons.

End of Audited Remuneration Report

This director's report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.



Non-Executive Chairman:.....

Steven Leigh Pynt

Dated this 30th day of September 2021

AUDITOR'S INDEPENDENCE DECLARATION



AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Global Health 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:

- (a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

This declaration is in relation to Global Health Limited and the entities it controlled during the period.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Melbourne
30 September 2021

A handwritten signature in black ink, appearing to read 'M Gummery', with a stylized flourish at the end.

Michael Gummery
Partner

hlb.com.au

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 30 June 2021

		2021	Restated 2020
	Note	\$	\$
Revenue			
Revenue from contracts with customers	6	7,029,415	5,969,377
Other income		443,000	280,000
Finance income	7(a)	3,183	6,291
Total income and revenue		7,475,598	6,255,668
Employee benefits expense		(3,940,814)	(3,465,373)
Third party product and service costs		(1,654,965)	(1,255,832)
General and administration costs		(301,664)	(209,347)
Bad debts and movements in loss allowance for financial assets		100,983	(111,900)
Marketing expenses		(153,599)	(134,639)
Professional fees		(347,895)	(340,543)
Occupancy expenses		(57,827)	(66,623)
IT and telecommunications expense		(55,722)	(116,329)
Travel expenses		(8,503)	(65,595)
Finance expenses	7(b)	(61,682)	(110,315)
Depreciation		(210,869)	(219,147)
Amortisation	13(a)	(410,060)	(402,124)
Impairment of intangible assets	13(a)	(998,546)	-
Total expenses		(8,101,163)	(6,497,767)
Loss before income tax		(625,565)	(242,099)
Income tax benefit	9,30	137,536	42,009
Net loss for the year attributable to members of the parent entity		(488,029)	(200,090)
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified to profit or loss when specific conditions are met		-	-
Total comprehensive loss for the year attributable to members of the parent entity		(488,029)	(200,090)
Earnings per share:			
Basic earnings/(loss) per share (cents)	26	(1.15)	(0.51)
Diluted earnings/(loss) per share (cents)	26	(1.15)	(0.51)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As At 30 June 2021

	Note	2021 \$	Restated 2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	10	4,840,318	666,276
Trade and other receivables	11	550,536	1,208,968
Other assets	16	140,496	114,009
TOTAL CURRENT ASSETS		5,531,350	1,989,253
NON-CURRENT ASSETS			
Property, plant and equipment	12	5,281	34,956
Intangible assets	13	2,959,823	3,939,689
Deferred tax assets	14(a),30	422,488	338,998
Right-of-use assets	15	3,332	201,802
Other assets	16	118,392	116,350
TOTAL NON-CURRENT ASSETS		3,509,316	4,631,795
TOTAL ASSETS		9,040,666	6,621,048
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	17	1,362,270	1,059,512
Contract liabilities	18	2,418,336	2,622,080
Borrowings	19	159,476	360,111
Lease liabilities	15	2,804	181,674
Provisions	20	1,044	50,000
Employee benefits	21	716,502	582,053
TOTAL CURRENT LIABILITIES		4,660,432	4,855,430
NON-CURRENT LIABILITIES			
Contract liabilities	18	142,936	218,604
Borrowings	19	141,106	271,098
Deferred tax liabilities	14(b),30	28,065	82,111
Lease liabilities	15	728	3,532
Employee benefits	21	27,078	39,669
TOTAL NON-CURRENT LIABILITIES		339,913	615,014
TOTAL LIABILITIES		5,000,345	5,470,444
NET ASSETS		4,040,321	1,150,604
EQUITY			
Issued capital	22	24,354,141	21,745,526
Reserves	23	1,058,264	292,140
Accumulated losses	24,30	(21,372,160)	(20,887,138)
Total equity attributable to equity holders of the Company		4,040,245	1,150,528
Non-controlling interest	25	76	76
TOTAL EQUITY		4,040,321	1,150,604

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2021

2021

		Issued	Accumulated	Foreign	Option	Non-controlling	Total
	Note	Capital	Losses	Currency	Reserve	Interests	
		\$	\$	Translation	\$	\$	\$
				Reserve			
Balance at 1 July 2020 (restated)		21,745,526	(20,887,138)	24,234	267,906	76	1,150,604
Net loss attributable to members of the parent entity		-	(488,029)	-	-	-	(488,029)
Transactions with owners in their capacity as owners							
Contribution of equity, net of transaction costs		2,592,308	-	-	750,778	-	3,343,086
Share-based payment transactions	23	-	-	-	34,660	-	34,660
Lapsed employee share options	23,24	-	3,007	-	(3,007)	-	-
Exercised options	23	16,307	-	-	(16,307)	-	-
Balance at 30 June 2021		24,354,141	(21,372,160)	24,234	1,034,030	76	4,040,321
2020 (Restated)							
Balance at 1 July 2019		20,961,242	(21,860,745)	24,234	149,977	76	(725,216)
Adjustment due to adoption of AASB 16	24	-	86,903	-	-	-	86,903
Correction of prior period error	24,30	-	1,021,373	-	-	-	1,021,373
Balance at 1 July 2019 (restated)		20,961,242	(20,752,469)	24,234	149,977	76	383,060
Net loss attributable to members of the parent entity		-	(200,090)	-	-	-	(200,090)
Transactions with owners in their capacity as owners							
Contribution of equity, net of transaction costs		758,934	-	-	-	-	758,934
Options issued as part of rights issue	23	-	-	-	175,973	-	175,973
Share-based payment transactions	23	-	-	-	32,727	-	32,727
Lapsed employee share options	23,24	-	65,421	-	(65,421)	-	-
Previously exercised options	23	25,350	-	-	(25,350)	-	-
Balance at 30 June 2020 (restated)		21,745,526	(20,887,138)	24,234	267,906	76	1,150,604

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers (inclusive of GST)	8,497,704	7,016,268
Payments to suppliers (inclusive of GST) and employees	(7,076,592)	(7,342,196)
Interest received	3,183	6,291
Finance costs	(53,774)	(93,789)
Income taxes received	-	272,387
Net cash provided by/(used in) operating activities	1,370,521	(141,039)
	27	
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment for intangible assets	(695,343)	(698,068)
Purchase of property, plant and equipment	-	(789)
Receipts from Research and Development Grants	266,603	446,080
Net cash provided by/(used in) investing activities	(428,740)	(252,777)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issue of shares	4,004,532	1,010,368
Repayment of borrowings	(330,627)	(534,432)
Payment of transaction costs	(256,405)	(75,461)
Repayment of lease liabilities	(185,239)	(144,373)
Net cash provided by/(used in) financing activities	3,232,261	256,102
Net increase/(decrease) in cash and cash equivalents held	4,174,042	(137,714)
Cash and cash equivalents at beginning of year	666,276	803,990
Cash and cash equivalents at end of financial year	4,840,318	666,276
	10(a)	

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2021

The consolidated financial report covers Global Health Limited and its controlled entities ('the Group'). Global Health Limited is a for profit listed public company limited by shares, incorporated, and domiciled in Australia.

Global Health Limited shares are listed on the Australian Securities Exchange (ASX code: GLH).

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The financial report was authorised for issue by the Directors on 30 September 2021.

When required by Accounting Standards, or when deemed appropriate by management for financial reporting clarity, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

1. Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001*.

These financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets, and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2. Summary of Significant Accounting Policies

(a) Basis for consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to a controlled entity's financial position, performance, and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a June financial year end.

A list of controlled entities is contained in Note 35 to the financial statements.

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the parent has control. Control is established when the parent 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 relevant activities of the entity.

(b) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Group expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Group have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Group are:

Subscription fees

Subscription fees refer to software provided as a service and is only accessible whilst the customer maintains an active subscription. Subscription fees are a non-refundable revenue stream. Clients subscribe to software services in advance ranging from monthly, quarterly, half yearly to annual payments. They are proportionally accrued in arrears, at the end of each month and recognised as revenue over the subscription period. An active subscription entitles the customer to a usage of software services (and cloud-based services if available), help desk telephone support, online support and product enhancements as made available.

The performance obligation for subscription fees is the provision of the agreed software, and associated services as noted above, during the contracted subscription period.

For each active subscription contract, subscription fee revenue is recognised over time, on the provision of the service to the customer, which takes place on a constant and continuing basis over the fixed period of time set out in the customer contract.

Where a subscription fee includes an amount in excess of what normally would be charged for an annual subscription, this excess will be recognised over the expected lifespan of the client being five years.

In situations where a subscription is issued to a customer which does not include ongoing support/maintenance, this is classified as a "passive subscription" and the Group recognises all revenue associated with the subscription when access is provided to the customer. Such subscriptions require no further input from the Group to remain functional. Customers are made aware of these terms before the subscription is issued.

Other subscription revenue

Other subscription revenue can include, but is not limited to, excess usage fees, additional user accounts, SMS packages and upgrade fees.

Such revenue is recognised over time, on the provision of the service to the customer, which takes place over the fixed period of time set out in the customer contract.

Professional services

Treatment of our professional services revenue is dependent on the timing of services provided, the nature of services performed and when benefits are transferred to our customers.

Professional services are split into three distinct categories to allow for identification and recognition:

Implementation: These services are associated with bringing the software into use. Such services are not considered to be complex or overly time consuming and where applicable can be performed by a third party. Recognition of the revenue occurs at a point in time, being the delivery of the service to the customer. These services can include (but are not limited to): Software installation, usage training, system testing, deployment (local or cloud server) and configuration.

Development: Software provided to clients is done so in a ready to use capacity. Where further development and enhancement is required by the customer, it is done in addition to normal initiation and deployment services. The standard software is available for use during this process and enhancements are provided to the customer as they finish development. Recognition of revenue for these services occurs at a point in time which is the provision of performance obligation(s) which provide a benefit to the customer over and above what they would have received should they have used the unmodified software.

Other services: Other services are performed for customers on an "as needed" basis. The scope of such services is usually significantly smaller than other services performed. Recognition of revenue for such services is recognised at a point in time, being the time of completion of the services required by the customer.

Statement of financial position balances relating to revenue recognition

Contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or the before payment is due, the Group presents the contract as a contract asset, unless the Group's rights to that amount of consideration are unconditional, in which case the Group recognises a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Group presents the contract as a contract liability.

Interest income

Interest income 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 income

Other income is recognised on an accruals basis when the Group is entitled to it.

(c) Government grants

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

(d) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(e) Income Tax

The tax expense recognised in the consolidated statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is provided on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the consolidated financial statements.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the consolidated statement of cash flows and are presented within current liabilities on the consolidated statement of financial position.

(g) Financial instruments

Financial instruments are recognised initially on the date that the Group becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Group classifies its financial assets into the following category, those measured at:

- amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Group uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Group in full, without recourse to the Group to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Group in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables and contract assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Group has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in profit or loss. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Group renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Group measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Group comprise trade payables, bank and other loans and lease liabilities.

Trade and other payables

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

(h) Leases

At inception of a contract, the Group assesses whether a lease exists i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Group has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

Non-lease components included in a lease agreement may be separated and recognised as an expense as incurred.

At the lease commencement, the Group recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Group believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Group's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured if there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Group's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Group has elected to apply the exceptions to lease accounting for both short term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Group recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(i) Property, plant, and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the asset's useful life to the Group, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	13% - 67%
Leasehold improvements	29% - 37%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(j) Intangibles

Developed products

Developed products are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Developed products have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project which is at least 10 years.

Products under development

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in profit or loss as incurred. The carrying value of products under development are reviewed annually when the asset is not yet available for use, or when events or circumstances indicate that the carrying value may be impaired. On commercialisation of these products which is represented by when the asset is available for use, the capitalised costs relating to the project is transferred to Developed products.

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

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

(k) Impairment of non-financial assets

At the end of each reporting period the Group determines whether there is any evidence of impairment for its non-financial assets.

Where an indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or CGU.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

(l) 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.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

(m) Employee benefits

Short-term employee benefits

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

The Group's obligations for short term employee benefits such as wages and salaries are recognised as a part of current employee benefits in the consolidated statement of financial position.

Other long-term employee benefits

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

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

Defined contribution schemes

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

(n) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the consolidated statement of profit or loss and other comprehensive income.

(o) Equity settled compensation

Equity settled compensation benefits are provided to employees via the Employee Share Option Plan, Exempt Employee Share Plan, Equity Incentive Plan and Long-Term Incentive Plan. Information relating to these schemes is set out in Note 28.

Employee options

The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black-Scholes pricing model which incorporates all market vesting conditions. The amount to be expensed is determined by reference to the fair value of the options or shares granted, this expense takes in account any market performance conditions and the impact of any non-vesting conditions but ignores the effect of any service and non-market performance vesting conditions.

Non-market vesting conditions are taken into account when considering the number of options expected to vest. At the end of each reporting period, the Group revises its estimate of the number of options which are expected to vest based on the non-market vesting conditions. Revisions to the prior period estimate are recognised in profit or loss and equity.

Exempt Employee Share Plan

Under the exempt employee share plan, shares issued by the Group to employees for no cash consideration vest immediately on grant date. On this date, the market value of the shares issued is recognised as an employee benefits expense with a corresponding increase in equity.

Performance Rights

The fair value of performance rights granted to employees for nil consideration under the Long-Term Incentive Plan is recognised as an expense over the relevant service period, being the year to which the bonus relates and the vesting period of the rights.

The fair value is measured at the grant date of the rights and is recognised in equity in the options reserve. The fair value of rights with market vesting conditions is ascertained using a Monte Carlo pricing model which incorporates all market vesting conditions. The amount to be expensed is determined by reference to the fair value of the options or shares granted, this expense takes in account any market performance conditions and the impact of any non-vesting conditions but ignores the effect of any service and non-market performance vesting conditions. The number of rights expected to vest is estimated based on the non-market vesting conditions. The fair value of rights with only non-market vesting conditions is ascertained using a Black-Scholes pricing model. The estimates are revised at the end of each reporting period and adjustments are recognised in profit or loss and the options reserve.

Where rights are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognised in relation to such shares are reversed effective from the date of the forfeiture.

(p) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options which vest immediately are recognised as a deduction from equity, net of any tax effects.

(q) Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share adjusts the 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 additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(r) Foreign currency transactions and balances

Transactions and balances

Foreign currency transactions are recorded at the spot rate on the date of the transaction.

At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;
- Non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value are translated using the rate at the date when fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition or in prior reporting periods are recognised through profit or loss, except where they relate to an item of other comprehensive income or whether they are deferred in equity as qualifying hedges.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period where the average rate approximates the rate at the date of the transaction; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the consolidated statement of financial position. These differences are recognised in the consolidated statement of profit or loss and other comprehensive income in the period in which the operation is disposed.

(s) Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the result of the Group only. Supplementary information about the parent entity is disclosed in Note 36.

(t) Going concern

As at 30 June 2021, the Group has cash reserves of \$4,840,318 (2020: \$666,276) and an excess of current assets over current liabilities of \$870,918 (2020: excess of current liabilities over current assets of \$2,866,177). The current liabilities as at 30 June 2021 and 2020 contain a contract liability account, which represents the result of accounting adjustments and do not represent amounts currently payable, or expected to become payable, to third parties. If these liability accounts are removed from the calculation of the excess of current assets over current liabilities at 30 June 2021, the excess of current assets over current liabilities at that date is increased to \$3,289,254 (2020: excess of current liabilities over current assets at that date is reduced to \$244,097). As disclosed in Note 38, it is currently difficult to reliably estimate with any degree of certainty the potential impact of the COVID 19 pandemic on the Group's future operations, results, or financial position.

The current year loss before tax was \$625,565 (2020: loss before tax of \$242,099).

As at 30 June 2021, the Group had a cash and cash equivalents of \$4,840,318, which included monies received from the first tranche of a successful two tranche institutional share placement of \$3.907 million before costs. In August 2021, subsequent to obtaining shareholders approval at an EGM, a further \$3.907 million before costs was received as part of the second tranche. Further, the cash flow forecast prepared by management for the 18-month period to December 2022, indicates that the Group has sufficient funds to fund its operations and to meet their debts as and when they fall due.

Based on the above, the Directors believe that the Group will be able to continue as a going concern and, accordingly, the financial statements have been prepared on that basis.

(u) Goods and services tax (GST)

Revenue, expenses, and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the consolidated statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(v) Adoption of new and revised accounting standards

The Group has adopted all standards which became effective for the first time at 1 July 2020, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Group.

(w) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Directors have decided against early adoption of these Standards, but does not expect the adoption of these standards to have any material impact on the reported position or performance of the Group.

3. Critical Accounting Estimates and Judgements

The Directors make estimates and judgements during the preparation of these consolidated financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of intangible assets

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of intangible assets are reassessed using value in use calculations which incorporate various key assumptions, including estimated discount rates and growth rates of estimated future cash flows.

With respect to cash flow projections in Australia and overseas, modest growth rates have been factored into valuation models for developed products over the next five years on the basis of management's expectations around the Group's continued ability to capture market share from competitors. Higher growth rates and longer periods of cash flow (up to 10 years) are forecast for under development and newly developed products.

Refer to Notes 13(b) and 13(c) for further details.

Key estimates - share-based payments

Equity-settled share awards are recognised as an expense based on their fair value at date of grant. The fair value of equity settled share options is estimated through the use of option valuation models – which require inputs such as the risk-free interest rate, expected dividends, expected volatility and the expected option life – and is expensed over the vesting period.

Some of the inputs used, such as the expected option life, are not market observable and are based on estimates derived from available data, such as employee exercise behaviour. The models utilised, such as the Black-Scholes option pricing model, are intended to value options traded in active markets. The share options issued by the Group, however, have a number of features that make them incomparable to such traded options. Using different input estimates or models could produce different option values, which would result in the recognition of a higher or lower expense. Refer to Note 28 for further details.

Key estimates - provisions for expected credit losses

The Group uses a provision matrix to calculate the expected credit loss (ECL) for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. Additionally, the Group adjusts the historical credit loss experience with forward looking information.

The amount of the ECL recognised is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Key estimates - useful lives of assets

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

Key judgements - deferred tax assets

Determining income tax provisions involves judgement on the tax treatment of certain transactions. Deferred tax is recognised on tax losses not yet used and on temporary differences where it is probable that there will be taxable revenue against which these can be offset. Management has made judgements as to the probability of future taxable revenues being generated against which tax losses will be available for offset based on budgets, current and future expected economic conditions.

Key judgements - capitalisation of development costs

Distinguishing the research and development phases of a new customised software project and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired.

4. Differences Between Preliminary and Final Report

Subsequent to the announcement of its preliminary results on 31 August 2021, the Group performed an overall review of its tax calculations, specifically in relation to the treatment of certain key items for tax purposes. The material changes between the results disclosed in the preliminary report and this annual report relate to a correction of prior period error as a result of this review. Refer to Note 30 Correction of Prior Period Error for further details.

5. Operating Segments

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Group operates in a single segment, being the computer technology, software and services industry with particular emphasis on healthcare and associated professional services. In respect of geographical segments, the Group does not conduct material activities outside the Australia geographic area.

6. Revenue from Contracts with Customers

Disaggregation of revenue

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

	2021	2020
	\$	\$
<i>Major product lines:</i>		
- Recurring software subscriptions	4,021,255	3,612,263
- Expansion revenue and additional usage fees	703,069	567,145
- Professional services rendered	1,641,029	965,317
- Other product revenue	664,062	824,652
Total revenue	7,029,415	5,969,377
<i>Geographical regions:</i>		
- Australia	7,029,415	5,969,377
- Other	-	-
Total revenue	7,029,415	5,969,377
<i>Timing of revenue recognition:</i>		
- Point in time	2,678,538	2,069,498
- Over time	4,350,877	3,899,879
Total revenue	7,029,415	5,969,377

7. Finance Income and Expenses

(a) Finance income

	2021	2020
	\$	\$
<i>Interest income</i>		
- Assets measured at amortised cost	3,183	6,290
Net foreign currency gain on financial assets and liabilities	-	1
Total finance income	3,183	6,291

(b) Finance expenses

Interest expense on lease liability	6,170	16,526
Net foreign currency loss on financial assets and liabilities	1,738	-
Other finance expenses	53,774	93,789
Total finance expenses	61,682	110,315

8. Expenses

The result for the year includes the following specific expenses:

	2021	2020
	\$	\$
<i>Employee benefits expense excluding superannuation:</i>		
Employee benefits expense excluding superannuation net of capitalised development costs	3,566,601	3,177,830
<i>Superannuation expense:</i>		
Defined contribution superannuation expense	374,213	287,543
<i>Share-based payments expense:</i>		
- Share-based payments expense	34,661	32,727

9. Income Tax Expense

(a) The major components of tax expense (income) comprise:

	2021	Restated 2020
	\$	\$
<i>Deferred tax - origination and reversal of temporary differences:</i>		
- Decrease/(increase) in deferred tax assets	(83,490)	(107,148)
- Increase/(decrease) in deferred tax liabilities	(54,046)	65,139
Total income tax expense/(benefit)	(137,536)	(42,009)
(b) Reconciliation of income tax to accounting result:		
Loss before income tax	(625,565)	(242,099)
Statutory tax rate	26.00%	27.50%
Prima facie tax at the statutory rate	(162,647)	(66,577)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
- Other expenses (non-deductible)	50,656	35,692
- Entertainment (non-deductible)	164	3,448
- Capital raising costs	(36,845)	(3,924)
- Other non-assessable income	(5,000)	(26,000)
- Change in tax rates	16,136	15,352
Total income tax expense/(benefit)	(137,536)	(42,009)
(c) Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	2,242,083	2,540,536
Potential tax benefit @ 25% (2020: 26%)	560,521	660,539

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

10. Cash and Cash Equivalents

		2021	2020
	Note	\$	\$
Cash on hand		601	601
Cash at bank		4,839,717	665,675
Total cash and cash equivalents	10(a)	4,840,318	666,276

(a) Reconciliation of cash

Cash and cash equivalents reported in the consolidated statement of cash flows are reconciled to the equivalent items in the consolidated statement of financial position as follows:

Cash and cash equivalents	10	4,840,318	666,276
Balance as per consolidated statement of cash flows		4,840,318	666,276

11. Trade and Other Receivables

		2021	2020
	Note	\$	\$
CURRENT			
Trade receivables		531,999	1,333,057
Less: Loss allowance	11(a)	(24,947)	(125,930)
		507,052	1,207,127
Employee loans		33,024	-
Other receivables		10,460	1,841
Total current trade and other receivables		550,536	1,208,968

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

(a) Impairment of receivables

The Group has recognised a gain of \$100,983 (2020: loss of \$19,031) in profit or loss in respect of movements in loss allowance for the year ended 30 June 2021. Further \$NIL has been written off as bad debts during the year (2020: \$92,868).

The ageing of the receivables and loss allowance provided for above are as follows:

	Within Maturity					
30 June 2021	(0-30 days)	31-60 days	61-90 days	90-120 days	>120 days	Total
Expected loss rate (%)	4.05	8.32	12.82	20.60	12.37	
Gross carrying amount (\$)	481,656	24,368	1,943	2,160	21,872	531,999
ECL provision (\$)	(19,520)	(2,027)	(249)	(445)	(2,706)	(24,947)

30 June 2020	Within Maturity					Total
	(0-30 days)	31-60 days	61-90 days	90-120 days	>120 days	
Expected loss rate (%)	4.22	12.76	18.15	25.83	36.08	
Gross carrying amount (\$)	1,045,323	45,170	43,774	35,508	163,282	1,333,057
ECL provision (\$)	(44,138)	(5,765)	(7,944)	(9,173)	(58,910)	(125,930)

(b) Reconciliation of changes in the provision for impairment of receivables is as follows:

	2021	2020
	\$	\$
Balance at beginning of the year	125,930	106,899
Additional loss allowances recognised	-	19,031
Unused amounts reversed	(100,983)	-
Balance at end of the year	24,947	125,930

12. Property, plant, and equipment

	2021	2020
	\$	\$
Plant and equipment		
At cost	205,481	233,633
Accumulated depreciation	(200,200)	(220,324)
Total plant and equipment	5,281	13,309
Leasehold Improvements		
At cost	-	178,787
Accumulated amortisation	-	(157,140)
Total leasehold improvements	-	21,647
Total property, plant and equipment	5,281	34,956

(a) Movements in carrying amounts of property, plant, and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current and previous financial year:

	Plant and Equipment	Leasehold Improvements	Total
	\$	\$	\$
Year ended 30 June 2021			
Balance at the beginning of year	13,309	21,647	34,956
Disposals	(1,979)	(15,297)	(17,276)
Depreciation expense	(6,049)	(6,350)	(12,399)
Balance at the end of the year	5,281	-	5,281
Year ended 30 June 2020			
Balance at the beginning of year	24,202	30,642	54,844
Additions	789	-	789
Disposals	-	-	-
Depreciation expense	(11,682)	(8,995)	(20,677)
Balance at the end of the year	13,309	21,647	34,956

13. Intangible Assets

	2021	2020
	\$	\$
Developed products		
Cost *	5,900,104	6,025,285
Accumulated amortisation	(2,217,662)	(1,780,277)
Accumulated impairment	(1,888,602)	(917,381)
Net carrying value	1,793,840	3,327,627
Products under development		
Cost	1,165,983	612,062
Net carrying value	1,165,983	612,062
Total Intangibles	2,959,823	3,939,689

* Developed products have finite useful lives of 10 years which are amortised on a straight-line basis over their effective life. The current amortisation charges for intangible assets have been separately presented as amortisation expense in the consolidated statement of profit or loss and other comprehensive income.

(a) Movements in carrying amounts of intangible assets

Movement in the carrying amounts for each class of intangible assets between the beginning and the end of the current and previous financial year:

	Products under development	Developed products	Total
	\$	\$	\$
Year ended 30 June 2021			
Balance at the beginning of the year	612,062	3,327,627	3,939,689
Additions	721,550	12,412	733,962
Amortisation expense	-	(410,060)	(410,060)
Impairment loss (Note 13(c))	-	(998,546)	(998,546)
Adjustment	-	(38,619)	(38,619)
R&D tax offset allocated	(167,629)	(98,974)	(266,603)
Closing value at 30 June 2021	1,165,983	1,793,840	2,959,823
Year ended 30 June 2020			
Balance at the beginning of the year	2,387,248	1,702,577	4,089,825
Additions	612,062	86,006	698,068
Transfers in/(out)	(2,387,248)	2,387,248	-
Amortisation expense	-	(402,124)	(402,124)
R&D tax offset allocated	-	(446,080)	(446,080)
Closing value at 30 June 2020	612,062	3,327,627	3,939,689

(b) Impairment testing of products under development

Irrespective of whether there is any indication of impairment, the Group will test an intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed as at the end of the financial period. The impairment testing is performed based on the CGUs identified by software product lines.

As at 30 June 2021, impairment indicators were identified for specific CGUs which triggered the performance of a detailed impairment assessment on the following basis:

The recoverable amount of each CGU above is determined based on value in use calculations. Value in use is calculated based on the present value of cash flow projections over a 5-year period, except for products which are in the early stages of their lifecycle, where an extended cash flow projection over a maximum 10-year period is applied instead. The cash flows are discounted using a pre-tax discount rate of 16.75% (2020: 14.75%). Further, the estimation of terminal values for each product has been excluded from the value in use calculations on the basis that cash flows are not expected to continue into perpetuity and the useful life of intangible assets is estimated to be 10 years. The following key assumptions were used in the value in use calculations:

- Growth rates (sales) - existing products 5% to 36% growth (2020: 5% to 30%)
- Growth rates (sales) - new products 25% to 168% growth (2020: 50% to 250%)

Management has based the value in use calculations on budgets for each type of product. Costs are calculated taking into account historical gross margins as well as estimated weighted average inflation rates over the period, which are consistent with inflation rates applicable to the locations in which the Group operates.

(c) Impairment of developed products

Management completed an impairment assessment at 30 June 2021 and concluded that, an impairment charge totalling \$998,546 (2020: \$NIL) was required to be recognised for the year ended 30 June 2021 in respect of certain developed products.

The recoverable amounts of the impacted product CGUs were less than their carrying values resulting from COVID-19 impacts on sales velocity and related allowances required to be made in respect of revenue projections. In particular, the challenges in conducting the rollout of implementation plans with customers due to various unprecedented lockdowns and restrictions imposed by the Government to prevent the spread of COVID-19, has and potentially will continue to impact the Group's ability to achieve expected revenue growths in the next 12 months.

14. Tax assets and liabilities

(a) Deferred Tax Assets

	Opening Balance (Restated) \$	Charged to P&L \$	Changes in Tax Rate \$	Closing Balance \$
Deferred tax assets				
Leases	-	61,154	-	61,154
Provisions - employee benefits	202,453	(7,564)	(11,044)	183,845
Loss allowance	29,397	4,948	(1,603)	32,742
Capital raising costs	-	15,696	-	15,696
Accruals	-	45,561	-	45,561
Balance at 30 June 2020 (Restated)	231,850	119,795	(12,647)	338,998
Leases	61,154	(57,658)	(2,352)	1,144
Provisions - employee benefits	183,845	34,995	(7,071)	211,769
Loss allowance	32,742	(25,246)	(1,259)	6,237
Capital raising costs	15,696	128,516	(604)	143,608
Accruals	45,561	15,921	(1,752)	59,730
Balance at 30 June 2021	338,998	96,528	(13,038)	422,488

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Group's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit.

(b) Deferred Tax Liabilities

	Opening Balance (Restated) \$	Charged to P&L \$	Changes in Tax Rate \$	Closing Balance \$
Deferred tax liabilities				
Prepayments	16,972	11,745	925	29,642
Right-of-use assets	-	52,469	-	52,469
Balance at 30 June 2020 (Restated)	16,972	64,214	925	82,111
Prepayments	29,642	(3,551)	1,141	27,232
Right-of-use assets	52,469	(53,654)	2,018	833
Balance at 30 June 2021	82,111	(57,205)	3,159	28,065

15. Leases**The Group as a lessee**

The Group has leases over a range of assets including buildings and carpark (office premises), and office equipment.

Information relating to the leases in place and associated balances and transactions are provided below.

Terms and conditions of leasesBuilding and carpark (office premises)

During the financial year ended 30 June 2021, the Group moved its offices into a flexible coworking space. There is no fixed term to the agreement and the private office fees are charged on a month-on-month basis commencing 1 June 2021. A minimum notice period of 3 months is required from either party to terminate the agreement.

The Group has elected to apply the exception to lease accounting for short term leases (i.e. leases with a term of less than or equal to 12 months) to this new agreement and has recognised the payments associated with these leases as an expense on a straight line basis over the lease term. Therefore, no right of use asset or lease liability is recognised in respect of this new agreement.

During the period until May 2021 (including the year ended 30 June 2020), the Group leased an office space plus 2 carpark lots for their corporate office. The lease was for a term of 7 years commencing 14 July 2014 and includes a renewal option to allow the Group to renew for an additional term of 5 years to 13 July 2026.

The corporate office and carpark leases contained an annual pricing mechanism based on fixed rate movements of 3.5% per annum at each anniversary of the lease inception.

Office equipment

The Group has an agreement for the lease of a photocopier for a term of 5 years commencing 27 September 2017.

Right-of-use assets

	Buildings & Carpark \$	Office Equipment \$	Make Good on Office Premises \$	Total \$
Year ended 30 June 2021				
Balance at beginning of the year	170,806	5,996	25,000	201,802
Depreciation expense	(170,806)	(2,664)	(25,000)	(198,470)
Balance at end of year	-	3,332	-	3,332
Year ended 30 June 2020				
Balance at beginning of the year	-	-	-	-
Adjustments on adoption of AASB 16 on 1 July 2019	341,611	8,661	-	350,272
Add: Provision for make good	-	-	50,000	50,000
Depreciation expense	(170,805)	(2,665)	(25,000)	(198,470)
Balance at end of year	170,806	5,996	25,000	201,802

	2021 \$	2020 \$
Lease liabilities		
CURRENT		
Lease liabilities	2,804	181,674
Total current lease liabilities	2,804	181,674
NON-CURRENT		
Lease liabilities	728	3,532
Total non-current lease liabilities	728	3,532

Consolidated Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the consolidated statement of profit or loss and other comprehensive income relating to leases where the Group is a lessee are shown below:

Interest expense on lease liabilities	(6,170)	(16,526)
Depreciation of right-of-use assets	(198,470)	(198,470)
	(204,640)	(214,996)

Consolidated Statement of Cash Flows

Total cash outflow for leases	(185,239)	(144,373)
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16. Other Assets

	2021	2020
	\$	\$
CURRENT		
Prepayments	108,926	114,009
Security deposit	31,570	-
Total current other assets	140,496	114,009
NON-CURRENT		
Security bond - office lease	118,392	116,350
Total non-current other assets	118,392	116,350

17. Trade and Other Payables

	2021	2020
	\$	\$
CURRENT		
Trade payables	619,096	673,882
Sundry payables and accrued expenses	743,174	385,630
Total current trade and other payables	1,362,270	1,059,512

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

18. Contract Liabilities

	2021	2020
	\$	\$
CURRENT		
Contract liabilities	2,418,336	2,622,080
Total current contract liabilities	2,418,336	2,622,080
NON-CURRENT		
Contract liabilities	142,936	218,604
Total non-current contract liabilities	142,936	218,604

Contract liabilities comprises annual licence and maintenance in advance fees for the right to use our software, minor fixes, rights to updated versions and limited held line support. These are invoiced up to 12 months in advance. The revenue is recognised monthly as the services are provided to clients. Also included in non-current contract liabilities are amounts related to initial once off licence fees which are recognised monthly over the life of the respective contracts.

Reconciliation of contract liabilities

The following table shows the value of revenue recognised during the year ended 30 June 2021 that relates to contract liabilities recognised at 30 June 2020:

	2021	2020
	\$	\$
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Annual licence and maintenance in advance fees	2,840,684	1,901,900
Less: Balance of initial licence fees not yet recognised	(218,604)	(280,406)
	2,622,080	1,621,494

19. Borrowings

	2021	2020
Note	\$	\$
CURRENT		
<i>Unsecured liabilities:</i>		
Supplier funding loan	29,484	26,090
	29,484	26,090
<i>Secured liabilities:</i>		
Other loans and borrowings	19(a) 129,992	334,021
	129,992	334,021
Total current borrowings	159,476	360,111
NON-CURRENT		
<i>Secured liabilities:</i>		
Other loans and borrowings	19(a) 141,106	271,098
	141,106	271,098
Total non-current borrowings	141,106	271,098
Total borrowings	300,582	631,209

(a) Other loans and borrowings

Interest bearing liabilities are provided to the Group on terms of 5 years and an average effective interest rate of 8.59%.

In relation to the above loans, the lenders have liens over approximately \$70,000 of office equipment which can be claimed in the event of default.

Refer to Note 29 for further information on financial instruments.

20. Provisions

	2021	2020
	\$	\$
CURRENT		
Lease make good provision	1,044	50,000
Total current provisions	1,044	50,000

This relates to a provision for the estimated costs that may be incurred to make good the office premises upon completion or termination of the lease.

21. Employee Benefits

	2021	2020
	\$	\$
CURRENT		
Long service leave	386,239	318,611
Provision for employee benefits	330,263	263,442
Total current employee benefits	716,502	582,053
NON-CURRENT		
Long service leave	27,078	39,669
Total non-current employee benefits	27,078	39,669

22. Issued Capital

	2021	2020
	\$	\$
49,528,085 (2020: 42,098,320) fully paid Ordinary shares	25,091,048	21,820,987
Share issue costs	(736,907)	(75,461)
Total issued capital	24,354,141	21,745,526

(a) Ordinary Shares

	2021	2020
	No.	No.
At the beginning of the reporting period	42,098,320	33,678,592
Shares issued during the year		
- Shares issued pursuant to completion of rights issue at 12 cents per share (11 November 2019)	-	8,419,728
- Shares issued via placement at 55.5 cents per share (22 June 2021)	7,039,640	-
- Shares issued on exercise of options at 25 cents per share	390,125	-
At the end of the reporting period	49,528,085	42,098,320

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The Company does not have authorised capital or par value in respect of its shares.

(b) Capital Management

The key objectives of the Group when managing capital is to safeguard its ability to continue as a going concern, provide returns for shareholders and benefits to stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

The Group defines capital as its equity and net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

The Group manages its capital structure and makes funding decisions based on the prevailing economic environment and has a number of tools available to manage capital risk. These include maintaining a diversified debt portfolio, the ability to adjust the size and timing of dividends paid to shareholders and the issue of new shares.

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

There has been no change to capital risk management policies during the year.

23. Reserves

	2021	2020
	\$	\$
Foreign currency translation reserve		
Opening balance	24,234	24,234
Closing balance	<u>24,234</u>	<u>24,234</u>
Option reserve		
Opening balance	267,906	149,977
Share-based payment expense	34,660	32,727
Options issued as part of rights issue	-	175,973
Options issued as part of a placement	750,778	-
Lapsed/forfeited employee share options	(3,007)	(60,792)
Exercised options	(16,307)	-
Previously lapsed employee share options	-	(4,629)
Previously exercised options	-	(25,350)
Closing balance	<u>1,034,030</u>	<u>267,906</u>
Total reserves	<u>1,058,264</u>	<u>292,140</u>

(a) Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

(b) Share option reserve

This reserve records the cumulative value of employee or other services received for the issue of share options. When the option is exercised the amount in the share option reserve is transferred to share capital.

24. Accumulated Losses

		Restated
	2021	2020
Note	\$	\$
Accumulated losses at the beginning of the financial year	(20,887,138)	(21,860,745)
Adjustment due to adoption of AASB 16	-	86,903
Correction of prior period error	-	1,021,373
	<hr/>	<hr/>
Restated accumulated losses at the beginning of the financial year	(20,887,138)	(20,752,469)
Net profit/(loss) for the year	(488,029)	(200,090)
Lapsed employee share options	3,007	65,421
	<hr/>	<hr/>
Accumulated losses at end of the financial year	(21,372,160)	(20,887,138)

25. Non-Controlling Interest

The Company has a 93.8% (2020: 93.8%) interest in the subsidiary, Working Systems Solutions (Malaysia) Sdn Bhd. Retained earnings attributable to the non-controlling interest are as follows:

	2021	2020
	\$	\$
Retained profits	76	76
Total non-controlling interest	<hr/> 76	<hr/> 76

26. Earnings Per Share

(a) Reconciliation of earnings to profit or loss from continuing operations

	2021	Restated 2020
	\$	\$
Net profit/(loss) for the year attributable to the owners of the parent entity	(488,029)	(200,090)
Earnings used to calculate basic EPS from continuing operations	<hr/> (488,029)	<hr/> (200,090)
Earnings used in the calculation of dilutive EPS from continuing operations	<hr/> (488,029)	<hr/> (200,090)

(b) Earnings used to calculate overall earnings per share

Earnings used to calculate overall earnings per share	<hr/> (488,029)	<hr/> (200,090)
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(c) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

	2021	2020
	No.	No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	42,358,478	39,038,692
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	42,358,478	39,038,692

As the Group generated losses in the financial years ended 30 June 2021 and 30 June 2020, options and performance rights on issue would decrease the loss per share and are therefore anti-dilutive. Accordingly, issued options and performance rights are excluded from the calculations of diluted earnings per share.

27. Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities.

	2021	2020
	\$	\$
Net loss for the year	(488,029)	(200,090)
Cash flows excluded from profit attributable to operating activities		
- interest on lease liability	6,170	16,526
Non-cash flows in profit:		
- amortisation	410,060	402,124
- depreciation	210,869	219,147
- impairment of property, plant and equipment	998,546	-
- net loss on disposal of property, plant and equipment	17,275	-
- impairment of receivables	-	19,031
- share-based payment expense	34,661	32,727
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	658,432	(791,874)
- (increase)/decrease in other assets	(28,529)	(55,153)
- (increase)/decrease in deferred tax asset	(83,490)	(107,148)
- increase/(decrease) in contract liabilities	(279,412)	938,784
- increase/(decrease) in trade and other payables	(104,888)	(677,065)
- increase/(decrease) in deferred tax liability	(54,046)	65,140
- increase/(decrease) in provisions	(48,956)	-
- increase/(decrease) in employee benefits	121,858	(3,188)
Net cash provided by/(used in) operating activities	1,370,521	(141,039)

28. Share-Based Payments

During the year the board implemented a new Short Term Incentive Plan (STI Plan) and Long-Term Incentive Plan (LTI Plan) following advice received from an independent remuneration expert. The STI Plan entitles participating employees to cash payments if agreed key performance indicators are met. Under the LTI Plan, participating employees receive rights to receive shares in the future if certain vesting hurdles and performance criteria are met over periods of three to five years.

The LTI Plan was implemented following approval by shareholders of the new Equity Incentive Plan at the Annual General Meeting in 2020. The Group also has two legacy plans: the Employee Share Option Plan (ESOP) and the Exempt Employee Share Plan (EESP), which are described below and under which options have been issued to employees.

Details of the plans are outlined below.

Employee Share Option Plan

Under the Employee Share Option Plan (ESOP), the Company may grant options over shares to key executives, directors and other employees determined by the Directors to enable them to participate in the future growth and profitability of the Company. The intent is to provide an incentive for performance, and reward for their contributions and to attract and retain personnel. The options are issued at no consideration. The exercise price of options is determined by the Directors, having regard to the weighted average market price of the Company's shares prior to the date of grant of the option. Options vest in accordance with the Directors' determination, and generally one third vest each year over three years from the grant date, and options have an expiry date of five years from the grant date.

Options issued under the ESOP are not quoted on the Australian Securities Exchange ("ASX"). They are issued under the terms and conditions of the Plan approved by shareholders, which are available on the Company's website. Should an employee cease employment before the completion of two years after the issue of any employee option, the option issued automatically lapses, except where cessation is due to death or total permanent disability, retirement, redundancy or any other reason, based on which the Directors believe is fair and reasonable to warrant the employee maintaining their right to exercise the option, in which case they will have six (6) months to exercise the options.

Exempt Employee Share Plan

Under the Exempt Employee Share Plan (EESP), shares may be issued to employees for no cash consideration. All directors, officers or employees who are from time to time engaged in full or part time work for the Company are eligible to participate in the EESP. The terms of the EESP are available on the Company's website.

Under the plan, eligible employees may be granted up to \$1,000 worth of fully paid ordinary shares in the Company for no cash consideration. The market value of the shares will be measured as the market price quoted for buyers of the Company shares at the close of trading on the day immediately preceding the date of the offer by the Directors as published by the ASX.

Offers under the plan are at the discretion of the Company and the shares cannot be transferred or assigned by the holder within the period of three years from the date of issue or transfer to the holder unless the holder ceases employment with the Company earlier than that date except that the holder may at any time transfer all or any of their shares to their spouse or to a Company in which the majority of the issued shares are beneficially owned by them or to any trust that the holder is a beneficiary of.

Equity Incentive Plan

During the year ended 30 June 2021, the Company adopted the new Global Health Limited Equity Incentive Plan (EIP) which was approved by shareholders at the Annual General Meeting held on 30 November 2020. The EIP is designed to attract, motivate, and retain key employees, to provide outstanding and ongoing commitment and effort to the Group.

This plan allows the Board, at its absolute discretion, to make offers to eligible employees to acquire securities in the Company and to otherwise incentivise employees. The offers may comprise any one or more of: rights; options; and restricted shares. At the time of making an offer, the Board must have reasonable grounds to believe that the total number of shares (or in respect of rights or options, the total number of shares which would be issued if those rights or options were exercised) will not exceed 5% of the total number of shares on issue when aggregated with the number of shares issued as a result of offers made at any time during the previous 3 year period under the Plan or an ASIC exempt arrangement of a similar kind to an employee incentive scheme.

The options and rights issued under the EIP are not quoted on the ASX. Application will be made to ASX for official quotation of any shares issued under the plan to the extent required by the ASX Listing Rules.

The Board may determine that the vesting of a right or exercise of an option will be satisfied by the Company making a cash payment in lieu of an allocation of shares. The Board may determine that some or all of the participant's rights or options will be settled in this way.

In respect of restricted shares, unless the Board determines otherwise, no payment is required for the grant of a restricted share, and it only ceases to be a restricted share (i.e. vests) where the vesting period and each other relevant condition (including all vesting conditions) advised to the participant by the Board have been satisfied or otherwise waived by the Board and the Company notifies the participant that the restrictions in respect of the restricted share have ceased or no longer apply.

Long Term Incentive Plan

During the year ended 30 June 2021, the Company initiated a new LTI as set out below:

For the year ended 30 June 2021, participation in the LTI entitled the eligible employees to 300,000 rights to acquire fully paid ordinary shares in the Company, subject to the achievement of vesting hurdles and agreed performance criteria over the period from 1 July 2020 to 30 June 2023. If the vesting hurdles and performance criteria are met over the period, some or all of the rights will vest on 30 June 2023. If the eligible employee remains employed by the Group, the vested rights will be exercisable until their expiry on 30 June 2026. Each vested right will entitle the eligible employee to receive one share in the Company at no cost.

The rights will constitute the long-term incentive component of the eligible employee's remuneration for the period 1 July 2020 to 30 June 2023.

Participation in the LTI award for the year ended 30 June 2021 does not guarantee participation in future years.

A summary of the Company options and rights granted under the ESOP and EIP are as follows:

2021		Exercise price	Start of the year	Granted during the year	Exercised during the year	Expired/ Forfeited during the year	Balance at the end of the year	Vested and exercisable at the end of the year
Grant Date	Expiry Date							
<u>Options</u>								
19 December 2016	30 November 2021 11 December 2024	0.75	600,000	-	-	-	600,000	600,000
12 December 2019		0.25	1,095,000	-	-	(150,000)	945,000	315,000
<u>Performance Rights</u>								
15 March 2021	30 June 2026	-	-	900,000	-	-	900,000	-
			1,695,000	900,000	-	(150,000)	2,445,000	915,000

2020		Exercise price	Start of the year	Granted during the year	Exercised during the year	Expired/ Forfeited during the year	Balance at the end of the year	Vested and exercisable at the end of the year
Grant Date	Expiry Date							
<u>Options</u>								
10 June 2015	10 June 2020	0.65	150,000	-	-	(150,000)	-	-
19 December 2016	30 November 2019	0.75	400,000	-	-	(400,000)	-	-
19 December 2016	30 November 2021	0.75	600,000	-	-	-	600,000	480,000
12 December 2019	11 December 2024	0.25	-	1,095,000	-	-	1,095,000	-
			1,150,000	1,095,000	-	(550,000)	1,695,000	480,000

The weighted average remaining contractual life of options outstanding at year end was 2.27 years (2020: 3.38). The weighted average exercise price of outstanding shares at the end of the reporting period was \$0.44 (2020: \$0.43).

The weighted average remaining contractual life of performance rights outstanding at year end was 5.00 years (2020: NIL).

During the year, NIL shares were issued under the EESP (2020: NIL).

The weighted average fair value of the performance granted during the year was \$0.38. These values were calculated by using a Black-Scholes option pricing model and Monte-Carlo Simulation applying the following inputs:

Grant date:	15 March 2021	15 March 2021
Expiry date:	30 June 2026	30 June 2026
Methodology	Black-Scholes	Monte-Carlo Simulation
Share price at grant date (\$):	0.41	0.41
Exercise price (\$):	-	-
Weighted average life of the option (years):	2.30	2.30
Expected share price volatility:	90.00%	90.00%
Dividend yield:	%	%
Risk-free interest rate:	0.08%	0.08%
Fair value at grant date (\$):	0.410	0.257

There were no options granted in the years ended 30 June 2021 and 30 June 2020 under the ESOP.

There were no performance rights granted in the year ended 30 June 2020 under the ESOP or EIP.

Historical volatility has been the basis for determining expected share price volatility as it assumed that this is indicative of future movements.

The share price at 30 June 2021 was \$0.475.

29. Financial Risk Management

The Group's financial instruments consist primarily of cash and cash equivalents, trade receivables, trade payables and borrowings. The Group does not have significant risk exposure to financial instruments and as such risk exposures are generally managed as part of the Group's overall strategic and operational risk management strategies. Consequently, there is currently no specific risk mitigating techniques employed. However, as the Group expands both domestically and internationally, management continues to monitor its exposure and will implement suitable policies when deemed necessary.

The financial instruments held by the Group are as follows:

	Note	2021 \$	2020 \$
Financial assets			
<i>Held at amortised cost</i>			
Cash and cash equivalents	10	4,840,318	666,276
Trade and other receivables	11	550,536	1,208,968
Total financial assets		5,390,854	1,875,244
Financial liabilities			
<i>Financial liabilities measured at amortised cost</i>			
Trade and other payables	17	1,362,270	1,059,512
Borrowings	19	300,582	631,209
Lease liabilities	15	3,532	185,206
Total financial liabilities		1,666,384	1,875,927

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group.

Credit risk arises from cash and deposits, trade receivables and loans receivable as well as from the parent's potential obligations under the indemnity guarantee provided to banks. The risk is largely managed through a policy of only dealing with creditworthy counterparties. Periodic assessments of debtor balances are undertaken and provisions for impairment are recognised where appropriate.

Maximum exposure to credit risk without taking account of any collateral held or other credit enhancements arising from the Group's recognised financial assets is considered to be equivalent to their carrying values at reporting date. Maximum exposures arising from the indemnity guarantee are as disclosed at Note 34 Contingencies and Guarantees. The Group has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

The majority of customers have long standing business relationships with the Group and their credit quality with respect to trade receivables is assessed as high.

All cash and cash equivalents are held with large reputable financial institutions within Australia, Malaysia and Singapore and therefore credit risk is considered low.

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

Liquidity risk is managed through monitoring current funds available, undrawn facilities and anticipated recovery of receivables and comparing with future funding requirements contained in management budgets and forecasts. In this regard, the timing of expected settlement of liabilities is also analysed so as to minimise risk with respect to obligations becoming past due. This is consistent with the prior year.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the consolidated statement of financial position due to the effect of discounting.

The table below reflects the undiscounted contractual maturity analysis for financial liabilities.

Financial liability maturity analysis – Non-derivative

	Weighted average		Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	Interest rate		2021	2020	2021	2020	2021	2020	2021	2020
	2021	2020	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment										
<i>Non-interest bearing</i>										
Trade and other payables	-	-	1,362,270	1,059,512	-	-	-	-	1,362,270	1,059,512
<i>Interest-bearing - fixed rate</i>										
Borrowings	8.59	8.59	159,476	360,111	141,106	271,098	-	-	300,582	631,209
Lease liabilities	6.00	6.00	2,940	187,845	735	3,675	-	-	3,675	191,520
Total contractual outflows			1,524,686	1,607,468	141,841	274,773	-	-	1,666,527	1,882,241

The timing of expected outflows is not expected to be materially different from contractual cashflows.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

(i) Foreign exchange risk

The Group controls subsidiaries in Malaysia and Singapore. The Group is therefore exposed to foreign exchange risk arising from exposure to currencies of these respective countries. Such risk arises from future transactions and assets and liabilities that are denominated in functional currencies other than the Australian dollar. Management does not engage in an active program of hedging exposure to foreign currencies.

At present, the Group's foreign currency exposure is not considered to be material.

(ii) Interest rate risk

The Group's main interest rate risk arises from long term borrowings. Borrowings obtained at variable rates expose the Group to interest rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. Based on the current portfolio of borrowings, the Group is not exposed to any significant interest rate risk.

(iii) Price risk

The Group is not exposed to any significant price risk.

30. Correction of Prior Period Error

Correction of treatment of refundable capitalised research and development expenditure for tax purposes

During the year ended 30 June 2021, management performed an overall review of the tax calculations and respective treatments. As part of this exercise, amongst other minor matters, it was found that the historical treatment of a deferred tax liability on refundable capitalised research and development was incorrectly applied, which necessitated reworking the tax calculations. This resulted in adjustments to the previously reported deferred tax calculations. As the matter identified related to periods preceding 1 July 2019, the majority of the impact was recognised as an adjustment to the opening balances as at 1 July 2019 in accordance with the requirements of AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

The aggregate effect of the error on the annual financial statements for the year ended 30 June 2021 is as follows:

	Previously stated	30 June 2020 Adjustments	Restated	Previously stated	Opening balance as at 1 July 2019 Adjustments	Restated
	\$	\$	\$	\$	\$	\$
Consolidated Statement of Profit or Loss and Other Comprehensive Income						
Income tax expense/(benefit)	(181,971)	139,962	(42,009)	-	-	-
Net loss for the year attributable to members of the parent entity	60,128	139,962	200,090	-	-	-
Consolidated Statement of Financial Position						
Tax receivable	97,930	(97,930)	-	-	-	-
Deferred tax assets	391,799	(52,801)	338,998	334,665	(102,815)	231,850
Deferred tax liabilities	(1,114,254)	1,032,143	(82,111)	(1,141,160)	1,124,188	(16,972)
Net assets/(net liabilities)	269,192	881,412	1,150,604	(725,217)	1,021,373	296,156
Accumulated losses	21,768,550	(881,412)	20,887,138	21,860,746	(1,021,373)	20,839,373

As a result of the above adjustments, the basic and diluted loss per share (cents) increased by \$0.36 cents per share from \$0.15 cents per share to \$0.51 cents per share for the year ended 30 June 2020.

31. Key Management Personnel Remuneration

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

The names of Directors who have held office during the financial year are outlined in the Directors' Report.

Other key management personnel

The following persons are included as other key management personnel:

- Mr D Groenveld (Principal Architect)
- Mr K Jayesuria (Chief Operating Officer)
- Mr K Cherian (Manager, Product Portfolio)
- Ms D Hudson (Manager, Customer Success Group) - resigned 4 March 2021

Refer to the remuneration report contained in the Directors' Report for details of the remuneration paid or payable to each member of the KMP for the years ended 30 June 2021 and 30 June 2020.

Key management personnel remuneration included within employee expenses for the year is shown below:

	2021	2020
	\$	\$
Short-term employee benefits	1,060,305	1,070,580
Long-term benefits	229,034	13,911
Post-employment benefits	86,932	96,126
Share-based payments	22,140	19,796
Total key management personnel remuneration	1,398,411	1,200,413

32. Related Parties

(a) The Group's main related parties are as follows:

Global Health Limited is the parent entity.

Interests in subsidiaries are set out in Note 35.

Disclosures relating to key management personnel are set out in Note 31 and the remuneration report included in the Directors' report.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

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

(c) Amounts payable to related parties

The following balance is outstanding at the reporting date in relation amounts payable to related parties:

	Opening balance	Closing balance
	\$	\$
Amounts payable to KMP *		
2021	75,390	75,390
2020	75,390	75,390

* This relates to wages in arrears payable to the Managing Director, Mathew Cherian. This amount is interest-free and unsecured.

All transactions were made on normal commercial terms and conditions and at market rates, except where otherwise stated.

33. Auditor's Remuneration

	2021	2020
	\$	\$
Remuneration of the auditor for:		
- auditing and reviewing the financial statements (HLB Mann Judd)	66,450	43,000
- reviewing the financial statements (Grant Thornton Audit Pty Ltd)	-	42,500
Total auditor's remuneration	66,450	85,500

34. Contingencies and Guarantees

	2021	2020
	\$	\$
Guarantees		
The parent has provided a cash security bond in favour of the property owner of the parent entity's leased office premises	102,187	102,187
Total guarantees	102,187	102,187

Contingencies

In the opinion of the Directors, the Group did not have any contingencies at 30 June 2021 (30 June 2020: None).

35. Interests in Subsidiaries

Composition of the Group

	Principal place of business / Country of Incorporation	Percentage Owned (%)*	Percentage Owned (%)*
		2021	2020
Subsidiaries:			
Global Health (Australia) Sdn Bhd	Malaysia	100	100
Working Systems Solutions (Malaysia) Sdn Bhd **	Malaysia	94	94
Working Systems Solutions Pty Ltd **	Australia	100	100
Uni U International Pty Ltd **	Australia	100	100
Working Systems Solutions (Singapore) Pte Ltd **	Singapore	100	100
Bourke Johnston Systems Pty Ltd **	Australia	100	100
Working Systems Software Pty Ltd **	Australia	100	100
Statewide Unit Trust **	Australia	100	100

*The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

**These entities are currently dormant.

36. Parent entity

The following information has been extracted from the books and records of the parent, Global Health Limited and has been prepared in accordance with Accounting Standards.

The financial information for the parent entity, Global Health Limited has been prepared on the same basis as the consolidated financial statements except as disclosed below.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost in the consolidated financial statements of the parent entity. Dividends received from associates are recognised in the parent entity profit or loss, rather than being deducted from the carrying amount of these investments.

Tax consolidation legislation

Global Health Limited and its wholly owned Australian subsidiaries have formed an income tax consolidated group.

Each entity in the tax consolidated group accounts for their own current and deferred tax amounts. These tax amounts are measured using the 'stand-alone taxpayer' approach to allocation.

Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the parent entity.

The tax consolidated group has entered into a tax funding agreement whereby each entity within the group contributes to the income tax payable by the Group in proportion to their contribution to the Group's taxable income. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding agreement are recognised as either a contribution by, or distribution to the head entity.

	2021	Restated 2020
	\$	\$
Statement of Financial Position		
Assets		
Current assets	5,531,349	1,989,252
Non-current assets	3,509,316	4,631,795
Total Assets	9,040,665	6,621,047
Liabilities		
Current liabilities	4,650,690	4,845,689
Non-current liabilities	339,914	615,013
Total Liabilities	4,990,604	5,460,702
Equity		
Issued capital	24,354,141	21,745,526
Accumulated losses	(21,362,420)	(20,877,397)
Reserves	1,058,340	292,216
Total Equity	4,050,061	1,160,345
Statement of Profit or Loss and Other Comprehensive Income		
Net profit/(loss) for the year	(488,029)	(141,839)
Other comprehensive income	-	-
Total comprehensive loss	(488,029)	(141,839)

Guarantees

The parent entity has not entered into a Deed of Cross-Guarantee with the effect that the Company guarantees debts in respect of its subsidiaries as at 30 June 2021 or 30 June 2020.

Contingent liabilities

The parent entity did not have any contingent liabilities as at 30 June 2021 or 30 June 2020, except as stated elsewhere in these financial statements.

Contractual commitments

The parent entity did not have any commitments as at 30 June 2021 or 30 June 2020.

37. Impact of COVID-19

The Victorian Government imposed progressive restrictions throughout the financial ended June 2021. Through this period, the Group continued to operate in the "Work from Home" model which had been implemented in March 2020.

The Executive and Board monitored the status with a focus on ensuring staff well-being and meeting customer expectations.

The main adverse impact was the inability to implement "new-logo" customer projects that had been contracted since March 2020. Following the easing of restrictions in Victoria, the Group successfully implemented the first of these backlog projects in December 2020 at the Bellarine Community Health Centre before new sporadic restrictions were imposed through the six months to June 2021.

These unpredictable and sudden closures stalled the go-live of 2 major projects in Victoria which are now scheduled to go-live in FY22.

The Group has received financial assistance from the Government in the form of JobKeeper subsidies (\$423,000) and other grants (\$20,000), although from October 2020, the Group no longer qualified for any further JobKeeper subsidies.

COVID-19 is completely reshaping healthcare delivery in Australia, and indeed around the world. It has exposed the inadequacies of healthcare systems. There is an unprecedented shift to online digital technology for the traditional customer facing healthcare businesses. Everything from patient management and engagement to service delivery and provisioning is being transformed by telehealth and digital technology providing accurate patient records and timely reporting. The major benefit of the COVID-19 pandemic will be a better healthcare system that provides accurate information on a timely basis for the patient and provider. The Group and its platforms are well placed to take advantage of this drive for better productivity and efficiency to the benefit of all participants in the Australian healthcare system.

There are currently no known additional impacts on the Group.

38. Events Occurring After the Reporting Date

The consolidated financial report was authorised for issue on 30 September 2021 by the board of directors.

There were a number key appointments subsequent to the financial year end, namely:

- Mr Michael Davies was appointed as Chief Executive Officer (CEO) of the Group on 1 July 2021. The current Managing Director and CEO, Mr Mathew Cherian, will remain with the Group in the new role of Executive Director;
- Ms Karen Corry was appointed as a Non-Executive Director to the Group's Board of Directors on 10 August 2021; and
- Mr Ershad Ali was appointed as Chief Financial Officer (CFO) of the Group on 16 August 2021.

750,000 rights under the Long-Term Incentive (LTI) Plan were offered to Mr Michael Davies with the performance period taking effect from 1 July 2021.

An Extraordinary General Meeting ("EGM") of the members of the Company was held on 27 July 2021 and all resolutions requiring shareholders approval were carried.

On 2 August 2021, the Company issued 7,039,640 ordinary shares at \$0.555 per share to various sophisticated and professional investors under the second tranche of a two-tranche institutional share placement announced to the ASX on 15 June 2021, raising \$3,907,000 before costs.

On 3 August 2021, the Company issued the following options exercisable at \$0.8325 and expiring on 3 August 2023:

- 7,039,663 options attached to new shares issued under the two-tranche institutional share placement with 1 free option for every 2 shares; and
- A total of 1,131,354 options to the Joint Lead Managers for services provided in respect of the two-tranche institutional share placement in June - July 2021.

On 6 September 2021, 41,667 ordinary shares were issued upon exercise of options.

The COVID-19 pandemic has created unprecedented economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by the Group at the reporting date. As responses by the Government continue to evolve, management recognises that it is difficult to reliably estimate with any degree of certainty the potential impact of the pandemic after the reporting date on the Group's operations, its future results and financial position. Subsequent to year end, the state of emergency in Victoria was extended until 21 October 2021. Refer to Note 37 for further information regarding the impact of COVID-19 on the Group.

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

39. Statutory Information

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

Global Health Limited
Level 2, 696 Bourke Street
Melbourne Victoria 3000

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. the consolidated financial statements and notes for the year ended 30 June 2021 are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards, which, as stated in basis of preparation Note 1 to the consolidated financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - b. give a true and fair view of the financial position and performance of the consolidated group;
2. the Chief Executive Officer and Chief Financial Officer have given the declarations required by Section 295A that:
 - a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - b. the consolidated financial statements and notes for the financial year comply with the Accounting Standards; and
 - c. the consolidated financial statements and notes for the financial year give a true and fair view.
3. in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, based on the factors outlined in Note 2(t) of the financial statements.

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



Non-Executive Chairman:

Steven Leigh Pynt

Dated this 30th day of September 2021

INDEPENDENT AUDIT REPORT



Independent Auditor's Report to the Members of Global Health Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Global Health Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (a) 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
- (b) 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.

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Key Audit Matter	How our audit addressed the key audit matter
<p>Carrying value of intangible assets Note 13</p>	<p>Our procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> ▪ obtaining the Group's impairment model and checking the mathematical accuracy of formulae and calculations; ▪ assessing the appropriateness of the impairment testing approach applied by the Group against the requirements of AASB 136; ▪ challenging the appropriateness of cash flow forecasts, discount rates, growth rates and other key assumptions adopted by the Group; ▪ assessing the historical accuracy of past forecasts prepared by the Group by comparing against actual results achieved; ▪ performing sensitivity analysis over key assumptions adopted by the Group, including in respect of discount rates and growth rates for each CGU; ▪ performing substantive testing, on a sample basis, of costs capitalised as intangible assets during the year against the requirements of AASB 138 Intangible Assets ("AASB 138"); and ▪ assessing the appropriateness of financial statement disclosures against the requirements of AASB 136 and AASB 138.
<p>As at 30 June 2021, the Group had intangible assets with a carrying value of \$2,959,823 relating to capitalised software development costs for both developed products and products under development. These intangible assets are assessed for impairment at the cash generating unit ("CGU") level using a value in use model prepared in accordance with the requirements of AASB 136 <i>Impairment of Assets</i> ("AASB 136"). During the year an impairment expense of \$998,546 was recognised in relation to these assets.</p> <p>The assessment of the carrying value of intangible assets is considered a key audit matter due to the following factors:</p> <ul style="list-style-type: none"> ▪ intangible assets represent a significant proportion of the Group's total assets; ▪ impairment testing involves complex modelling which requires the Group to exercise significant judgment including the use of forward-looking assumptions; ▪ estimating future cash flows requires a significant degree of judgment, especially in respect of products under development which are in an early stage of maturity; and ▪ the assumptions used in the Group's value in use calculations, including future cash flows, discount rates and growth rates, are subjective and prone to the risk of bias. 	
<p>Revenue recognition Note 6</p>	<p>Our procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> ▪ obtaining an understanding of the Group's processes in respect of revenue recognition for the different products and services offered, including reviewing key terms and conditions of sale; ▪ assessing the operating effectiveness of internal controls related to the accuracy and timing of revenue recognition; ▪ performing substantive testing, on a sample basis, of selected revenue transactions and of credit notes issued post 30 June 2021; ▪ reviewing adopted revenue recognition against the requirements of AASB 15; and ▪ assessing the adequacy of financial statement disclosure against the requirements of AASB 15.
<p>The Group recognised revenue from contracts with customers totalling \$7,029,415 for the year ended 30 June 2021, and had total contract liabilities of \$2,561,272 as at that date.</p> <p>Revenue recognition is considered a key audit matter due to the following factors:</p> <ul style="list-style-type: none"> ▪ revenue and associated contract liabilities are of significance to the Group's financial position and performance; and ▪ revenue recognition for the group's products and services involves a degree of complexity and judgment in the application of AASB 15 <i>Revenue from Contracts with Customers</i> ("AASB 15"). 	

Information Other than the Financial Report and Auditor's Report Thereon

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 our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 25 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Global Health 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.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Melbourne
30 September 2021

A handwritten signature in black ink, appearing to read 'M Gummery', with a stylized flourish at the end.

Michael Gummery
Partner

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

For the Year Ended 30 June 2021

ASX Additional Information

Additional information required by the ASX Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 24 September 2021.

Substantial shareholders

The number of substantial shareholders and their associates are set out below:

Shareholders	Number of shares
Mathew Cherian	23,376,619

Voting rights

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.

Options

No voting rights.

Distribution of equity security holders

Holding	Ordinary shares	
	Shares	Options
1 - 1,000	61	25
1,001 - 5,000	197	62
5,001 - 10,000	110	47
10,001 - 100,000	190	84
100,000 and over	50	30
	<hr/> 608	<hr/> 248

There were 38 holders of less than a marketable parcel of ordinary shares.

Twenty largest shareholders

	Ordinary shares	
	Number held	% of issued shares
Micron Holdings Pty Ltd (Cherian Family A/C)	17,050,324	30.12
Micron Holdings Pty Ltd (Micron Holdings P/L S/F A/C)	5,388,795	9.52
CS Third Nominees Pty Limited (HSBC Cust Nom Au Ltd 13 A/C)	2,416,223	4.27
Mr Paul McLaren	1,927,745	3.41
J P Morgan Nominees Australia Pty Limited	1,845,348	3.26
Sandhurst Trustees Ltd (Collins St Value Fund A/C)	1,801,802	3.18
Mrs Elizabeth May Priscilla Thomas	1,728,378	3.05
Mr Andrew Charles Gracey	1,065,000	1.88
B&R James Investments Pty Limited (James Superannuation A/C)	1,050,000	1.85
Connaught Consultants (Finance) Pty Ltd (Super Fund A/C)	1,000,500	1.77
Alumootil Mathew Cherian	937,500	1.66
Dr Russell Kay Hancock	800,000	1.41
Ms Serene Lim & Mr Nicholas Russell Ward (Serene Lim Superfund A/C)	770,000	1.36
Triglobal Management Limited	700,000	1.24
DMX Capital Partners Limited	630,631	1.11
Certane CT Pty Ltd (Hayborough Opp Fund)	612,612	1.08
Celebrity Nominees Pty Limited (Celerity Super Fund A/C)	566,942	1.00
Dr Serene Lim (Serene Lim Family A/C)	525,000	0.93
Dr David Leroy Boyles	500,000	0.88
Annex Partners Pty Ltd	500,000	0.88
National Nominees Limited	489,035	0.86
	42,305,835	74.72

Unissued equity securities

Options issued: 13,419,098 unlisted options issued to 248 holders.

Securities exchange

The Company is listed on the Australian Securities Exchange.



GLOBAL HEALTH

Connecting Clinicians and Consumers