



**NEWGEN**

# **Newgen Software Technologies Pty Ltd**

ABN 39 633 170 466

**Financial Statements**

For the Year Ended 31 March 2022

# Newgen Software Technologies Pty Ltd

ABN 39 633 170 466

## Contents

For the Year Ended 31 March 2022

	Page
<b>Financial Statements</b>	
Directors' Report	1
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	3
Statement of Profit or Loss and Other Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Directors' Declaration	20
Independent Audit Report	21

# Newgen Software Technologies Pty Ltd

ABN 39 633 170 466

## Directors' Report For the Year Ended 31 March 2022

The directors present their report on Newgen Software Technologies Pty Ltd for the financial year ended 31 March 2022.

### 1. General information

#### Information on directors

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

Rajeev Shirodkar

Tirumalai Sundaraja Iyengar Varadarajan

Diwakar Nigam

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

#### Principal activities

The principal activity of Newgen Software Technologies Pty Ltd during the financial year was to engage in the business of business software product development including designing and delivering end-to-end software solutions covering the entire spectrum of software services from workflow automation to Document management to imaging.

No significant changes in the nature of the Company's activity occurred during the financial year.

### 2. Operating results and review of operations for the period

#### Operating results

The profit of the Company after providing for income tax amounted to \$ 58,599 (2021: \$ 27,568).

#### Review of operations

A review of the operations of the Company during the financial year and the results of those operations is as follows:

The Company's operations during the period performed as expected (as a start-up in Australia) in the opinion of the directors

### 3. Other items

#### Significant changes in state of affairs

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

#### Events after the reporting date

The Covid-19 pandemic which has significantly impacted the global economy, is likely to impact the Company's result in 2022. The extent of the reduction is not yet known, but the Directors believe that the Newgen Software Technologies group is well positioned to survive the anticipated economic downturn, and Newgen Software Technologies Pty Limited will continue to be supported through this crisis period by its parent company, Newgen Software Technologies Ltd.

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 Company, the results of those operations or the state of affairs of the Company in future financial years.

# Newgen Software Technologies Pty Ltd

ABN 39 633 170 466

## Directors' Report For the Year Ended 31 March 2022

### 3. Other items

#### Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

#### Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Newgen Software Technologies Pty Ltd.

#### Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 March 2022 has been received and can be found on page 3 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

**DIWAKAR  
NIGAM** Digitally signed by  
DIWAKAR NIGAM  
Date: 2022.04.27  
10:49:58 +05'30'  
Director: .....  
Diwakar Nigam

**TIRUMALAI  
SUNDARAJA IYENGAR  
VARADARAJAN** Digitally signed by TIRUMALAI  
SUNDARAJA IYENGAR VARADARAJAN  
Date: 2022.04.27 10:56:45 +05'30'  
Director: .....  
Tirumalai Sundaraja Iyengar Varadarajan

Dated this 27th day of April 2022

*Private and Confidential*

To the Directors of Newgen Software Technologies Pty Ltd  
Suite 904, Level 9  
84 Pitt Street  
Sydney, NSW 2000, Australia

Dear Directors,

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE  
CORPORATIONS ACT 2001**

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2022, there have been:

1. No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 (Cth) in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

Yours faithfully,



Reanda Audit Pty Ltd  
Edmund So  
Director

Date: 27th April 2022

## Newgen Software Technologies Pty Ltd

ABN 39 633 170 466

### Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 March 2022

		2022	2021
	Note	\$	\$
Revenue	3	1,170,184	944,289
Other income	3	-	780
Employee benefits expense		(813,412)	(595,362)
Depreciation and amortisation expense		(1,580)	(1,199)
Other expenses		(205,107)	(230,797)
Lease expenses	10	(72,000)	(78,000)
<b>Profit before income tax</b>		<b>78,085</b>	<b>39,711</b>
Income tax expense		(19,486)	(12,143)
<b>Profit from continuing operations</b>		<b>58,599</b>	<b>27,568</b>
<b>Profit for the year</b>		<b>58,599</b>	<b>27,568</b>
<b>Other comprehensive income</b>			
<b>Total comprehensive income for the year</b>		<b>58,599</b>	<b>27,568</b>

The accompanying notes form part of these financial statements.

# Newgen Software Technologies Pty Ltd

ABN 39 633 170 466

## Statement of Financial Position As At 31 March 2022

	Note	2022 \$	2021 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	5	864,780	903,742
Trade and other receivables	6	726,964	198,681
Loans and advances	7	5,000	5,000
Other assets	9	9,079	5,312
TOTAL CURRENT ASSETS		<u>1,605,823</u>	<u>1,112,735</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	3,238	2,034
Deferred tax assets	15	17,954	13,722
TOTAL NON-CURRENT ASSETS		<u>21,192</u>	<u>15,756</u>
TOTAL ASSETS		<u>1,627,015</u>	<u>1,128,491</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	11	99,745	21,199
Current tax liabilities	15	16,251	9,189
Employee benefits	13	37,766	27,046
Other financial liabilities	12	339,826	-
TOTAL CURRENT LIABILITIES		<u>493,588</u>	<u>57,434</u>
NON-CURRENT LIABILITIES			
Employee benefits	13	17,976	14,205
TOTAL NON-CURRENT LIABILITIES		<u>17,976</u>	<u>14,205</u>
TOTAL LIABILITIES		<u>511,564</u>	<u>71,639</u>
NET ASSETS		<u>1,115,451</u>	<u>1,056,852</u>
<b>EQUITY</b>			
Issued capital	14	1,000,000	1,000,000
Retained earnings		115,451	56,852
TOTAL EQUITY		<u>1,115,451</u>	<u>1,056,852</u>

The accompanying notes form part of these financial statements.

# Newgen Software Technologies Pty Ltd

ABN 39 633 170 466

## Statement of Changes in Equity For the Year Ended 31 March 2022

### 2022

	<b>Ordinary Shares</b>	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 April 2021</b>	1,000,000	56,852	1,056,852
Profit for the year	-	58,599	58,599
<b>Balance at 31 March 2022</b>	<b>1,000,000</b>	<b>115,451</b>	<b>1,115,451</b>

### 2021

	<b>Ordinary Shares</b>	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 April 2020</b>	1,000,000	29,284	1,029,284
Profit for the year	-	27,568	27,568
<b>Balance at 31 March 2021</b>	<b>1,000,000</b>	<b>56,852</b>	<b>1,056,852</b>

The accompanying notes form part of these financial statements.



# Newgen Software Technologies Pty Ltd

ABN 39 633 170 466

## Statement of Cash Flows For the Year Ended 31 March 2022

	2022	2021
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	1,009,824	1,644,176
Payments to suppliers and employees	(1,028,972)	(921,144)
Interest received	-	780
Income taxes paid	(16,656)	(29,267)
Net cash (used in)/provided by operating activities	19 <u>(35,804)</u>	<u>694,545</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of plant and equipment	1,620	-
Purchase of property, plant and equipment	(4,778)	-
Net cash (used in) investing activities	<u>(3,158)</u>	-
Net increase in cash and cash equivalents held	(38,962)	694,545
Cash and cash equivalents at beginning of year	903,742	209,197
Cash and cash equivalents at end of financial year	5 <u><u>864,780</u></u>	<u><u>903,742</u></u>

The accompanying notes form part of these financial statements.

# Newgen Software Technologies Pty Ltd

ABN 39 633 170 466

## Notes to the Financial Statements For the Year Ended 31 March 2022

The financial report covers Newgen Software Technologies Pty Ltd as an individual entity. Newgen Software Technologies Pty Ltd is a for-profit proprietary Company, incorporated and domiciled in Australia.

The functional and presentation currency of Newgen Software Technologies Pty Ltd is Australian dollars.

### 1 Basis of Preparation

In the Directors' opinion, the Company is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. This special purpose financial report has been prepared to meet the reporting requirements of the *Corporations Act 2001*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

### 2 Summary of Significant Accounting Policies

#### (a) 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 Company 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 Company 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 Company are:

##### Sale of License

Revenue from sale of licenses for software products is recognised when the significant risks and rewards of ownership have been transferred to the buyer which generally coincides with delivery of licenses to the

# Newgen Software Technologies Pty Ltd

ABN 39 633 170 466

## Notes to the Financial Statements For the Year Ended 31 March 2022

### 2 Summary of Significant Accounting Policies

#### (a) Revenue and other income

##### **Specific revenue streams**

customers, recovery of the consideration is probable, the associated costs and possible return of software sold can be estimated reliably, there is no continuing effective control over, or managerial involvement with the licenses transferred and the amount of revenue can be measured reliably.

##### **Rendering of Services**

Revenue from services rendered is recognized in proportion to the stage of completion of the transaction at the reporting date. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

##### *Software Implementation Services*

The revenue from fixed price contracts for software implementation is recognised based on proportionate completion method based on hours expended, and foreseeable losses on the completion of contract, if any are recognized immediately.

The Company is also involved in time and material contracts and recognises revenue as the services are performed.

##### *Annual Technical Services*

Revenue from annual technical service and maintenance contracts is recognised ratably over the term of the underlying maintenance arrangement.

##### **Sale of Right to Use Software**

Software-as-a-service, that is, a right to access software functionality in a cloud-based-infrastructure provided by the Company. Revenue from arrangements where the customer obtains a "right to access" is recognised over the access period.

Revenue from client training, support and other services arising due to the sale of license is recognised as the performance obligations are satisfied.

Revenue is recognised, net of returns, trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Reimbursements of out-of-pocket expenses received from customers have been netted off with expense.

Amounts received or billed in advance of services to be performed are recorded as advance from customers/uneared revenue. Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

##### **Other income**

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

# Newgen Software Technologies Pty Ltd

ABN 39 633 170 466

## Notes to the Financial Statements For the Year Ended 31 March 2022

### 2 Summary of Significant Accounting Policies

#### (b) Income Tax

The tax expense recognised in the 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 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.

#### (c) 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.

#### (d) 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 payable are stated inclusive of GST.

Cash flows in the 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

## **Notes to the Financial Statements**

### **For the Year Ended 31 March 2022**

#### **2 Summary of Significant Accounting Policies**

- (d) **Goods and services tax (GST)**  
classified as operating cash flows.

- (e) **Property, plant and equipment**

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

##### **Plant and equipment**

Plant and equipment are measured using the cost model.

##### **Depreciation**

Property, plant and equipment, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

- (f) **Financial instruments**

Financial instruments are recognised initially on the date that the Company 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 Company classifies its financial assets as those measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Company 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 Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

## **Notes to the Financial Statements**

### **For the Year Ended 31 March 2022**

#### **2 Summary of Significant Accounting Policies**

##### **(f) Financial instruments**

###### **Financial assets**

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 financial assets measured at amortised cost.

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company 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 Company's historical experience and informed credit assessment and including forward looking information.

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

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

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company 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 Company 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 Company 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 finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company 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.

## **Notes to the Financial Statements**

### **For the Year Ended 31 March 2022**

#### **2 Summary of Significant Accounting Policies**

##### **(f) Financial instruments**

###### **Financial assets**

*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 Company 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 Company comprise trade payables, bank and other loans and lease liabilities.

##### **(g) Cash and cash equivalents**

Cash and cash equivalents comprises 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.

##### **(h) Leases**

At inception of a contract, the Company 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 Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company 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.

###### *Exceptions to lease accounting*

The Company 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 Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

# Newgen Software Technologies Pty Ltd

ABN 39 633 170 466

## Notes to the Financial Statements For the Year Ended 31 March 2022

### 2 Summary of Significant Accounting Policies

#### (i) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

#### 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.

#### (j) 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.



# Newgen Software Technologies Pty Ltd

ABN 39 633 170 466

## Notes to the Financial Statements For the Year Ended 31 March 2022

### 3 Revenue and Other Income

	2022	2021
	\$	\$
Revenue from contracts with customers		
- provision of services	9,717	-
Revenue from other sources		
- Intercompany sales	1,160,466	944,289
	<u>1,170,183</u>	<u>944,289</u>
Other Income		
- Other income	-	780
	<u>-</u>	<u>780</u>

### 4 Income Tax Expense

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

Current tax expense	19,486	12,143
	<u>19,486</u>	<u>12,143</u>

(b) Reconciliation of income tax to accounting profit:

Prima facie tax payable on profit from ordinary activities before income tax at 30% (2021: 30%)	23,425	11,913
Add:		
Tax effect of:		
- entertainment expense	33	459
Underprovision of tax in prior year	305	-
	<u>23,763</u>	<u>12,372</u>
Less:		
Tax effect of:		
- deductible entertainment expenses	17	229
Adjusting for deferred tax	105	-
Adjusting for opening balance in provision	4,155	-
	<u>19,486</u>	<u>12,143</u>

### 5 Cash and Cash Equivalents

Cash at bank	864,780	903,742
	<u>864,780</u>	<u>903,742</u>

# Newgen Software Technologies Pty Ltd

ABN 39 633 170 466

## Notes to the Financial Statements For the Year Ended 31 March 2022

### 6 Trade and Other Receivables

	2022	2021
	\$	\$
Trade receivables	706,712	175,739
Deposits	16,000	16,000
GST receivable	4,252	6,942
	<u>726,964</u>	<u>198,681</u>

Trade receivables consists mainly of receivables from related parties. For details, refer to note 17.

### 7 Loans and Advances

Loans to managers and employees	5,000	5,000
	<u>5,000</u>	<u>5,000</u>

### 8 Property, plant and equipment

Computer equipment		
At cost	4,778	3,598
Accumulated depreciation	(1,540)	(1,564)
Total computer equipment	<u>3,238</u>	<u>2,034</u>
	<u>3,238</u>	<u>2,034</u>

### 9 Other Assets

Prepayments	9,079	5,312
	<u>9,079</u>	<u>5,312</u>

### 10 Leases

Expenses relating to short-term leases	(72,000)	(78,000)
	<u>(72,000)</u>	<u>(78,000)</u>

### 11 Trade and Other Payables

Trade payables	8,568	1,706
GST payable	30,787	-
Accrued expense	9,800	10,150
Other payables	50,590	9,343
	<u>99,745</u>	<u>21,199</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. Trade payables balance consists partly of amounts owing to related parties. For details, refer to note 17.

# Newgen Software Technologies Pty Ltd

ABN 39 633 170 466

## Notes to the Financial Statements For the Year Ended 31 March 2022

### 12 Other Financial Liabilities

	2022	2021
	\$	\$
Deferred revenue	339,826	-
	<u>339,826</u>	<u>-</u>

### 13 Employee Benefits

Current liabilities		
Provision for employee benefits	37,766	27,046
	<u>37,766</u>	<u>27,046</u>
Non-current liabilities		
Provision for employee benefits	17,976	14,205
	<u>17,976</u>	<u>14,205</u>

### 14 Issued Capital

1,000,000 (2021: 1,000,000) Ordinary shares	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>

### 15 Tax assets and liabilities

Income tax payable	16,251	9,189
	<u>16,251</u>	<u>9,189</u>

### Deferred Tax Assets

	Opening Balance	Charged to Income	Closing Balance
	\$	\$	\$
Provisions - employee benefits	4,429	7,946	12,375
Accruals	3,150	(210)	2,940
Other	(660)	(933)	(1,593)
<b>Balance at 31 March 2021</b>	<u>6,919</u>	<u>6,803</u>	<u>13,722</u>
Provisions - employee benefits	12,375	4,347	16,722
Accruals	2,940	-	2,940
Prepayments	(1,593)	(115)	(1,708)
<b>Balance at 31 March 2022</b>	<u>13,722</u>	<u>4,232</u>	<u>17,954</u>

# Newgen Software Technologies Pty Ltd

ABN 39 633 170 466

## Notes to the Financial Statements For the Year Ended 31 March 2022

### 16 Auditors' Remuneration

	2022	2021
	\$	\$
Remuneration of the auditor of Reanda Audit Pty Ltd, for:		
- auditing the financial statements	5,800	5,800
	<u>5,800</u>	<u>5,800</u>

### 17 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 March 2022.

### 18 Related Parties

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

The ultimate parent entity, which exercises control over the Company, is Newgen Software Technologies Ltd which is incorporated in India and owns 100% of Newgen Software Technologies Pty Ltd.

(b) **Transactions with related parties**

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

The following transactions occurred with related parties:

	Purchases	Sales	Other	Balance outstanding	
	\$	\$	\$	Owed to the company	Owed by the company
				\$	\$
<b>Parent</b>					
Intercompany sales	-	1,160,466	-	326,381	-
Back office support	16,404	-	-	-	606

# Newgen Software Technologies Pty Ltd

ABN 39 633 170 466

## Notes to the Financial Statements For the Year Ended 31 March 2022

### 19 Cash Flow Information

#### (a) Reconciliation of result for the period to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2022	2021
	\$	\$
Profit for the year	58,599	27,568
Non-cash flows in profit:		
- depreciation	1,580	1,199
- net gain on disposal of property, plant and equipment	374	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(528,283)	677,226
- (increase)/decrease in prepayments	(3,767)	2,977
- (increase) in deferred tax asset	(4,232)	(6,803)
- increase/(decrease) in trade and other payables	78,546	(23,788)
- increase/(decrease) in income taxes payable	7,062	(10,321)
- increase in deferred income	339,826	-
- increase in provisions	14,491	26,487
Cashflows from operations	<u>(35,804)</u>	<u>694,545</u>

### 20 Parent entity

The parent company is Newgen Software Technologies Ltd, incorporated in New Delhi India, which at the end of the financial period owned 100% of the issued shares in the Company.

### 21 Statutory Information

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

Newgen Software Technologies Pty Ltd  
Suite 904 Level 9  
84 Pitt Street  
Sydney NSW 2000

# Newgen Software Technologies Pty Ltd

ABN 39 633 170 466

## Directors' Declaration

The directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 2 to the financial statements.

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 19, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Accounting Standards as stated in Note 1; and
  - (b) give a true and fair view of the Company's financial position as at 31 March 2022 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements.
2. 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.

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

**DIWAKA**  
**R NIGAM**  
Digitally signed by  
DIWAKAR NIGAM  
Date: 2022.04.27  
10:51:19 +05'30'

Director .....  
Diwakar Nigam

**TIRUMALAI**  
**SUNDARAJA IYENGAR**  
**VARADARAJAN**  
Digitally signed by  
TIRUMALAI SUNDARAJA  
IYENGAR VARADARAJAN  
Date: 2022.04.27 11:05:59  
+05'30'

Director .....  
Tirumalai Sundaraja Iyengar Varadarajan

Dated this 27th day of April 2022



**Reanda Audit Pty Ltd**

**Newgen Software Technologies Pty Ltd**

## **Independent Audit Report to the members of Newgen Software Technologies Pty Ltd**

**Report on the Audit of the Financial Report**

### **Opinion**

We have audited the accompanying financial report, being a special purpose financial report of Newgen Software Technologies Pty Ltd (the Company), which comprises the statement of financial position as at 31 March 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) giving a true and fair view of the Company's financial position as at 31 March 2022 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 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 Company 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 (including Independence Standards)* (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.

### **Emphasis of Matter - Basis of Accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### **Responsibilities of 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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



**Reanda Audit Pty Ltd**

**Newgen Software Technologies Pty Ltd**

## **Independent Audit Report to the members of Newgen Software Technologies Pty Ltd**

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or 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 the financial report.

Reanda Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Edmund C So', written over a horizontal line.

Edmund C So  
Sydney, Australia

Dated this .....27th..... day of .....April.....2022