Insurance Network Services Australia Pty Limited and its Controlled Entities
A.B.N. 51 137 632 770

Financial Report
For the year ended 30 June 2015

Directors' Report
For the year ended 30 June 2015

The Directors present their report together with the financial statements, on the consolidated entity (referred to hereafter as the consolidated entity) consisting of Insurance Network Services Australia Pty Limited and (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2015.

Directors
The Directors in office during the year are:

A H Light

B K Pillemer

J Kolenda

K Cohen

Principal Activities
The principal continuing activity of the consolidated entity was the provision of insurance policies.

Operating Results
The operating profit of the consolidated entity amounted to $2,565,502 (2014: profit $1,797,397) after providing for income tax.

State of Affairs
In the opinion of the Directors, there has been no significant changes in the state of affairs of the consolidated entity that occurred during the year which is not otherwise disclosed in this report or financial statements.

Events Subsequent to Balance Date
Since year end the consolidated entity has progressed its plans to complete a significant capital raising. Presentations to investors commenced in October 2015. The consolidated entity is also in discussions to acquire a new business.
No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

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

Environmental Issues
The consolidated entities operations are not regulated by any significant environmental regulations under the laws of the Commonwealth, States or Territories.

Directors' Report (continued)

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

Dividends and Options
No dividends or options were paid or proposed during the year. There are no options outstanding.

Indemnification of Officers and Auditor
During or since the end of the financial year, the consolidated entity has not given an indemnity or entered into an agreement to indemnify the officers or auditor.

Auditor's Independence
The lead auditor's independence declaration for the year ended 30 June 2015 has been received and can be found prior to the audit report.

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

Director
Sydney
Dated this 10th day of November 2015.

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The Board of Directors
INSURANCE NETWORK SERVICES AUSTRALIA PTY LIMITED
AND ITS CONTROLLED ENTITIES
LEVEL 10, 151 CLARENCE STREET
Sydney NSW 2000

Dear Board Members

Insurance Network Services Australia Pty Limited and its Controlled Entities

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the Directors of Insurance Network Services Australia Pty Limited and its Controlled Entities.

As lead audit partner for the audit of the financial report of Insurance Network Services Australia Pty Limited and its Controlled Entities for the financial year ended 30 June 2015, I declare that to the best of my knowledge and belief, that there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

CROWE HORWATH SYDNEY

L Russell

LEAH RUSSELL
Partner

Date this 12th day of November 2015

Statement of Profit and Loss and Other Comprehensive Income
For the year ended 30 June 2015

	NOTE	Consolidated 2015 $	2014 $
Revenue	2	19,059,677	10,907,587
Other Income	2	9,320	29,930
Premium refunds		(42,062)	(39,870)
Depreciation		(36,063)	(54,534)
Finance costs		(478,915)	(44,537)
IT		(597,045)	(625,963)
Management fees		(867,541)	(747,574)
Marketing		(3,867,679)	(2,508,626)
Professional services	3	(243,592)	(421,116)
Rental		(320,972)	(207,584)
Salary and wages	3	(6,744,245)	(3,036,300)
Option expenses		(500,000)	-
Telephone		(785,725)	(476,099)
Other expenses		(705,869)	(207,603)
Profit/(loss) before income tax		3,879,289	2,567,711
Income tax expense	4	(1,313,787)	(770,314)
Profit/(loss) for the year attributable to members		**2,565,502**	**1,797,397**
Other comprehensive income			
Other comprehensive income		-	-
Total comprehensive income/(deficit) for the year attributable to members		**2,565,502**	**1,797,397**

The accompanying notes form part of these financial statements

Statement of Financial Position
As at 30 June 2015

	NOTE	Consolidated 2015 $	2014 $
CURRENT ASSETS			
Cash	5	1,300,574	896,767
Trade and other receivables	6	2,009,955	709,017
Financial asset - Trail commission asset	7	1,393,280	541,088
Other assets	8	882,096	499,429
Total current assets		**5,585,905**	**2,646,301**
NON-CURRENT ASSETS			
Financial assets	9	3,476,990	1,518,007
Financial asset - Trail commission asset	7	9,791,807	4,009,334
Plant and equipment	10	21,124	53,063
Total non-current assets		**13,289,921**	**5,580,404**
Total assets		**18,875,826**	**8,226,705**
CURRENT LIABILITIES			
Trade and other payables	12	2,158,093	808,888
Income tax liability/(Refund due)	13	(44,273)	(44,273)
Borrowings	14	2,000,000	-
Provisions	15	3,440,856	2,783,888
Total current liabilities		**7,554,676**	**3,548,503**
NON CURRENT LIABILITIES			
Borrowings	14	3,000,000	750,000
Deferred tax liability	11	2,219,534	905,747
Provisions	15	22,543	8,884
Total non current liabilities		**5,242,077**	**1,664,631**
Total liabilities		**12,796,753**	**5,213,134**
Net assets		**6,079,073**	**3,013,571**
Represented by			
EQUITY			
Issued capital	16	810,244	810,244
Reserve	17	500,000	-
Retained Earnings		4,768,829	2,203,327
Total equity		**6,079,073**	**3,013,571**

The accompanying notes form part of these financial statements

Statement of Changes in Equity
For the year ended 30 June 2015

	Consolidated			
	Share Capital Ordinary	Retained Earnings/(Loss)	Reserve	Total
Balance at 30 June 2013	**631,064**	**405,930**	**-**	**1,036,994**
Profit attributable to equity shareholders	-	1,797,397	-	1,797,397
Other comprehensive income for the year, net of income tax	-	-	-	-
Total comprehensive income for the year	-	1,797,397	-	1,797,397
Transactions with owners in their capacity as owners:				
Contribution of equity net of transaction costs	179,180	-	-	179,180
Dividends paid	-	-	-	-
Balance at 30 June 2014	**810,244**	**2,203,327**	**-**	**3,013,571**
Profit attributable to equity shareholders	-	2,565,502	-	2,565,502
Other comprehensive income for the year, net of income tax	-	-	-	-
Total comprehensive income for the year	-	2,565,502	-	2,565,502
Transactions with owners in their capacity as owners:				
Contribution of equity net of transaction costs	-	-	-	-
share based payments	-	-	500,000	500,000
Balance at 30 June 2015	**810,244**	**4,768,829**	**500,000**	**6,079,073**

The accompanying notes form part of these financial statements

Statement of Cash Flows
For the year ended 30 June 2015

	NOTE	Consolidated 2015 $	2014 $
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		13,125,751	10,017,669
Payments to suppliers and employees		(14,164,242)	(9,407,171)
Interest received		9,320	29,930
Interest paid		(478,915)	(44,537)
Income tax paid		-	(44,272)
Net cash (used in)/ provided by operating activities	**25**	**(1,508,086)**	**551,619**
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for investments		(1,958,983)	(999,242)
Purchase of plant & equipment & Intangibles		(4,124)	(25,209)
Net cash used in investing activities		**(1,963,107)**	**(1,024,451)**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from the issue of shares		-	179,180
Loans repaid		-	(1,251)
Loans received		3,875,000	750,000
Net cash provided by financing activities		**3,875,000**	**927,929**
Net increase (decrease) in cash held		403,807	455,097
Cash at the beginning of the year		896,767	441,670
Cash at the end of the year	**5**	**1,300,574**	**896,767**

The accompanying notes form part of these financial statements

Notes to the Financial Statements
For the year ended 30 June 2015

Note 1: Summary of Significant accounting policies

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

New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these standards did not have any significant impact on the financial performance or position of the consolidated entity.
Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, and the Corporations Act 2001, as appropriate for a for profit entity.

Australian Accounting Standards set out accounting policies that the AASB concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB.

The financial statements have been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. The functional and presentational currency is Australian dollars.

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 23.

The financial statements were authorised for issue on 10 November 2015 by the directors of the consolidated entity.

Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Insurance Network Services Australia Pty Limited ('company' or 'parent entity') as at 30 June 2015 and the results of all subsidiaries for the year then ended. Insurance Network Services Australia Pty Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

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

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

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

Notes to the Financial Statements
For the year ended 30 June 2015

Note 1: Summary of Significant accounting policies

Principles of Consolidation (continued)

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

Revenue

Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Upfront fees are earned upon a new insurance policy being provided. Upfront fees may trigger a clawback of revenue in the event of early termination by customers as specified in agreements with insurance providers. These clawbacks are provided for by the consolidated entity on a monthly basis by using historical experience.

Trail commission is on going fees for customers introduced to insurance providers. Trail commission represents commission earned calculated as a percentage of the value of the underlying policy . The consolidated entity is entitled to receive trail commission without having to perform further services. On initial recognition, trail revenue and receivables are recognised at fair value, being present value of expected future trail cash receipts discounted to their present value using discounted cash flow valuation techniques. These calculations require assumptions. The discount rate applied is 8.4%. The consolidated entity specifically provides for known or expected risks to future cash flows outside of the discount rate, particularly for lapse rates.

The key assumptions underlying the fair value calculations of trail commission receivable at the reporting date include, but are not limited to; lapse rates, premium increases, discount rate and credit risk. Lapses are assumed to be 16% pa over most years with durational adjustments applied where appropriate, based on specific product experience.

Subsequent to initial recognition and measurement, the trail commission asset is measured at amortised cost. The carrying amount of the trail commission asset is adjusted to reflect actual and revised estimated cashflows by recalculating the carrying amount through computing the present value of estimated future cash flows at the original effective interest rate. The resulting adjustment is recognised as income in the consolidated statement of profit or loss and other comprehensive income.

Interest revenue is recognised using the effective interest rate method, which for floating financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax (GST).

Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Notes to the Financial Statements
For the year ended 30 June 2015

Note 1: Summary of Significant accounting policies

Income Tax (continued)

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated 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 enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Current and non-current classification

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

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

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

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

Cash

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Where applicable, bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

Notes to the Financial Statements
For the year ended 30 June 2015

Note 1: Summary of Significant accounting policies

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Investments and other financial assets

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

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.
Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets, principally equity securities, that are either designated as available-for-sale or not classified as any other category. After initial recognition, fair value movements are recognised in other comprehensive income through the available-for-sale reserve in equity. Cumulative gain or loss previously reported in the available-for-sale reserve is recognised in profit or loss when the asset is derecognised or impaired.
Impairment of financial assets

The consolidated entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

The amount of the impairment allowance for financial assets carried at cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for similar financial assets.

Available-for-sale financial assets are considered impaired when there has been a significant or prolonged decline in value below initial cost. Subsequent increments in value are recognised in other comprehensive income through the available-for-sale reserve.

Leases
Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight line basis over the term of the lease.

Notes to the Financial Statements
For the year ended 30 June 2015

Note 1: Summary of Significant accounting policies

Impairment of non financial assets
At each reporting date, the consolidated entity assesses the carrying values of its intangible and tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Trade and other payables
Trade and other payables represent unpaid liabilities for goods received and services provided to the consolidated entity prior to the end of the financial year. The balance is recognised as a current liability with the amount normally paid within 30 days of recognition of the liability.

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.

Provisions

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

Employee benefits
Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.
Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.
Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Notes to the Financial Statements
For the year ended 30 June 2015

Note 1: Summary of Significant accounting policies

Fair value measurement

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

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

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

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

Business combinations

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

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

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

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

Notes to the Financial Statements
For the year ended 30 June 2015

Note 1: Summary of Significant accounting policies

Business combinations (continued)

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

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

Goods & services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office.

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable form, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payment to suppliers.

(i) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Impairment

The company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Trail Commission

The consolidated entity has elected to account for trail commission revenue at the time of being entitled to the upfront commission on sale of an insurance premium, rather than on the basis of actual payments received. This method of revenue recognition requires the Directors and management to make certain estimates and assumptions based on industry data nad the historical experience of the consolidated entity. The estimates and assumptions include, but are not limited to, lapse rates, inflation, discount rates and its associated risk free rate, and price increases.

Refer to Note 2.

Clawback Provisions

Upfront fees received from certain insurance providers can be clawed back in the event of early termination. The clawback period ranges from 0 to 24 months, depending on agreements. The consolidated entity provides for this liability based upon historic average rates of attrition and recognises revenue net of these clawback amounts.

Notes to the Financial Statements
For the year ended 30 June 2015

Note 1: Summary of Significant accounting policies

(j) New Accounting Standards for application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Company has decided not to early adopt. The company has not assessed that at this stage the impact on the Company.

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The consolidated entity will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2017. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The consolidated entity will adopt this standard from 1 July 2017 but the impact of its adoption is yet to be assessed by the consolidated entity.

Notes to the Financial Statements
For the year ended 30 June 2015

Note 1: Summary of Significant accounting policies

(k) Going concern

Notwithstanding the negative cash flow for the financial year 2015 of $3.5m (after reversing cash injected from new loans) and allowing for the increase in monthly receivable revenue of $1.3m, the directors believe that the going concern basis is appropriate for the preparation and presentation of the financial statements as the Company has sufficient access to cash to continue to operate for the foreseeable future and expects to deliver profits in the future. Further, the Company is confident of being able to raise additional funds through a planned capital raising during 2015/16.

In the unlikely event the matters referred to above result in a negative outcome, then the going concern basis may not be appropriate with the result that the Company may have to realise its assets and extinguish its liabilities other than in the ordinary course of business and in amounts different from those stated in the Financial Report. No allowance for such circumstances has been made in the Financial Report.

Notes to the Financial Statements
For the year ended 30 June 2015

	2015 $	2014 $
2 REVENUE AND OTHER INCOME		
Revenue		
Commission	10,994,393	8,700,146
Rebates	1,333,576	182,975
Administration fee	97,043	626
Trail Commission asset movement	6,634,665	2,023,840
	19,059,677	**10,907,587**
Other income		
Interest received - external parties	9,320	29,930
	19,068,997	**10,937,517**
3 EXPENSE DETAIL		
Superannuation	550,277	237,757
Remuneration of auditor		
- auditing or reviewing the financial report	28,984	21,504
- other services due diligence and tax review	-	-
	579,261	**259,261**
4 INCOME TAX EXPENSE		
(a) The components of the tax expense comprise:		
Current tax	-	-
Deferred tax	1,313,787	770,314
	1,313,787	**770,314**
(b) The prima facie tax payable on the profit from ordinary activities is reconciled to the income tax provided for in the account as follows:		
The prima facie tax payable on the profit from ordinary activities before income tax calculated at 30 % (2014: 30%)	1,163,787	770,314
Add tax effect of :		
Permanent differences	150,000	
- recognising prior year tax losses	-	-
	1,313,787	**770,314**
Deferred tax assets/ (Deferred tax liability)		
- Tax losses	519,012	59,556
- Accruals	131,198	50,019
- Clawback provision	485,782	349,804
- NPV trail	(3,355,526)	(1,365,127)
	(2,219,534)	**(905,747)**

Notes to the Financial Statements
For the year ended 30 June 2015

	2015 $	2014 $
5 CASH		
Cash at bank	**1,300,574**	**896,767**

6 TRADE AND OTHER RECEIVABLES		
Current		
Trade debtors	2,009,955	709,017
Provision for impairment	-	-
	2,009,955	**709,017**

The balances of receivables that remain within initial trading terms (as detailed in the table) are considered to be of high credit quality.

	Trade debtors 2015	Trade debtors 2014
Within initial trade terms	2,009,955	709,017
Past Due but not impaired <30 days	-	-
Past Due but not impaired 31-60 days	-	-
Past Due but not impaired 61-90 days	-	-
Gross	**2,009,955**	**709,017**

The consolidated entity does not hold any financial assets whose terms have be renegotiated, but which would otherwise be past due or impaired. No collateral is held over trade and other receivables.

The consolidated entity did not consider a credit risk on the aggregate balances after reviewing the credit terms, based on recent collection practices.

7 FINANCIAL ASSET - TRAIL COMMISSION		
Current		
Trail Commission	**1,393,280**	**541,088**
Non-current		
Trail Commission	**9,791,807**	**4,009,334**
Total trail commission	**11,185,087**	**4,550,422**
Reconciliation of movement in trail commission receivable		
Opening balance	**4,550,422**	2,526,582
Trail commission revenue- current period trail commission sales	**6,934,010**	2,218,608
Trail commission revenue- change in value of future trail cash flow expectations	**(681,581)**	(407,001)
Trail commission revenue - discount unwind	**382,235**	212,233
Closing balance	**11,185,086**	**4,550,422**

Notes to the Financial Statements
For the year ended 30 June 2015

7 FINANCIAL ASSET - TRAIL COMMISSION (Continued)	2015	2014
Sensitivity analysis	$	$
Effect of 1% increase in premium age re-rate would increase the receivable by:	**532,753**	230,700
Effect of 1% decrease in premium age re-rate would decrease the receivable by:	**(498,770)**	(215,998)
Effect of 1% additional lapses long term would decrease the receivable by:	**(586,618)**	(245,533)
Effect of 1% reduced lapses long term would increase the receivable by:	**635,423**	266,222
Effect of 1% increase in discount rate would decrease the receivable by:	**(504,688)**	(208,313)
Effect of 1% decrease in discount rate would increase the receivable by:	**548,005**	226,314

8 OTHER ASSETS		
Prepayments	480,472	251,308
Other receivable	26,624	248,121
Loans receivable (i)	375,000	-
	882,096	**499,429**

(i) The loan related to funding provided in note 14 that was not physically received until 1 July 2015.

9 NON CURRENT FINANCIAL ASSETS		
Available for sale		
Investment in Noble Oak Life Limited - unlisted held at cost	3,476,990	1,518,007
	3,476,990	**1,518,007**

The group owns less than 20% and has no control or significant influence.

Notes to the Financial Statements
For the year ended 30 June 2015

	2015 $	2014 $
10 PLANT AND EQUIPMENT		
Cost	156,327	152,202
Accumulated depreciation	(135,203)	(99,139)
	21,124	**53,063**
Opening written down value	53,063	82,388
Additions	4,124	25,209
Disposals		-
Depreciation	(36,063)	(54,534)
Closing written down value	**21,124**	**53,063**
11 DEFERRED TAX LIABILITY		
Deferred tax liability	2,219,534	905,747
	2,219,534	**905,747**
12 TRADE AND OTHER PAYABLES		
Short-term unsecured		
Trade creditors	1,273,997	23,956
Payable to INSA Management services - note 20	69,964	110,459
Other creditors and accruals	814,132	674,473
Total financial liabilities	**2,158,093**	**808,888**
13 TAX PROVISION		
Current		
Income tax liability/(Refund due)	(44,273)	(44,273)
	(44,273)	**(44,273)**
14 BORROWINGS		
Current		
Loans	2,000,000	-
	2,000,000	**-**
Non-current		
Loans	**3,000,000**	**750,000**

To the date of signing the financials the company has received two tranches of loans.
There has been a $2,000,000 loan which commenced 17 June 2015 and expires by June 2016
There has been a $3,000,000 loan which commenced 28 November 2014 and expires November 2016.
Interest is being charged at a daily rate in a range of 12.5% to 20%.
The lenders who provided the $2,000,000 loan also have an entitlement to receive shares at a 20% discount in future years.

Notes to the Financial Statements
For the year ended 30 June 2015

	2015 $	2014 $
15 PROVISIONS		
Current		
Clawback provision	3,384,904	2,727,416
Employee entitlements	55,952	56,472
	3,440,856	**2,783,888**
Non current		
Employee entitlements	22,543	8,884
	22,543	**8,884**
Movement in clawback provisions		
Opening balance	**2,727,417**	**2,085,273**
Addition during the year	**2,848,383**	**2,111,718**
Utilised in the year	**(2,190,896)**	**(1,469,574)**
Closing balance	**3,384,904**	**2,727,417**
16 ISSUED CAPITAL		
Ordinary shares	810,244	810,244
	810,244	**810,244**

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held.
At the shareholders meeting each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

The company has authorised share capital amounting to 8,986 ordinary shares for an average price of $90 in 2015 (2014: 8,986 shares for $90; 2013: 8,516 shares for $74 and 2012: 7,991 shares for $65).

	2015	2014
Ordinary no of shares at the beginning of the year	810,244	631,064
Movement in the year	-	179,180
Total number of ordinary shares at the end of the year	**810,244**	**810,244**

The shares issued in 2014 were issued at $214 a share on 3 April 2014 and $1,000 on 10 June 2014. Shares in 2013 were issued at $214 per share on 26 June 2013.

Capital Management
Management controls capital of the company in order to maintain a good debt to equity ratio, provide the shareholders with adequate return and to ensure that the company can fund its operations and continue as a going concern.
The company's debt and capital includes ordinary share capital, preference shares and financial liabilities, supported by financial assets.
The company has a Australia Financial Services license (AFSL) as a responsible entity. As such there are externally imposed capital requirements, being a minimum requirement to $150,000 in net tangible assets. This requirement can be met by way of a commitment by the parent entity, which has been given. The parent entity has committed to financially supporting this company to ensure that the cash needs requirements under Option 2, as outlined in ASIC Regulatory Guide 166, are met al all times, to ensure that the company can fund its operations and continue as a going concern. The company has met the requirements in the year. Non-compliance may result in the licence to operate being terminated.

Notes to the Financial Statements
For the year ended 30 June 2015

16 ISSUED CAPITAL (Continued)

Management effectively manages the company's capital by assessing the company's financial risk and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to the shareholders and shares issues.

The gearing ratios for the period ended is as follows	Note	2015 $	2014 $
Trade and other payables	12	2,158,093	808,888
Borrowings	14	5,000,000	750,000
Less cash and cash equivalents	5	(1,300,574)	(896,767)
Net debt		5,857,519	662,121
Total equity		6,079,073	3,013,571
Total capital		**11,936,592**	**3,675,692**

17 Reserve

Option Reserve	**500,000**	**-**

The reserve relates to an embedded derivative measured at Fair value for an option to acquire shares at a discount of 20%.

18 FINANCIAL INSTRUMENTS

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis and ageing analysis.

Risk management is carried out by senior management under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance reports to the Board on a monthly basis.

Market risk

The consolidated entity is not exposed to any significant risk for foreign exchange or price risk.

Interest rate risk

The consolidated entity is not exposed to any significant interest rate risk. Borrowings are at a fixed interest rate in the range of 12.5% to 15% payable monthly. The borrowings are due to be paid by June and November 2016.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity trades only with recognised creditworthy third parties (life insurance funds), and as such no collateral is requested.

Notes to the Financial Statements
For the year ended 30 June 2015

18 FINANCIAL INSTRUMENTS (Continued)

The consolidated entity has a credit risk exposure with Noble Oak Limited (a major Australian Company), which as at 30 June 2015 owed the consolidated entity $1.8m (92% of trade receivables) (2014: $0.7m (99% of trade receivables)). This balance was within its terms of trade and no impairment was made as at 30 June 2015. Balances are regularly paid within the following month.

Liquidity risk

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

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

	average interest rate %	1 year or less $	1-2 years $	2-5 years $	> 5 years $	TOTAL $
2015						
Non-derivatives						
Trade creditors		1,273,997	-			1,273,997
Other creditors and accruals		884,096	-			884,096
Loans		2,000,000	3,000,000			5,000,000
		4,158,093	3,000,000	-	-	7,158,093
2014						
Non-derivatives						
Trade creditors		23,956				23,956
Other creditors and		784,932				784,932
Loans		-	750,000			750,000
		808,888	750,000	-	-	1,558,888

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

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

Notes to the Financial Statements
For the year ended 30 June 2015

19 FAIR VALUE MEASUREMENT

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability

	Level 1	Level 2	Level 3	Total
2015	**$**	**$**	**$**	**$**
Assets				
Trail Commission	-	-	11,185,087	11,185,087
	-	-	11,185,087	11,185,087
2014				
Assets				
Trail Commission	-	-	4,550,422	4,550,422
	-	-	4,550,422	4,550,422

There have been no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Valuation techniques for fair value measurements categorised within level 2 and level 3

A fair value is placed on the trail commission using techniques outlined in Note 1: Revenue. That is, the present value of expected future commission using a discounted cashflow approach. The assumptions used are based on internally observable data. The impact of changes in assumptions is quantified in Note 7.

20 KEY MANAGEMENT PERSONNEL DISCLOSURES

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

	2015	2014
	$	$
Short-term employee benefits	867,541	747,574
Post employment benefits	-	-
Long-term benefits	-	-
Share based payments	-	-
	867,541	747,574

Notes to the Financial Statements
For the year ended 30 June 2015

21 RELATED PARTIES

Parent Entity

Insurance Network Service Australia Pty Limited is the parent entity.

Subsidiaries

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

Freedom Insurance Pty Limited
Customer Contact Pty Limited
Freedom Insurance Administration Pty Limited
Freedom Insurance Investments Pty Limited

All companies are owned 100% owned, except for Freedom Insurance Investments Pty Limited for the current and prior financial year.
Freedom Insurance Investments Pty Limited has been included as it is controlled by Insurance Network Service Australia Pty Limited through its same shareholders and directors as the parent entity.
All companies are incorporated in Australia, and have the principal place of business in Australia.

Transactions with related parties

	2015 $	2014 $
Payables- INSA Management Services Australia Pty Ltd.	69,964	110,459
Fee for recruitment services to J. Cohen	23,000	29,000
salary payments to children of Keith Cohen	7,464	7,768
salary payments to children of Yolande de Torres	30,960	224
	131,388	147,451

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

22 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

The consolidated entity does not have any contingent assets and contingent liabilities at year end, or at the end of the previous financial year.

23 COMMITMENTS

Operating lease commitment not recognised as a liability at year end		
Within one year	275,377	413,890
One to five years	-	275,377
Greater than five years	-	-
	275,377	689,267

Operating lease commitments include contracts for office rental.

Notes to the Financial Statements
For the year ended 30 June 2015

24 PARENT ENTITY INFORMATION

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

	Parent 2015 $	Parent 2014 $
Statement of profit or loss and other comprehensive income		
Profit after tax	2,591,318	1,804,979
Total comprehensive income	2,591,318	1,804,979
Statement of financial position		
Total current assets	5,349,889	6,406,268
Total assets	18,640,372	7,977,488
Total current liabilities	7,320,394	3,277,704
Total liabilities	12,591,970	4,965,379
Equity		
Issued Capital	810,244	810,244
Reserve	500,000	-
Retained profits	4,738,158	2,201,865
Total equity	6,048,402	3,012,109

25 RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH FROM OPERATING ACTIVITIES

	2015 $	2014 $
Profit (loss) from ordinary activities after income tax	2,565,502	1,797,397
Non-cash flows in loss from ordinary activities		
depreciation	36,063	54,534
share options	500,000	-
Changes in assets and liabilities		
(Increase) decrease in receivables	(1,079,438)	(85,384)
(Increase) decrease in financial assets - trail commission asset	(6,634,668)	(2,023,840)
(Increase) decrease in other assets	(229,164)	(164,670)
(Increase) decrease in deferred liabilities	1,313,787	726,042
(Decrease) increase in payables	1,349,205	(437,102)
(Decrease) increase in provisions	670,627	684,642
Cash used in operations	**(1,508,086)**	**551,619**

26 SUBSEQUENT EVENTS

Since year end the consolidated entity has progressed its plans to complete a significant capital raising. Presentations to investors commenced in October 2015. The consolidated entity is also in discussions to acquire a new business.

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

Notes to the Financial Statements
For the year ended 30 June 2015

27 COMPANY DETAILS

The company is domiciled in Australia.

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

Level 10
151 Clarance Street
Sydney NSW 2000

Directors' Declaration
For the year ended 30 June 2015

The Directors of the company declare that:

the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the financial year ended on that date; and
there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with the resolution of the Directors:

Director
Sydney
Dated this 10th day of November 2015.

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Insurance Network Services Australia Pty Limited and its Controlled Entities

Independent Auditor's Report to the Members of Insurance Network Services Australia Pty Limited and its Controlled Entities

Report on the Financial Report

We have audited the accompanying financial report of Insurance Network Services Australia Pty Limited and its Controlled Entities, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company and the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility 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 Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statement*, that the financial statement comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Insurance Network Services Australia Pty Limited and its Controlled Entities, would be in the same terms if given to the directors as at the time of this auditor's report.

Auditor's Opinion

In our opinion:

a. the financial report of Insurance Network Services Australia Pty Limited and its Controlled Entities is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

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

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Material uncertainty regarding continuation as a going concern

Without qualifying our opinion, we draw attention to Note 1 of the financial statements that indicates that the accounts have been prepared on a going concern basis which is dependent on the ability of the Company to raise additional funding through. In the unlikely event the matter referred above results in a negative outcome, the going concern basis may not be appropriate with the result that the Company may have to realise its assets and extinguish its liabilities other than in the ordinary course of business and in amounts different from those stated in the financial report.

CROWE HORWATH SYDNEY

L Russell

LEAH RUSSELL
Partner

Dated this 11th day of November 2015