










APPENDIX 4E

Preliminary Final Report

30 June 2019

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Rule 4.3A

Appendix 4E
Preliminary final report

Name of entity

Ensurance Limited

ABN or equivalent company
reference

80 148 142 634

Half yearly
(tick)

☐

Preliminary
final (tick)

☒

Half year/financial year ended ('current
period')

30 June 2019

Results for announcement to the market

	Previous Period				Current Period
2.1 Revenues from continuing operations	1,208,336	Up	104.98%	to	2,476,854
2.2 Profit (loss) from continuing operations after tax attributable to members	(8,715,329)	Down	41.16%	to	(5,128,025)
2.3 Net profit (loss) for the period attributable to members	(8,706,100)	Down	83.89%	to	(1,402,615)
2.4 Dividends	Amount per security		Franked amount per security		
Final dividend	nil		n/a		
Interim dividend	nil		n/a		
2.5 Record date for determining entitlements to the dividend:	n/a				
2.6 Brief explanation of any of the figures reported above					
Please refer to commentary in Executive Chairman’s Report on pages 7-9.					

Supplementary information

3. Statement of Financial Performance

Refer to Consolidated Statement of Profit or Loss and Other Comprehensive Income on Page 10

4. Statement of Financial Position

Refer to Consolidated Statement of Financial Position on Page 11

5. Statement of Cash Flows

Refer to Consolidated Statement of Cash Flows on Page 13

6. Statement of Changes in Equity

Refer to Consolidated Statement of Changes in Equity on Page 12

7a. Details of individual and total dividends

		Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
	<i>(Preliminary final report only)</i>			
	Final dividend: Current year	Nil	N/A	N/A
	Previous year	Nil	N/A	N/A
	<i>(Half yearly and preliminary final reports)</i>			
	Interim dividend: Current year	N/A	N/A	N/A
	Previous year	N/A	N/A	N/A

7b Total dividend per security (interim plus final)

(Preliminary final report only)

	Current year	Previous year
Ordinary securities	N/A	N/A
Preference securities	N/A	N/A

7c Dividend payment details

Date the dividend is payable

N/A

Record date to determine entitlements to the dividend

(ie, on the basis of proper instruments of transfer received by 5.00 pm if securities are not CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if securities are CHESS approved)

N/A

If it is a final dividend, has it been declared?

(Preliminary final report only)

N/A

7d Final dividend on all securities

	Current period \$A'000	Previous corresponding Period - \$A'000
⁺ Ordinary securities <i>(each class separately)</i>	N/A	N/A
Preference ⁺ securities <i>(each class separately)</i>	N/A	N/A
Other equity instruments <i>(each class separately)</i>	N/A	N/A
Total	N/A	N/A

8 Dividend reinvestment plans

The dividend plans shown below are in operation.

N/A

9 Net Tangible Assets per security

	Current period	Previous corresponding period
Net Assets/(Deficiency) \$	(2,293,658)	(778)
Less: Intangible assets \$	-	-
Net Tangible assets/(Deficiency) \$	(2,293,658)	(778)
Ordinary securities on issue at period end (per financial statements)	316,086,819	346,227,724
Net tangible asset backing per ordinary security	(0.73) cents	(0.00) cents

10 Control gained or loss of control over entities having material effect

Control lost over entities during the period:

Name of entities (item 10.1)

Savill Hicks Corp Pty Ltd, Savill Hicks Corp (NSW) Pty Ltd

Date(s) of loss of control (item 10.2)

12 November 2018

Contribution to consolidated profit (loss) from ordinary activities after tax by the controlled entities to the date(s) in the current period when control was gained / lost (item 10.3).	\$78,376
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------

Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period (item 10.3)	\$7,924
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11 Details of aggregate share of profits / (losses) of associates and joint venture entities

Not applicable

12 Any other significant information

Refer to commentary update at 2.6 covering this Appendix 4E

13 Accounting standards for foreign entities

The financial information provided in the Appendix 4E is based on the preliminary final report (attached), which has been prepared in accordance with Australian Accounting Standards.

14 Commentary on results

Refer to commentary update at 2.6 covering this Appendix 4E. The results for the period are as expected.

14.1 Earnings per security (EPS)	Current period	Previous corresponding period
Basic EPS	(0.443) cents	(2.515) cents
Diluted EPS	N/A	N/A

The Group does not report diluted earnings per share, as dilution is not applied to annual losses generated by the Group.

14.2 Returns to shareholders including distributions and buy-backs

On 12 November 2018, the Company performed a selective share buy-back of 30,140,905 shares for consideration of \$1,356,341, which formed part of the settlement of the sale of the Savill Hicks Corp Group.

14.3 Significant features of operating performance

Refer to commentary in Executive Chairman's Report on pages 7-9

14.4 Results of segments that are significant to an understanding of the business as a whole.

Refer to commentary in Executive Chairman's Report on pages 7-9

14.5 Trends in performance.

Refer to commentary in Executive Chairman's Report on pages 7-9

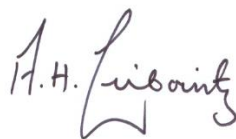
14.6 Any other factors which have affected the results in the period or likely to affect results in the future

Refer to commentary in Executive Chairman's Report on pages 7-9

Compliance statement

This report is based on accounts to which one of the following applies.

- | | | | |
|-------------------------------------|-------------------------------------------------------------------------|--------------------------|-------------------------------------------------------------|
| <input type="checkbox"/> | The +accounts have been audited. | <input type="checkbox"/> | The +accounts have been subject to review. |
| <input checked="" type="checkbox"/> | The +accounts are in the process of being audited or subject to review. | <input type="checkbox"/> | The +accounts have <i>not</i> yet been audited or reviewed. |



Signature:

Date: 29 August 2019

(Director/~~Company Secretary~~)

Print name: A H Leibowitz

Executive Chairman's Report

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the financial report for Ensurance Limited for the financial year ended 30 June 2019.

FY19 was a highly active period which delivered strong growth in Ensurance's UK business, its investment to build out its operations and product offering and reduction in overheads and efficiencies gained from the disposal of non-core parts of its business.

Product portfolio significantly expanded with new products launched in UK and Australia

During the period, Ensurance launched a range of new products in both the UK and Australian markets, significantly broadening its specialist insurance offering into underserved and emerging growth markets.

Ensurance UK launched its Cyber Insurance product in November 2018, targeting any business which is responsible for the handling of customer data. Designed to minimise disruption caused to a business caused by cyber-attacks and data breaches, the comprehensive product provides privacy breach response management and information security insurance and is underwritten by Beazley – a leading global speciality insurer.

The UK business also launched an Engineering and Inspection Insurance product, strategically partnering with British Engineering Services to provide a tailored solution for sudden and unforeseen damage for the construction and engineering sectors.

Expanding the Company's product offering to capitalise on strong growth opportunities, Ensurance also launched a number of products that saw it enter into markets.

Terrorism and Sabotage Insurance launched in the UK

Significantly expanding the Company's addressable market, Ensurance UK launched Terrorism and Sabotage insurance for the UK and European market in May 2019. Providing cover for an act of terrorism or sabotage which results in damage to buildings, profits, employees or customers, the product is available to a business of any size and across all industries. Two well-known underwriting specialists were appointed in the UK to support the product's launch. The product is already being met with strong interest from the market and the Company has also secured capacity for the product's launch in the US, followed by Australia.

Latent Defects Insurance launched in Australia

The Company launched its Latent Defects Insurance product in Australia in May.

This product provides policyholders with cover against property damage caused by structural defects discovered up to 10 years after construction is complete. Targeting the Australian building construction market, estimated to be worth over \$100 billion annually, this is the first product of its kind in Australia featuring coverage of this kind and will be sold exclusively through Ensurance's Australian network of over 330 licensed intermediaries. Lloyd's, the world's leading specialist insurance market has provided capacity for the product.

Investment into UK business begins to deliver positive results

In FY19, Ensurance delivered strong growth in gross written premiums and the rate of annual policy renewals, following continued investment in the UK business and the launch of multiple new products during the period.

For FY19, gross written premiums were £7m (FY18 £1.9m), with annual policy renewals for the period achieving a 85% retention rate – setting a strong base of recurring revenue for FY20 and providing strong validation of the business' product offering and customer satisfaction.

To support the strategic growth driven by Ensurance's UK business, the Company appointed Mr Timothy Cramphorn to the Ensurance UK board as Non-Executive Director, effective 1 November 2018. Tim was the former Managing Director of HSB Houghton Engineering Insurance Services Limited and a Director of HSB Engineering Insurance Limited, owned by the multi-billion dollar global reinsurer, Munich Re (ETR:MUV2). With a background in construction and engineering and over 45 years of experience in the industry, Tim's deep expertise and extensive network of industry contacts has proven to be of great value, adding relevant insight and bringing highly complementary skills to the UK leadership team.

Australian brokerage business disposal completed

The Company completed the sale of Savill Hicks Corp Pty Ltd on 12 November 2018, receiving total consideration of \$4.1 million, allowing capital to be redeployed into the appointment of specialist underwriting resources, expanding the Company's product offering and sales and marketing activity to drive the Company's global expansion plans. The disposal follows approval of the sale by the Company's shareholders at the General Meeting held on 12 September 2018.

Additional funding secured demonstrating clear support of strategic direction

Demonstrating clear support and alignment of the Company's directors with Ensurance's strategic growth plans, Executive Chairman and largest shareholder Tony Leibowitz extended a \$2.5 million unsecured loan to the Company in June, to support its next phase of growth.

Furthermore, existing holders of \$2.2 million of convertible notes agreed to extend the maturity date to 30 June 2021, providing further strong endorsement of the Company's plans from its existing lenders, and their confidence in the long-term value that is being created for shareholders.

Profit and Loss

Group net loss was \$1,401,735, which included a gain on disposal of Savill Hicks Corp Pty Ltd of \$3,647,914. Excluding the gain on disposal, net loss was \$5,049,649, an improvement on the previous year's loss of \$8,707,405 in 2018.

The main expenses which contributed to the loss were related to employment costs to support international expansion and finance costs of \$503k (FY18 \$866k).

Employment Costs – 2019 (Continued operations)	\$4,810,243
Employment Costs – 2018 (Continued operations)	\$5,092,453

Group revenue from continued operations increased by 104.98% (\$2.48m in FY19 up from \$1.21m in FY18) and continues to show strong indications for future growth. Operating as an MGA in the UK, Ensurance UK provides wholesale insurance for construction and engineering in the UK and EU. Fully authorised by the FCA, Ensurance UK has the ability to sell insurance globally and develop an Appointed Representative Network.

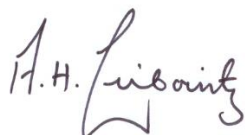
During the current financial year Ensurance Underwriting Pty Ltd had growth in revenue of 1.8% (\$943k in FY19 up from \$926k in FY18).

Cost saving initiatives, including the sale of the Australian brokerage business, the relocation of office premises, and restructuring activities delivered year on year savings of \$1.2m in FY19.

Outlook

We are confident that the restructuring that has taken place and the ongoing investment into our business operations, capabilities and products support our aggressive expansion plans in the UK and internationally over the longer term.

The products launched in FY19 provide a strong platform for ongoing revenue growth and expands the commercial opportunity into underserved, growing markets with a range of specialist products. The Company continues to focus on launching new products into emerging, growing markets, building relationships with new capacity providers, making strategic hires to support revenue growth and expanding its network of brokers, with a view to building long term value for its shareholders.



A H Leibowitz

Chairman
29 August 2019
Sydney

Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the year ended 30 June 2019

	Note	2019 \$	2018 \$
Continuing operations			
Revenue	1a	2,476,854	1,208,336
		2,476,854	1,208,336
Business development		(214,365)	(311,399)
Compliance costs		(292,525)	(301,869)
Computers and communications		(346,823)	(397,807)
Depreciation and amortisation	2a	(52,964)	(223,603)
Employment costs	2b	(4,810,243)	(5,092,453)
Finance costs		(558,417)	(874,774)
Legal and consulting fees		(365,692)	(355,568)
Occupancy costs		(625,985)	(347,881)
Impairment of intangible assets	2a	-	(2,007,461)
Travel and accommodation		(125,416)	(99,030)
Other expenses		(212,449)	(197,904)
Loss before tax		(5,128,025)	(9,001,413)
Income tax benefit / (expense)	3	-	286,084
Loss from continuing operations		(5,128,025)	(8,715,329)
Profit/(Loss) from discontinued operations	16	78,376	7,924
Gain on disposal of discontinued operation		3,647,914	-
Total loss for period		(1,401,735)	(8,707,405)
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss:			
► Revaluation of assets		(880)	1,305
Items that may be reclassified subsequently to profit or loss:			
		-	-
Other comprehensive income for the year, net of tax		(880)	1,305
Total comprehensive income attributable to members of the parent entity		(1,402,615)	(8,706,100)
Profit/(loss) for the period attributable to:			
Non-controlling interest		-	-
Owners of the parent		(1,401,735)	(8,707,405)
Total comprehensive income/(loss) attributable to:			
Non-controlling interest		-	-
Owners of the parent		(1,402,615)	(8,706,100)

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

ENSURANCE LIMITED

AND CONTROLLED ENTITIES

ABN 80 148 142 634

APPENDIX 4E

Preliminary Final Report

30 June 2019

Consolidated Statement of Financial Position

As at 30 June 2019

Continued operations**Current assets**

Cash and cash equivalents

Trade and other receivables

Trust account insurer assets

Other current assets

Total current assets**Non-current assets**

Financial assets

Plant and equipment

Intangible assets

Total non-current assets**Total assets****Current liabilities**

Trade and other payables

Trust account insurer liabilities

Provisions

Borrowings

Total current liabilities**Non-current liabilities**

Borrowings

Provisions

Total non-current liabilities**Total liabilities**

Net assets of continued operations

Net assets of discontinued operations

Net assets**Equity**

Issued capital

Reserves

(Accumulated losses) / Retained earnings

Total equity

Note	2019 \$	2018 \$
4	2,534,136	3,203,479
5	624,167	823,087
7a	7,379,562	3,672,347
6	210,343	202,960
	10,748,208	7,901,873
8	73,815	70,204
9	134,698	180,788
10	-	-
	208,513	250,992
	10,956,721	8,152,865
11	767,654	2,051,180
7b	7,379,562	3,672,347
13	208,731	309,223
12a	289,892	467,288
	8,645,839	6,500,038
12b	4,565,546	2,583,632
13	38,994	28,889
	4,604,540	2,612,521
	13,250,379	9,112,559
	(2,293,658)	(959,694)
	-	958,916
	(2,293,658)	(778)
14	16,301,785	17,527,964
15	1,481,654	1,545,350
	(20,077,097)	(19,074,092)
	(2,293,658)	(778)

Consolidated Statement of Changes in Equity
for the year ended 30 June 2019

	Note	Issued Capital	Accumulated Losses	Foreign Currency Translation Reserve	Revaluation Reserve	Convertible Note Option Premium Reserve	Share-based Payment Reserve	Total
		\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2017		7,210,755	(10,366,687)	-	11,488	298,383	838,242	(1,998,839)
Profit / (loss) for the year attributable owners of the parent		-	(8,707,405)	-	-	-	-	(8,707,405)
Other comprehensive income for the year attributable owners of the parent		-	-	-	1,305	-	-	1,305
Total comprehensive income for the year attributable owners of the parent		-	(8,707,405)	-	1,305	-	-	(8,706,100)
Transaction with owners, directly in equity								
Shares issued during the year	14a	11,224,554	-	-	-	-	-	11,224,554
Capital raising transaction costs		(907,345)	-	-	-	-	-	(907,345)
Share options granted		-	-	-	-	(29,271)	470,710	441,439
Translation of Ensurance UK ledger		-	-	(54,487)	-	-	-	(54,487)
Balance at 30 June 2018		17,527,964	(19,074,092)	(54,487)	12,793	269,112	1,308,952	(778)
Balance at 1 July 2018		17,527,964	(19,074,092)	(54,487)	12,793	269,112	1,308,952	(778)
Impact due to change in accounting standard*		-	177,602	60,915	-	-	-	238,517
Adjusted balance at 1 July 2018		17,527,964	(18,896,490)	6,428	12,793	269,112	1,308,952	237,739
Loss for the year attributable owners of the parent		-	(1,401,735)	-	-	-	-	(1,401,735)
Other comprehensive income for the year attributable owners of the parent		-	-	-	(880)	-	-	(880)
Total comprehensive income for the year attributable owners of the parent		-	(1,401,735)	-	(880)	-	-	(1,402,615)
Transaction with owners, directly in equity								
Shares issued during the year	14a	-	-	-	-	-	-	-
Transaction costs		(20,543)	-	-	-	-	-	(20,543)
Translation of Ensurance UK ledger		-	-	(17,625)	-	-	-	(17,625)
Sale of Savill Hicks Corp Pty Ltd		(1,205,636)			(12,593)			(1,218,229)
Rollover of convertible notes			221,128			(65,185)	72,094	228,037
Share options granted		-	-	-	-	(100,422)	-	(100,422)
Balance at 30 June 2019		16,301,785	(20,077,097)	(11,197)	(680)	203,927	1,280,624	(2,293,658)

*The Group adopted AASB 15 Revenue from Contracts with Customers on a modified retrospective basis. This resulted in a credit of \$177,602 to retained earnings and \$60,915 to reserves at 1 July 2018, being the cumulative effect on initial application of the standard. As permitted by the new accounting standard, the comparative results for the year ended 30 June 2018 are not restated.

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

for the year ended 30 June 2019

	Note	2019 \$	2018 \$
Cash flows from operating activities			
Receipts from customers		2,223,241	1,614,846
Interest received		131,238	8,663
Interest and borrowing costs paid		(215,063)	(513,508)
Payments to suppliers and employees		(7,493,365)	(8,856,640)
Refund of income tax		284,000	342,285
Net cash used in operating activities		(5,069,949)	(7,404,354)
Cash flows from Investing Activities			
Payment for development of intangible assets		-	(241,983)
Proceeds from sale of financial assets		-	492
Proceeds from sale of discontinued operation		1,999,011	-
Proceeds from/(payments of) intercompany loan with discontinued operation		(223,660)	271,304
Payment of lease deposit		(3,636)	-
Purchase of plant and equipment		(2,727)	(193,757)
Net cash provided by/(used in) investing activities		1,768,988	(163,944)
Cash flows from financing activities			
Proceeds from issue of shares		503,335	11,098,632
Proceeds of borrowings		2,500,000	5,372,696
Repayment of borrowings		(148,265)	(5,841,968)
Convertible note interest		(223,452)	(241,429)
Net cash provided by financing activities		2,631,618	10,387,931
Net increase/(decrease) in cash held		(669,343)	2,819,633
Cash and cash equivalents at the beginning of the year		3,203,479	383,846
Cash and cash equivalents at the end of the year	4b	2,534,136	3,203,479
Cashflows from discontinued operations	16	(181,444)	(400,122)

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the Appendix 4E Preliminary Final Report
for the year ended 30 June 2019

Note 1 Revenue and other income

a. Revenue

	2019 \$	2018 \$
Revenue	2,209,355	1,201,076
Interest	131,239	7,260
Other	136,260	-
	2,476,854	1,208,336

For the year ended 30 June 2019, the Group adopted AASB 15: Revenue from Contracts with Customers, which replaced all revenue standards and interpretations. As permitted by AASB 15, the Group adopted the standard on a modified retrospective basis, so that prior year comparative results have not been restated.

Commission, brokerage and fees will be recognised when the Group has satisfied its performance obligations, which occurs when control of the goods or services are transferred to the customer. This is deemed to be the policy inception date. An invoice and policy documents are created at the date of inception, which specify each party's rights and obligations, the price of the policy, the payment terms and the level of coverage. The insured party assumes full control at the date of inception and cover is enforceable as at that date, regardless of when payment is received. When the performance obligation has been satisfied, the Group will recognise as revenue the amount of the transaction price that is allocated to the performance obligation, after excluding any estimates of variable consideration that are constrained in respect of settlement activities.

Variable consideration for the Company represents the potential for policies to be cancelled or negatively endorsed, ie amended to reflect a change in a customer's circumstances, resulting in a lower premium. To the extent a policy is negatively endorsed or cancelled, the Company still retains the right to collect the premium pro-rata to the point of endorsement or cancellation. The Company estimates variable consideration based on the expected value by looking at the previous year's cancellations and negative endorsements as a percentage of the overall premiums sold. (It is assumed this percentage will not materially change). This percentage is then applied to the trade receivable balance to create a refund liability. The refund liability is considered an acceptable way to account for variable consideration in the standard.

The adoption of AASB 15 is a reflection of a shift in timing of revenue recognised with no change in the quantum of revenue recognised. This change arises from the bringing forward of revenue recognition from the point settlement is received to the point of the later of policy inception and the invoice date, subject to variable consideration, which is constrained to reflect potential cancellations. Refer to the Consolidated Statement of Changes In Equity, which shows the quantitative impact of AASB 15.

Set out below are the amounts by each line item in the Consolidated Statement of Profit or Loss and Other Comprehensive Income and the Consolidated Statement of Financial Position affected by the adoption of AASB 15. The first column shows amounts prepared under AASB 15, the second column shows the AASB 15 adjustment and the last column shows the amounts had AASB 15 not been adopted.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Amounts Prepared Under AASB 15 \$	Current Period Adjustments Under AASB 15 \$	Amounts Prepared Under Previous AASB 1023 \$
Revenue	2,476,854	376,787	2,100,067
Expenses	(7,046,462)	(5,833)	(7,040,629)
Finance Costs	(558,417)	-	(558,417)
Net Profit/(Loss)	(5,128,025)	370,954	(5,498,979)

Consolidated Statement of Financial Position

	Amounts Prepared Under AASB 15 \$	Current Period Adjustments Under AASB 15 \$	Amounts Prepared Under Previous AASB 1023 \$
Current Assets	10,748,208	(16,821)	10,765,029
Non-current Assets	208,513	-	208,513
Current Liabilities	(8,645,839)	627,153	(9,272,992)
Non-current Liabilities	(4,604,540)	-	(4,604,540)
Net Assets	(2,293,658)	610,332	(2,903,990)
Equity	(2,293,658)	610,332	(2,903,990)

Note 2 Loss before income tax

The following significant revenue and expense items are relevant in explaining the financial performance:

a. Depreciation, amortisation and impairment:

- ↳ Depreciation and amortisation of plant and equipment
- ↳ Impairment of intangibles
- ↳ Amortisation of intangibles

b. Employment costs:

- ↳ Directors fees
- ↳ (Decrease)/Increase in employee benefits provisions
- ↳ Superannuation expenses
- ↳ Wages and salaries
- ↳ Other employment related costs

	2019 \$	2018 \$
	52,964	50,436
	-	2,007,461
	-	173,167
	52,964	2,231,064
	104,750	114,875
	(15,763)	21,977
	315,516	367,836
	4,030,690	4,002,505
	375,050	585,260
	4,810,243	5,092,453

Note 3 Income tax
a. Income tax expense / (benefit)

- Current tax expense / (benefit)
- Deferred tax
- Tax rebate for Research and Development

b. Current tax assets

- Current tax assets

c. Current tax liabilities

- Current tax liabilities

	2019 \$	2018 \$
	-	-
	-	-
	-	(286,084)
	-	(286,084)
	-	-
	-	-
	-	-
	-	-

APPENDIX 4E

Preliminary Final Report
30 June 2019

ENSURANCE LIMITED

AND CONTROLLED ENTITIES

ABN 80 148 142 634

Notes to the Appendix 4E Preliminary Final Report for the year ended 30 June 2019

Note 4 Cash and cash equivalents

a. Current

Cash at bank
Cash on hand

b. Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

🔄 Cash and cash equivalents

Note	2019 \$	2018 \$
	2,532,126	3,201,734
	2,010	1,745
	2,534,136	3,203,479
	2,534,136	3,203,479
	2,534,136	3,203,479

Note 5 Trade and other receivables

Current

Trade receivables
R&D Tax rebate receivable
Rights issue proceeds

2019 \$	2018 \$
624,167	35,751
-	284,000
-	503,336
624,167	823,087

Note 6 Other assets

Current

Prepayments

2019 \$	2018 \$
210,343	202,960
210,343	202,960

Notes to the Appendix 4E Preliminary Final Report

for the year ended 30 June 2019

Note 7 Compliance of insurance assets versus insurance liabilities
a. Trust account insurer assets

Insurance debtors

Trust accounts

Total trust account insurance assets
b. Trust account insurer liabilities

Underwriter's liability

Unearned commissions

Other

Total trust account insurance liabilities
c. Excess of insurance assets over insurance liabilities

2019	2018
\$	\$
5,295,482	1,883,519
2,084,080	1,788,828
7,379,562	3,672,347
7,154,426	3,380,618
-	249,517
225,136	42,212
7,379,562	3,672,347
-	-

Note 8 Financial assets
Non-current

Tier 1 Financial assets: Listed shares

Tier 2 Financial assets: Unlisted shares or funds

Bonds on deposit

2019	2018
\$	\$
1,684	2,564
-	-
72,131	67,640
73,815	70,204

Note 9 Property, plant, and equipment
Non-current

Fixtures, furniture, and fittings

Accumulated depreciation

Plant and equipment

Accumulated depreciation

Total plant and equipment

2019	2018
\$	\$
192,604	187,428
(66,692)	(25,873)
125,912	161,555
93,599	91,639
(84,814)	(72,406)
8,786	19,233
134,698	180,788

Note 10 Intangible assets
Non-current

Software development costs

Impairment

Accumulated amortisation

Total intangible assets

2019	2018
\$	\$
3,698,562	3,698,562
(2,007,461)	(2,007,461)
(1,691,101)	(1,691,101)
-	-

APPENDIX 4E

Preliminary Final Report
30 June 2019

ENSURANCE LIMITED

AND CONTROLLED ENTITIES

ABN 80 148 142 634

Notes to the Appendix 4E Preliminary Final Report for the year ended 30 June 2019

Note 11 Trade and other payables

Current

Unsecured

Trade payables & accruals

Other payables

Other taxes

Loan with discontinued operation

	2019 \$	2018 \$
	283,982	351,644
	223,406	401,158
	260,266	238,620
	-	1,059,758
	767,654	2,051,180

The loan with discontinued operation in the prior period represents intercompany loan balances owing from Ensurance Limited to its subsidiary, Savill Hicks Corp Pty Ltd. Normally eliminated on consolidation, with the operations of Savill Hicks Corp Pty Ltd discontinued, the balance was restated as a liability owing from Ensurance Limited. The balance owing to Savill Hicks Corp Pty Ltd was settled on completion of the sale.

Note 12 Borrowings

a. Current

Convertible Notes

Related party loans

Non-refundable sale deposit taken

Premium funding loans

	2019 \$	2018 \$
	270,869	-
	6,000	120,378
	-	200,000
	13,023	146,910
	289,892	467,288

b. Non-current

Convertible notes

Related party loans

	2,065,546	2,583,632
	2,500,000	-
	4,565,546	2,583,632

Note 13 Provisions

Disclosed as:

Current

Non-current

Carrying amount at the end of year

	2019 \$	2018 \$
	208,731	309,223
	38,994	28,889
	247,725	338,112

Notes to the Appendix 4E Preliminary Final Report

for the year ended 30 June 2019

Note 14 Issued capital

	2019 No.	2018 No.	2019 \$	2018 \$
Fully paid ordinary shares at no par value	316,086,819	346,227,724	16,301,785	17,527,964
a. Ordinary shares				
At the beginning of the period	346,227,724	83,113,862	17,527,964	7,210,755
Shares issued during the year	-	263,113,862	-	11,224,554
Transaction costs relating to issue of shares	-	-	(20,543)	(907,345)
Shares cancelled during the year	(30,140,905)		(1,205,636)	
At reporting date	316,086,819	346,227,724	16,301,785	17,527,964

b. Partly paid shares

	2019 No.	2018 No.
Partly-paid Shares	8,000,000	8,000,000

c. Options

Options exercisable at 12 cents expiring 31 July 2020	1,000,000	1,000,000
Options exercisable at 4.6 cents expiring 31 July 2020	3,000,000	3,000,000
Options exercisable at 8 cents expiring 31 July 2020	2,597,314	2,597,314
Options exercisable at 4 cents expiring 31 July 2020	3,500,000	3,500,000
Options exercisable at 8 cents expiring 15 December 2019	5,000,000	5,000,000
Options exercisable at 5 cents expiring 15 December 2019	3,150,000	3,150,000
Options exercisable at 5 cents expiring 15 December 2020	7,250,000	7,250,000
Options exercisable at 5 cents expiring 10 July 2021	1,000,000	-
Options exercisable at 8 cents expiring 10 July 2021	1,000,000	-
Options exercisable at 4 cents expiring 31 December 2021	3,000,000	-
Options exercisable at 6 cents expiring 31 December 2022	5,000,000	-
Options exercisable at 9 cents expiring 31 December 2023	7,000,000	-
Options exercisable at 4 cents expiring 30 June 2021	12,634,301	-
	55,131,615	25,497,314

d. Performance rights

Performance Rights Class A	1,000,000	1,000,000
Performance Rights Class B	500,000	500,000
	1,500,000	1,500,000

e. Convertible notes

🔄 Convertible notes

62,500,000	75,000,000
62,500,000	75,000,000

Note 15 Reserves

Convertible Note option premium reserve

Share-based payment reserve

Share option reserve

Foreign currency translation reserve

Investment revaluation reserve

2019 \$	2018 \$
203,928	269,112
8,980	8,980
1,280,623	1,308,952
(11,197)	(54,487)
(680)	12,793
1,481,654	1,545,350

Note 16 Discontinued Operations

Discontinued operations comprise the Australian retail broking business, Savill Hicks Corp Pty Ltd, the sale of which was completed on 12 November 2018. Results shown in this note represent the results of Savill Hicks Corp Pty Ltd for the period 1 July 2018 up to the completion of the sale.

a. Profit from Discontinued Operations

Revenue

Other income

Operating expenses

Loss from operating activities

Finance costs

Profit before tax

Tax benefit/(expense)

Profit for period

2019 \$	2018 \$
985,660	2,593,021
2,000	28,422
(900,159)	(2,590,691)
87,501	30,752
(9,125)	(22,828)
78,376	7,924
-	-
78,376	7,924

b. Cash Flows from Discontinued Operations

Net cash (used in)/from operating activities

Net cash (used in) investing activities

Net cash from/(used in) financing activities

Net cash used in discontinued operations

(181,444)	216,924
-	(3,443)
-	(613,603)
(181,444)	(400,122)

