E-Plus Limited

ACN 605 951 059

Financial Statements

For the Year Ended 31 December 2018

E-Plus Limited

ACN 605 951 059

Contents

For the Year Ended 31 December 2018

Corporate Governance Statement
31 December 2018

This statement summarises the main corporate governance practices of E-Plus Ltd.

The Board of Directors is primarily responsible for creating, protecting and delivering long term shareholder value. This is achieved through the application of appropriate corporate governance policies and procedures relevant to the size of the Company and the scale of its operations.

The Directors are committed to maintain a Board that is highly skilled, experienced and capable of fulfilling its obligations. The current Board reflects the appropriate balance of Executive and Non Executive Directors to achieve effective governance and promote shareholder value. The majority of the Board are Independent Non Executive Directors. The details of the Director's skills, expertise and experience are provided in the Directors Report.

To assist in fulfilling its duties and responsibilities the Board of Directors have established three standing committees as at listing dated 16 January 2017.

Audit & Risk Management Committee

The Audit & Risk Management Committee comprises three Directors, the majority of whom are Independent Non Executive Directors, and is responsible for monitoring and advising the Board on audit, risk and compliance matters. The Company has adopted an Audit & Risk Management Committee Charter setting out the composition, scope, role, function and powers of the Committee as well as its reporting obligations to the Board.

The Board, in conjunction with the Audit & Risk Management Committee, regularly monitors the business, operational and financial risk associated with the company and considers developing systems and procedures for appropriate risk management.

Remuneration Committee

The Company has established a Remuneration Committee comprising of three Directors, the majority of whom are Independent Non Executive Directors, to assist the Board in ensuring that the Company has appropriate remuneration policies and practices.

Nomination & Governance Committee

The Nomination & Governance Committee's primary function is to assist the Board in fulfilling its responsibilities to shareholders in relation to the composition of the Board, the development and implementation of the Company's governance policies and monitoring compliance with those policies and practices.

NSX Corporate Governance

The Company recognises the importance of good corporate governance and has, where appropriate developed its policies and procedures with reference to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations. Within this context, the Directors make the following disclosures in relation to the company's corporate governance framework:

Corporate Governance Statement

31 December 2018

Principle	Summary of E-Plus Ltd's position
One – Lay solid foundations for management and oversight	The Board Charter sets out the separation of function and the responsibilities of the Board. There are three executive Directors who have contracts which regulate their roles within the Company. The role of Chair is currently held by the CEO and is therefore not independent. The Company considers that the Board is appropriately structured given the nature and size of the company. For this reason, the Company takes the view that it is in the best interests of members that the current executive directors be directors of the Board.
Two – Structure the board to add value	The Board has three independent Non Executive Directors and two Executive Directors. The Board Charter sets out the procedure for recruiting and appointing a new Director. The current Board has the appropriate skills and experience for its size and scale.
Three – Act ethically and responsibly	The Board has implemented a Code of Conduct (Code) to set the minimum standards of conduct expected of all Directors and employees of the Company. This includes the expectation that all employees will act honestly and fairly in all commercial dealings and conduct themselves with professional courtesy and integrity. The Code together with the Board Charter set out the Company's approach to identifying and dealing with Conflicts of Interest. The Board has also adopted a Securities Trading Policy which is appropriate for a company whose shares are admitted to trading on the NSX. The Board has also implemented a Diversity Policy as it recognises the benefits of maintaining diversity among all level in the Company.
Four – Safeguard integrity in financial reporting	The Board has established an Audit & Risk Management Committee to assist it in discharging its obligations for financial reporting, risk management and internal control. The Committee comprises of a majority of Independent Non Executive Directors. All members of the Committee are financially literate. The Chair is independent and is not the Chair of the Board.
Five – Make timely and balanced disclosure	The Board seeks to ensure that there is informed trading in its securities and that all shareholders have equal and timely access to material information. There are also internal procedures defined in the Continuous Disclosures Policy to administer the Company's obligations in respect of reporting material information.
Six – Respect the rights of security holders	The Company has defined under its Shareholder Communications Policy how it will communicate with shareholders.
Seven – Recognise and manage risk	The Audit & Risk Management Committee oversees the Company's risk management and internal control framework. It also assists the Board with fulfilling its corporate governance and oversight responsibilities in relation to the implementation and assessment of risk management and internal control compliance.
Eight – Remunerate fairly and responsibly	The Remuneration Committee consists of two Independent Non Executive Directors and one Executive Director. The primary function of the Committee is to assist the Board in ensuring that the Company's Remuneration Policy is appropriate to attract, retain and motivate high quality Directors and executives who will generate value for shareholder

Directors' Report
31 December 2018

The directors present their report, together with the financial statements of the Group, being E-Plus Limited (the Company) and its controlled entities, for the financial year ended 31 December 2018.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position
Keong Ngok Ching	Executive Director and CEO
Kon Kong Ching	Non Executive Chairman
Brendan Michael O'Connor	Independent Non Executive Director
Kar Nee Suen	Executive Director and COO
Ding Chai Yap	Independent Non Executive Director

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

Information on directors

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

Keong Ngok Ching

Qualifications	Bachelor of Marketing and Bachelor of Human Resource Management from University of Southern Queensland
Experience	Ching has acquired more than 19 years of experience in the field of events management. He founded E Plus in 2004, providing both local and international clients with a host of services ranging from design and production to media planning and communications. Fast forward to the present day, he serves as the Executive Director and Chief Executive Officer of E Plus Limited. His love and gratitude to his home state of Melaka has led to him to organise the immensely popular Melaka Art & Performance Festival, which is regarded as the world's largest independent site specific arts festival. His contributions to society and leadership to the Company have been recognised, and are evident by the "Prestigious Entrepreneur" and the "Prestigious Personal Improvement or Accomplishment" accolades at the 21st Century The Prestigious Brand Award 2015.

Information on directors

Kon Kong Ching	
Experience	A dedicated educator, Ching spent his entire career of more than 20 years as a teacher in Melaka, relentlessly pursuing his noble passion of nurturing the younger generation. Having performed that to distinction, he returned to the family business upon retirement where he now oversees a chain of pawnshops as a Director of CFL & Sons Sdn Bhd. When he's not duty bound, Ching is an avid badminton player, participating in numerous international veteran tournaments and has bagged a gold medal at the 2004 World Senior Badminton Championships. Along with his invaluable experience, in his capacity as Non Executive Chairman of E Plus Limited, Ching provides E Plus with a formidable blend of timeless wisdom, insight and advice to keep it moving forward.
Brendan Michael O'Connor	
Qualifications	Graduated from the College of Dance in Monkstown.
Experience	Brendan, an Ireland born artist, graduated from the College of Dance in Monkstown. Upon his graduation, he was accepted to the Laban Centre London and the Fontys Dance Academy in the Netherlands, to further discover and explore his techniques. Since then, he found his place in dance theatres to express his strong emotions, personal ideas and concepts in his physicality through dance choreographies. After a dance trip to Ghana, he found his interest in strong and psychi physical energy, hence pursued in this direction throughout his consequent connections in New Delhi, India. Brendan continued with his own unique work, elevating his career to opportunities with various dance companies in The Netherlands, as well as some of the leading dance companies in Ireland such as the Dance Theatre of Ireland and the Modern Irish Dance Theatre.
Kar Nee Suen	
Qualifications	Bachelor of Commerce Finance from University of Western Australia
Experience	Suen, kick-started her career as a Product Manager at Bacardi Martini Malaysia, where she was widely accredited for the rapid growth of the local wine market in the early 2000s. She continued to excel over the next few years in the thriving wine industry, before joining E Plus as its Events Director in 2006. She spent the next 8 years propelling the Company to unprecedented heights with her strategic acumen and transformational ideas. Suen is also the Executive Director and Chief Operating Officer of E Plus Limited as well as the Festival Manager of the Melaka Art & Performance Festival.

Information on directors

Ding Chai Yap	
Qualifications	Bachelor in Art (Honours) from Monash University.
Experience	Mr. Tony Yap is an accomplished dancer, director, choreographer and visual artist. Tony was one of the principle performers with IRAA Theatre (1989 1996) and has worked extensively in Australia and overseas including Agamemnon Festival Colline Torinese, Italy and The Trojan Woman, Vienna International Art Festival. As the founding Artistic director of Mixed Company (now Tony Yap Company) in 1993, he has made a commitment to the exploration and creation of an individual dance theatre language that is informed by psycho physical research, Asian shamanistic trance dance, Butoh, Voice and Visual Design. Tony's extensive background in the performing arts led him to his fame as an industry player. Having collaborated with various companies and individuals from Australia, Indonesia, Austria, Italy, France, Malaysia, Denmark, China, South Korea and Japan, his works landed him numerous nominations and global awards throughout his career including his solo work The Decay of the Angel that won him a Green Room Award for Best Male Dancer. Tony is also an accomplished graphic designer. He was Chief Designer in LaTrobe University, and held senior positions in CSIRO Publishing, University of Melbourne and Melbourne Film Festival for many years. He is currently the Creative Director and Founder of Melaka Art & Performance Festival in Malaysia. His vast experience and involvement in the art scene has proven to be a crucial link to the Company with valuable insights and sound advice throughout the course of operations.

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

Principal activities and significant changes in nature of activities

The principal activities of the Group during the financial year were providing events management service, particularly in the entertainment industry, personalised events, Government projects and Corporate events.

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

Operating results and review of operations for the year

Operating results

The loss from continuing operations of the Group for the year was $83,634 (2017: $79,646 loss), after providing for income tax. Total comprehensive income of the Group after income tax was $8,254 (income) (2017: $67,131 loss).

Directors' Report

31 December 2018

Operating results and review of operations for the year

Review of operations

The Group is a Malaysian based events management service provider in the entertainment industry, specialising in providing personalised events, government projects and corporate events. The Group is an integrated agency providing its clients with a full range of services, including event planning and implementation, client servicing and support, public relations and advertising, equipment rental, artist management, technical support, manpower management and permit management. The Group has, since incorporation, managed and organised various local and international events, ranging from private dinners to major scale international concerts. The Group currently possesses committed and secured contracts from its buyers and customers.

The Group has employed and developed capable senior managers with extensive experience within the events management to ensure quality event management services are provided to clients.

Significant changes in state of affairs

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

Events after the reporting date

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

Future developments and results

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

Environmental issues

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

Company secretary

The following person held the position of Company secretary at the end of the financial year:

Natalie Sylvia Climo of Boardroom Partners has been the company secretary since 19 October 2018. Natalie has over 5 years of company secretarial experience servicing both proprietary and public companies. Her experience includes corporate board process management, corporate regulatory compliance, capital raising and corporate restructuring. Natalie is a qualified lawyer admitted in Queensland with experience in corporate law, and holds a Certificate in Governance Practice and Corporate Governance from the Governance Institute of Australia

Meetings of directors

During the financial year, no meetings of directors (including committees of directors) were held. Decisions were made by circular resolutions of the directors.

Dividends

There were no dividends paid or declared during the year.

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of E-Plus Limited.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 31 December 2018 has been received and can be found on page 10 of the financial report.

Remuneration report (audited)

Remuneration policy

The remuneration policy of E-Plus Limited has been designed to align key management personnel (KMP) objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Group's financial results. The Board of E-Plus Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the Group, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for key management personnel of the Group is as follows:

- The remuneration policy has been developed by the Remuneration Committee and approved by the Board following professional advice from independent external consultants.

- All key management personnel receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, and performance incentives.

- Performance incentives are based on predetermined key performance indicators.

- Incentives paid in the form of options or rights are intended to align the interests of the KMP and the Group with those of the shareholders. In this regard, key management personnel are prohibited from limiting risk attached to those instruments by use of derivatives or other means.

- The Remuneration Committee reviews key management personnel packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors.

The performance of key management personnel is measured against criteria agreed bi-annually with each executive and is based predominantly on the forecast growth of the Group's profits and shareholders' value. All bonuses and incentives must be linked to predetermined performance criteria. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can recommend changes to the Committee's recommendations. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Upon retirement, key management personnel are paid employee benefit entitlements accrued to the date of retirement. Key management personnel are paid a percentage of between 5-10% of their salary in the event of redundancy. Any options not exercised before or on the date of termination will lapse.

Directors' Report

31 December 2018

Remuneration report (audited)

All remuneration paid to key management personnel is valued at the cost to the Group and expensed

Employment details of members of key management personnel

The following table provides employment details of persons who were, during the financial year, members of key management personnel of the Group. The table also illustrates the proportion of remuneration that was performance based and the proportion of remuneration received in the form of options.

Directors	Position	Proportion of Remuneration not related to performance measures
Keong Ngok Ching	Executive Director and Chief Executive Officer	100
Kon Kong Ching	Non Executive Chairman	100
Kar Nee Suen	Executive Director and Chief operations Officer	100
Brendan Michael O'Connor	Independent Non-executive Director	100
Ding Chai Yap	Independent Non-Executive Director	100

Remuneration details for the year ended 31 December 2018

The following table of benefits and payment details, in respect to the financial year, the components of remuneration for each member of the key management personnel of the Group.

Table of benefits and payments

2018	Salary/ Fees $	Expense Allowance $	Pension $	Other $	Total $
Directors					
Keong Ngok Ching	79,587	102,852	9,550	306	192,295
Kar Nee Suen	39,794	-	4,775	306	44,875
Kon Kong Ching	-	-	-	-	-
Brendan Michael O'Connor	-	-	-	-	-
Ding Chai Yap	-	-	-	-	-
	119,381	102,852	14,325	612	237,170

Directors' Report

31 December 2018

Remuneration report (audited)

Key management personnel shareholdings

The number of ordinary shares in E-Plus Limited held by each key management person of the Group during the financial year is as follows:

	Balance at beginning of year	Bought/ Sold duing the year	Other change s during the year	Balance at end of year
Directors				
Keong Ngok Ching	**53,780,000**	**-**	**-**	**53,780,000**
Kar Nee Suen	**44,000,000**	**-**	**-**	**44,000,000**
Kon Kong C	**49,000,000**	**-**	**-**	**49,000,000**
Brendan Michael O'Connor	**600,000**	**-**	**-**	**600,000**
Ding Chai Yap	**-**	**-**	**-**	**-**
	147,380,000	**-**	**-**	**147,380,000**

Kon Kong Ching has a deemed interest in a further 67,109,320 shares held directly by his wife and children.

Keong Ngok Ching has a deemed interest in a further 106,329,320 shares held directly by his wife, parents and sibling.

Kar Nee Suen has a deemed interest in a further 111,288,674 shares held directly by her husband, father and sibling.

Other Equity-related KMP transactions

There have been no transactions involving equity instruments.

Other transactions with KMP and/or their related parties

Refer to Note 21 of the financial statements for other transactions with KMP and/or their related parties

End of Audited Remuneration Report

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

Director: ....
Keong Ngok Ching

Director: ....
Kar Nee Suen

Dated this .18th day of March 2019

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E-Plus Limited and Controlled Entities

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of E-Plus Limited and Controlled Entities

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2018, there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

LNP Audit and Assurance Pty Ltd

Anthony Rose
Director
18 March 2019

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2018

	Note	2018 $	2017 $
Sales revenue		**3,043,437**	4,116,466
Cost of sales		**(1,965,651)**	(2,583,666)
Gross profit		**1,077,786**	1,532,800
Other income		**11,657**	29,860
Administrative expenses		**(849,479)**	(1,188,669)
Professional services		**(78,036)**	(138,621)
Directors fees		**(134,646)**	(192,738)
Depreciation expense		**(48,481)**	(48,667)
Loss before income tax		**(21,199)**	(6,035)
Income tax expense	7	**(62,435)**	(73,611)
Loss from continuing operations		**(83,634)**	(79,646)
Loss for the year		**(83,634)**	(79,646)
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Items that will be reclassified to profit or loss when specific conditions are met			
Exchange differences on translating foreign subsidiaries		**91,888**	12,515
Other comprehensive income for the year, net of tax		**91,888**	12,515
Total comprehensive income/(loss) for the year		**8,254**	(67,131)
Loss attributable to:			
Members of the parent entity		**(83,634)**	(79,646)
Total comprehensive income / (loss) attributable to:			
Members of the parent entity		**8,254**	(67,131)
Earnings per share			
Basic Earnings per share – cents per share	18	**(0.0341)**	(0.0325)
Diluted Earnings per share – cents per share	18	**(0.0341)**	(0.0325)

E-Plus Limited

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Consolidated Statement of Financial Position

As At 31 December 2018

	Note	2018 $	2017 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	**219,846**	228,643
Trade and other receivables	10	**2,716,143**	1,970,075
Current tax receivable		**13,509**	19,793
Other assets	12	**197,238**	199,372
TOTAL CURRENT ASSETS		**3,146,736**	2,417,883
NON-CURRENT ASSETS			
Property, plant and equipment	11	**426,159**	462,505
Deferred tax assets	8	**9,174**	98,339
TOTAL NON-CURRENT ASSETS		**435,333**	560,844
TOTAL ASSETS		**3,582,069**	2,978,727
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	**1,660,664**	1,155,361
Borrowings	14	**1,402,276**	1,391,834
Current tax liabilities		**4,548**	33,474
Other financial liabilities	15	**28,453**	92,949
TOTAL CURRENT LIABILITIES		**3,095,941**	2,673,618
NON-CURRENT LIABILITIES			
Borrowings	14	**396,631**	229,621
Deferred tax liabilities	8	**5,755**	-
TOTAL NON-CURRENT LIABILITIES		**402,386**	229,621
TOTAL LIABILITIES		**3,498,327**	2,903,239
NET ASSETS		**83,742**	75,488
EQUITY			
Issued capital	16	**1,244,987**	1,244,987
Reserves		**(9,638)**	(101,526)
Retained earnings		**(1,151,607)**	(1,067,973)
TOTAL EQUITY		**83,742**	75,488

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2018

2018

	Ordinary Shares	Retained Earnings	Foreign Currency Translation Reserve	Total
	$	$	$	$
Balance at 1 January 2018	**1,244,987**	**(1,067,973)**	**(101,526)**	**75,488**
Loss attributable to members of the parent entity	**-**	**(83,634)**	**-**	**(83,634)**
Foreign currency translation	**-**	**-**	**91,888**	**91,888**
Balance at 31 December 2018	**1,244,987**	**(1,151,607)**	**(9,638)**	**83,742**

2017

	Ordinary Shares	Retained Earnings	Foreign Currency Translation Reserve	Total
	$	$	$	$
Balance at 1 January 2017	1,244,987	(988,327)	(114,041)	142,619
Loss attributable to members of the parent entity	-	(79,646)	-	(79,646)
Foreign currency translation	-	-	12,515	12,515
Balance at 31 December 2017	1,244,987	(1,067,973)	(101,526)	75,488

E-Plus Limited

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Consolidated Statement of Cash Flows

For the Year Ended 31 December 2018

	Note	2018 $	2017 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**2,702,286**	3,273,288
Payments to suppliers and employees		**(2,556,773)**	(3,700,276)
Interest paid		**(30,232)**	(18,052)
Income taxes refunded (paid)		**3,559**	(2,404)
Net cash provided by/(used in) operating activities	26	**118,840**	(447,444)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		**(12,135)**	(35,737)
Net cash used in investing activities		**(12,135)**	(35,737)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		**183,600**	118
Repayment of borrowings		**(53,137)**	-
Payment of finance lease liabilities		**(25,171)**	(67,919)
Net loans (repayments to) /received from related parties		**(312,682)**	529,165
Net cash (used in)/provided by financing activities		**(207,390)**	461,364
Effects of exchange rate changes on cash and cash equivalents		**91,888**	16,600
Net decrease in cash and cash equivalents held		**(8,797)**	(5,217)
Cash and cash equivalents at beginning of year		**228,643**	233,860
Cash and cash equivalents at end of financial year	9	**219,846**	228,643

The accompanying notes form part of these financial statements.

The financial report covers E-Plus Limited and its controlled entities ('the Group'). E-Plus Limited is a public company, incorporated and domiciled in Australia.

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

The financial report was authorised for issue by the Directors on 18 March 2019.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

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

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

2 Change in Accounting Policy

Financial Instruments - Adoption of AASB 9

The Group has adopted AASB 9 *Financial Instruments* for the first time in the current year with a date of initial adoption of 1 January 2018.

As part of the adoption of AASB 9, the Group adopted consequential amendments to other accounting standards arising from the issue of AASB 9 as follows:

- AASB 101 *Presentation of Financial Statements* requires the impairment of financial assets to be presented in a separate line item in the consolidated statement of profit or loss and other comprehensive income. In the comparative year, this information was presented as part of other expenses.

- AASB 7 *Financial Instruments: Disclosures* requires amended disclosures due to changes arising from AASB 9, this disclosures have been provided for the current year.

The key changes to the Group's accounting policy and the impact on these financial statements from applying AASB 9 are described below.

Changes in accounting policies resulting from the adoption of AASB 9 have been applied retrospectively except the Group has not restated any amounts relating to classification and measurement requirements including impairment which have been applied from 1 January 2018.

Classification of financial assets

The financial assets of the Group have been reclassified into one of the following categories on adoption of AASB 9 based on primarily the business model in which a financial asset is managed and its contractual cash flow characteristics:

- Measured at amortised cost

2 Change in Accounting Policy

Financial Instruments - Adoption of AASB 9

Measurement of equity instruments

All equity instruments of the Group are measured at fair value under AASB 9 whereas there was a cost exception under AASB 139 which allowed certain unlisted investments to be carried at amortised cost in the absence of a reliable measurement of fair value.

Impairment of financial assets

The incurred loss model from AASB 139 has been replaced with an expected credit loss model in AASB 9 for assets measured at amortised cost, contract assets and fair value through other comprehensive income. This has resulted in the earlier recognition of credit loss (bad debt provisions).

Revenue from Contracts with Customers - Adoption of AASB 15

The Group has adopted AASB 15 *Revenue from Contracts with Customers* for the first time in the current year with a date of initial application of 1 January 2018.

There were no significant changes in the accounting policies as a result of the adoption of AASB 15.

The Group has applied AASB 15 using the cumulative effect method which means the comparative information has not been restated and the comparative information continues to be reported under AASB 111, AASB 118 and related interpretations.

3 Summary of Significant Accounting Policies

(a) Basis for consolidation

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

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

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

A list of controlled entities is contained in Note 23 to the financial statements.

Subsidiaries are all entities (including structured entities) over which the parent has control. Control is established when the parent is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

3 Summary of Significant Accounting Policies

(b) Business combinations

Business combinations are accounted for by applying the acquisition method which requires an acquiring entity to be identified in all cases. The acquisition date under this method is the date that the acquiring entity obtains control over the acquired entity.

The fair value of identifiable assets and liabilities acquired are recognised in the consolidated financial statements at the acquisition date.

Goodwill or a gain on bargain purchase may arise on the acquisition date, this is calculated by comparing the consideration transferred and the amount of non-controlling interest in the acquiree with the fair value of the net identifiable assets acquired. Where consideration is greater than the net assets acquired, the excess is recorded as goodwill. Where the net assets acquired are greater than the consideration, the measurement basis of the net assets are reassessed and then a gain from bargain purchase recognised in profit or loss.

All acquisition-related costs are recognised as expenses in the periods in which the costs are incurred except for costs to issue debt or equity securities.

Any contingent consideration which forms part of the combination is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity then it is not remeasured and the settlement is accounted for within equity. Otherwise subsequent changes in the value of the contingent consideration liability are measured through profit or loss.

(c) Income Tax

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

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

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

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to

  the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

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

3 Summary of Significant Accounting Policies

(c) Income Tax (continued)

substantively enacted by the end of the reporting period.

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

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

(d) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the Group, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(e) Revenue and other income

Revenue from contracts with customers

For current year

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

Identify the contract with the customer, identify the performance obligations, determine the transaction price, Allocate the transaction price to the performance obligations, and recognise revenue as and when control of the performance obligations is transferred

Other income

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

3 Summary of Significant Accounting Policies

(e) Revenue and other income (continued)

Interest revenue

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

For comparative year

Revenue from events is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Group and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue from events is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates\

Sale of services

Revenue is recognised when the service is provided

(f) Borrowing costs

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

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

(g) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

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

3 Summary of Significant Accounting Policies

(h) Property Plan and Equipment

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

Depreciation

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

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

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

Fixed asset class	Depreciation rate
Buildings	20%
Furniture, Fixtures and Fittings	10%
Motor Vehicles	20%
Office Equipment	20%

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

(i) Financial instruments

For current year

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

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

Financial assets

All recognised financial assets are subsequently measured in their entirety at amortised cost.

Classification

On initial recognition, the Group classifies its financial assets into those measured at amortised cost.

Amortised cost

Assets measured at amortised cost are financial assets where:

3 Summary of Significant Accounting Policies

(i) Financial instruments (continued)

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

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

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

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

Impairment of financial assets

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

- financial assets measured at amortised cost

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

The Group uses the presumption that an asset which is more than 60 days past due has seen a significant increase in credit risk.

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

- the other party is unlikely to pay its credit obligations to the Group in full, without recourse to the Group to actions such as realising security (if any is held); or

the financial assets is more than 90 days past due.

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

Trade receivables and contract assets

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

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

3 Summary of Significant Accounting Policies

(i) Financial instruments (continued)

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

Financial liabilities

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

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

For comparative year

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Group becomes party to the contractual provisions of the instrument.

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

Financial assets

Financial assets comprise one category which is loans and receivables;

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the consolidated statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Group's trade and other receivables fall into this category of financial instruments.

In some circumstances, the Group renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Group does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

3 Summary of Significant Accounting Policies

(i) Financial instruments (continued)

Financial liabilities

Financial liabilities are classified as either financial liabilities ‘at fair value through profit or loss’ or other financial liabilities depending on the purpose for which the liability was acquired. Although the Group uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

The Group‘s financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Impairment of Financial Assets

At the end of the reporting period the Group assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset’s carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(j) Impairment of non-financial assets

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

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

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

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

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

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

3 Summary of Significant Accounting Policies

(k) Cash and cash equivalents

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

(l) Earnings per share

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

Diluted earnings per share adjusts the basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(m) Share capital

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

(n) Foreign currency transactions and balances

Unless otherwise specified, the financial information is presented in Australian dollars, which is E-Plus' presentation currency. The Group's functional currency is the Malaysian Ringgit (MYR), as the Group operates in Malaysia. The financial statements have been translated to Australian dollars in accordance with methods set out in AASB 121 "The Effects of Changes in Foreign Exchange Rates".

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

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

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

(o) Adoption of new and revised accounting standards

The Group has adopted all standards which became effective for the first time at 31 December 2018, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Group or refer to Note 2 for details of the changes due to standards adopted.

3 Summary of Significant Accounting Policies

(p) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Group has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Group where the standard is relevant:

Standard Name	Effective date for entity	Requirements	Impact
AASB 16 Leases	Annual reporting beginning on or after 1 January 2019	AASB 16 will cause the majority of an entity to be brought onto the statement of financial position. There are limited exceptions relating to short term leases and low value assets which may remain off balance sheet. The calculation of the lease liability will take into account appropriate discount rates, assumptions about lease term and increases in lease payments. A corresponding right to use asset will be recognised which will be amortised over the term of the lease. Rent expense will no longer be shown, the profit and loss impact of the leases will be through amortisation and interest charges.	There are no material leases at 31 December 2018 therefore there is not expected to be an impact for adopting the new standard.

4 Critical Accounting Estimates and Judgments

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

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

The significant estimates and judgements made have been described below.

Going concern

The directors have prepared financial statements on a going concern basis which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

For the year ended 31 December 2018 the Group recorded a loss after tax for the year of $83,634 (2017: $79,646). As at 31 December 2018 the Group had net current assets of $50,795 (31 December 2017: net current liabilities of $255,735). Included in liabilities is loans to Directors and related parties of $1,008,922 (31 December 2017: $1,321,604). The Group has also received operating cash inflows of $118,840 (2017: cash outflow of $447,444).

These matters give significant rise to a material uncertainty that may cast doubt upon the Group’s ability to continue as an ongoing concern.

4 Critical Accounting Estimates and Judgments (continued)

Going concern

The continuing viability of the Group and its ability to meet its debts and commitments as they fall due is dependent upon the Group being successful in one or more of the following areas:

- Achieving budgets and forecasts of the group
- Meeting the requirements of the group's financiers;
- Receiving continued financial support from directors (refer to Note 25)

Should the Group not achieve either or all of the above, this may impact the Group's ability to continue as a going concern and therefore the Group may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the financial report.

Notwithstanding the above, the directors believe that the Group will be successful in the above matters and be in a position to realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report. Accordingly, the financial report has been prepared on a going concern basis.

In the event that the Group does not achieve the conditions stated by the Directors, the ability of the Company and therefore the Group to continue as a Going Concern may be impacted and therefore the Group may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the financial report. No adjustments have been made to the recoverability and classification of recorded asset values and the amount and classification of liabilities that might be necessary should the Group and company not continue as going concerns.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

5 Parent entity

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

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

Investments in subsidiaries, associates and joint ventures

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

Notes to the Financial Statements

For the Year Ended 31 December 2018

5 Parent entity (continued)

	2018	2017
	$	$
Statement of Financial Position		
Assets		
Current assets	**10,056**	9,279
Non-current assets	**-**	1,105,495
Total Assets	**10,056**	1,114,774
Liabilities		
Current liabilities	**442,498**	302,491
Total Liabilities	**442,498**	302,491
Equity		
Issued capital	**1,244,987**	1,244,987
Retained earnings	**(1,604,446)**	(301,247)
Reserve	**(72,983)**	(131,457)
Total Equity	**(432,442)**	812,283
Statement of Profit or Loss and Other Comprehensive Income		
Total comprehensive income	**(1,271,730)**	(124,464)

6 Result for the Year

The result for the year includes the following specific expenses:

	2018	2017
	$	$
Employee benefit expenses	**520,133**	567,496
Depreciation expense	**48,481**	48,667
Finance costs	**30,232**	18,052

7 Income Tax Expense

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

	2018	2017
	$	$
Current tax expense		
Local income tax - current period	**62,435**	73,611
ncome tax expense for continuing operations	**62,435**	73,611

7 Income Tax Expense (continued)

(b) Reconciliation of income tax to accounting profit:

	2018	2017
	$	$
Loss	**(21,199)**	(6,035)
Tax	**24.00%**	24.00%
	(5,088)	(1,448)
Add:		
Tax effect of:		
- non-deductible expenses	**67,523**	75,059
Income tax expense	**62,435**	73,611

8 Deferred Tax assets and liabilities

	Opening Balance	Charged to Income	Closing Balance
	$	$	$
Deferred tax assets			
Other	136,236	(37,897)	98,339
Balance at 31 December 2017	136,236	(37,897)	98,339
Other	**98,339**	**(89,165)**	**9,174**
Balance at 31 December 2018	**98,339**	**(89,165)**	**9,174**

	Opening Balance	Charged to Income	Closing Balance
Deferred tax liabilities			
Other	**-**	**5,755**	**5,755**
Balance at 31 December 2018	**-**	**5,755**	**5,755**

Deferred tax assets have not been recognised in respect of tax losses made by E-Plus Limited in Australia, because it is not known whether it is probable that future taxable profits will be available which the Group can utilise the benefits of those losses.

9 Cash and Cash Equivalents

	2018	2017
	$	$
Cash at bank and in hand	**219,846**	228,643
	219,846	228,643

Notes to the Financial Statements

For the Year Ended 31 December 2018

10 Trade and other receivables

	2018	2017
	$	$
CURRENT		
Trade receivables	**1,437,321**	1,049,394
Provision for impairment	**(37,431)**	(81,660)
Trade receivables	**1,399,890**	967,734
Receivables from related entities	**1,290,309**	905,467
Other receivables	**37,836**	96,874
Provision for impairment on other receivables	**(11,892)**	-
Total current trade and other receivables	**2,716,143**	1,970,075

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

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements. An analysis of impaired trade and other receivables that are part due is given in Note 20.

Notes to the Financial Statements

For the Year Ended 31 December 2018

11 Property, plant and equipment

	2018	2017
PLANT AND EQUIPMENT	$	$
Plant and equipment		
At cost	**40,363**	37,243
Accumulated depreciation	**(31,909)**	(24,263)
Total plant and equipment	**8,454**	12,980
Furniture, fixtures and fittings		
At cost	**82,633**	76,246
Accumulated depreciation	**(55,302)**	(33,486)
Total furniture, fixtures and fittings	**27,331**	42,760
Motor vehicles		
At cost	**305,260**	409,388
Accumulated depreciation	**(137,416)**	(225,908)
Total motor vehicles	**167,844**	183,480
Office equipment		
At cost	**132,716**	114,842
Accumulated depreciation	**(101,312)**	(78,576)
Total office equipment	**31,404**	36,266
Electrical fitting		
At cost	**14,879**	13,729
Accumulated depreciation	**(9,248)**	(5,640)
Total computer equipment	**5,631**	8,089
Building improvements		
At cost	**225,382**	207,962
Accumulated amortisation	**(39,887)**	(29,032)
Total leasehold improvements	**185,495**	178,930
Total property, plant and equipment	**426,159**	462,505

11 Property, plant and equipment (continued)

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

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

	Building improvements	Plant and Equipment	Furniture, Fixtures and Fittings	Motor Vehicles	Office Equipment	Electrical Fittings	Total
	$	$	$	$	$	$	$
Year ended 31 December 2018							
Balance at the beginning of year	**178,930**	**12,980**	**42,760**	**183,480**	**36,266**	**8,088**	**462,504**
Additions	**-**	**-**	**-**	**-**	**8,255**	**-**	**8,255**
Disposals	**-**	**-**	**-**	**(27,684)**	**-**	**-**	**(27,684)**
Depreciation expense	**(8,160)**	**(5,438)**	**(15,501)**	**(3,217)**	**(13,127)**	**(3,038)**	**(48,481)**
Foreign exchange movements	**14,725**	**912**	**72**	**15,265**	**10**	**581**	**31,565**
Balance at the end of the year	**185,495**	**8,454**	**27,331**	**167,844**	**31,404**	**5,631**	**426,159**
Year ended 31 December 2017							
Balance at the beginning of year	182,586	17,839	59,202	160,653	44,439	10,720	475,439
Additions	-	-	-	21,952	4,351	-	26,303
Depreciation expense	(7,609)	(5,085)	(17,181)	(2,942)	(13,071)	(2,779)	(48,667)
Foreign exchange movements	3,953	226	739	3,817	547	148	9,430
Balance at the end of the year	178,930	12,980	42,760	183,480	36,266	8,089	462,505

12 Other assets

	2018	2017
	$	$
CURRENT		
Prepayments	**197,238**	199,372

13 Trade and Other Payables

	2018	2017
	$	$
Current		
Trade payables	**804,237**	633,976
Deposits	**-**	1,014
GST payable	**35,874**	43,420
Sundry payables and accrued expenses	**410,802**	286,657
Other payables	**409,751**	190,294
	1,660,664	1,155,361

Trade and other payables are unsecured, non-interest bearing and are normally settled within 60 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

14 Borrowings

		2018	2017
		$	$
CURRENT			
Unsecured liabilities:			
Related party payables		**1,008,922**	1,321,604
		1,008,922	1,321,604
Secured liabilities:			
Lease liability secured	20	**20,766**	29,347
Bank loans		**372,588**	40,883
		393,354	70,230
Total current borrowings		**1,402,276**	1,391,834
NON-CURRENT			
Bank loans		**363,367**	179,767
Lease liability secured		**33,264**	49,854
Total non-current borrowings		**396,631**	229,621
Total borrowings		**1,798,907**	1,621,455

Summary of Borrowings

(a) Terms

The loans are for terms between 1 and 5 years

14 Borrowings (continued)

Summary of borrowings (continued)

(b) Security

The bank loans are secured over the properties held by E-Plus Limited and a joint and several charge provided by Suen Kar Nee and Andrew Ching.

(c) Defaults and breaches

During the current and prior year, there were no defaults or breaches on any of the loans.

15 Other Financial Liabilities

	2018	2017
	$	$
CURRENT		
Deferred income	**28,453**	92,949

16 Issued Capital

	2018	2017
	$	$
245,000,000 (2017: 245,000,000) Ordinary shares	**1,244,987**	1,244,987

(a) Ordinary shares

	2018	2017
	No.	No.
At the beginning of the reporting period	**245,000,000**	245,000,000
At the end of the reporting period	**245,000,000**	245,000,000

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

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

(b) Capital Management

Management controls the capital of the Group in order to provide the shareholders with adequate returns and ensure the Group can fund its operations and continue as a going concern.

17 Reserves

(a) Foreign currency translation reserve

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

Notes to the Financial Statements

For the Year Ended 31 December 2018

18 Earnings per Share

(a) Earnings used to calculate overall earnings per share

	2018	2017
	$	$
Earnings used to calculate overall earnings per share	**(83,634)**	(79,646)

(b) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

	2018	2017
	No.	No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	**245,000,000**	245,000,000
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	**245,000,000**	245,000,000

19 Capital and Leasing Commitments

(a) Finance Leases

	2018	2017
	$	$
Minimum lease payments:		
- not later than one year	**20,766**	29,347
- between one year and five years	**33,264**	49,854
Minimum lease payments	**54,030**	79,201
Present value of minimum lease payments	**54,030**	79,201

Finance leases are in place for motor vehicles and normally have a term between 3 and 5 years.

(b) Operating Leases

	2018	2017
	$	$
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	**-**	14,502
	-	14,502

Operating leases are in place for plant and equipment and have terms of up to 2 years. Lease payments are increased on an annual basis to reflect market rentals.

20 Financial Risk Management

The Group is exposed to a variety of financial risks through its use of financial instruments.

The Group's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

20 Financial Risk Management (continued)

The most significant financial risks to which the Group is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - currency risk, interest rate risk and price risk

Financial instruments used

The principal categories of financial instrument used by the Group are:

- Trade receivables
- Cash at bank
- Bank overdraft
- Trade and other payables
- Floating rate bank loans
- Bills of exchange

Objectives, policies and processes

The Board of Directors have overall responsibility for the establishment of the Group's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and the use of derivatives.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The day-to-day risk management is carried out by the Group's finance function under policies and objectives which have been approved by the Board of Directors. The Chief Financial Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and foreign exchange rate risk and assessment of market forecasts for interest rate and foreign exchange movements.

The Board of Directors receives monthly reports which provide details of the effectiveness of the processes and policies in place.

Mitigation strategies for specific risks faced are described below:

20 Financial Risk Management (continued)

Liquidity risk

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

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Group maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

At the reporting date, these reports indicate that the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

Financial guarantee liabilities are treated as payable on demand since the Group has no control over the timing of any potential settlement of the liabilities.

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

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

Financial liability maturity analysis - Non-derivative

	Within 1 Year		2 to 5 Years		Over 5 Years
	2018	**2017**	**2018**	**2017**	**2018**
	$	**$**	**$**	**$**	**$**
Financial liabilities due for payment					
Trade and other payables	**1,660,664**	1,155,361	**-**	-	**-**
Related party payables	**1,008,922**	1,321,604	**-**	-	**-**
Bank loans	**372,588**	40,883	**363,364**	179,767	**-**
Finance leases	**20,766**	29,347	**33,264**	49,854	**-**
Total contractual outflows	**3,062,940**	2,547,195	**396,628**	229,621	**-**

20 Financial Risk Management (continued)

Credit risk

	Total	
	2018	2017
	$	$
Financial liabilities due for payment		
Trade and other payables	**1,660,664**	1,155,361
Related party payables	**1,008,922**	1,321,604
Bank loans	**735,952**	220,650
Finance leases	**54,030**	79,201
Total contractual outflows	**3,459,568**	**2,776,816**

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

Credit risk

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

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Trade Receivables

The Group applies the AASB9 simplified model of recognizing lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on days past due and according to geographic location of customers

The expected loss rates are based on payments and sales in the last 48 months. The historical rates are adjusted to reflect current and forward looking macroeconomic factors affecting the customers' ability to settle amounts outstanding. The Group has identified gross domestic product and unemployment rates of the countries in which the customers are domiciled to be the most relevant factors and adjusts historical loss rates for expected changes in these factors. However given the short period exposed to credit risk, the impact of these macroeconomic factors has not been considered within this reporting period.

Trade receivables are written off (ie derecognised) when there is no reasonable expectation of recovery.

20 Financial Risk Management (continued)

Credit risk

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The following table details the Group's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, within the terms and conditions agreed between the Group and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Group.

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

				Past due but not impaired (days overdue)		
	Gross amount	Past due and impaired	Within initial trade terms	31-60	61-90	> 90
	$	$	$	$	$	$
2018						
Trade receivables	**1,399,890**	**(37,431)**	**703,991**	**426,813**	**2,685**	**266,401**
2017						
Trade receivables	967,734	(81,660)	849,441	96,574	3,869	17,850

Loans advances are without fixed terms. They have been classified as non current as they are not expected to be received within the next twelve months.

The Group does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

Market risk

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

(i) Foreign exchange risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group.

20 Financial Risk Management (continued)

Market risk

Foreign currency denominated financial assets and liabilities, translated into Australian Dollars at the closing rate, are as follows,

	MYR	AUD
2018	**$**	**$**
Nominal amounts		
Financial assets	**5,266,317**	**1,802,731**
Financial liabilities	**(11,103,923)**	**(3,801,021)**
Short-term exposure	**(5,837,606)**	**(1,998,290)**
Financial assets	**3,769,380**	**1,290,309**
Financial liabilities	**(1,158,679)**	**(396,631)**
Long-term exposure	**2,610,701**	**893,678**
2017		
Nominal amounts		
Financial assets	7,650,753	2,388,109
Financial liabilities	(8,292,542)	(2,619,249)
Short-term exposure	(641,789)	(231,140)
Financial assets	-	-
Financial liabilities	(726,982)	(229,621)
Long-term exposure	(726,982)	(229,621)

The following table illustrates the sensitivity of the net result for the year and equity in regards to the Group‘s financial assets and financial liabilities and the MYR – Australian Dollar exchange rate. There have been no changes in the assumptions calculating this sensitivity from prior years.

It assumes a +/- 10% change of the Australian Dollar / MYR exchange rate for the year ended 31 December 2018 (31 December 2017: 10%).

The year end rate is 2.92 MYR.

The sensitivity analysis is based on the foreign currency financial instruments held at the reporting date and also takes into account forward exchange contracts that offset effects from changes in currency exchange rates.

If the Australian Dollar had strengthened and weakened against the MYR by 10% ((31 December 2017: 10%) respectively then this would have had the following impact:

	2018		2017	
	+10%	**-10%**	**+10%**	**-10%**
MYR				
Net results	**(69,963)**	**69,963**	(25,215)	25,215
Equity	**282,331**	**(282,331)**	56,042	(56,042)

Exposures to foreign exchange rates vary during the year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's exposure to foreign currency risk.

20 Financial Risk Management (continued)

Market risk

(ii) Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held being available-for-sale or fair value through profit and loss.

Such risk is managed through diversification of investments across industries and geographic locations.

21 Key Management Personnel Remuneration

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

	2018	2017
	$	$
Short-term employee benefits	222,233	165,270
Long-term benefits	14,325	-
	236,558	165,270

22 Auditors' Remuneration

	2018	2017
	$	$
Remuneration of the auditor LNP Audit and Assurance, for:		
- auditing or reviewing the financial statements and the half year financial report	32,000	17,000
Remuneration of predecessor auditor for:		
- auditing or reviewing the financial statements	-	10,000

23 Interests in Subsidiaries

(a) Composition of the Group

	Principal place of business / Country of Incorporation	Percentage Owned (%)* 2018	Percentage Owned (%)* 2017
Subsidiaries:			
E-Plus Global SDN BHD	Malaysia	100	100
E-Plus Entertainment Productions (M) SDN BHD	Malaysia	100	100

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

24 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2018 (31 December 2017:None).

25 Related Parties

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

The ultimate parent entity, which exercises control over the Group, is E-Plus Limited which is incorporated in Australia and owns 100% of E-Plus Global SDN BHD and E-Plus Entertainment Productions (M) SDN BHD

Key management personnel - refer to Note 21.

Subsidiaries - refer to Note 25.

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

(b) Transactions with related parties

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

The following transactions occurred with related parties:

			Balance outstanding	
	Purchases	Sales	Owed to the company	Owed by the company
	$	$	$	$
Director				
Andrew Ching	-	-	-	577,751
Suen Kar Nee	-	-	-	51,202
Kon Kong Ching	-	-	-	379,968
Related entities				
E-Plus Entertainment Productions (Thailand Co. Ltd	-	348,194	793,538	-
PT. EPlus Events Indonesia	-	182,387	566,685	-
E-Plus Event Management Philippines	42,162	224,182	418,541	-
E-Plus Entertainment Productions (SG) Pte. Ltd	-	182,387	622,382	-
E-Plus Entertainment ProductionsLimited (HK)	10,965	-	-	-
Sendi Dunia SDN. BHD.	-	6,301	-	47,055
Dreamteam Asia Marketing Sdn Bhd	-	-	1,309	-
Ultra Blue Sdn Bhd	-	-	-	12,639

Notes to the Financial Statements
For the Year Ended 31 December 2018

26 Cash Flow Information

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

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

	2018	2017
	$	$
Profit for the year	**(83,634)**	(79,646)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	**48,481**	48,667
Changes in assets and liabilities:		
- (increase) in trade and other receivables	**(352,808)**	(873,203)
- decrease in deferred tax asset	**89,165**	37,897
- increase in trade and other payables	**440,807**	385,367
- increase/(decrease) in income taxes payable	**(28,926)**	33,474
- increase in deferred tax liability	**5,755**	-
Cashflows from operations	**118,840**	(447,444)

27 Events Occurring After the Reporting Date

The financial report was authorised for issue on 18 March 2019 by the board of directors.

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

28 Statutory Information

The registered office of the company is:

E-Plus Limited
Boardroom Pty Ltd, “Grosvenor Place” Level 12
225 George Street
Sydney NSW 2000

The principal place of business is:

B806, Block B, Kelana Square
No. 17 Jalan SS 7/26, Kelana Jaya
47301 Petaling Jaya
Malaysia

Directors' Declaration

The directors of the Company declare that:

1. the financial statements and notes for the year ended 31 December 2018 are in accordance with the *Corporations Act 2001* and:

    a. comply with Accounting Standards, which, as stated in basis of preparation Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

    b. give a true and fair view of the financial position and performance of the consolidated group;

2. the Chief Executive Officer and Chief Finance Officer have given the declarations required by Section 295A that:

    a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;

    b. the financial statements and notes for the financial year comply with the Accounting Standards; and

    c. the financial statements and notes for the financial year give a true and fair view.

3. in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Director	Director ....
Keong Ngok Ching	Suen Kar Nee

Dated 18 March 2019

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF E-PLUS LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of E-Plus Limited (the Company), including its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated income statement, consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Directors' Declaration of the Company.

In our opinion:

(a) the accompanying financial report of E-Plus Limited is in accordance with the Corporations Act 2001, including:

 i) Giving a true and fair view of the Group's consolidated financial position as at 31 December 2018 and of its consolidated financial performance for the period ended on that date; and

 ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

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

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia; and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Relating to Going Concern

We draw attention to Note 4 in the financial report which indicates that the Group recorded a loss after tax for the year of $83,634 (2017: $79,646 loss). The Group has also received operating cash inflows of $118,840 (2017: cash outflow of $447,444). As at 31 December 2018 the Group had net current assets of $50,795 (31 December 2017: net current liabilities of $255,735). Included in liabilities is loans to Directors and related parties of $1,008,922 (31 December 2017: $1,321,604). As started in Note 4 these events or conditions, along with other matters set out in Note 4, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

No adjustments have been made to the financial report relating to the recoverability or classification of the recorded asset amounts and classification of liabilities that maybe necessary should the Group not continue as a going concern.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Key Audit Matter	How our audit addressed the matter
Current trade and related party receivables The Group has $1,399,890 of current trade receivables due from non-related entities, and $1,290,309 of current receivables due from related entities. These balances are significant due to the financial position and performance of the Group, and their size.	For related party receivables our procedures included; • obtaining confirmation of balances due from related parties, • considering the extent to which the balances can be offset to related party liabilities, • critically assessing the ability of related parties to repay the amounts due, • critically assessing management's assessment that no impairment was required, and • assessing presentation and disclosure. For trade receivables our procedures included; • Checking which have been received subsequent to the year-end, • considering the trading history and payment profile of receivables • critically assessing managements impairment assessment, and • assessing presentation and disclosure.
Related Party Disclosures The related parties identified by the Group are the Directors and their related parties. The Group's working capital is being provided by the directors at 31 December 2018, and directors have provided a guarantee for the Group. Related party transactions are a key audit matter as they are integral to financing and operations of the Group.	Our procedures included: • Critically enquiring of and considering the identity of related parties and related party transactions, • obtaining correspondence from relevant related parties in relation to transactions, balances and terms, • considering the terms of transactions with related parties, and • evaluating the adequacy of disclosure of related party transactions and balances

Other information

The Directors are responsible for the other information. The other information comprises the information to be included in the Annual Report to Shareholders for the year ended 31 December 2018 (Annual Report) and the Preliminary report to the National Stock Exchange of Australia (NSX), which is not included the financial report for the year ended 31 December 2018 (Financial Report) and our auditors report thereon. This information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Financial Report, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement of the other information, we are required to report that matter.

Directors' Responsibilities

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

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting in the preparation of the financial report. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial report about the material uncertainty or, if such disclosures are inadequate, to modify our opinion on the financial report. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 7 to 9 of the Directors' Report for the year ended 31 December 2018.

In our opinion, the Remuneration Report of E-Plus Limited for the year ended 31 December 2018, complies with section 300A of the Corporations Act 2001.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

The engagement partner on the audit resulting in this independent auditor's report is Anthony Rose.

LNP Audit and Assurance Pty Ltd

Anthony Rose
Director

Sydney, 18 March 2019