



InPayTech

Integrated Payment Technologies Limited

ACN. 611 202 414

ASX Code IP1(one)



Quarterly Report - 30 June 2018

PayVu Update

PayVu provides accountants, bookkeepers and other professional advisory providers with a service with the aim of reducing the time they spend on administration, increasing services to their clients and boosting their profit margins.

PayVu features

- Complete display of all due payments from the client accounting system
- Payment recommendations communicated by smart phone to business owners to approve or reject
- Payments made via Internet Banking
- Full accounting system synchronisation and automated supplier payment notifications
- Multi-factor authentication for security
- Full payroll and SuperStream compliance

PayVu Pilot Program

In late May a select group of bookkeepers were invited to join the PayVu Pilot program and to provide feedback on their experience. The program ran to the end of June when the responses were analysed and the results used to further optimise the product and increase the number of business banking products supported.

The PayVu Early Adopter Program and Pricing

The PayVu Early Adopter program commences on 30th August to coincide with the release of the optimised application. Entry to the program will be offered to 150 accountants and bookkeepers that have expressed interest in PayVu during conferences and exhibitions.

The product pricing structure has also benefitted from the Pilot feedback and has been broadened to include a plan that offers unlimited payments to deliver a dependable monthly fee for customers with fluctuating or large payment counts.

In recognition of the support we receive, a Partner Program has been introduced to reward accountants, bookkeepers and other professional advisory partners for actively promoting PayVu to existing and potential clients.

QuickBooks Connect and Jim's Bookkeeping

During May the Company had a presentation stand at QuickBooks Connect in Sydney and then in June at Jim's Bookkeeping National Conference in Surfers Paradise. Both appearances offered our key target audience access to demonstrations and the opportunity to discuss the company's vision. Strong support and positive responses were received at both events.

ClickSuper and Single Touch Payroll (STP) Update

The introduction of STP requires the ATO to be notified of Pay As You Go (PAYG) tax deductions, superannuation, pay details and employee personal details for every employee via encrypted messages sent to their application programming interface (API).

ClickSuper has met the stringent ATO security requirements for Interim STP Acceptance and has been conditionally approved as a Sending Service Provider. Employers are now able to submit STP data to the ATO using ClickSuper's easy-to-use file upload process.

Payroll providers needing more time to be ready for STP have applied to the ATO for a deferral of obligation, so that their users will not be penalised. The uptake of our STP services by our existing clients is unknown at this point in time.

AusIndustry Research and Development Tax Incentive Claim

On 3rd July 2018 we received \$351,934 from the Australian Taxation Office in response to our AusIndustry Research and Development Tax Incentive Claim (R&D claim).

Unaudited Financial Results for Quarter ending 30th June 2018 attached.

Cash on hand at 30th June 2018 was \$1,956,210. Combining the R&D claim and the cash on hand delivers a total of \$2,308,144.

DATED: 31 July 2018



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Consolidated Profit/(Loss)

	QE 30/09/2017 \$	QE 31/12/2017 \$	QE 31/03/2018 \$	QE 30/06/2018 \$	YTD 30/06/2018 \$
Revenue	415,993	360,987	506,122	410,353	1,693,455
Other income				81,280	81,280
Cost of sales	-127,396	-90,229	-90,087	-148,302	-456,014
Gross profit	288,597	270,758	416,035	343,331	1,318,721
Operating expenses	-347,626	-376,898	-302,399	-367,356	-1,394,279
Operating profit	-59,029	-106,140	113,636	24,025	-75,558
Interest	17,174	15,251	12,167	8,499	53,091
Corporate overheads	-205,696	-192,269	-207,764	-232,067	-837,796
Non-operating expenses	-131,199	-125,801	-128,562	-121,424	-506,986
	-319,721	-302,819	-324,159	-344,992	-1,291,691
Non-cash expenses					
Depreciations	-427,500	-427,500	-427,500	-437,401	-1,719,901
Tax (expense)/benefit	70,449	298,417	70,450	93,511	532,827
	-357,051	-129,083	-357,050	-343,890	-1,187,074
Net profit/(loss) for the period	-735,801	-538,042	-567,573	-712,907	-2,554,323

The background features a dark blue grid pattern. A large, light blue arrow points upwards from the bottom center. A white dashed arrow also points upwards, slightly to the right of the center. At the bottom, a globe is shown with a grid overlay, surrounded by several concentric, semi-transparent circular rings that resemble a stylized globe or a data visualization. The text is positioned on the left side of the page, with the company name in a large, bold font and contact information in a smaller font below it.

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