

ASX: TTL
24 July 2018



TRANSCENDENCE TECHNOLOGIES LIMITED JUNE 2018 QUARTERLY ACTIVITIES REPORT

The Board of Transcendence Technologies Limited (**Transcendence** or the **Company**) provides the following report on its activities and operations for the quarter ended 30 June 2018.

E-Collate

The Company is currently improving its product (**E-Collate**) for use in the individual Self-Managed Superannuation Funds (**SMSF**) industry. E-Collate is an innovative product for general document aggregation to streamline the administration of individual Self-Managed Superannuation Funds. It utilises unique proprietary software and interfaces to enable rapid arrangement, secure storage and efficient export of compliance sensitive documentation.

Software architecture of E-Collate's web platform is complete for the basic workflow of managing documents for a SMSF. Individuals are able to upload, manage and export document collections for their SMSF accounting and audit service providers (**SMSF Providers**).

Work carried out during the reporting period includes:

Technology

Software architecture of E-Collate was completed for the basic workflow of managing documents for a Self-Managed Superannuation Fund (**SMSF**). To gain traction in the marketplace, additional features were implemented including fully self-service signup and login along with a 3GB quota of integrated online cloud storage for each account. Further, security has been locked down and procedures established to audit and prevent instances of staff access to private customer data.

The system has undergone internal upgrades and is now adaptable directly by the customer service staff. Previously, the entire system was required to be taken offline and opened up to make any such changes. Entries can now readily be added to the list of document types or fresh lists of document types can be prepared for new industries.

Marketing and Sales

The Company devised an initial marketing and sales strategy to approach SMSF fund holders (**Clients**) and the businesses that support their SMSF including accountants, auditors, financial advisors and lawyers (**Professionals**).

The Company had intended to secure accountants, auditors, financial advisors and lawyers as partners to receive new clients in exchange for their support to improve and inform handover of the client and their SMSF document collections. An initial proof of concept trial was undertaken during the quarter, with very limited success. As a result, the Company is now reconsidering the go forward strategy.

Corporate

During the quarter, Mr. Bowen Plug tendered his resignation as Chief Executive Officer. The Company has commenced the search for a suitable replacement.

In May, the Company changed its provider for shareholder registry services from Link Market Services Limited to Automic Registry Services (**Automic**).

The contact details for Automic are below:

Email: hello@automic.com.au

Phone: 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

At the end of the quarter, the Company had cash reserves of approximately \$1.65 million. The Appendix 4C report attached to this report contains the Company's cash flow statement for the quarter.

- Ends -

For and on behalf of the Board,



Sarah Smith
Company Secretary

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Transcendence Technologies Limited

ABN

57 096 781 716

Quarter ended ("current quarter")

30 June 2018

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) research and development	-	(34)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	(18)	(72)
	(d) leased assets	-	-
	(e) staff costs	(33)	(141)
	(f) administration and corporate costs	(160)	(460)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	6	37
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(205)	(670)
1.2(e)	Staff costs include the salary of the Chief Executive Officer of the Company who is predominately working on the development of the software.		

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	(200)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	(200)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from issue of options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

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4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	1,857	2,522
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(205)	(670)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(200)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	1,652	1,652

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,652	1,857
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,652	1,857

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	(83)
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
6.1	Fees paid to Directors and/or Director related entities	\$27,000
	Company secretarial and financial management fees paid to a Director related entity	\$23,625
	Corporate advisory fees (January to April) paid to a Director related entity	\$32,000

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7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Research and development	-
9.2	Product manufacturing and operating costs	-
9.3	Advertising and marketing	-
9.4	Leased assets	-
9.5	Staff costs	(20)
9.6	Administration and corporate costs	(120)
9.7	Other (provide details if material)	-
9.8	Total estimated cash outflows	(140)

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity	N/A	N/A
10.2	Place of incorporation or registration		
10.3	Consideration for acquisition or disposal		
10.4	Total net assets		
10.5	Nature of business		

+ See chapter 19 for defined terms

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Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: Company Secretary

Date: 24 July 2018

Print name: Sarah Smith

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.