APS Benefits Group Ltd

ABN 64 077 846 809

Annual Report - 30 June 2024

The Directors of APS Benefits Group Ltd (APSBG) present their report together with the Financial Statements of the Consolidated Entity, being APS Benefits Group Ltd (the Company) and its controlled entities (the Group), APS Financial Planning Pty Ltd, APS Tax, Accounting & Business Services Pty Ltd, APS Savings Ltd, APS Mortgages Pty Ltd and APS Wills and Estates Pty Ltd for the financial year ended 30 June 2024 . The Company is a company registered under the Corporations Act 2001.

Directors' details
The Directors of APS Benefits Group Ltd during, or since the end of the year are:

Name and Qualifications	Experience and Special Responsibilities
Kate Fazio, Age 38 Director, BA (Media & Comms), B Laws (Hons), GDip Legal Practice, GCert Social Impact, Master of Social Impact and Philanthropy Appointed as a non-executive Director in October 2016	Principal Consultant, Kate Fazio Consulting 17 years' experience Director of Subsidiary – APS Savings Ltd
Sean Carroll, Age 47 Director, Masters Organisational Psychology (Monash)BA and BCommerce (Monash), GAICD Appointed as a non-executive Director in October 2018	Managing Partner, ByMany Pty Ltd 23 year's experience Director of Subsidiary – APS Savings Ltd
Kaye Kieni, Age 60 Chair, B.Bus (Acc), GDip Information Systems, Master of Information Systems Management,Certificate in Governance and Risk Management, FCPA, MAICD Appointed as a non-executive Director in October 2014 and retired as a Director in October 2023	Company Director Ex Director, Finance, Productivity Commission 35 years' experience Director of Subsidiary – APS Savings Ltd
Sharon Morris, Age 52 Director, BA (Psych & Politics), GDip Public Relations and Counselling, MAICD Appointed as a non-executive Director in October 2014 and retired as a Director in October 2023	Group Regional Head, World Commerce and Contracting 30 years' experience Director of Subsidiary – APS Savings Ltd
Tim Chilvers, Age 52 Director, Master of Applied Finance, Diploma of Financial Services, Bachelor of Business Appointed as a non-executive Director in October 2019	Managing Director, Navigate, Evolve, Lead Partner Consultant, Lighthouse Leadership and Development Faculty Head, Australian Institute of Coaching Partner, The Colin James Method 34 years' experience Director of Subsidiary – APS Savings Ltd Director and Chair Carey Baptist Grammar School
Chris Stocks, Age 68 Director, BA (Economics and Statistics - Monash) GDip Public Policy and Management, Cert IVWorkplace Assessment and Training, GAICD Appointed as a non-executive Director in October 2020	Consultant – Business Management Ex-Public Service Executive 44 years' experience Director of Subsidiary – APS Savings Ltd
Jo McKennariey, Age 45 Director, Master of Business Administration, Bachelor of Arts in Political Science (Double Major inPublic Policy & Industrial Relations), GAICD, CAHRI Appointed as a non-executive Director in February 2023	Managing Director, reDirectional Advisory & Consulting 22 years' experience Director of Subsidiary – APS Savings Ltd RSPCA QLD: Non-Executive Director and Chair of Community Independent Strategic Advisor to the People & Governance Committee at CEDA Engagement Committee RSPCA Australia: Non-Executive Director and Chair of Animal WelfareEthics Committee
Bridget Sebire, Age 53 Director, BA, GDip Applied Finance and Investment, PIIA, GAICD Appointed as a non-executive Director in October 2023	GM Risk, Compliance and Insurance APA 31 years' experience Director of Subsidiary – APS Savings Ltd
Lisa Geier, Age 52 Director, MBA, BEconomics, Dip Applied Corporate Governance and Risk Management, CPA, CIA Appointed as a non-executive Director in October 2023	Director of Finance, Productivity Commission 31 years' experience Director of Subsidiary – APS Savings Ltd

The Company Secretary in office at the end of the year is:
Craig Walden, B.Bus (Acc), Diploma of Finance and Mortgage Broking Management. Craig has over 40 years' management experience including 22 years as the current Chief Executive Officer of APS Benefits Group Ltd.

Principal activities and objectives

The Group's principal activities during the financial year were:

· To provide funeral benefits to members.
· To provide a range of financial and professional services to members and clients.
· To administer the APS Benevolent Foundation Ltd and the APS Benevolent Fund Ltd, both approved charities for tax purposes. The Group has agreed to finance all of the expenses of the charities to ensure that all funds donated are used for charitable purposes.

The Group's strategy is to achieve steady growth in the number of members and clients, and to ensure that the range of financial and professional services provided to members and clients remains relevant to their needs.

Financial results

The surplus of the Group for the financial year after providing for income tax amounted to $380,342 (2023: $799,462).
This surplus has occurred notwithstanding the Group allocating a bonus to members' accounts at a cost of $2,071,000 (2023: $1,972,000). If the bonus was not allocated, the financial result would have been a surplus of $2,451,342 (2023: $2,771,462). It is a strategy of the Board to retain appropriate reserves, whilst rewarding current members with bonuses, and this may lead to deficits in some years where the member's bonus has been paid or partially paid from reserves.

Dividends

The Group does not pay dividends.

Membership

At 30 June 2024, the number of members/clients was 31,141 compared with 30,968 at 30 June 2023.
During the 2023/24 year, a further 907 new members/clients joined the Group, leading to almost 31,000 new members/clients over the last 22 years. This is an excellent result, giving us net membership/client growth over the last 21 years of over 9,800 members/clients.

Review of operations

The results of the Group's operations did not change significantly from those of the previous year.
The result for the year was affected by the Group's strategy to reduce the reserves over time, to ensure that current members are rewarded for the financial performance of the Group during their membership.

Significant changes in state of affairs

There were no significant changes in state of affairs of the Group during the year.

Events occurring after the end of the reporting date

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

Likely developments, business strategies and prospects

No matter, circumstance or likely development in the operations has arisen since the end of the financial year occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect the:

1. operations of the Group;
2. results of those operations;
3. state of affairs of the Group

in future financial years.

The Group will continue to look for ways to achieve steady membership growth, and to add value to benefit its members/clients. It will investigate introducing new services, as well as encouraging greater use of its current services.

Indemnifying officer or auditor

Insurance premiums have been paid to insure each of the Directors and officers of the Group, against any costs and expenses incurred by them in defending any legal proceeding arising out of their conduct while acting in their capacity as an officer of the Group. In accordance with normal commercial practice, disclosure of the premium amount and the nature of the insured liabilities is prohibited by a confidentiality clause in the contract.

Environmental regulation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Meetings of directors

	Board and Strategy	Board and Strategy	Audit/Finance/Governance	Audit/Finance/Governance	People & Remuneration	People & Remuneration
	Held	Attended	Held	Attended	Held	Attended
T Chilvers	16	16	7	7	1	1
K Kieni*	4	4	3	3	1	1
S Morris*	4	2			1	1
K Fazio*	12	12			1	1
J McKennariey	16	16	7	7		
S Carroll	16	14			2	2
L Geier*	12	10	4	4		
C Stocks	16	16			2	2
B Sebire*	12	12	4	4		

*Eligibility was reduced due to K Kieni and S Morris retiring from the board, L Geier and B Sebire joining the board in October 2023 and K Fazio having a leave of absence until November 2023

Directors' benefits

These fees are approved annually by the members at the Annual General Meeting. For the year ending 30 June 2024, Directors received the benefits as described in the table below. Superannuation was paid at the rate of 11% of Honorarium.

Name	Honorarium (including superannuation) $
T Chilvers	43,619.92
K Kieni*	14,257.97
S Morris*	9,165.84
K Fazio*	21,932.96
J McKennariey	29,970.00
S Carroll	33,300.00
L Geier	25,431.34
C Stocks	29,970.00
B Sebire	20,904.09
Total	**228,452.12**

Directors' interests

The Directors are all members of the Group. Subject to this, since the end of the previous financial year, no Director of the Group has received, or become entitled to receive any benefit by reason of a contract made by the Group with the Director, or with a Group in which the Director has a substantial interest.

Environmental issues

The Group's operations are not subject to any particular or significant environmental regulations under a law of the Commonwealth or of a State or Territory in Australia.

Auditors Independence

The auditors have provided the declaration of independence to the board as prescribed by the *Corporations Act 2001 as* set out on page 5.

This report is made in accordance with a resolution of the board of Directors and is signed for and on behalf of the Directors by:

T Chilvers Chair	C Stocks Director

09 October 2024

Grant Thornton Audit Pty Ltd
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Melbourne VIC 3001

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Auditor’s Independence Declaration

To the Directors of APS Benefits Group Ltd

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of APS Benefits Group Ltd for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

D G Ng
Partner – Audit & Assurance

Melbourne, 9 October 2024

General information

The financial statements cover both APS Benefits Group Ltd as an individual entity and the consolidated entity consisting of APS Benefits Group Ltd and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is APS Benefits Group Ltd's functional and presentation currency.

APS Benefits Group Ltd is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Registered office

440 William Street, West Melbourne VIC 3003

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 9 October 2024. The directors have the power to amend and reissue the financial statements.

APS Benefits Group Ltd
Statements of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Note	Consolidated 2024 $	Consolidated 2023 $	Parent 2024 $	Parent 2023 $
Revenue					
Revenue and other income	3	27,175,215	25,182,548	25,909,422	23,978,218
Expenses					
Bad debts expense	4	(1,098,533)	(1,134,972)	(1,098,533)	(1,149,000)
Benefits paid to members		(3,171,140)	(3,221,943)	(3,171,140)	(3,221,943)
Changes in mortuary fund liabilities		(5,575,000)	(5,380,000)	(5,575,000)	(5,380,000)
Board and AGM expenses		(238,484)	(239,412)	(238,484)	(239,412)
Interest expense on debenture notes issued		(7,581,475)	(6,552,171)	-	-
Marketing expense		(164,037)	(130,389)	(164,037)	(130,388)
External services expenses		(1,920,290)	(1,233,420)	(1,313,195)	(1,196,384)
Employee benefits expense		(3,343,260)	(3,106,688)	(1,831,152)	(1,721,191)
Postage and telephone expenses		(42,209)	(59,275)	(42,209)	(59,275)
Depreciation and amortisation expense		(218,653)	(228,114)	(203,371)	(208,452)
Interest expense on inter-company loan		-	-	(12,311,209)	(10,974,987)
Interest expense on lease liabilities		(91,955)	(99,091)	(91,955)	(99,091)
Occupancy expense		(41,075)	(36,616)	(41,075)	(36,616)
Other expenses		(1,159,451)	(992,445)	(949,933)	(803,853)
Profit/(loss) before income tax expense		2,529,653	2,768,012	(1,121,871)	(1,242,374)
Income tax expense		(2,149,311)	(1,968,550)	(1,168,973)	(913,747)
Profit/(loss) after income tax expense for the year attributable to the owners of APS Benefits Group Ltd		380,342	799,462	(2,290,844)	(2,156,121)
Other comprehensive income for the year, net of tax		-	-	-	-
Total comprehensive income for the year attributable to the owners of APS Benefits Group Ltd		380,342	799,462	(2,290,844)	(2,156,121)

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

APS Benefits Group Ltd
Statements of financial position
As at 30 June 2024

	Note	Consolidated 2024 $	Consolidated 2023 $	Parent 2024 $	Parent 2023 $
Assets					
Current assets					
Cash and Cash Equivalents	6	5,954,643	7,230,802	4,390,048	5,917,188
Trade and Other Receivables	7	108,702,667	123,371,087	110,354,826	124,859,201
Other financial assets	8	6,310,824	5,890,087	6,300,824	5,880,087
Current tax asset	10	854,974	-	854,974	-
Other current assets	11	184,205	174,735	154,665	149,404
Total current assets		122,007,313	136,666,711	122,055,337	136,805,880
Non-current assets					
Trade and other receivables	7	152,215,251	139,912,603	152,215,252	139,912,603
Property, plant and equipment	13	419,787	398,521	357,073	320,319
Right-of-use assets	9	1,147,708	1,294,900	1,147,708	1,294,900
Deferred tax asset		962,817	909,200	786,171	736,406
Investments in controlled entities	12	-	-	4,000,009	4,000,009
Total non-current assets		154,745,563	142,515,224	158,506,213	146,264,237
Total assets		276,752,876	279,181,935	280,561,550	283,070,117
Liabilities					
Current liabilities					
Trade and other payables	14	109,556,359	130,798,819	163,237,590	168,089,457
Lease liabilities	15	129,017	121,916	129,017	121,916
Current tax liabilities		-	860,805	-	860,805
Provisions	16	1,392,340	1,278,291	877,310	845,921
Mortuary Fund	21	3,055,750	2,941,250	3,055,750	2,941,250
Total current liabilities		114,133,466	136,001,081	167,299,667	172,859,349
Non-current liabilities					
Trade and other payables	14	35,220,286	21,487,255	-	-
Lease liabilities	15	1,286,517	1,408,968	1,286,517	1,408,968
Deferred tax liabilities		143,815	138,498	128,135	118,947
Provisions	16	18,767	36,949	5,276	10,554
Mortuary Fund	21	119,312,249	113,851,750	119,312,250	113,851,750
Total non-current liabilities		155,981,634	136,923,420	120,732,178	115,390,219
Total liabilities		270,115,100	272,924,501	288,031,845	288,249,568
Net assets/(liabilities)		6,637,776	6,257,434	(7,470,295)	(5,179,451)
Equity					
Reserves	17	6,637,776	6,257,434	(7,470,295)	(5,179,451)
Total equity/(deficiency)		6,637,776	6,257,434	(7,470,295)	(5,179,451)

The above statements of financial position should be read in conjunction with the accompanying notes

APS Benefits Group Ltd
Statements of changes in equity
For the year ended 30 June 2024

	Consolidated		Parent	
	General Reserve $	Total Equity $	General Reserve $	Total Equity $
Balance at 1 July 2022	5,457,972	5,457,972	(3,023,330)	(3,023,330)
Total comprehensive income/(loss) for the year	799,462	799,462	(2,156,121)	(2,156,121)
Balance at 30 June 2023	6,257,434	6,257,434	(5,179,451)	(5,179,451)
Balance at 1 July 2023	6,257,434	6,257,434	(5,179,451)	(5,179,451)
Total comprehensive income/(loss) for the year	380,342	380,342	(2,290,844)	(2,290,844)
Balance at 30 June 2024	6,637,776	6,637,776	(7,470,295)	(7,470,295)

The above statements of changes in equity should be read in conjunction with the accompanying notes

	Note	Consolidated 2024 $	Consolidated 2023 $	Parent 2024 $	Parent 2023 $
Cash flows from operating activities					
Receipts from members & customers		4,054,512	4,372,709	2,633,030	3,105,146
Interest received		22,503,665	20,186,999	22,495,309	20,181,776
Bad debts recovered		49,424	83,968	49,424	83,968
Payments to members		(3,171,140)	(3,221,943)	(3,171,140)	(3,221,943)
Interest paid		(7,673,430)	(6,573,854)	(12,403,164)	(10,974,987)
Payments to employees and suppliers		(6,885,488)	(6,816,242)	(4,844,949)	(4,477,027)
		8,877,543	8,031,637	4,758,510	4,696,933
Income taxes paid		(3,913,389)	(1,451,718)	(2,925,329)	(399,598)
Net cash from operating activities		4,964,154	6,579,919	1,833,181	4,297,335
Cash flows from investing activities					
Net movement in deposits from investors		(7,835,762)	4,239,208	-	-
Proceeds/(repayments) of intercompany loan		-	-	(4,955,564)	19,389,744
Payments for property, plant and equipment		(84,658)	(34,133)	(84,864)	(32,335)
Net advances of loans to members		1,803,527	(42,586,666)	1,803,527	(42,586,877)
Net cash used in investing activities		(6,116,893)	(38,381,591)	(3,236,901)	(23,229,468)
Cash flows from financing activities					
Principal lease payments		(123,420)	(118,073)	(123,420)	(118,073)
Net cash used in financing activities		(123,420)	(118,073)	(123,420)	(118,073)
Net decrease in cash and cash equivalents		(1,276,159)	(31,919,745)	(1,527,140)	(19,050,206)
Cash and cash equivalents at the beginning of the financial year		7,230,802	39,150,547	5,917,188	24,967,394
Cash and cash equivalents at the end of the financial year	6	5,954,643	7,230,802	4,390,048	5,917,188

The above statements of cash flows should be read in conjunction with the accompanying notes

Note 1. Statement of material accounting policies

General information

The financial report is prepared for APS Benefits Group Limited and controlled entities ('the Group') for the year ended the 30 June 2024. The consolidated general purpose financial statements of the Group have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). APS Benefits Group Limited is a for-profit entity for the purpose of preparing the financial statements. It is limited by guarantee, incorporated and domiciled in Australia. Its subsidiaries, APS Financial Planning Pty Ltd, APS Tax, Accounting & Business Services Pty Ltd, APS Mortgages Pty Ltd and APS Wills and Estates Pty Ltd are proprietary companies. Its other subsidiary APS Savings Ltd is an unlisted public company.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of measurement

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected financial assets for which the fair value basis of accounting has been applied.

New or amended Accounting Standards and Interpretations adopted

There were no amended accounting standards and interpretations issued by the Australian Accounting Standards Board effective for the year ended 30 June 2024 that were relevant to the Group.
The Group has considered the impact of AASB 17 Insurance Contracts (effective 1 July 2023) on the funeral benefit product provided to members. The funeral benefit products provided to members meet the definition of investment contracts with discretionary participation features under AASB 17, where an entity does not issue other insurance contracts, these particular contracts are not in the scope of AASB 17. As the Group does not issue other insurance contracts, the funeral benefit product is not in scope of AASB 17.

The Group has not applied the following new and revised Australian Accounting Standards that have been issued but are not yet effective.
The Directors do not expect that the adoption of the Standards listed below will have a material impact on the financial statements of the Group in future periods

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as current or Non-current.
- AASB 18 Presentation and Disclosure in Financial Statements.

The accounting policies set out below have been consistently applied for all years presented.

Accounting policies

a. **Income tax**

<u>Current tax</u>
Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

<u>Deferred tax</u>
Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised, or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Note 1. Statement of material accounting policies (continued)

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

APS Benefits Group Ltd and its wholly-owned subsidiaries have formed an income tax consolidated group under the tax consolidation regime. Each entity in the group recognises its own current tax expense and deferred tax balances. The current tax liability of each group entity is then subsequently assumed by APS Benefits Group Ltd.

b. **Plant and equipment**
Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use.
The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	**Depreciation rate**
Plant and equipment	3-50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.
An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

c. **Employee benefits**
Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Contributions to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

d. **Provisions**
Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

e. **Cash and cash equivalents**
Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

f. **Goods and services tax (GST)**

Note 1. Statement of material accounting policies (continued)

The Group adheres to the financial institutions' framework of GST legislation.

g. Mortuary fund

Subscription revenue collected and benefits (death and resignation) paid in respect to the mortuary fund are accounted for through the statement of profit or loss. The gross change in the mortuary fund liability for the period, including any bonuses vested, is recognised in the statement of comprehensive income.

h. Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset. Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.
Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index, or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

i. Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service, or at the date of their origin.

j. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the company (its subsidiaries, referred to as 'the Group' in these financial statements). Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.
All intra-group transactions, balances, income, and expenses are eliminated in full on consolidation.

k. Classification of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:
- amortised cost
- fair value through profit or loss (FVPL)

Classifications are determined by both:
- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial assets.

Subsequent measurement of financial assets

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:

Note 1. Statement of material accounting policies (continued)

• the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
• the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group’s cash and cash equivalents, trade receivables, interest bearing securities and loans to members fall into this category of financial instruments.

Financial assets at fair value through profit or loss (FVPL)
Financial assets that are within a different business model other than ‘hold to collect’ are categorised as fair value through profit or loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL. The Group’s investments in unlisted managed funds fall into this category.

Loans to members
Loans and advances were initially measured at fair value plus incremental direct transaction costs, and subsequently measured at their amortised cost using the effective interest method.
Interest earned
Interest is calculated on the basis of the daily balance outstanding and is charged in arrears to a members account on the last day of each month.

Nonaccrual loan interest – while still legally recoverable, interest is not brought to account as income where the Group is informed that the member has deceased, or loan is impaired.
Fees on loans
The fees charged on loans are recognised as income at the point in time when the service is provided, or costs are incurred.

Loan impairment
AASB 9’s impairment requirements use forward looking information to recognise expected credit losses - the ‘expected credit loss model’ (ECL).

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.
In applying this forward-looking approach, a distinction is made between:
• financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (performing loans) (‘Stage 1’); and
• financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low (‘Stage 2’).

‘Stage 3’ would cover financial assets that have objective evidence of impairment (loans in default) at the reporting date.

Measurement of ECL
‘12-month expected credit losses’ are recognised for the first category while ‘lifetime expected credit losses’ are recognised for the second category. Measurement of the expected credit losses is determined by a probability weighted estimate of credit losses over the expected life of the financial instrument.

Credit-impaired financial assets
At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.
Evidence that a financial asset is credit-impaired includes the following observable data:
• significant financial difficulty of the borrower or issuer;
• a breach of contract such as a default or past due event;
• the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
• it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
• the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower’s condition is usually considered to be credit-impaired

Note 1. Statement of material accounting policies (continued)

unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a loan that is overdue for 90 days or more is considered impaired.

Presentation of allowance for ECL in the statement of financial position
Loss allowances for ECL are presented in the statement of financial position as a deduction from the gross carrying amount of the assets.

Write-off
Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

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

Key judgments
1. Doubtful debts provision - included in accounts receivable at 30 June 2024 is an amount receivable from loans made to members during the current financial year amounting to $260,590,909 (2023: $262,998,299).
The directors believe that the full amount of the debt is recoverable, other than an amount of $1,193,485 (2023: $1,052,374), which has been included as the Group's expected credit loss provision at 30 June 2024.

Management have made critical accounting estimates with respect to the measurement of the Group's expected credit loss (ECL) allowance. Key areas of judgement under the new standard include:

• probability of default (PD);
• loss given default (LGD); and
• exposure at default (EAD).

These parameters are derived from internal analysis, management judgements and other historical data. They are adjusted to reflect forward-looking information as described below.

PD estimates are calculated based on arrears over 90 days and other loans and facilities where the likelihood of future payments is low.

LGD is the magnitude of the likely loss if there is a default. The Group estimates LGD based on the history of losses incurred and considers the structure of the loan, collateral and recovery costs of any collateral that is integral to the financial asset.

EAD represents the expected exposure in the event of a default.

The Group has established groups of similar financial assets for the purposes of measuring ECL When ECLs are measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics.

*2. Mortuary fund liability - th*e process and assumptions used to determine the mortuary fund liability are discussed further in Note 21.

Note 2. Restatement of comparatives

Reclassification
There was a change in presentation of some expenses in the current financials for the prior year, however they were immaterial in nature.

Note 3. Revenue and other income

	Consolidated		Parent	
	2024	**2023**	**2024**	**2023**
	$	**$**	**$**	**$**
Interest on loans to members	22,373,512	19,939,272	22,373,512	19,939,272
Top-up fees	608,440	641,190	608,440	641,190
Subscriptions from members	2,208,158	2,401,853	2,208,158	2,401,853
Interest from investments	130,153	247,727	121,797	242,504
Increase in market value of investments	420,737	615,699	420,737	615,698
Fees from other services	176,778	123,301	176,778	137,701
Professional services revenue	1,257,437	1,213,506	-	-
	27,175,215	25,182,548	25,909,422	23,978,218

Revenue recognised overtime: Subscriptions from members and professional fees
Revenue recognised at point in time: Top up fees
Interest revenue is recognised using the effective interest rate method.

Note 4. Net Bad Debts

	Consolidated		Parent	
	2024	**2023**	**2024**	**2023**
	$	**$**	**$**	**$**
Bad debts written off	462,753	665,236	462,753	665,236
Less: Bad debts recovered	(49,424)	(83,968)	(49,424)	(83,968)
Change in provision for doubtful debts	141,111	188,244	141,111	188,244
Add: Collection Costs	544,093	365,460	544,093	379,488
	1,098,533	1,134,972	1,098,533	1,149,000

Note 5. Income Taxes

		Consolidated			Parent	
		2024	2023		2024	2023
(A) Income Tax Expense	$	$	$	$	$	$
Prima facie income tax expense calculated at 25%		2,818,948	2,842,489		1,906,067	1,839,892
Surplus/(deficit)	2,529,653			(1,121,871)		
Add:						
Change in mortuary fund	5,575,000			5,575,000		
Benefits paid to members	3,171,140			3,171,140		
	11,275,793			7,624,269		
	@ 25%	2,818,948	2,842,489	@ 25%	1,906,067	1,839,892
Increase in Income Tax expense due to:						
Non-tax assessable items						
Entertainment expense		20,932	13,171		20,642	12,830
Other non allowable deductions/(non taxable income)		(3,899)	(61,706)		(25,164)	(61,706)
Exempt member subscription income		(552,040)	(600,463)		(552,040)	(600,463)
Rebateable income		(16,795)	(18,785)		(16,795)	(18,785)
Under/(over) provisions in respect of prior years		(117,836)	(206,156)		(163,737)	(258,021)
Income tax expense attributable to operating surplus		2,149,311	1,968,550		1,168,973	913,747

(B) Components of Income Tax Expense				
The components of tax expense comprises:				
Current tax expense	2,218,847	2,246,754	1,292,133	1,246,499
Deferred tax expense	48300	(72,048)	40577	(74,731)
Overprovision in relation to prior period	(117,836)	(206,156)	(163,737)	(258,021)
	2,149,311	1,968,550	1,168,973	913,747

	1 July 2023	Recognised in profit or loss	30 June 2024	1 July 2023	Recognised in profit or loss	30 June 2024
	$	$	$	$	$	$
Provision for doubtful debts	263,093	35,278	298,371	263,093	35,278	298,371
Employee benefits	328,810	23,967	352,777	214.119	6,527	220,646
Plant and equipment	(99,127)	(5,317)	(104,444)	(79,577)	(9,188)	(88,765)
Capital losses	200,197	-	200,197	200,197	-	200,197
Revenue Losses	58,103	(13,587)	44,516	-	-	-
Other	19,626	7,959	27,585	19,626	7,960	27,586
	770,702		819,002	617,458		658,035
Deferred Tax Asset	909,200		962,817	736,406		786,171
Deferred Tax Liability	(138,498)		(143,815)	(118,948)		(128,136)
Net Deferred Tax Asset	770,702		819,002	617,458		658,035

Note 6. Cash and Cash Equivalents

	Consolidated		**Parent**	
	2024	**2023**	**2024**	**2023**
	$	**$**	**$**	**$**
Current assets				
Cash at bank	2,942,426	5,211,461	1,377,831	3,897,847
Cash deposits	3,012,217	2,019,341	3,012,217	2,019,341
	5,954,643	7,230,802	4,390,048	5,917,188

Note 7. Trade and Other Receivables

	Consolidated		Parent	
	2024	2023	2024	2023
	$	$	$	$
Current assets				
Sundry Debtors	327,010	285,391	10,976	-
Loans to members	109,569,142	124,138,070	109,569,142	124,138,070
Less: allowance for credit losses	(1,193,485)	(1,052,374)	(1,193,485)	(1,052,374)
	108,702,667	123,371,087	108,386,633	123,085,696
Loans to controlled entities	-	-	1,968,193	1,773,505
	108,702,667	123,371,087	110,354,826	124,859,201
Non-current assets				
Loans to members	152,215,251	139,912,603	152,215,252	139,912,603

Note 8. Financial Assets

	Consolidated		Parent	
	2024	2023	2024	2023
	$	$	$	$
Current assets				
Units in unlisted managed funds (at fair value through profit or loss)	5,976,074	5,555,337	5,976,074	5,555,337
Interest bearing securities (at amortised cost)	334,750	334,750	324,750	324,750
	6,310,824	5,890,087	6,300,824	5,880,087

Note 9. Right-of-use assets

	Consolidated		Parent	
	2024	2023	2024	2023
	$	$	$	$
Non-current assets				
Property Leases - right-of-use	1,845,949	1,845,949	1,845,949	1,845,949
Less: Accumulated depreciation	(709,980)	(567,984)	(709,980)	(567,984)
	1,135,969	1,277,965	1,135,969	1,277,965
Equipment - right-of-use	88,522	87,906	88,522	87,906
Less: Accumulated depreciation	(76,783)	(70,971)	(76,783)	(70,971)
	11,739	16,935	11,739	16,935
	1,147,708	1,294,900	1,147,708	1,294,900

Note 10. Income tax refund due

	Consolidated		Parent	
	2024	2023	2024	2023
	$	$	$	$
Current assets				
Income tax refund due	854,974	-	854,974	-

Note 11. Other Current Assets

	Consolidated		Parent	
	2024	2023	2024	2023
	$	$	$	$
Current assets				
Prepayments	165,364	155,315	154,665	148,825
Other current assets	18,841	19,420	-	579
	184,205	174,735	154,665	149,404

Note 12. Investments in controlled entities

	Consolidated		Parent	
	2024	2023	2024	2023
	$	$	$	$
Non-current assets				
Investments in controlled entities	-	-	4,000,009	4,000,009

Note 13. Property, plant and equipment

	Consolidated		Parent	
	2024	2023	2024	2023
	$	$	$	$
Non-current assets				
Computers - at cost	197,458	204,110	180,596	174,169
Less: Accumulated depreciation	(83,861)	(83,976)	(74,120)	(62,561)
	113,597	120,134	106,476	111,608
Furniture and Equipment - at cost	110,267	110,267	80,766	80,766
Less: Accumulated depreciation	(84,262)	(77,882)	(57,926)	(52,591)
	26,005	32,385	22,840	28,175
Motor vehicles - at cost	190,910	169,947	122,310	101,348
Less: Accumulated depreciation	(44,451)	(72,529)	(8,307)	(47,204)
	146,459	97,418	114,003	54,144
Software - at Cost	543,766	543,766	476,779	476,778
Less: Accumulated depreciation	(410,040)	(395,182)	(363,025)	(350,386)
	133,726	148,584	113,754	126,392
	419,787	398,521	357,073	320,319

Note 14. Trade and other payables

	Consolidated 2024 $	Consolidated 2023 $	Parent 2024 $	Parent 2023 $
Current liabilities				
Sundry creditors	495,486	436,358	492,478	435,179
Trade creditors	131,601	72,190	131,601	72,191
Other accruals	1,149,719	941,923	54,683	67,695
Loan from APS Savings	-	-	162,558,828	167,514,392
Debenture Notes Issued	107,779,553	129,348,348	-	-
	109,556,359	130,798,819	163,237,590	168,089,457
Non-current liabilities				
Debenture Notes Issued	35,220,286	21,487,255	-	-

Note 15. Lease liabilities

	Consolidated 2024 $	Consolidated 2023 $	Parent 2024 $	Parent 2023 $
Current liabilities				
Property lease	121,002	108,863	121,002	108,863
Equipment Lease	8,015	13,053	8,015	13,053
	129,017	121,916	129,017	121,916
Non-current liabilities				
Property leases	1,281,556	1,402,556	1,281,556	1,402,556
Equipment Leases	4,961	6,412	4,961	6,412
	1,286,517	1,408,968	1,286,517	1,408,968

Note 16. Employee benefits

	Consolidated 2024 $	Consolidated 2023 $	Parent 2024 $	Parent 2023 $
Current liabilities				
Provision for annual leave	506,805	434,440	196,625	187,499
Provision for long service leave	885,535	843,851	680,685	658,422
	1,392,340	1,278,291	877,310	845,921
Non-current liabilities				
Long service leave	18,767	36,949	5,276	10,554

Note 17. Reserves

	Consolidated		Parent	
	2024	2023	2024	2023
	$	$	$	$
Retained profits/(accumulated losses) at the beginning of the financial year	6,257,434	5,457,972	(5,179,451)	(3,023,330)
Profit/(loss) after income tax expense for the year	380,342	799,462	(2,290,844)	(2,156,121)
Retained profits/(accumulated losses) at the end of the financial year	6,637,776	6,257,434	(7,470,295)	(5,179,451)

Note 18. Employee Benefits Expense

	Consolidated		Parent	
	2024	2023	2024	2023
	$	$	$	$
Salaries and Wages	2,882,632	2,748,378	1,580,504	1,512,782
Workers Compensation insurance	12,032	1,989	7,593	(1,095)
Superannuation	352,730	279,865	216,945	157,084
Employee benefits provisions	95,866	76,456	26,110	90,348
	3,343,260	3,106,688	1,831,152	1,759,119

Note 19. Key management personnel disclosures

The aggregate compensation made to Directors and other members of key management personnel is:

	Consolidated		Parent	
	2024	2023	2024	2023
Key Management Compensation	$	$	$	$
Short-term employee benefits	1,565,569	1,508,084	836,401	815,596
Post-employment benefits	145,270	133,236	65,071	60,525
	1,710,839	1,641,320	901,472	876,121

	Consolidated		Parent	
	2024	2023	2024	2023
Loans to Key Management	$	$	$	$
Balance at start of period	166,200	184,219	70,572	82,874
Repayments	(62,828)	(28,106)	(55,560)	(17,077)
Additional drawdowns	210,385	-	60,385	-
Interest paid	9,005	10,087	3,493	4,775
Balance at end of period	322,762	166,200	78,890	70,572

Note 19. Key management personnel disclosures (continued)

Noted Held by Key Management	Consolidated 2024	Consolidated 2023	Parent 2024	Parent 2023
Balance at start of period	971,197	1,099,630	971,197	1,099,630
Additional deposits	796,280	55,311	796,280	55,311
Interest received	63,769	51,443	63,769	51,443
Redemptions	(79,935)	(235,187)	(79,935)	(235,187)
Balance at end of period	1,751,311	971,197	1,751,311	971,197

Note 20. Related Party Transactions

The Group's related parties include its key management personnel and related entities as described in Note 19 Key management personnel disclosures. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received.

Note 21. Mortuary Fund

	Consolidated 2024 $	Consolidated 2023 $	Parent 2024 $	Parent 2023 $
Balance at start of period	116,793,000	111,413,000	116,793,000	111,413,000
bonus allocated to members	2,071,000	1,972,000	2,071,000	5,380,000
increase in mortuary fund liability	3,504,000	3,408,000	3,504,000	3,408,000
Balance at end of period	122,368,000	116,793,000	122,368,000	120,201,000
Mortuary Fund - Current Liabilities	3,055,750	2,941,250	3,055,750	2,941,250
Mortuary Fund - Non Current Liabilities	119,312,250	113,851,750	119,312,250	113,851,750

a. Mortuary Fund Risk
The mortuary fund benefits transfer risk to the Company, where the Company commits to making a payment to the member's nominated beneficiary upon the member's death. The timing of these future events are inherently uncertain. Mortuary fund risk is controlled through adequate subscription revenue, and investment returns, both of which are monitored by the appointed actuary.

Note 22. Actuary's Report

b. Actuary’s Report
The Directors' appoint an actuary to report each year on the mortuary fund liabilities of the Company, and the ability of the Company to meet them. William Szuch F.I.A.A is the actuary so appointed. William Szuch F.I.A.A has prepared the 2024 actuarial report. The actuary’s valuation basis measures liability in respect of each member as the present value of future death benefits of basic cover and declared bonuses, and any bonus recommended at the review date *less* the present value of future premiums after an allowance for future expenses. The actuary’s valuation of the mortuary liabilities as at 30 June 2024 is $122,368,000 (2023: $116,793,000).

Effect of changes in actuarial assumptions during the reporting period - there were no material changes in the mortuary fund liabilities due to changes in assumptions for the year ended 30 June 2024.

Note 22. Actuary's Report (continued)

Variable	Impact of movement in underlying variable
Expenses risk	An increase in the level of expenses over assumed levels will decrease any surplus and reserves.
Interest rate risk	Depending on the profile of the investment portfolio, the investment income of the Company will reduce as interest rates decrease. The impact on the surplus and reserves depends on the relative profiles of assets and liabilities to the extent that they are not matched.
Mortality rates	Greater mortality rates will lead to higher levels of claims, which is likely to increase benefit payments and therefore reduce any surplus and reserves.
Discontinuance	Any increase in the discontinuance rate has a positive impact on the surplus and reserves.
Market risk	As no benefit payment is contractually linked to the underlying assets, the Company is not exposed to market risk.

c. Sensitivity Analysis
Sensitivity analysis is conducted to quantify the exposure to risk, as a result of changes in the underlying variables.
The valuations included in the reported results are calculated using certain assumptions about these variables as disclosed movement in any key variable will impact the profit and equity of the Company.
The table below describes how the change in each assumption for a particular year will affect the mortuary fund liabilities analysis of the sensitivity of the surplus and equity changes in these assumptions.

Impact of changes in variables

Variable	Movement	Changes in liabilities
Insured life mortality	Worsening by 10%	$290,048
Lapses and surrenders	Worsening by 10%	$27,065
Administration expenses	Worsening by 10%	$1,794,073

Note 23. Auditors Remuneration

	Consolidated		Parent	
Auditors Remuneration	**2024 $**	**2023 $**	**2024 $**	**2023 $**
Audit and review of the financial statements	118,993	94,729	94,633	76,029

Note 24. Commitments

The Company has no committed expenditure (2023: Nil) other than the leases disclosed in Note 15 within lease liabilities

Note 25. Contingent Liabilities

The Directors are not aware of any contingent liabilities that the Group needs to provide for.

Note 26. APSBS Group Life Trust

The Company is Trustee of the APSBS Group Life Trust which provides term insurance cover for certain members who were formerly in the Vic and Tas Friendly Society Ltd Term Fund C.

Note 27. Members Guarantee

The principal Company is limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of $5 towards meeting any outstanding obligations of the company. At 30 June 2024 the number of members was 26,253 (2023: 26,358), and therefore, the total amount that members are liable to contribute if the Company was wound up at 30 June 2024 was $131,265

Note 28. Subsidiaries

	Country of Incorporation	Ownership
Parent Entity		
APS Benefits Group Ltd	Australia	
Subsidiaries		
APS Financial Planning Pty Ltd	Australia	100%
APS Tax, Accounting and Business Services Pty Ltd	Australia	100%
APS Savings Limited	Australia	100%
APS Wills and Estates Pty Ltd	Australia	100%
APS Mortgages Pty Ltd	Australia	100%

Note 29. Events after balance sheet date

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

Name of entity	Type of entity	Trustee, Partner, or participant in joint venture	% share capital held	Country of incorporation	Australian resident or foreign resident	Foreign tax jurisdiction
APS Benefits Ltd	Body Corporate	N/A	N/A	Australia	Australian	N/A
APS Savings Pty Ltd	Body Corporate	N/A	100%	Australia	Australian	N/A
APS Tax Pty Ltd	Body Corporate	N/A	100%	Australia	Australian	N/A
APS Financial Planning Pty Ltd	Body Corporate	N/A	100%	Australia	Australian	N/A
APS Wills and Estates Pty Ltd	Body Corporate	N/A	100%	Australia	Australian	N/A
APS Mortgages Pty Ltd	Body Corporate	N/A	100%	Australia	Australian	N/A

Basis of Preparation
This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes required information for each entity that was part of the consolidated entity as at the end of the financial year.

Consolidated entity
This CEDS includes only those entities consolidated as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements (AASB 10).

Determination of Tax Residency
Section 295 (3A) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgment as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency
The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5 Income tax: central management and control test of residency.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- complying with Australian Accounting Standards - Simplified Disclosures (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
- the attached financial statements and notes give a true and fair view of the company's and consolidated entity's financial position as at 30 June 2024 and of their performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

T Chilvers
Chair

C Stocks
Director

09 October 2024

GrantThornton

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Independent Auditor's Report

To the Members of APS Benefits Group Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of APS Benefits Group Ltd (the Company) and its subsidiaries (the Group) which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Corporations Regulations 2001*.

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 Financial Report* 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 APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also 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.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly 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 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard**.**

Responsibilities of the Directors' for the financial report

The Directors of the Group are responsible for the preparation of:

a the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* (other than the consolidated entity disclosure statement); and

b the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the Directors determine is necessary to enable the preparation of:

i the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii the consolidated entity disclosure statement that is true and correct and is free of 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 to 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 the 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar3.pdf. This description forms part of our auditor's report.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

D G Ng
Partner – Audit & Assurance

Melbourne, 9 October 2024