INTELIFE GROUP LTD

ABN 79 872 326 186

Financial Statements

For the Year Ended 30 June 2024

Contents

INTELIFE GROUP LTD
ABN 79 872 326 186

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

The Board of Directors presents the financial statements of Intelife Group Ltd, for the financial year ended 30 June 2023.

Board of Directors

The following persons were directors of the entity during the whole financial year and up to the date of this report:

Mr Zenith Zeeman
Mr Simon Rear
Mr David Baughen
Mr George Nicholls
Mr Christopher How
Ms Kristen Turnbull
Mr Stuart Jenner

Principal activities

The entity's principal activity is to develop and promote each of our clients as valued members of the community through life skills development, including employment. The entity also delivers horticultural and railway protection services to assist in the funding of the entity's principal activity.

There were no significant changes in the nature of the entity's activities during the year.

Operating result and review of operations

The operating result for the year was a deficit of $1.074m (2023: deficit of $1.608m). The entity is exempt from income tax.

Significant Changes in State of Affairs

There were no significant changes in the entity's state of affairs during the financial year other than as disclosed in the financial report.

After Balance Date Events

There were no after balance date events that require disclosure.

Future Developments

The entity expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operations.

Information on Directors

Zenith Zeeman – Board Chairman *BSc, MBA, GAICD*

Zenith is a non-executive director with over 20 years of senior executive management experience in mental health and the aged care sector. An experienced registered nurse, with a Bachelor of Science, Master of Business Administration and is a Graduate of the Australian Institute of Company Directors, Zenith is an accomplished leader, coach, mentor with a passionate commitment to quality, person centred care.

Simon Rear – Deputy Board Chair *LLB BA GradDipAppFin (Sec Inst)*

Simon Rear is a Corporate/M&A Partner at Gilbert + Tobin in Perth. Simon is also an expert in corporate governance. Simon brings 20 years of legal experience and has worked in Sydney, London and Perth.

George Nicholls, Finance and Audit Committee Chair, *CA*

George has over 20 years of finance experience across a diverse range of industries spanning telecommunications, resources, and agriculture for both public and private companies. He has experience across a broad range of accountabilities including core financial control, strategic and business planning, mergers and acquisitions, debt and capital markets, taxation, risk management and company secretary responsibilities. George is a fully qualified member of Chartered Accountants Australia and New Zealand and the Governance Institute of Australia.

Christopher How –*MBA, BA(Sc), MAICD*

Chris has over 25 years' experience in management and senior management across a number of industry sectors, positions that have included State Commercial Manager, Regional and General Manager, Chief Operating Officer and as CEO with Bethanie.

A dedicated Health and Community Industry Leader, Chris has participated on a number of industry related boards over the past decade. He is currently a member of the General Council at the WA Chamber of Commerce and Industry (CCI), the WA Department of Health Aged Care Ministerial Advisory Council, the WA Department of Health Care of the Older Person Advisory Group as well as member of the Edith Cowan University School of Nursing and Midwifery Consultative Committee. Chris holds a number of degrees across Science, and Health Management and has also achieved a Master of Business in Health Care Administration.

David Baughen – *BSc MSc MICE MIStructE*

David has over 40 years' experience in engineering and project management for the energy and resources sectors. He has worked for 20 years as a Company Director and 11 years of those years as a Managing Director. In semi- retirement he works as a coach and mentor in leadership development, project delivery, strategy development, and organisational change. He has been on the Board of Intelife for four years.

Kristen Turnbull – *GAICD, Executive MBA, BA Journalism*

Kristen is an executive and non-executive director with more than 10 years' experience in commercial management including founding a subsidiary business in WA for the global CoreData Group. A qualified professional researcher (QPR) and Graduate of the

Australian Institute of Company Directors, she is focused on driving business performance and improving the customer experience through data and insight.

Kristen is founding director of CoreData WA, deputy managing director of CoreData Group, and a 2023 Business News 40 under 40 Award recipient. She was a financial journalist for seven years, prior to transitioning her career into market research.

Stuart Jenner - BSc, MBA, GradDipMgt, PCC, FAIM

Stuart Jenner is General Manager - Capability & Culture at Gold Road Resources and an accredited executive and organisational coach, coaching leaders, and teams from the boardroom to the frontline. Stuart has over 20 years of leadership and management experience across a diverse range of industries including Defence, Government (State & Federal), Mining & Resources, Retail, Construction, Not-for-Profit and Information Technology in Australia and Internationally.

Meetings of Directors

During the financial year, 4 meetings of directors were held. Attendance by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	**Number attended**
Zenith Zeeman	4	4
Simon Rear	4	3
Christopher How	4	3
David Baughen	4	3
Kristen Turnbull	4	4
Stuart Jenner	4	4
George Nicholls	4	4

Indemnifying Officers or Auditor

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 the entity.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.

The entity was not a party to any such proceedings during the year.

Members' Guarantee

The entity is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of $250 each towards meeting any outstanding obligations of the entity. As at 30 June 2024, the total amount that members of the entity are liable to contribute if the entity is wound up is $4,500.

Rounding of amounts

The entity is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in the financial statements have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Signed in accordance with a resolution of the Board of Directors.

Z Zeeman

Zenith Zeeman
Chairman

Dated this 30th Day of October 2024

HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Intelife Group Ltd for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia	**L Di Giallonardo**
30 October 2024	**Partner**

HLB Mann Judd ABN 22 193 232 714
A Western Australian Partnership
Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849
T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

INTELIFE GROUP LTD
Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2024

	Note	2024 $000	2023 $000
Revenue	**14**	23,294	23,846
Employee benefits expense		(19,165)	(20,059)
Depreciation, amortisation and write-offs		(997)	(1,145)
Finance costs		(99)	(85)
Other expenses		(4,107)	(4,165)
Deficit from ordinary activities		(1,074)	(1,608)
Deficit from ordinary activities		(1,074)	(1,608)
Other Comprehensive Income	**9**	508	-
Total Comprehensive deficit		(566)	(1,608)

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

INTELIFE GROUP LTD
Statement of Financial Position
As at 30 June 2024

	Note	2024	2023
		$000	$000
Assets			
Current assets			
Cash and cash equivalents	3	4,547	4,326
Trade and other receivables	4	1,842	2,226
Financial assets	9	4,508	4,000
Other assets	8	856	820
Total current assets		11,753	11,372
Non-current assets			
Property, plant and equipment	6	1,220	1,487
Intangible assets	7	730	737
Right-of-use assets	5	1,916	1,336
Total non-current assets		3,866	3,560
Total assets		15,619	14,932
Liabilities			
Current liabilities			
Trade and other payables	10	2,142	2,078
Revenue in advance		705	310
Provisions	11	1,751	1,638
Lease liabilities	5	253	184
Total current liabilities		4,851	4,210
Non-current assets			
Provisions	11	338	253
Lease liabilities	5	1,850	1,323
Total non-current liabilities		2,188	1,576
Total liabilities		7,039	5,786
Net assets		8,580	9,146
Equity			
Retained earnings	13	8,072	9,146
Reserves		508	-
Total equity		8,580	9,146

The statement of financial position is to be read in conjunction with the attached notes.

INTELIFE GROUP LTD
Statement of Changes in Equity
For the year ended 30 June 2024

	Note	2024 $000	2023 $000
Retained earnings			
Balance as at 1 July		9,146	10,754
Total comprehensive deficit for the year		(1,074)	(1,608)
Balance as at 30 June		8,072	9,146

	Note	2024 $000	2023 $000
Reserves			
Balance as at 1 July		-	-
Total comprehensive income for the year		508	-
Balance as at 30 June		508	-

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

INTELIFE GROUP LTD
Statement of Cash Flows
For the Year Ended 30 June 2024

	Note	2024 $000	2023 $000
Cash flows from operating activities			
Receipts from grants		11,863	11,904
Receipts from trade customers and clients		11,876	12,583
Receipts from vehicle usage fees		17	48
Payments to suppliers and employees		(22,757)	(23,727)
Interest received		66	60
Interest paid		(99)	(85)
Net cash from operating activities		966	783
Cash flows from investing activities			
Receipts from building sales			-
Acquisition of financial assets			(4,000)
Payment for equipment, fixtures, and fittings		(185)	(238)
Consideration paid for acquisition of business		-	-
Net cash (used in) investing activities		(185)	(4,238)
Cash flows from financing activities			
Repayment of borrowings			-
Lease repayments	**5**	(560)	(727)
Net cash (used in) financing activities		(560)	(727)
Net Increase/(decrease) in cash and cash equivalents		221	(4,182)
Cash and cash equivalents at the beginning of the year		4,326	8,508
Cash and cash equivalents at the end of the year	**3**	4,547	4,326

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

INTELIFE GROUP LTD
Notes to the Financial Statements
For the Year Ended 30 June 2024

1. Statement of material accounting policies

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosure requirements of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012.

The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cashflow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The entity is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

(a) Cash and cash equivalents

Cash and Cash Equivalents include cash on hand, bank balances and deposits on call.

(b) Financial Instruments

The entity's principal financial instruments comprise cash, bank overdrafts, receivables, payables, other payables and loans.

The main risks arising from the entity's financial instruments are interest rate risk, liquidity risk and credit risk. The entity uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rates and assessments of market forecasts for interest rates. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk.

The Board and management are responsible for the identification and control of financial risks.

AASB 9 requires all recognised financial assets be measured at amortised cost or fair value in subsequent accounting periods following initial recognition. AASB 9 introduces a single, forward looking expected loss impairment model.

1. Statement of material accounting policies (continued)

(b) Financial Instruments (continued)

Expected credit losses are measured as the difference in the present value of the contractual cash flows that are due to the Company under the contract, and the cash flows that the entity expects to receive. The entity assesses all information available, including past due status, credit ratings and forward looking macro-economic factors in the measurement of the expected credit losses associated with its assets carried at amortised cost.

The entity measures expected credit loss by considering the risk of default over the contract period and incorporates forward-looking information into its measurement.

(c) Income tax

The entity is exempt from the payment of income tax pursuant to Division 50 of the Income Tax Assessment Act (1997).

(d) Property, plant and equipment

Basis of measurement of carrying amount

Land and buildings are measured at cost less accumulated depreciation on buildings and less any impairment losses. Plant and equipment is stated at cost less accumulated depreciation and less any impairment losses.

The cost of buildings constructed within the entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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

Any property, plant and equipment donated to the entity or acquired for nominal cost is recognised at fair value at the date the entity obtains control of the asset.

Intelife has a policy that only items of greater than $5,000 in value are capitalised in the Statement of Financial Position.

1. Statement of material accounting policies (continued)

(d) Property, plant and equipment (continued)

Depreciation

Items of Property, Plant and Equipment (other than land) are depreciated over their useful lives to the entity commencing from the date the asset is purchased. Depreciation is calculated on a straight-line basis over the expected useful economic lives of the assets as follows:

Buildings	2.0%
Motor Vehicles	17.5%
Fixtures & Fittings	10.0 - 20.0%
Computer Equipment	33.3%
Other Equipment	20.0%
Low Value Pool Assets	100.0%

All assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each reporting date.

Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal, when the item is no longer used in the operations of the entity or when it has no sale value. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income in the year the asset is derecognised.

Any part of the asset revaluation reserve attributable to the asset disposed of or derecognised is transferred to general funds at the date of disposal.

(e) Business combinations

The acquisition method of accounting is used to account for business combinations. The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued, or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquire. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date. Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value.

Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

1. Statement of material accounting policies (continued)

(f) Intangible assets

Software

Software with a finite life, is recorded at cost and is carried at cost less any accumulated amortisation and impairment losses. The estimated useful life is between one and five years. Software is amortised on a straight-line basis in the Statement of Profit or Loss and other Comprehensive Income over their estimated useful life. It is assessed annually for impairment.

Customer Contracts

Customer Contracts acquired in a business combination and recognized separately from goodwill are initially recognised at their fair value at the acquisition date (which is regard as their cost).

Subsequent to initial recognition, customer contracts acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as customer contracts that are acquired separately.

(g) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.
Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income include equity investments which the entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition. Fair value movements are recognised in the other comprehensive income.

During the year, the entity held funds in a managed investment. Refer to note 9 for the treatment of the investment.

Impairment of financial assets
The entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

1. Statement of material accounting policies (continued)

(g) Investments and other financial assets (continued)

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

(h) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of the acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the entity’s cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

Any impairment loss for goodwill is recognised directly in profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

1. Statement of material accounting policies (continued)

(i) Leases

Lease Liabilities

Lease liabilities arising from a lease are initially measured on a present value basis by discounting the lease payments to their present value using the entity's weighted average borrowing rate.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Subsequently to initial recognition, lease liabilities are carried at amortised cost. Payments are allocated between repayment of principal and borrowing costs, which are charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of- use assets

Right-of-use assets are initially recognised at cost, comprising:

- The amount of the lease liability
- Any lease payments made at or before the commencement date, less any incentives received,
- Initial direct costs, and
- Restoration costs.

Subsequently, right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Short term leases and leases of low value assets

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

(j) Employee provisions

Short-term employee benefits

Provision is made for the entity's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The entity's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position.

1. Statement of material accounting policies (continued)

(j) Employee provisions (continued)

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, duration of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Any re-measurement of obligations for other long-term employee benefits for changes in assumptions are recognised in profit or loss in the periods in which changes occur.

The entity's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

(k) Provisions

Provisions are recognised when the entity 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. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(l) Revenue recognition

Under AASB 1058 and AASB 15, where an agreement is enforceable and contains sufficiently specific performance obligations, the revenue is either recognised over time as the work is performed or recognised at the point in time that the control of the services pass to the customer.

Revenue recognition policy for revenue from contracts with customers (AASB 15)

AASB 15 requires revenue to be recognised when control of a promised good or service is passed to the customer at an amount which reflects the expected consideration. Judgement is to be applied when determining whether a promise is 'sufficiently specific' to be considered a performance obligation under AASB 15.

All conditions specified in the arrangements regarding the promised goods and services need to be considered (both explicit and implicit) including (but not limited to) those regarding:

- the nature or type of goods or services;
- the cost or value of goods or services;
- the quantity of goods or services; and
- the period of time over which the goods or services must be transferred.

Each promise is assessed separately to determine if it is 'sufficiently specific' enough to qualify as a performance obligation under AASB 15.

1. Statement of material accounting policies (continued)

(l) Revenue recognition (continued)

Revenue under AASB 15 is recognised by applying a five-step model as follows:
1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price
5. Recognise revenue

Generally, the timing of the payment for rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the entity have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Business Services Revenue

Where the consideration for Business Services Revenue consists of a recurring fixed amount over the term of the contract (e.g., monthly payment) and the customer receives and consumes the benefits of the services as the Company provides them then revenue is recognised on a straight-line basis over the term of the contract.

Costs are recognised on an accrual basis.

Revenue from Government Funding – Lifeskills and Employment Supports

Grants received from the Department of Communities (DoC), Department of Social Services (DSS) and National Disability Insurance Agency (NDIA) support the entity's lifeskills and employment programs.

Grants received from DoC and the DSS on the condition that specified services are delivered, or conditions are fulfilled are recognised as services are performed or conditions fulfilled. A contract liability is recognised when the timing of payment is before the delivery of support.

Revenue recognition policy for revenue streams which are either not enforceable or do not have sufficiently specific performance obligations (AASB 1058)

Revenue from Government Funding – Other Supports

Assets arising from grants in the scope of AASB 1058 are recognised at their fair value when the asset is received. These assets are generally cash. Once the asset has been recognised, the entity recognises any related liability amounts (e.g., provisions, financial liabilities).

Capital Grants

The entity receives grants from the DoC, Lotterywest and DSS that are capital grants.

Capital grants received under an enforceable agreement to enable the entity to acquire or construct an item of property, plant and equipment to identified specifications which will be controlled by the entity (once complete) are recognised as revenue as and when the obligation to construct or purchase is completed.

1. Statement of material accounting policies (continued)

(l) Revenue recognition (continued)

Donations

Donations and bequests are recognised as revenue when the entity gains control of the asset.

(m) Trade and other payables

Trade and other payables represent the liability outstanding at reporting date for goods and services received by the entity during the reporting time, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability Goods and Services Tax (GST).

(n) Trade and other receivables

Trade receivables are non-interest-bearing loans and generally on 30-day terms. Expected credit loss is recognised per the requirements of AASB 9 Financial Instruments. The provision rates are based on days past due and historical observed default rates, adjusted for forward looking factors specific to the debtors and the economic environment.

(o) New and amended accounting policies adopted by the entity

In the year ended 30 June 2024, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the entity's operations for future annual reporting periods.

AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates* makes amendments to various Australian Accounting Standards and AASB Practice Statement 2*Making Materiality Judgements* change the way in which accounting policies are disclosed in financial reports. The amendments require disclosure of material accounting policy information rather significant accounting policies and are effective for annual reporting periods beginning on or after 1 January 2023. Accounting policy disclosure has been updated in line with this standard. All other new standards had no material effect.

(p) Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

1. Statement of material accounting policies (continued)

(q) Significant accounting judgments, estimates and assumptions (continued)

Employee benefits

For the purpose of measurement, AASB 19: Employee Benefits (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the entity expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the entity believes that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled.

Revenue recognition

For many of the grant agreements received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement involving discussions with several parties at the company, review of the proposal documents prepared during the grant application phase and consideration of the terms and conditions.

Grants received by the company have been accounted for under both AASB 15 and AASB 1058 depending on the terms and conditions and decisions made. If this determination was changed then the revenue recognition pattern would be different from that recognised in this financial report.

Goodwill and other indefinite life intangible assets

The entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in Note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows. Refer to Note 8 for further information.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security, and economic environment.

1. Statement of material accounting policies (continued)

(q) Significant accounting judgments, estimates and assumptions (continued)

Estimation of useful lives of assets

The entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

2. Related parties and related party transactions

(a) Directors' compensation

The directors act in an honorary capacity and receive no compensation for their services.

(b) Transactions with director-related entities

During the year payments were made to the following Director-related entities:

- Squire Patton Boggs, an entity associated with Simon Rear, payments of $nil inc GST (2023: $2,614), for legal services.

These services were provided under normal commercial terms and conditions. No amounts are payable or are receivable from directors or director related entities at the reporting date.

(c) Key management personnel

Remuneration during the year ended 30 June 2024 of key management personnel (KMP) who had authority for planning, directing, and controlling the entity's activities, directly or indirectly (other than directors), is $933,683. KMP comprised of the Chief Executive Officer, General Manager – Corporate Services and Deputy CEO, General Manager – Support Services, General Manager – People Services, and General Manager – Information and Digital Technologies.

3. Cash and cash equivalents

	2024	2023
	$000	$000
Cash at bank and in hand	3,054	3,851
Short term deposits	1,493	475
	4,547	4,326

Cash at bank earns interest at floating rates based on daily deposit rates. Short term deposits are made for varying periods of up to three months, depending on the entity 's cash requirements. These deposits earn interest at market rates.

4. Trade and other receivables

	2024	2023
	$000	$000
Trade receivables	1,694	1,873
Other receivables	268	502
Less Expected credit losses	(120)	(149)
	1,842	2,226

Trade receivables are non-interest bearing and are on settlement terms of 14 to 30 days.

Recognition and measurement

Trade receivables are classified at, initial recognition, and subsequently measured at amortised cost, less an allowance for expected credit losses (“ECLs”).

The entity applies a simplified approach in calculating the ECLs on trade receivables. The entity does not track changes in credit risk of customers but instead recognises a loss of allowance based on the lifetime ECLs at balance date using a provision matrix. The provision rates are based on days past due and historical observed default rates, adjusted for forward looking factors specific to the debtors and the economic environment.

5. Leases

Amounts recognised in the statement of financial position

	2024	2023
	$000	$000
Right-of-use assets		
Right-of-use assets	5,193	4,052
Less Accumulated Depreciation	(3,277)	(2,716)
	1,916	1,336

5. Leases (continued)

	2024 $000	2023 $000
Lease Liabilities		
Current	253	184
Non-current	1,850	1,323
	2,103	1,507

Amounts recognised in the statement of profit or loss

	2024 $000	2023 $000
Amortisation charge of right-of-use assets		
Buildings	488	563
Motor Vehicles	53	164
	541	727

6. Property, plant and equipment

	2024 $000	2023 $000
Motor vehicles, at cost	588	561
Less accumulated depreciation	(406)	(349)
	182	212
Leasehold improvements, at cost	167	167
Less accumulated depreciation	(157)	(154)
	10	13
Fixtures and fittings, at cost	432	432
Less accumulated depreciation	(379)	(371)
	53	61
Computer and other equipment, at cost	2,947	2,815
Less accumulated depreciation	(1,972)	(1,614)
	975	1,201
Net carrying amount	1,220	1,487

6. Property, plant and equipment (continued)

Movements in the net carrying amounts for each class of property, plant and equipment are shown below from the beginning to the end of the year.

	2024 $000	2023 $000
Motor vehicles		
Carrying amount at beginning of the year	212	286
Additions	26	-
Depreciation	(56)	(56)
Carrying amount at end of the year	182	212

	2024 $000	2023 $000
Leasehold improvements		
Carrying amount at beginning of the year	13	15
Additions	-	-
Depreciation	(3)	(2)
Carrying amount at end of the year	10	13
Fixtures and fittings		
Carrying amount at beginning of the year	61	70
Depreciation	(8)	(9)
Carrying amount at end of the year	53	61
Computer and other equipment		
Carrying amount at beginning of the year	1,201	1,298
Additions	156	238
Depreciation	(382)	(335)
Carrying amount at end of the year	975	1,201
Net carrying amount at end of the year	1,220	1,487

7. Intangible assets

	2024 $000	2023 $000
Computer software		
At cost	1,177	1,177
Less accumulated depreciation	(1,177)	(1,170)
	-	7
Customer Contracts		
At cost	1,153	1,153
Less accumulated depreciation	(1,153)	(1,153)
	-	-
Goodwill		
At cost	730	730
Acquired	-	-
	730	730
Total Intangible Assets	730	737

Amortisation methods and periods

The entity has changed the useful life of the software held to one year due to a change in the end life for support.

The entity amortises customer contracts over the life of the contract.

The recoverable amount of the entity's goodwill has been determined by a value-in-use calculation using a discounted cash flow model, based on a 12-month projection approved by management and extrapolated for a further 4 years using a steady rate, together with a terminal value.

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive.

The following key assumptions were used in the discounted cash flow model:

• 10.5% pre-tax discount rate

• 2.5% per annum increase in revenues, operating costs, and overheads

The discount rate of 10.5% pre-tax reflects management’s estimate of the time value of money and the entity’s weighted average cost of capital adjusted for the risk-free rate and the volatility of the share price relative to market movements.

There were no other key assumptions.

From the above assessment for the reporting period ended 30 June 2024, management is satisfied that there is no indication that Goodwill may be impaired.

8. Other Assets

	2024 $000	2023 $000
Current		
Prepayments	793	757
Deposit bonds held	22	11
GST receivable	41	52
	856	820

9. Financial Instruments

30 June 2024

	Time Period	Interest Bearing (Floating) $000	Non-Interest Bearing $000	Total Carrying Amount $000	Weighted Average Effective Interest Rate %
Financial assets:					
Cash	<1 year	2,705	1,842	4,547	1.55
Trade and other receivables	<1 year		1,842	1,842	-
FVOCI Investments	>1 year		4,508	4,508	-
		2,705	**9,055**	**10,897**	
Financial liabilities					
Trade and other payables	<1 year	-	2,142	2,142	-

30 June 2023

	Time Period	Interest Bearing (Floating) $000	Non-Interest Bearing $000	Total Carrying Amount $000	Weighted Average Effective Interest Rate %
Financial assets:					
Cash	<1 year	2,849	1,476	4,326	1.75
Trade and other receivables	<1 year	-	2,226	2,226	-
FVOCI Investments	>1 year	-	4,000	4,000	-
		2,849	7,702	10,552	
Financial liabilities					
Trade and other payables	<1 year	-	2,078	2,078	-

9. Financial Instruments (continued)

Fair value measurement

The fair value of financial assets and financial liabilities for investment not measured at fair value on a recurring basis, approximates their carrying value at balance date. Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy.

The three levels are defined based on the observe ability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis as at 30 June 2024 and 30 June 2023:

	Year to 30 June 2024 Fair Value	**Year to 30 June 2023 Fair Value**	**Fair value hierarchy**	**Valuation technique**
	$000	**$000**		
Equity investments designated at FVOCI	4,508	4,000	Level 1	Quoted market prices in an active market

	2024	**2023**
	$000	**$000**
Movement in equity investments designated at FVOCI		
Opening balance	4,000	-
Additions	-	4,000
Fair value movement through OCI	508	-
Disposals	-	-
	4,508	4,000

The Directors consider that the carrying amounts of current receivables and current payables are a reasonable approximation of their fair values.

10. Trade and other payables

	2024 $000	2023 $000
Trade payables and accruals	483	592
Other payables	1,659	1,486
	2,142	2,078

11. Provisions

	2024 $000	2023 $000
Current		
Annual leave	1,088	1,073
Long service leave	663	565
	1,751	1,638
Non-current		
Long service leave	338	253
	338	253
	2,089	1,891

	2024	2023
Carrying amount at beginning of the year	1,891	1,623
Arising during the year	1,527	1,901
Utilised during the year	(1,329)	(1,633)
Carrying amount at end of the year	2,089	1,891

12. Economic dependency

Intelife Group Ltd received significant grants from the Federal Government of Australia and the Western Australian State Government. If these grants were not received, the entity would not be able to maintain the current level of services. The Board of Directors have no reason to believe that the funding from the Australian Government Department of Social Services (DSS) together with the State Department of Communities- Disability Services and the National Disability Insurance Agency (NDIA) will not continue.

13. Reserves

	2024 $000	2023 $000
Revaluation reserve – investments	508	-
	508	-

14. Income Statement

	2024 $000	2023 $000
Revenue from ordinary activities		
Revenue - grants (government)		
National Disability Insurance Scheme	11,076	10,740
Department of Community Disability Service	305	188
Department of Social Security	-	102
Other grant income	116	418
	11,497	11,448
Revenue - other		
Business services	11,688	12,250
Other fees and charges	43	88
Interest received	66	60
	11,797	12,398
Total revenue	23,294	23,846
Expenditure from ordinary activities		
Salaries and wages	19,165	20,062
Vehicle expenses	1,414	1,325
Marketing	12	12
Cost of services	754	823
Administration	324	338
Office (Facilities)	519	498
Sundry	1,084	1,161
Total operating expenditure	23,272	24,358
Deficit before depreciation, amortisation, write-off, interest and capital grants	(22)	(373)
Less:		
Depreciation, amortisation and write-off	997	1,150
Loss on disposal of property, plant and equipment		-
Interest expense	99	85
Deficit from ordinary activities before capital grants	(1,074)	(1,608)

15. Subsequent Events

There has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial periods.

16. Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of $250 each towards meeting any outstanding obligations of the entity. As at 30 June 2024, the total amount that members of the entity are liable to contribute if the company is wound up is $4,500.

17. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by the auditors of the entity:

	2024	**2023**
	$	**$**
Audit of the financial statements:		
HLB Mann Judd	28,500	28,500

18. Registered office, principal place of business and principal activities

The entity's registered office and principal place of business is as follows:

11 Kirke Street
Balcatta WA 6021

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

INTELIFE GROUP LTD
ABN 79 872 326 186

DIRECTORS' DECLARATION

FOR THE YEAR ENDED 30 JUNE 2024

In the opinion of the Board of Directors of Intelife Group Ltd:

1) At the date of this statement there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable, so long as the Australian Government Department of Social Services (DSS), together with the State Department of Communities - Disability Services and the National Disability Insurance Agency (NDIA) continue to provide funding to the entity as described in note 12; and

2) The attached financial statements comply with the Corporations Act 2001, the Australian Accounting Standards – Simplified Disclosures and the Australian Charities and Not-for-profits Commission Act 2012.

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

Zenith Zeeman
Chairman

George Nicholls
Director

Dated this 30th day of October 2024
Perth, WA

INDEPENDENT AUDITOR'S REPORT
To the Members of Intelife Group Ltd.

Report on the Audit of the Financial Report

Opinion

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

In our opinion, the accompanying financial report of the entity has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(a) giving a true and fair view of the entity's financial position as at 30 June 2024 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022.*

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 entity in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("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.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the entity'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 management either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

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 the Australian Auditing Standards, we exercise professional judgement 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or 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 our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. 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 the 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 financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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 also provide those charged with governance 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.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

L Di Giallonardo
Partner

Perth, Western Australia
30 October 2024