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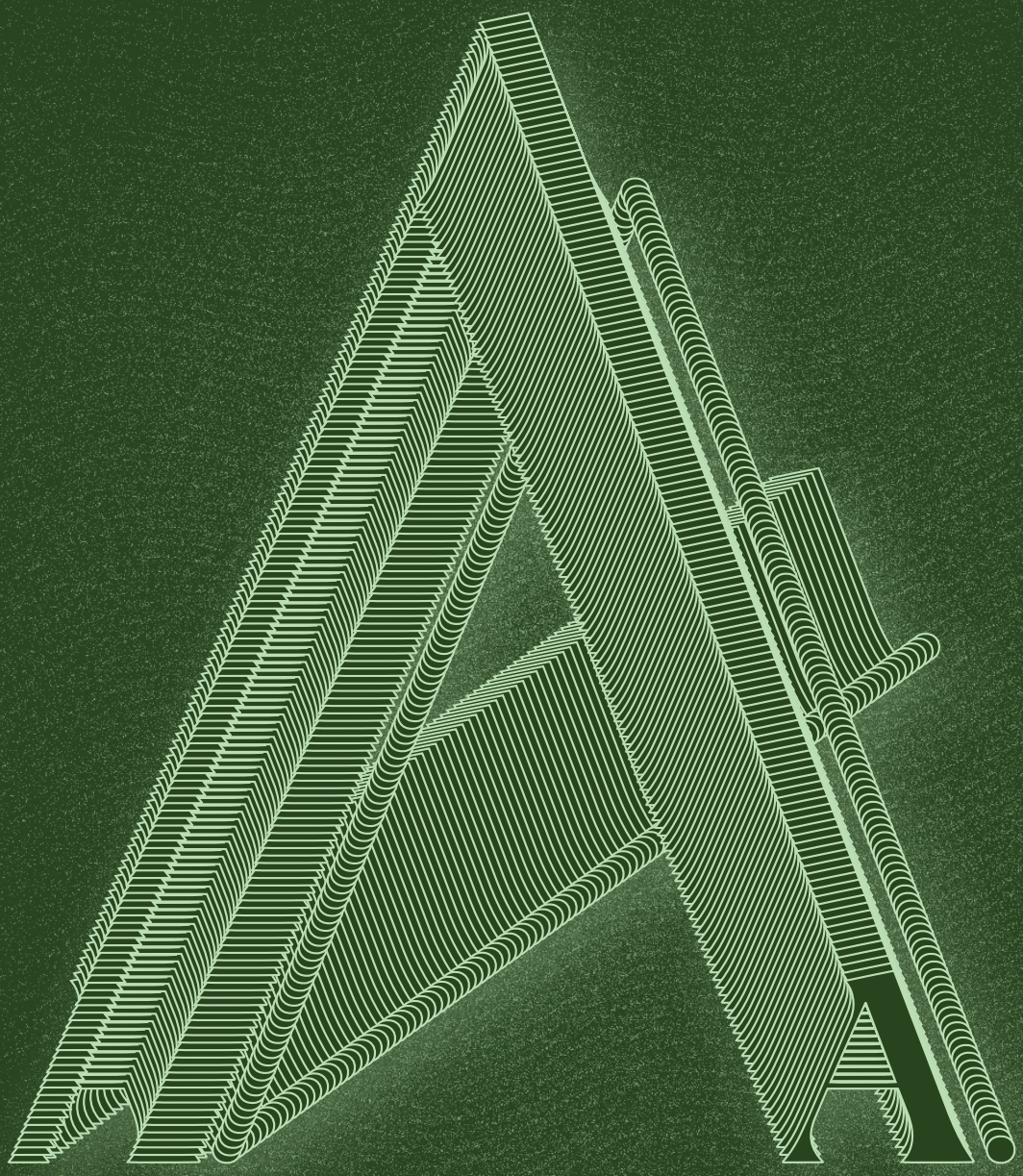

Annual Report 2024

Annual Financial Statements 30 June 2024

Acumentis Group Limited (ASX: ACU)
ABN 50 102 320 329

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Property and Business Valuation, Australia wide

Your local, Australian owned property and business valuation experts.

From Byron to Denham, Bamaga to Dover, and everywhere in between.

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A.

FY–2024

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Introduction

ASX:ACU FY23-24

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ACUMENTIS 2024 ANNUAL REVIEW

At Acumentis, we are proud to be a service focussed, people-centric organisation. Our focus is always on understanding our clients goals and ensuring that our advice and services provided empower our clients to progress towards these goals with decision certainty.

Our company culture and the tangible benefits we provide our clients enables Acumentis to deliver enhanced client satisfaction as well as attracting and retaining the highest calibre employees.

Our culture includes a focus on quality, innovation and continually challenging the way we do things which enables us to evolve and adapt in an ever changing and competitive market.

Diversified Business Growth

Acumentis continues to successfully implement its diversification strategy. Over-reliance on finance-related property valuations was identified as a key risk for the business leaving it exposed to downturns in the property cycle as well as downward pressure on fees. Several years ago, we made diversification of services and of the markets we target a high priority. Upskilling existing staff and focussed recruitment has ensured our success in diversifying our income streams such that non-finance related services now exceed 40% of our revenues.

SMSF | FAMILY LAW | INFRASTRUCTURE | BUSINESS VALUATIONS

Innovation and Sustainability

Sustainability is a core focus of our operations. Our residential business has been paperless for many years and we are moving all business lines to reduce or eliminate paper from their processes. We are investing in electronic portals for exchanging documents with our clients and partners in a safe and secure way. The introduction of Tapt business cards and reusable, sustainable, locally sourced promotional items enhance our brand and demonstrates our commitment to reducing our impact on the environment.

Community Engagement

Supporting our communities is at the heart of Acumentis. This year, a dedicated group of Acumentis team members participated in the Live Like Her Challenge, raising awareness and funds to help secure housing for homeless women over 55. By sleeping in a car, they highlighted the importance of this cause and reinforced the belief that everyone deserves a safe and secure home.

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PEOPLE & CULTURE

Acumentis' success is built on the incredible enthusiasm, experience, and client focussed dedication of our team. At Acumentis, our compass guides our every decision and action, ensuring we remain aligned with our values.

Our Guiding Principles

A highly developed values system acts like a compass. It serves as a guide to navigate and direct, to keep us heading the right way, or redirects us when facing uncertainty. At Acumentis, we refer to this values system as our Guiding Principles. These principles guide us, to make decisions with certainty.

Our Guiding Principles are:

- Never Quit
- Embrace Equality of Opportunity
- Support Our People & Clients
- Walk the Talk
- One Team

The principles are at the core of everything we do. Some of the initiatives from the past financial year that reflect these values include:

- Annual awards for employees that exemplify these principles, delivering exceptional service to our clients.
- Alignment of key position competencies with our values and use of recruitment testing tools to ensure new hires align with our values.
- The launch of our Darwin, NT office with a dedicated physical presence.
- The return of nine team members who previously worked at Acumentis, proving that we offer a better career experience than our competitors.
- An increase in participation in our Internal Mobility program, with five employees relocating across states or territories – we are proud that at Acumentis, you can take your career anywhere in Australia.

Workplace Giving

Through our recently launched Workplace Giving Program "Acumentis Caring for a Cause" we have raised over $30,000 via the support of our team and business.

We support the following charities via the program and also support our employees in their own fundraising and charitable endeavours.

Clean Up Australia · Rural aid Australia · Prostate Cancer Foundation of Australia · Royal Flying Doctor Service · Kids Under Cover · White Ribbon Australia · Kidney Health Australia · Westpac Rescue Helicopter Service · Cancer Council · Yalari Educating Indigenous Children · Make-A-Wish · Property Industry Foundation

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Diversity & Inclusion

As a people-centric organisation, Acumentis is absolutely committed to providing opportunities for all ensuring a diverse and inclusive environment.

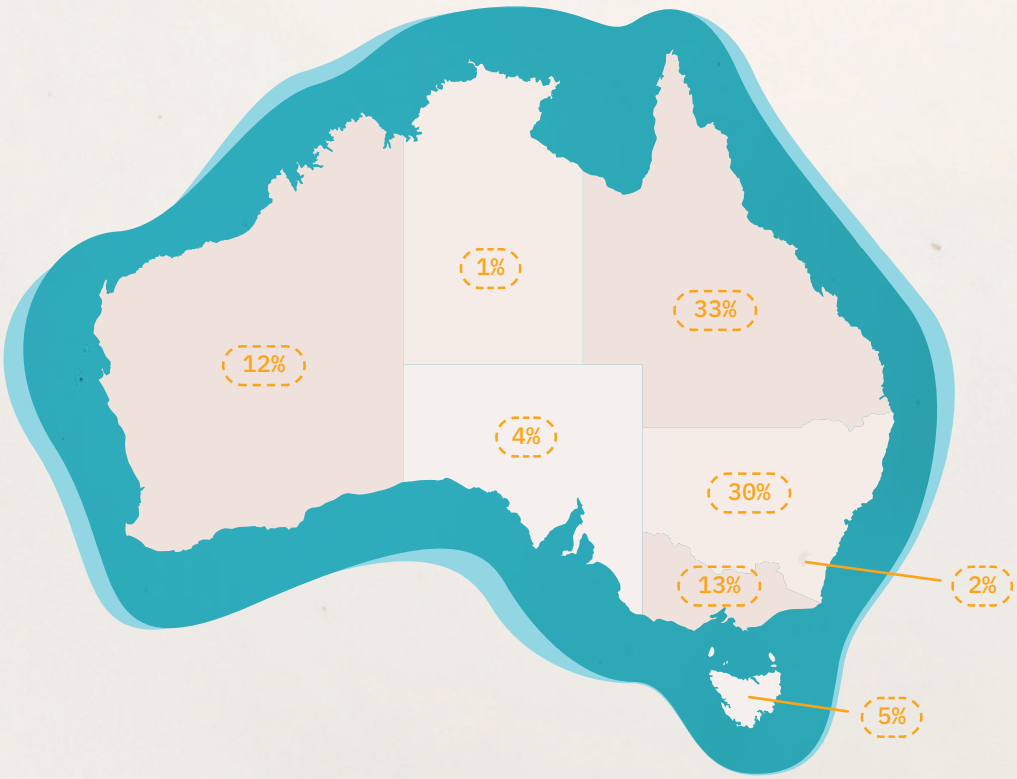
Key initiatives we have successfully implemented include:

- The sponsorship of international recruits that are now living and working as Valuers in Rockhampton, Sydney and Melbourne.

- Provision of the Acumentis First Nations Scholarships at both CQU, QLD and Curtin, WA.
- Year-on-year reduction in our WGEA-measured Gender Pay Gap.
- Team members participating in the Property Council of Australia - 500 Women in Property program.
- Provision of Mental Health First Aid training to our employees.

Acumentis employs highly skilled staff across the whole of Australia

Staff Split by State & Territory:



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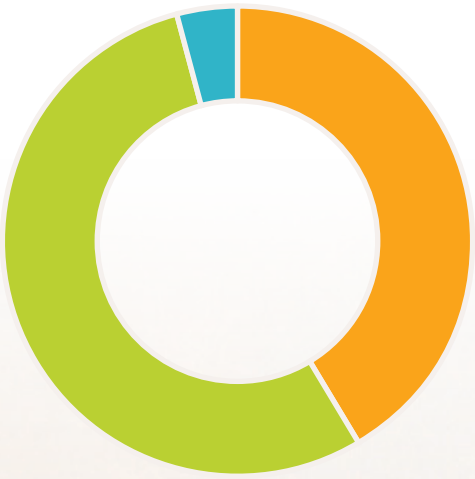
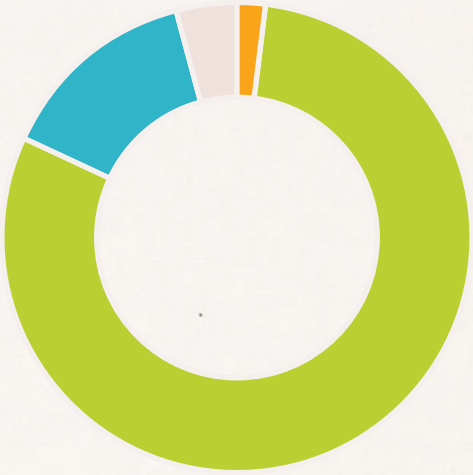
GENDER DIVERSITY



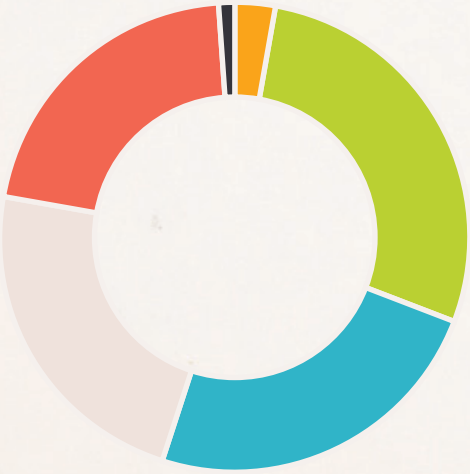
Female Male No response

EMPLOYMENT TYPE



Full-time Part-time Casual Unassigned

AGE DIVERSITY



No response Aged 50+ Age 41-50 Aged 31-40 Aged 21-30 Aged Under 21

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People Value Proposition

Our People Value Proposition (PVP) at Ac"U"mentis delivers dedicated initiatives to attract and retain the highest calibre of employees, maximising the value of services we provide to our clients.

Some of the initiatives included in our PVP:

- Relaunch of our Annual Wellness Calendar where we have offered competitions, webinars and assistance relating to Women's and Men's Health, Financial Wellness, Healthy Hearts and Step-tember.
- Parental Leave & Support. We proudly offer 4 weeks of paid parental leave regardless of gender, a one off lump sum superannuation payment, return to work bonus and counting unpaid parental leave towards the calculation of long service leave entitlements.
- Skin Cancer Checks. Skin is the body's largest organ, and regular screenings can detect potential issues early on, leading to better outcomes, so this is a proactive measure to safeguard skin health by reimbursing the cost of all of our team's skin cancer checks.
- Volunteer Day. Each employee has the opportunity to take one day of paid leave per year to spend volunteering in their community
- Study Leave. Employees who are studying to complete their valuation qualifications can be granted study leave at full pay pending the stage of their degree they are in.

Commitment to Quality

Acumentis is absolutely committed to ensuring all our stakeholders receive the highest quality and safest experiences. Our business continues to maintain internationally recognised certification for Quality (ISO 9001) and IT Security (ISO 20001). This year we have expanded our certification portfolio to include Safety (ISO 45001) and Environment (ISO 14001) with stage one, systems compliance complete.

Certified System™ Quality ISO 9001

Certified System™ Information Security ISO 27001

STAGE 1 COMPLETE

Certified System™ Environment ISO 14001

Certified System™ OHS ISO 45001

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Chairman's Report

It is with pleasure I present my Chairman's report for the FY24.

The last financial year saw a further improvement in the financial results of the business as the strategies pursued for several years bear fruit. We have seen operating revenues grow by 5% and operating profit almost doubling.

With the continued improvement in profits, we are very pleased to declare a final dividend of 0.22 cents per ordinary share. This dividend, whilst modest, is clear evidence of not only the company's recovery from the cyber-attacks of 2019, but the strong financial position it is now in. This is the culmination of many years of hard work by the directors, executive management and employees. It now allows us to start to reward our loyal shareholders for their ongoing support

We see this as another step in the growth of the business. I look forward to continued growth in revenue and associated profits in line with our strategies which will allow us to increase shareholder returns and equity in the future.

Our strategy to continually diversify our services and products has seen revenues from non-mortgage related services continue to grow whilst the mortgage market continues to become a tougher and less profitable segment to operate in.

During the year, we acquired the business and assets of Gill Wright & Associates Business Valuations which has added additional non-mortgage related services to our portfolio. Our plan is to grow this business line over the coming years on the back of our national footprint and strong client relationships.

We have also agreed to settle the deferred contingent consideration associated with our acquisitions of Acumentis (WA) Pty Ltd and Acumentis (SA) Pty Ltd in FY22 which will allow us to fully integrate these businesses. This will see our leadership team grow and diversify these businesses as we have done with the rest of the Acumentis business. This consolidates our "single national business".

We continue to prosecute our twin strategies of service diversification and building on our national footprint and single entity structure. In conjunction with ongoing investment in IT, AI and associated operating efficiencies, we have also set a goal of significant recruitment of skilled executives to deliver valuation and advisory services to our clients across financial institutions, corporate & private clients and, of course, government entities.

As we now focus on the new financial year and beyond, with a clear focus on growth as well as continuing to reward our shareholders, I would like to thank our senior leadership team, my fellow directors, all the Acumentis staff, our clients and our shareholders for their hard work, ongoing support and loyalty to the business.

Keith Perrett
Acumentis Chairman

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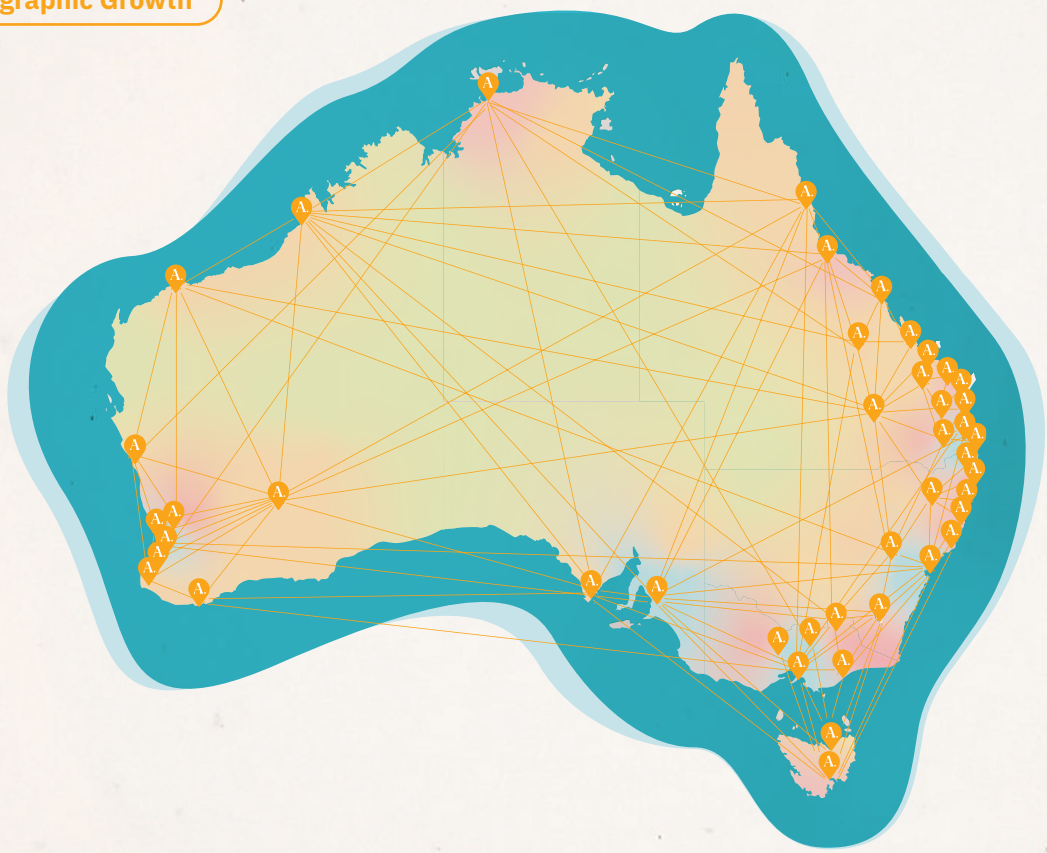
CEO's Report

Dear Shareholders,

I am pleased to present my 2024 CEO's Report to shareholders following a year in which Acumentis has delivered further improvements in financial performance built on the strategies implemented over the last several years.

Geographic Growth



Throughout FY24 we continued to invest in our geographic footprint including growth in our ACT and VIC businesses and also the establishment of an office in Darwin.

This further strengthens our national business enabling us to service our client needs across the length and breadth of Australia via locally based experts.

Overall, we have grown our headcount by 6% which will enable the business to support continued revenue growth and diversification of services.

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I would also like to thank our many clients across all sectors who continue to engage with Acumentis, allowing Acumentis to deliver decision certainty and valuable services in support of their business success.

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Establishment of National Business & Rent Roll Valuation Business

In February 2024, we acquired the assets and business of Gill Wright & Associates Business Valuations which has allowed Acumentis to establish a national team of highly experienced business and rent roll valuers. This provides our existing and new clients with an alternative to the large international accounting firms or smaller boutique accounting practices.

Establishment of a National Specialist Infrastructure and Acquisition Projects Group

Acumentis has a long-established team of specialists providing valuation and land acquisition expertise to constructing authorities, government departments, corporations and the resource industry. We have grown this team through the latter part of FY24 and look forward to providing these services to an increasing client base.

Settlement of Deferred Consideration for FY22 Acquisitions

In May 2024, we accelerated the settlement of contingent consideration relating to the FY22 acquisitions of Acumentis (WA) Pty Ltd and Acumentis (SA) Pty Ltd. Settling these liabilities early assists in providing a platform to generate operational savings and growth to top and bottom lines. In addition this enabled the business to align its management reporting lines nationally allowing the wider business and senior leadership team to support the growth of these businesses. The settlement cleared significant liabilities from the balance sheet and realised a gain of $995K in the profit and loss statement for FY24.

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Settlement of Cyber Insurance Aggregation Claim from FY29

Post year end we reached agreement to settle the cyber insurance aggregation claim dating back to the cyber-attacks in 2019. This claim had been recorded as a $1.1M contingent liability and strongly defended since 2019, however to avoid ongoing legal costs and the risks associated with litigation we have now settled the matter for $300K and this amount has been accrued in the FY24 results.

FY24 Performance

FY24 saw a 5% year on year increase in operating revenues and, whilst the business invested in recruitment of senior skilled employees and additional promotional activities to drive ongoing growth, this still allowed us to deliver a 9% increase in EBITDA (adjusted to add back the one-off cost associated with settlement of insurance aggregation claim).

The success of our strategies is demonstrated by a 5% increase in operating revenue and a 93% increase in operating profit.

REVENUES
+5%

OPERATING PROFIT
+93%

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Market Outlook

We anticipate economic conditions in FY25 to remain challenging with high interest rates and inflation likely to continue through much of the year.

Expectations for FY25

Despite the challenges associated with ongoing soft economic conditions, the business is in a position to grow and continue to deliver improved profitability.

As we wrap up our reporting for FY2024, I would like to personally thank our board of directors, my senior leadership team and our talented and hard-working employees across Australia, who have all contributed to the ongoing success of the business via their hard work, support for our strategies and, in particular, unwavering focus on delivering excellent service to our clients.

I would also like to thank our many clients across all sectors who continue to engage with Acumentis, allowing Acumentis to deliver decision certainty and valuable services in support of their business success.

Finally, I would like to express my continued appreciation for the ongoing support provided by our shareholders and look forward to rewarding this support via dividends and share price growth into the future.

Timothy Rabbitt
CEO

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Financial statements

ASX:ACU FY23-24

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DIRECTORS' REPORT

The Directors present their report together with the financial report of the Consolidated Entity, being Acumentis Group Limited ("the Company") and its controlled entities, for the year ended 30 June 2024 and the auditor's report thereon.

Directors & Company Secretary

The Directors & Company Secretary of the Company in office at any time during or since the end of the financial year are:

Keith Perrett

Independent Director

Chair of the Board
25/05/18 – current

Non-Executive director
01/02/18 - current

Audit & Risk Committee
22/02/18 – 21/11/19
21/02/21 – 22/04/21

Chair of Audit & Risk Committee
08/11/22 – 31/01/24

People & Culture Committee
22/02/18 – 21/11/19
21/02/21 – 22/04/21
08/11/22 – 14/12/23

Chair of People & Culture Committee
25/05/18 – 21/11/19

Keith Perrett brings to the board strong experience in strategy development, government relations, stakeholder engagement and business development. He also has a strong business and government network, particularly within New South Wales & Queensland.

He is currently Non-Executive Chairman of Silver Mines Ltd (ASX:SVL) and has previously held positions as the Chairman of the Grains Research and Development Corporation (GRDC), the National Rural Advisory Council (NRAC), the Wheat Research Foundation (WRF), and President of the Grains Council of Australia.

Directorships of Other Listed Entities in Last 3 Years

Silver Mines Ltd, 21/06/16 - current

Les Wozniczka

Non-Executive Director
13/04/21 – current

People & Culture Committee
22/04/21 – current

Audit & Risk Committee
22/04/21 – 07/11/22

Les Wozniczka has been an active private investor since retiring as Chief Executive of Futuris Corporation in 2008 and currently holds a 11.9% stake in Acumentis Group Limited.

He has been a director of public companies and is experienced in the management of regulated entities.

Prior to Futuris Corporation, Les was a founding shareholder in Corporate Governance International, a partner in The Partners Group offering corporate advice, a Potter Partners partner and investment banker and international currency and bond manager.

Les has an MBA and BSc (Psych) from UNSW and DipEd from the University of Adelaide.

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Andrea Staines OAM
Independent Director

Non-Executive director
26/09/19 - current

Chair of People & Culture Committee
21/11/19 – current

Audit & Risk Committee
21/11/19 – current

Andrea Staines OAM has been a professional Non-Executive Director in excess of fifteen years on a range of Australian and New Zealand entities and is currently on the board of social enterprise UnitingCare Queensland and Sunshine Coast Airport.

Andrea has experience in the property sector through her time on the board of QIC. She has extensive experience from being on the boards of entities with operations distributed nationwide including social enterprise Goodstart Early Learning, ASX-listed Aurizon & Kelsian Group, Australia Post and Australian Rail Track Corporation.

Andrea is a former CEO of Australian Airlines (mark II), a Qantas subsidiary flying between Asia and Australia, which she co-launched. During this time, she was also a member of the Qantas Executive Leadership Team. Prior to this, Andrea led Qantas Revenue Management - a team that optimized Qantas passenger revenue using mathematical techniques. Before joining Qantas, Andrea worked in various financial and strategy roles with American Airlines at their Dallas headquarters.

Andrea has an MBA from the University of Michigan and a Bachelor of Economics from the University of Queensland. She is a Fellow of the Australian Institute of Company Directors (AICD) and a Member of Chief Executive Women (CEW).

Directorships of Other Listed Entities in Last 3 Years
Kelsian Group Limited (previously SeaLink Travel Group Limited)
15/02/16 – 25/10/22

Jo Mikleus
Independent Director

Non-Executive director
01/12/23 - current

People & Culture Committee
14/12/23 – current

Audit & Risk Committee
14/12/23 – 31/01/24

Chair of Audit & Risk Committee
01/02/24 – current

Jo is a growth-focused and customer-orientated C-Suite executive with over 35 years of experience in banking, business and technology, including as CEO. Across a diverse career in public, private and PE-backed companies, she has developed a track record of innovating and successfully leading people through structural, technology, social and regulatory change.

She is the Senior Vice President (Operations) at Cyble Inc., an AI cyber threat intelligence company. She is responsible for leading the global operations teams connecting software, cloud and platform, engineering, IT, cybersecurity, research, service delivery, sales, facilities, workplace resources and related operational units. She is a key influencer in the APEA market for Cyble while also being responsible for scaling two wholly owned businesses - The Cyber Express and Am I Breached.

Her other directorships include being the NED and Chair of the Audit Committee at Avenue Bank, a digital bank that provides better banking solutions for Australian businesses, starting with disrupting the bank guarantee market.

Jo passionately advocates for customer-design-thinking, disruptive innovation, leadership, culture and inclusion.

Jo has a Bachelor of Social Science (Economics) from UNSW and is a Graduate of the Australian Institute of Company Directors (AICD).

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Timothy Rabbitt
Managing Director

Executive director
10/12/20 - current

Tim has worked with Acumentis since 1992 (then Taylor Byrne) and been in the CEO role since September 2019 and was appointed Managing Director in December 2020.

Tim led Taylor Byrne from 2013 until the merger with LMW in 2019 and was instrumental in the transition of the company from a partnership into a corporate structure.

As CEO of Acumentis Tim holds overall responsibility for the management of the business, including risk management, governance, strategic planning and financial management. He has worked across the commercial, industrial and specialised rural property sectors throughout Queensland, the Northern Territory, New South Wales and Western Australia.

A Certified Practicing Valuer, Tim specialises in litigation and acquisition matters and has been involved in numerous gas, mining and powerline easement acquisition projects throughout Queensland and New South Wales. He has regularly acted as an Expert Witness in various courts, and been involved in negotiations for the acquisition of properties for roads, rails, dams, mines, powerline and gas and water pipeline easements, and gas infrastructure.

Tim has served as the Queensland President of the Australian Property Institute, is a member of the Valuation Board of Review for the Northern Territory, the Royal Institute of Chartered Surveyors, the International Right of Way Association, and the Australian Institute of Company Directors.

John Wise

Company Secretary
27/09/16 – current

John joined Acumentis in September 2016 as Chief Financial Officer and Company Secretary.

John has had extensive experience in the property services sector having previously held the position of CFO & Company Secretary at Savills from 1999 until 2016.

John trained with Price Waterhouse in the UK and also worked in Hungary before emigrating to Australia in 1990.

John has a Bachelor of Science, Honours Degree in Mathematics, is a fellow of the Institute of Chartered Accountants in England and Wales (ICAEW) and a graduate of the Australian Institute of Company Directors (AICD).

Directors' Meetings

The number of directors' meetings held, and the number of meetings attended by each of the directors (when a director) of the Company during the financial year were as follows:

	Board		Audit & Risk Committee		Nominations & Remuneration Committee	
Director	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**
Keith Perrett	9	9	3	3	2	2
Andrea Staines	9	9	4	4	4	4
Jo Mikleus	6	6	2	2	3	3
Timothy Rabbitt	9	9	-	-	-	-
Les Wozniczka	9	9	4	4	4	4

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Company particulars

Acumentis Group Limited is incorporated in Australia.

The address of the registered office is Level 7, 283 Clarence Street, Sydney, NSW 2000.

Corporate Governance Statement

Acumentis Group Limited and the board are committed to achieving and demonstrating the highest standards of corporate governance. Acumentis Group Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2024 Corporate Governance Statement is dated as at 30 June 2024 and reflects the corporate governance practices in place at the end of the 2024 financial year. The 2024 Corporate Governance Statement was approved by the board on 23rd August 2024 and can be viewed at:

https://www.acumentis.com.au/investor-center/corporate-governance/

Principal activities

The principal activity of the Consolidated Entity during the course of the financial year was property valuation. There were no significant changes in the nature of the activities of the Consolidated Entity during the year.

Review of operations

	Year ended 30 June 2024 $000s	Year ended 30 June 2023 $000s	Increase / (Decrease) $000	% Change
Revenue				
Operating revenue	56,187	53,700	2,487	5%
Fair value adjustment on early settlement of deferred, contingent consideration	995	-	995	100%
	57,182	53,700	3,482	6%
Profit before tax				
Operating profit	1,403	727	676	93%
Fair value adjustment on early settlement of deferred, contingent consideration	995	-	995	100%
Settlement of cyber-insurance aggregation claim	(300)	-	(300)	100%
Costs incurred and provision for settlement of legal claim within insurance excess	(180)	-	(180)	100%
Impairment of intangible assets (computer software)	(273)	-	(273)	100%
	1,645	727	918	126%
Income tax (expense) / benefit	(220)	(298)	78	26%
Net profit after tax from continuing operations	1,425	429	996	232%

The company delivered a year-on-year increase in revenues from continuing operations of 5% with growth in fees from financial institutions of 2% and corporate and private clients of 18% offset by an 11% reduction in fees from Government entities due to the scaling down of work relating to the 2022 flood events. Our regional business continued to grow with the opening of an office in Darwin and growth in our Canberra office and we have seen a successful launch of our business valuations services via the acquisition of the business and assets of Gill Wright & Associates Business Valuations.

The company booked an impairment charge against previously capitalised software which is now deemed obsolete as the company's strategy is to move away from in-house developed software to use of cloud-based systems and "low-code / no-code" platforms to support the business. This strategy improves agility and reduces ongoing costs of development.

The company agreed to settle a long running claim from its cyber insurer relating to the cyber attacks in 2019. The claim related to whether the two attacks should be aggregated and the insurers had demanded repayment of $1.1M benefit paid in 2019. The company has agreed to repay $300K in full and final settlement of the aggregation claim in order to avoid legal costs defending the claim and the associated litigation risk if the matter progressed to trial.

The company also recorded legal costs and provision for settlement of a legal claim within the insurance excess. Whilst the company has strong legal advice that the claim is defensible, if settlement is achieved or the matter is litigated, the company's exposure will be limited to the insurance excess which has been fully provided as at 30 June 2024.

The company delivered an operating profit of $1,403 (FY23 $727K) and a profit before tax of $1,645 (FY23 $727K).

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The result for the year ended 30 June 2024 includes the following significant items:

	$000s
Income	
Release of contingent, deferred consideration in relation to acquisitions of:	
Acumentis (WA) Pty Ltd	557
Acumentis (SA) Pty Ltd	438
	995
Expenses	
Costs incurred and provision for settlement of legal claim within insurance excess	180
Settlement of cyber-insurance aggregation claim	300
Impairment of capitalised software due to obsolescence	273

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Business Overview

The business continues to diversify its revenues streams geographically with expansion into the Northern Territory and growth in the ACT and VIC in particular. The business has also successfully launched its business valuations services via the acquisition of Gill Wright & Associates Business Valuations and anticipates national growth in this offering over coming years.

The current financial year saw growth of 5% in revenues from operations with continued strong growth in fees from corporate and private clients demonstrating the ongoing success of the company's diversification strategy to be less reliant on fees from financial institutions.

The business now has a more diversified fee base with non-finance related fees making up circa 40% of total fees.

Outlook

The Board expects economic conditions in FY25 to remain challenging with high interest rates and inflation likely to continue through much of the year. Despite these challenges, the business is in a position to grow and continue to deliver improvements to profitability.

Dividends

On 30 August 2024, the Directors resolved to pay a final, fully franked, dividend of 0.22 cents per ordinary share totalling $487,201 (FY23: no dividends declared).

The record date for the final dividend will be 6 September 2024, with payment to be made on 13 September 2024. Shares will trade excluding entitlement to the final dividend on 5 September 2024.

No dividends were paid by the Company since the end of the previous financial year.

Events subsequent to the end of the reporting period

Subsequent to 30 June 2024, the Consolidated Entity reached agreement to settle the cyber insurance aggregation claim previously disclosed as a contingent liability. The matter was settled for $300,000 which has been included in other payables and accruals as at 30 June 2024. Refer note 15.

There were no other significant events subsequent to the end of the reporting period

State of affairs

There have been no significant changes in the state of affairs of the Consolidated Entity that occurred during the year under review.

Likely Developments

Refer to the Outlook included in this Directors' Report above.

Environmental regulation

The operations of the Consolidated Entity are not subject to any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

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REMUNERATION REPORT – AUDITED

People & Culture Committee

The People & Culture Committee incorporates the roles of a Nominations & Remuneration Committee.

A major role of the People & Culture Committee is to ensure that the remuneration policies and outcomes achieve an appropriate balance between the interests of Acumentis Group shareholders and rewarding and motivating executives and employees in order to achieve their long-term commitment to the Consolidated Entity. The committee meets as required but generally at least four times per year. The members of the People & Culture Committee during the year were:

Name	Independent	Non-executive
Current members		
Andrea Staines (Member & Chair from 21 November 2019)	Y	Y
Leslie Wozniczka (Member from 22 April 2021)	N	Y
Jo Mikleus (Member from 14 December 2023)	Y	Y
Former members		
Keith Perrett (Member until 14 December 2023)	Y	Y

Remuneration strategy

Remuneration levels are competitively set to attract and retain appropriately qualified and experienced directors and senior executives.

The remuneration of the Consolidated Entity's senior executives includes a mix of fixed components and performance-based incentives comprising short term incentives ("STI's") and long-term incentives ("LTI's").

Component	Settled	How Measured
Fixed	Cash	Market rates, reviewed annually.
STI	Cash	The performance of the Consolidated Entity and the individual performance of the executives based on achievement of specific key performance indicators (KPI's) which include financial and non-financial targets. STI's and the associated KPI's are reviewed and set annually with STI payments, if any, being made post finalisation of the annual external audit.
LTI	Share Based	The performance of the Consolidated Entity and the individual performance of the executives. The performance of the Consolidated Entity is based on total shareholder return and earnings per share. LTI's have a minimum period of 3 years and are forfeited if the executive ceases to be employed by the Consolidated Entity.

The board considers that the performance-based incentive is appropriate as it directly aligns the individuals reward with the Consolidated Entity's performance.

In considering the Consolidated Entity's performance, the board has regard to the following indices in respect of the current financial year and previous years.

	2024 $000	2023 $000	2022 $000	2021 $000	2020 $000
Revenue from rendering services	**56,203**	53,519	55,163	44,043	36,666
EBITDA[1]	**3,433**	3,420	2,035	4,902	(38)
Net profit / (loss) to equity holders of the Company	**1,425**	429	1,445	(9,688)	(2,555)
Earnings / (loss) per share (cents)	**0.65**	0.23	0.83	(6.19)	(1.76)

1. EBITDA excludes gain on de-recognition of investment in associated company in 2022, fair value adjustment on early settlement of deferred, contingent consideration in 2024 and gain on disposal of non-current assets.

The factors that are considered to affect total shareholders return are summarised below.

	2024	2023	2022	2021	2020
Dividends declared (per share)	**0.22 cents**	-	-	-	-
Share price at the end of the period	**$0.067**	$0.061	$0.095	$0.115	$0.080

Non-executive directors are paid an annual fee for their service on the board and committees which is determined by the People & Culture Committee. Aggregate remuneration for all non-executive directors is not to exceed $580,000 per annum as approved by the shareholders. Non-executive directors' aggregate salary & fees for the year were $315,950. These fees include statutory superannuation. Non-executive directors do not receive bonuses nor are they entitled to be issued with options or performance rights on securities in the Consolidated Entity. Non-executive directors do not receive any retirement benefits other than statutory superannuation payments. Non-executive directors do not receive separate fees for committee memberships, however, from February 2024, do receive fees for Chairing these committees (Audit & Risk Committee - $10,000 pa, People & Culture Committee - $7,500 pa).

The Consolidated Entity has a policy that prohibits those that are granted share-based payments as part of their remuneration from being compensated for changes in value of the underlying securities.

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Directors' and senior executive officers' remuneration

Details of the nature and amount of each major element of the remuneration of each member of key management personnel are:

		Short term		Post-employment		Long term		Total $	Performance Related %	Share Based %
Name	Year	Salary & Fees $	STI (b) $	Super-annuation benefits $	Termination benefits $	Movement in long term benefits $	Share based payments $			
Non-executive directors										
K Perrett	2024	124,998	-	-	-	-	-	124,998	-	-
	2023	120,000	-	-	-	-	-	120,000	-	-
A Staines	2024	65,844	-	7,243	-	-	-	73,087	-	-
	2023	58,823	-	6,177	-	-	-	65,000	-	-
J Mikleus[2]	2024	42,220	-	4,644	-	-	-	46,864	-	-
	2023	-	-	-	-	-	-	-	-	-
P Sherrie[1]	2024	-	-	-	-	-	-	-	-	-
	2023	20,814	-	2,186	-	-	-	23,000	-	-
L Wozniczka	2024	71,000	-	-	-	-	-	71,000	-	-
	2023	65,000	-	-	-	-	-	65,000	-	-
Executive directors										
T Rabbitt	2024	427,861	16,216	27,399	-	(12,560)	126,292[5]	585,208	3%	22%
	2023	378,361	34,792	25,292	-	(8,793)	(13,659)[4]	415,993	8%	-3%
Other key management personnel										
J Wise	2024	243,802	18,018	26,687	-	16,438	62,886[5]	367,831	5%	17%
	2023	252,904	22,986	25,711	-	3,410	15,716	320,727	7%	5%

1. Resigned 8 November 2022
2. Appointed 1 December 2023
3. Other directors and senior executive officers were employed throughout both financial years
4. Includes the effect of lapse of FY21 tranche of rights due to the performance condition not being met
5. Includes the effect of lapse of FY22 tranche of rights due to the performance condition not being met
6. Non-executive director remuneration includes fees paid for chairing board committees

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Notes in relation to the table of directors' and executive officers' remuneration

(a) Analysis of options & performance rights included in remuneration

Option & Performance Rights – Share Based Payments

The directors at their discretion allocate share options or performance rights that entitle key management personnel and senior employees to be issued shares in the Company. The terms of any options and performance rights including vesting conditions and performance criteria vary depending upon the incentive arrangements appropriate for key management personnel and senior employees and are a part of an approved Employee Share Acquisition Scheme, which was initially approved by shareholders at the 2018 Annual General Meeting and renewed for a further 3 years at the 2021 Annual General Meeting.

Options

There were no options held by key management personnel outstanding at the date of this report (2023: none).

Performance Rights

Performance rights may be granted under the Acumentis Group Performance Rights and Option Plan which was first approved by shareholders at the 2018 Annual General Meetings and the approval was renewed for a further 3 years at the 2021 Annual General Meeting. The Plan allows the Company to grant options or rights to selected senior executives to acquire ordinary shares in the Company. Participants are required to satisfy performance and service conditions at the time of the offer. The exercise price for performance rights is nil. Rights cannot be transferred and are not quoted on the ASX.

Performance rights on issue are as follows:

Tranche	Date	Transaction	Chief Executive Officer	Chief Financial Officer	Other employees	Total
FY21	15 Oct 20	Grant	1,000,000	-	-	1,000,000
	30 Jun 23	Lapse (market & performance conditions not met)	(1,000,000)	-	-	(1,000,000)
			-	-	-	-
FY22	20 Sep 21	Grant	-	240,000	1,200,000	1,440,000
	28 Oct 21	Grant	240,000	-	-	240,000
	8 Apr 22	Forfeit (service condition not met)	-	-	(144,000)	(144,000)
	10 Jun 22	Forfeit (service condition not met)	-	-	(120,000)	(120,000)
	19 May 23	Forfeit (service condition not met)	-	-	(240,000)	(240,000)
	30 Jun 24	Lapse (market & performance conditions not met)	(240,000)	(240,000)	(696,000)	(1,176,000)
			-	-	-	-
FY23	25 Oct 22	Grant	405,000	300,000	435,000	1,140,000
			405,000	300,000	435,000	1,140,000
FY24	25 Oct 23	Grant	6,000,000	3,000,000	-	9,000,000
Total			6,405,000	3,300,000	435,000	10,140,000

Further information on performance rights can be found at note 19(a) to the financial statements.

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Details of performance right valuations and vesting conditions are as follows:

Grant date	15 Oct 20	20 Sep 21 & 28 Oct 21	25 Oct 22	25 Oct 23	25 Oct 23	25 Oct 23
Number of rights						
Originally issued	1,000,000	1,680,000	1,140,000	1,500,000	1,500,000	6,000,000
Forfeited	-	(504,000)	-	-	-	-
Lapsed	(1,000,000)	(1,176,000)				
Vested & exercised	-	-	-	-	-	-
On issue	-	-	1,140,000	1,500,000	1,500,000	6,000,000
Unvested	-	-	1,140,000	1,500,000	1,500,000	6,000,000
Vested but not exercised	-	-	-	-	-	-
	-	-	1,140,000	1,500,000	1,500,000	6,000,000
Weighted average fair value at grant date (cents)	11.83	13.25	6.92	6.05	5.76	5.48
Service Condition The executive must remain employed from grant date until the finalisation of the statutory audit for the financial year ended If the service condition is not met none of the performance rights will vest.	30 Jun 23	30 Jun 24	30 Jun 25	30 Jun 24	30 Jun 25	30 Jun 26
Market Condition Applicable to (% of rights) The performance rights will vest if the total shareholder return ("TSR") for Acumentis is at least equal to the TSR for the ASX300 for the period	50% 1 Jul 20 – 30 Jun 23	50% 1 Jul 21 – 30 Jun 24	50% 1 Jul 22 – 30 Jun 25	N/A	N/A	N/A
Performance Condition Applicable to (% of rights) The performance rights will vest pro-rata based on the earnings per share of Acumentis Group Limited being between	50% 2.4 & 3.2 cents for FY23	50% 2.5 & 3.4 cents for FY24	50% 2.6 & 3.5 cents for FY25	N/A	N/A	100% 1.0 & 2.0 cents for FY26

The Board has the discretion to adjust the number of rights that ultimately vest and/or the service condition period if it forms the view that the unadjusted outcome is not appropriate to the circumstances that prevailed over the measurement period.

The Board has discretion to determine that some or all unvested rights held lapse on a specified date if allowing the rights to vest would, in the opinion of the Board, result in an inappropriate benefit to the rights holder. Such circumstances would include joining a competitor or actions that harm the Consolidated Entities' stakeholders.

In the case of fraud or misconduct, all unvested rights will be forfeited.

Vesting and exercise of performance rights issued during prior years

No performance rights vested during the year ended 30 June 2024 (2023: none).

(b) Analysis of short term incentives included in remuneration

Short-term incentive cash payments were awarded to the CEO Timothy Rabbitt and CFO John Wise.

The performance-based component for the CEO is a cash payment based on both financial and non-financial KPI's and qualitative assessment of performance.

The performance-based component for the CFO is a cash payment based on non-financial KPI's and qualitative assessment of performance.

Director / Key Management Personnel	Vesting date	Cash STI Paid / Payable	Cash STI Forfeited	Financial Year the cash STI was paid / is payable
Timothy Rabbitt	30 June 2024	68%	32%	2025
John Wise	30 June 2024	50%	50%	2025

Contracted Commitment

Timothy Rabbitt (CEO) and John Wise (CFO) are employed by the Company under ongoing employment contracts. The notice periods and termination payments provided for under these contracts are as follows:

Director / Key Management Personnel	Notice Period Months	Termination Payment $
Timothy Rabbitt	6	212,500
John Wise	3	62,500

The termination payments are not provided for in the financial statements.

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Beneficial interest of directors and key management personnel in shares & options

Movement in shareholdings

The movement during the reporting period in the number of ordinary shares in the Company held directly, indirectly, or beneficially by each director or key management person including their personally related entities is as follows:

2024	Held at 1 July 2024	Purchases	Sales	Appointment / (Retirement) from Board	Held at 30 June 2024
Non-Executive Directors					
Keith Perrett	1,241,434	-	-	-	1,241,434
Andrea Staines	-	-	-	-	-
Jo Mikleus	-	-	-	-	-
Les Wozniczka	25,953,613	-	-	-	25,953,613
Executive Directors					
Timothy Rabbitt	1,872,091	-	-	-	1,872,091
Key Management Personnel					
John Wise	466,740	14,689	-	-	481,429

2023	Held at 1 July 2022	Purchases	Sales	Appointment / (Retirement) from Board	Held at 30 June 2023
Non-Executive Directors					
Keith Perrett	418,577	822,857	-	-	1,241,434
Andrea Staines	-	-	-	-	-
Patrice Sherrie	-	-	-	-	-
Les Wozniczka	19,810,755	6,142,858	-	-	25,953,613
Executive Directors					
Timothy Rabbitt	1,477,479	394,612	-	-	1,872,091
Key Management Personnel					
John Wise	265,884	200,856	-	-	466,740

The executive officers named are those who are directly accountable and responsible for the strategic direction and operational management of the Consolidated Entity. The directors are of the opinion that only the executive officers detailed above meet the definition of key management personnel as set out in AASB 124 Related Party Disclosures.

Transactions with Director-Related Entities

The Consolidated Entity did not enter into any transactions with any director-related entities, except for payment of non-executive directors' fees to some directors, in either of the years ended 30 June 2023 or 30 June 2024.

END OF REMUNERATION REPORT

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Proceedings on behalf of the consolidated entity

During the financial year and in the interval between the end of the financial year and the date of this report the Consolidated Entity has made no application for leave under Section 237 of the *Corporations Act 2001.*

No person has applied for leave of court to bring proceedings on behalf of the Consolidated Entity or intervene in any proceeding to which the Consolidated Entity is a party for the purpose of taking responsibility on behalf of the Consolidated Entity for all or any part of these proceedings. The Consolidated Entity was not a party to any such proceedings during the year.

Directors' Interests

The relevant interest of each director in the shares issued by the Company as notified by the Directors to the Australian Securities Exchange in accordance with S205G(1) of the Corporations Act 2001, at the date of this report is as follows:

	Ordinary Shares
Keith Perrett	1,241,434
Andrea Staines	-
Jo Mikleus	-
Timothy Rabbitt	1,872,091
Les Wozniczka	25,953,613

Share Options

Shares under option

There were no unissued ordinary shares of Acumentis Group Limited under option at the date of the report (2023: 2,500,000). Refer to note 7 for further details.

Shares issued on exercise of options

There were no options exercised during the year (2023: Nil).

Indemnification and Insurance of Officers and Auditors

Officers

The Company has agreed to indemnify all current Directors of Acumentis Group Limited to the maximum extent permitted by law against any liability incurred by them by virtue of their holding office as an officer of the Consolidated Entity other than:

- a liability owed to the Consolidated Entity or a related body corporate of the Company;
- a liability for a pecuniary penalty order under section 1317G of the Law or a compensation order under section 1317H of the Law; or
- a liability owed to a person other than the Consolidated Entity that did not arise out of conduct in good faith.

Since the end of the previous financial year, the Consolidated Entity has paid premiums in respect of Directors and Officers liability insurance, for all past, present, or future directors, secretaries, officers or employees of the Consolidated Entity. Conditions of the Insurance policy restrict disclosure of the premium amount.

The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

Further details of insurance policies have not been disclosed as the policies prohibit such disclosure.

Auditors

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a third-party liability incurred by the auditor.

During the year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Rounding of Amounts

The Consolidated Entity has applied the relief available under ASIC Instrument 2016/191 and accordingly, amounts in the financial statements and directors' report have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Auditors Independence Declaration under Section 307C of the Corporations Act 2001

The auditor's independence declaration is set out on page 41 and forms part of the Directors' Report for the financial year ended 30 June 2024.

Non-audit Services

During the year, William Buck, the Company's auditor, has performed certain other services in addition to their statutory duties.

The board has considered the non-audit services provided during the year by the auditor and in accordance with written advice provided by resolution of the Audit & Risk Committee, is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Consolidated Entity and have been reviewed by the Audit & Risk Committee to ensure that they do not impact the integrity and objectivity of the auditors; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards), as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Consolidated Entity, acting as an advocate for the Consolidated Entity or jointly sharing risks and rewards.

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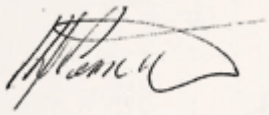
Details of the amounts paid to the auditors of the Consolidated Entity, William Buck, and its related practices for audit and non-audit services provided during the year are set out below:

	2024	2023
Statutory and other audit services		
Full year audit	**160,000**	174,000
Half year review	**60,000**	60,000
	220,000	234,000
Service other than statutory audit		
Preparation & lodgement of taxation returns	**9,690**	9,790
	9,690	9,790

This report is made in accordance with a resolution of the directors.



Keith Perrett
Director

Dated at Sydney this 30th day of August 2024

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WilliamBuck
ACCOUNTANTS & ADVISORS

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Acumentis Group Limited

As lead auditor for the audit of Acumentis Group Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Acumentis Group Limited and the entities it controlled during the year.

William Buck
Accountants and Advisors
ABN 16 021 300 521

Domenic Molluso
Partner

Sydney, 30 August 2024

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 $000	2023 $000
Revenue from rendering of services	1	**56,203**	53,519
Other income	3(a)	**979**	181
		57,182	53,700
Expenses from operating activities:			
Employee expenses		**41,173**	39,022
IT infrastructure & software expenses		**2,589**	2,657
Marketing expenses		**1,005**	824
Insurance expenses		**2,145**	2,490
Administration expenses		**970**	1,021
Occupancy expenses		**581**	699
Depreciation and amortisation expenses		**2,790**	2,287
Travel expenses		**1,475**	1,306
Searches, plans & maps		**768**	768
Other expenses from operating activities		**1,835**	1,546
		55,331	52,620
Results from operating activities		**1,851**	1,080
Finance income	3(b)	**65**	35
Finance expense	3(b)	**(271)**	(388)
		(206)	(353)
Profit before tax		**1,645**	727
Income tax (expense) / benefit	4	**(220)**	(298)
Profit for the year attributable to owners of the parent		**1,425**	429
Total comprehensive profit for the year attributable to owners of the parent		**1,425**	429
Basic earnings per share	21(a)	**0.65 cents**	0.23 cents
Diluted earnings per share	21(b)	**0.62 cents**	0.22 cents

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

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

Assets	Notes	2024 $000	2023 $000
Cash and cash equivalents	5(a)	**4,140**	1,697
Term deposits	5(b)	**261**	1
Trade and other receivables	5(c)	**5,702**	5,916
Other financial assets	5(d)	**105**	371
Other current assets	6(f)	**1,203**	1,064
Total current assets		**11,411**	9,049
Other financial assets	5(d)	**175**	284
Term deposits	5(b)	**679**	913
Deferred tax assets	6(e)	**2,325**	2,545
Plant and equipment	6(a)	**609**	737
Right of use assets	6(b)	**1,644**	2,505
Intangible assets	6(c)	**21,629**	22,140
Total non-current assets		**27,061**	29,124
Total assets		**38,472**	38,173
Liabilities			
Trade and other payables	5(e)	**4,140**	3,834
Borrowings	5(f)	**8**	8
Lease liabilities	5(g)	**1,179**	1,765
Current tax liabilities	6(d)	**-**	-
Deferred consideration	5(h)	**176**	143
Employee benefits	6(g)	**5,260**	4,897
Total current liabilities		**10,763**	10,647
Trade and other payables	5(e)	**100**	-
Borrowings	5(f)	**31**	39
Lease liabilities	5(g)	**760**	1,566
Deferred consideration	5(h)	**111**	1,263
Employee benefits	6(g)	**475**	446
Provisions	6(h)	**418**	142
Total non-current liabilities		**1,895**	3,456
Total liabilities		**12,658**	14,103
Net assets		**25,814**	24,070
Equity			
Issued capital	7	**22,342**	22,208
Retained earnings		**3,122**	1,697
Other reserves	8	**350**	165
Total equity		**25,814**	24,070

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Share Capital $000	Retained Earnings / (Accumulated Deficit) $000	Other Reserves $000	Total Equity $000
Balance at 1 July 2022		19,433	1,268	127	20,828
Total comprehensive profit attributable to members of the parent entity		-	429	-	429
Transactions with owners in their capacity as owners:					
Shares issued	7(a)	2,775	-	-	2,775
Share based payments expense	8	-	-	38	38
Balance at 30 June 2023		22,208	1,697	165	24,070
Balance at 1 July 2023		**22,208**	**1,697**	**165**	**24,070**
Total comprehensive profit attributable to members of the parent entity		**-**	**1,425**	**-**	**1,425**
Transactions with owners in their capacity as owners:					
Shares issued	**7(a)**	**134**	**-**	**-**	**134**
Share based payments expense	**8**	**-**	**-**	**185**	**185**
Balance at 30 June 2024		**22,342**	**3,122**	**350**	**25,814**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 $000	2023 $000
Cash flows from operating activities			
Cash receipts in the course of operations		**62,168**	59,591
Lease receipts		**370**	350
Cash payments in the course of operations		**(57,474)**	(56,228)
Finance income received	3(b)	**65**	32
Finance expense paid	3(b)	**(271)**	(388)
Income tax paid		**-**	(36)
Net cash provided by operating activities	9(a)	**4,858**	3,321
Cash flows from investing activities			
Payments for plant and equipment	6(a)	**(209)**	(331)
Payments for intangible assets	6(c)	**(81)**	(450)
Purchase of investments			
- Acquisition of incorporated entities	13(a)	**(94)**	-
- Deferred consideration paid	5(h)	**(143)**	(406)
Decrease / (increase) in security deposits invested		**(26)**	15
Loan repayments received		**5**	-
Net cash used in investing activities		**(548)**	(1,172)
Cash flows from financing activities			
Shares issued (net of costs)	7(a)	**-**	2,775
Repayment of borrowings	5(f)	**(8)**	(2,309)
Repayment of lease liabilities		**(1,859)**	(1,774)
Dividends paid		**-**	-
Net cash used in financing activities		**(1,867)**	(1,308)
Net increase in cash and cash equivalents held		**2,443**	841
Cash and cash equivalents at beginning of the year		**1,697**	856
Cash and cash equivalents at the end of the year	5(a)	**4,140**	1,697

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

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Notes to the consolidated financial statements

ASX:ACU FY23-24

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HOW THE NUMBERS ARE CALCULATED

This section provides additional information about those individual line items in the financial statements that the directors consider most relevant in the context of the operations of the entity, including:

a) Accounting policies that are relevant for an understanding of the items recognised in the financial statements. These cover situations where the accounting standards either allow a choice or do not deal with a particular type of transaction;

b) Analysis and sub-totals, including segment information; and

c) Information about estimates and judgements made in relation to particular items.

1 Revenue

	2024 $000	2023 $000
Revenue from rendering of services	**56,164**	53,423
Recovery of disbursements	**18**	75
Recharge of shared services to licensees	**21**	21
	56,203	53,519

(a) Revenue from rendering of services

Revenue from the rendering of services to clients is recognised when the individual performance obligation under the applicable contract is satisfied and at the price agreed in the contract. For the large majority of contracts, there is a single performance obligation at the completion of the service and revenue is recognised at this point.

(b) Recovery of disbursements

Where the contract with the client allows the recovery of disbursements incurred in delivering the services, these are billed to the client at the time the performance obligation in the contract is satisfied or in accordance with an agreed billing schedule as appropriate.

(c) Recharge of shared services to licensees

Revenue relating to the provision of shared services to licensees is billed and recognised on a monthly basis over the term of the agreement relating to the provision of such services.

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2 Material profit or loss items

The Consolidated Entity has identified a number of items which are material due to the significance of their nature and/or amount. These are listed separately here to provide a better understanding of the financial performance of the Consolidated Entity.

	Notes	2024 $000	2023 $000
Income			
Fair value adjustment on early settlement of deferred, contingent consideration	5(h)(i)	**995**	-
Expenses			
Impairment of intangible assets – computer software	6(v)	**273**	-
Settlement of cyber insurance aggregation claim	15	**300**	-
Costs incurred and provision for settlement of legal claim within insurance excess		**180**	-

3 Other income and expense items

This note provides a breakdown of the items included in 'other income' and 'finance income and expenses'. Information about specific profit and loss items (such as gains and losses in relation to the sale of plant & equipment) is disclosed in the related statement of financial position notes.

(a) Other income

	Notes	2024 $000	2023 $000
Fair value adjustment on early settlement of deferred, contingent consideration	5(h)(i)	**995**	-
Licence fee income		**(32)**	159
Sundry income		**16**	22
		979	181

Licence fee income represents fees charged to non-controlled entities which had been licenced to use the Acumentis brand and systems. Licence fees are charged as a percentage of revenue earned by the licensee. The negative income in 2024 is due to the write back of over-accrued income of $197,000 from earlier years.

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(b) Finance income and expense

	2024 $000	2023 $000
Finance income		
- Employee loans - $nil capitalised (2023 $3K)	**13**	11
- Lease income from sublease	**18**	22
- Term deposits	**16**	2
- Bank accounts	**18**	-
	65	35
Finance expenses		
- Borrowings	**(31)**	(100)
- Leases	**(140)**	(177)
- Overdrafts	**-**	(49)
- Insurance premium finance	**(100)**	(62)
	(271)	(388)

Finance income comprises interest income on funds invested. Interest income is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Interest income is recognised as it accrues in the Statement of Profit & Loss and Other Comprehensive Income.

Finance expenses comprise interest expense on borrowings, leases and unwinding of the discount on financial assets. All borrowing costs are recognised in the Statement of Profit & Loss and Other Comprehensive Income using the effective interest method.

4 Income tax expense

This note provides an analysis of the Consolidated Entity's income tax expense, shows what amounts are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Consolidated Entity's tax position.

(a) Income tax expense

	2024 $000	2023 $000
Current tax		
Current year tax payable	**244**	105
Utilisation of brought forward tax losses	**(244)**	(105)
Adjustments for prior years	**-**	8
Total current tax expense	**-**	8
Deferred income tax		
Decrease in deferred taxes (note 6(e))	**220**	290
Total deferred tax expense	**220**	290
Income tax expense	**220**	298

(b) Reconciliation of income tax expense to prima facie tax payable

	2024 $000	2023 $000
Profit from continuing operations before tax	**1,645**	727
Prima facie income tax payable calculated at 30% on profit	**494**	218
Increase / (decrease) in income tax expense due to:		
- Non-deductible entertainment expenses	**25**	21
- Effect of fair value adjustment on early settlement of deferred, contingent consideration	**(299)**	-
	220	239
Adjustments for prior years	**-**	59
Income tax expense	**220**	298

5 Financial assets and financial liabilities

This note provides information about the Consolidated Entity's financial instruments, including:

- An overview of all financial instruments held by the Consolidated Entity;
- Specific information about each type of financial instrument;
- Accounting policies; and
- Information about determining the fair value of the instruments, including judgements and estimation uncertainty involved.

The Consolidated Entity holds the following financial instruments:

Financial assets at amortised cost	**Note**	**2024 $000**	**2023 $000**
Cash and cash equivalents	5(a)	**4,140**	1,697
Term deposits	5(b)	**940**	914
Trade and other receivables	5(c)	**5,702**	5,916
Other financial assets	5(d)	**280**	655
		11,062	9,182
Financial liabilities at amortised cost			
Trade and other payables	5(e)	**4,240**	3,834
Borrowings	5(f)	**39**	47
Lease liabilities	5(g)	**1,939**	3,331
Deferred fixed consideration	5(h)	**134**	143
		6,352	7,355
Financial liabilities at fair value			
Deferred contingent consideration	5(h)	**153**	1,263

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(a) Cash and cash equivalents

	2024 $000	2023 $000
Cash at bank and on hand	**3,945**	1,275
Receivables finance facility	**195**	422
Cash and cash equivalents in the Statement of Cash Flows	**4,140**	1,697

The receivables finance facility is able to be drawn down without notice and funds are immediately available. Receipts from trade receivables are banked into a specific bank account which is swept each day to credit the receivables finance account. As a result, the receivables finance account balance often fluctuates between being positive to being negative.

The receivables finance account forms an integral part of the Consolidated Entity's cash management and is operated as though it was a bank account with an overdraft facility.

The receivables finance facility account is therefore included in cash and cash equivalents in accordance with the requirements and definitions in Australian Accounting Standard AASB107 Cash Flow Statements.

Access was available at the reporting date to the following lines of credit:

Available	2024 $000	2023 $000
Receivables finance facility	**3,000**	3,000
Unused at reporting date		
Receivables finance facility	**3,000**	3,000

The receivables finance facility may be drawn at any time, may be terminated by the bank without notice and is secured via floating charges over the trade receivables of the Consolidated Entity together with fixed and floating charges of the other assets and business of the Consolidated Entity.

The facility carries interest at the 30-day bank bill rate plus a margin of 2.1%. The current rate is 7.95%. A line fee of 1% is also charged.

The facility is subject to annual review with the next review in October 2024.

(b) Term deposits

Current	2024 $000	2023 $000
Term Deposits	**261**	1
Non-current		
Term Deposits	**679**	913

Term deposits are held to provide security for bank guarantees, which are required for property leases and a customer contract. Property leases are typically for fixed periods of up to 7 years but may include extension options. Term deposits have maturities ranging from 1 to 12 months, however will be rolled over for as long as bank guarantees are required to be kept.

(c) Trade and other receivables

Current	2024 $000	2023 $000
Trade receivables	**5,738**	5,931
Less: provision for expected credit losses	**(82)**	(152)
Other receivables	**46**	137
	5,702	5,916

(i) Classification as trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are generally due for settlement within 30 days and therefore are all classified as current. The Consolidated Entity's impairment policy for trade and other receivables is outlined in note 11(a).

(ii) Fair values of trade and other receivables

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

(iii) Impairment and risk exposure

Information about the impairment of trade and other receivables, their credit quality and the Consolidated Entity's exposure to credit risk, foreign currency risk and interest rate risk can be found in note 11(a).

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(d) Other financial assets

	2024 $000	2023 $000
Current		
Lease receivable – right of use assets	**95**	371
Employee loans (note 18(d))	**10**	-
	105	371
Non-current		
Lease receivable – right of use assets	**-**	95
Employee loans (note 18(d))	**175**	189
	175	284

(e) Trade and other payables

	2024 $000	2023 $000
Current		
Trade payables	**739**	705
Other payables and accrued expenses	**3,401**	3,129
	4,140	3,834
Non-current		
Other payables and accrued expenses	**100**	-

Trade payables are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

(f) Borrowings

	2024 $000	2023 $000
Current		
Motor vehicle loan	**8**	8
Non-Current		
Motor vehicle loan	**31**	39

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Movement in motor vehicle and bank loans

	Motor vehicle loan $000	Bank bills and loans $000	Total $000
Balance as at 1 July 2022	56	2,300	2,356
Acquisition of controlled entity	-	-	-
Repayments	(9)	(2,300)	(2,309)
Balance as at 30 June 2023	47	-	47
Balance as at 1 July 2023	**47**	**-**	**47**
Advances	**-**	**-**	**-**
Repayments	**(8)**	**-**	**(8)**
Balance as at 30 June 2024	**39**	**-**	**39**

Secured liabilities

The motor vehicle loan carries fixed interest at 3.49% and has total repayments of $836 per month. The motor vehicle loan is secured by fixed charge over the related motor vehicle. The loan is not subject to review.

The bank loan carried a floating interest rate of BBSY + 2.6% plus a 1% facility fee and had capital repayments of $75,000 per month. The bank loan was secured by fixed and floating charges over the assets and business of the Consolidated Entity. The loan was repaid in March 2023 and replaced with a receivables finance facility (note 5(a)).

(g) Lease liabilities

	2024 $000	2023 $000
Current		
Lease liabilities – right of use assets	**1,179**	1,765
Non-Current		
Lease liabilities – right of use assets	**760**	1,566
Total	**1,939**	3,331
Payable as follows		
Within one year	**1,244**	1,878
One year or later and no later than five years	**799**	1,636
Later than five years	**-**	-
	2,043	3,514
Future finance charges	**(104)**	(183)
Recognised as a liability	**1,939**	3,331

Secured liabilities

Lease liabilities are effectively secured as the interests in the right of use assets recognised in the financial statements revert to the lessor in the event of default.

(h) Deferred consideration

Deferred consideration relates to the acquisition of Acumentis (WA) Holdings Pty Ltd ("ACU WA") on 1 July 2021, the acquisition Acumentis (SA) Pty Ltd ("ACU SA") on 1 February 2022 and the acquisition of the business and assets of Gill Wright & Associates Business Valuations ("GWA") on 1 February 2024.

Current	2024 $000	2023 $000
Fixed consideration		
ACU SA paid 10 Aug 2023	-	143
Early settlement of deferred consideration		
ACU WA payable 19 July 2024	120	-
ACU SA payable 19 July 2024	14	-
Contingent consideration		
GWA payable March 2025	42	-
	176	143
Non-Current		
Contingent consideration		
ACU WA originally payable August 2025	-	797
ACU SA originally payable August 2025	-	466
GWA payable March 2026	51	-
GWA payable March 2027	60	-
	111	1,263
Total	287	1,406

(i) Contingent consideration

Contingent consideration of $797,000 was recognised for the acquisition of ACU WA, $466,000 for the acquisition of ACU SA and $153,000 for the acquisition of GWA.

In May 2024, Acumentis reached agreement with the vendors of ACU WA and ACU SA to settle the deferred, contingent consideration early at reduced amounts of $240,000 for ACU WA and $27,778 for ACU SA. 50% of these amounts were settled via the issue of Acumentis ordinary shares on 21 May 2024 with the balance paid in cash on 19 July 2024. The early settlement resulted in a fair value adjustment recognised within other income of $557,000 for ACU WA and $438,000 for ACU SA.

The fair value of the contingent consideration for GWA is based upon estimates of revenues generated by the acquired business for the period to January 2027. These estimates are based on pre-acquisition trading and managements' assessments of growth to be achieved when the business is integrated into the wider Acumentis group.

Contingent consideration has not been discounted to its present value as the effect is not material.

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Movement in deferred contingent consideration

	2024 $000	2023 $000
Balance at 1 July	**1,263**	1,263
Acquisition of GWA	**153**	-
Settled early		
• ACU WA	**(240)**	-
• ACU SA	**(28)**	-
Fair value adjustment recognised in other income		
• ACU WA	**(557)**	-
• ACU SA	**(438)**	-
Balance at 30 June	**153**	1,263

The deferred contingent consideration liability represents the fair value of amounts which may become payable in March 2025, 2026 & 2027 in connection with the acquisition of GWA. The amount payable is dependent on the acquired businesses performance over the three years ending 31 January 2027.

The deferred consideration was measured as at 30 June 2024 and no adjustment was required to be recorded for the year ended 30 June 2024.

6 Non-financial assets and liabilities

This note provides information about the Consolidated Entity's non-financial assets and liabilities, including:

- Specific information about each type of non-financial asset and non-financial liability:
  - Plant and equipment (note 6(a))
  - Right of use assets (note 6(b))
  - Intangible assets (note 6(c))
  - Current tax liabilities (note 6(d))
  - Deferred tax balances (note 6(e))
  - Other current assets (note 6(f))
  - Employee benefit obligations (note 6(g))
  - Provisions (note 6(h))
- Accounting policies; and
- Information about determining the fair value of the assets and liabilities, including judgements and estimation uncertainty involved.

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(a) Plant & equipment

Cost	Office Equipment $000	Furniture and Fittings $000	Leasehold Improvements $000	Motor Vehicles $000	Total $000
Balance at 1 July 2022	2,005	661	611	68	3,345
Additions	246	67	18	-	331
Disposals	(53)	(155)	(208)	-	(416)
Balance at 30 June 2023	2,198	573	421	68	3,260
Balance at 1 July 2023	**2,198**	**573**	**421**	**68**	**3,260**
Additions	**191**	**18**	**347**	**-**	**556**
Disposals	**(21)**	**-**	**(40)**	**-**	**(61)**
Balance at 30 June 2024	**2,368**	**591**	**728**	**68**	**3,755**
Accumulated Depreciation					
Balance at 1 July 2022	1,399	565	431	16	2,411
Depreciation charge for the year	345	48	69	13	475
Disposals	(53)	(147)	(163)	-	(363)
Balance at 30 June 2023	1,691	466	337	29	2,523
Balance at 1 July 2023	1,691	466	337	29	2,523
Depreciation charge for the year	325	38	311	10	684
Disposals	(21)	-	(40)	-	(61)
Balance at 30 June 2024	1,995	504	608	39	3,146
Carrying Amounts					
1 July 2022	606	96	180	52	934
30 June 2023	507	107	84	39	737
1 July 2023	507	107	84	39	737
30 June 2024	373	87	120	29	609

(i) Recognition and measurement

Items of plant and equipment are stated at cost less accumulated depreciation (see below) and impairment losses.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Gains and losses on disposal of an item of plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and are recognised net within “other income” in the Statement of Profit & Loss and Other Comprehensive Income.

(ii) Depreciation

Depreciation is charged to the Statement of Profit & Loss and Other Comprehensive Income on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment.

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The estimated useful lives in the current and comparative periods are as follows:

- Office equipment 2-5 years
- Furniture and fittings 4-5 years
- Leasehold improvements lesser of life of the lease or 10 years
- Motor vehicles 5 years

The residual value, the useful life and the depreciation method applied to an asset are reassessed at least annually.

(b) Right of use assets

(i) Amounts recognised in the consolidated statement of financial position

Cost	Buildings $000	Office Equipment $000	Total $000
Balance at 1 July 2022	4,916	208	5,124
Additions	1,273	-	1,273
Disposals	(1,924)	-	(1,924)
Balance at 30 June 2023	4,265	208	4,473
Balance at 1 July 2023	**4,265**	**208**	**4,473**
Additions	**465**	**-**	**465**
Disposals	**(311)**	**(208)**	**(519)**
Balance at 30 June 2024	**4,419**	**-**	**4,419**
Accumulated Depreciation			
Balance at 1 July 2022	2,566	69	2,635
Depreciation charge for the year	1,188	69	1,257
Disposals	(1,924)	-	(1,924)
Balance at 30 June 2023	1,830	138	1,968
Balance at 1 July 2023	**1,830**	**138**	**1,968**
Depreciation charge for the year	**1,203**	**70**	**1,273**
Disposals	**(258)**	**(208)**	**(466)**
Balance at 30 June 2024	**2,775**	**-**	**2,775**
Carrying Amounts			
1 July 2022	2,350	139	2,489
30 June 2023	2,435	70	2,505
1 July 2023	**2,435**	**70**	**2,505**
30 June 2024	**1,644**	**-**	**1,644**

Lease liabilities	2024 $000	2023 $000
Current	**1,179**	1,765
Non-current	**760**	1,566
	1,939	3,331

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(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

Depreciation and impairment charge of right of use assets	2024 $000	2023 $000
Buildings	**1,203**	1,188
Office equipment	**70**	69
	1,273	1,257
Interest expenses (included in finance cost)	**138**	177
Expenses relating to short term leases (included in occupancy expenses)	**183**	210

The total cash outflow for leases in 2024 was $1,859,000 (2023: $1,774,000).

Depreciation is charged to the Statement of Profit & Loss and Other Comprehensive Income on a straight-line basis over the shorter of the lease term and their useful lives, unless it is reasonably certain that the Consolidated Entity will obtain ownership by the end of the lease term.

The estimated useful lives in the current and comparative periods for right of use assets is the life of the underlying lease.

(iii) The Consolidated Entities leasing activities and how these are accounted for

The Consolidated Entity leases offices, equipment and software. Contracts are typically for fixed periods of up to 7 years but may include extension options.

Contracts may contain both lease and non-lease components. The Consolidated Entity allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices, however for leases of real estate for which the Consolidated Entity is the lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. These agreements do not impose covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right of use asset and a corresponding liability at the date at which the leased asset is available for use by the Consolidated Entity.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments, less incentives receivable;
- variable payments that are based on an index or rate, initially measured using the index or rate as at the commencement date; and
- amounts expected to be payable under residual value guarantees.

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

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The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used.

Lease payments are allocated between principal and finance cost with the finance cost charged to the profit and 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 are measured at cost comprising the following:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

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

Payments associated with short term leases (with a term of 12 months or less) or low value assets are recognised on a straight-line basis as an expense in the profit or loss.

(c) Intangible assets

	Notes	2024 $000	2023 $000
Goodwill	(i) – (iv)	**20,567**	20,324
Computer software	(v)	**821**	1,575
Trademarks	(vi)	**241**	241
		21,629	22,140

(i) Goodwill

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Consolidated Entity.

Where the acquired subsidiary has significant long-term contracts or other customer relationships the future value of these relationships is assessed and is included as an asset in the fair value, above, of assets transferred.

Goodwill on the acquisition of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination in which the goodwill arose.

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(ii) Subsequent expenditure

Subsequent expenditure on capitalised intangible assets excluding goodwill is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

(iii) Impairment tests for goodwill

Goodwill has an indefinite useful live and is not amortised. The goodwill amounts are tested for impairment annually by estimating the recoverable amount of the cash generating units based on value in use.

The following cash generating units have significant carrying amounts for goodwill:

Goodwill	2024 $000	2023 $000
Residential valuations	**3,016**	3,016
Regional valuations	**9,486**	9,486
WA Business	**6,393**	6,393
SA Business	**1,429**	1,429
Business valuations	**243**	-
	20,567	20,324
Movement in Goodwill		
Balance at 1 July	**20,324**	20,324
Acquisition of unincorporated business (note 13(a))	**243**	-
Impairment charge	**-**	-
Balance at 30 June	**20,567**	20,324

(iv) Impairment review and charge

The Company tests whether goodwill has suffered any impairment on a six-monthly basis. The recoverable amount of cash generating units is determined based on value in use calculations which require the use of assumptions.

The calculations use cash flow projections based on financial forecasts approved by management covering the 12 months post reporting date. Cash flows beyond the 12-month period are extrapolated using the estimated growth rates stated below.

	Residential Business	Regional Business	WA Business	SA Business	Business Valuations
30 June 2024					
Annual increase in revenues	**3.0%**	**3.0%**	**3.0%**	**5.0%**	**5.0%**
Increase in employee expenses as a % of increased revenues	**55.0%**	**55.0%**	**55.0%**	**55.0%**	**55.0%**
Annual increase in overheads	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
Terminal growth rate	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**
Discount rate	**15.6%**	**15.6%**	**15.6%**	**15.6%**	**15.6%**
30 June 2023					
Annual increase in revenues	3.0%	3.0%	3.0%	5.0%	n/a
Increase in employee expenses as a % of increased revenues	55.0%	55.0%	55.0%	55.0%	n/a
Annual increase in overheads	3.0%	3.0%	3.0%	3.0%	n/a
Terminal growth rate	2.0%	2.0%	2.0%	2.0%	n/a
Discount rate	14.6%	14.6%	14.6%	14.6%	n/a

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Management has determined the values assigned to each of the key assumptions as follows:

Assumption	Approach used to determine values
Revenues	Annual growth rate based on past performance, current and expected market conditions and management's expectations of business development opportunities and likelihood of success.
Employee expenses	Based on past performance and management's expectations for the future.
Overheads	Fixed and semi-variable costs of the cash generating units, which do not vary significantly with revenue. Management forecasts these costs based on the current structure of the business, adjusting for anticipated inflationary increases and known restructuring and cost-saving measures.
Terminal growth rate	This is conservatively set at a level below the long-term inflation rate in Australia. The Company operates in a mature market sector and accordingly long-term growth will be achieved via diversification in services, client base and geographies rather than long term growth of existing business lines.
Discount rate	The pre-tax rate discount rate adopted is based on the risk-free interest rate and business specific risk factors, market borrowing rates and investor expected returns.

Impact of reasonably possible changes in key assumptions

WA Business

The recoverable amount of the WA business cash generating unit is estimated to exceed the carrying amount of the cash generating unit at 30 June 2024 by $2,555,000 (30 June 23: $10,788,000).

The recoverable amount at 30 June 2024 would equal its carrying amount if the key assumptions were to changes as follows:

	From	To
Annual increase in revenues	**3.0%**	-0.5%
Annual increase in overheads	**3.0%**	9.1%
Discount rate	**15.6%**	20.8%

Business Valuations

The recoverable amount of the Business Valuations business cash generating unit is estimated to exceed the carrying amount of the cash generating unit at 30 June 2024 by $122,000 (30 June 23: n/a).

The recoverable amount at 30 June 2024 would equal its carrying amount if the key assumptions were to changes as follows:

	From	To
Annual increase in revenues	**5.0%**	4.0%
Increase in employee expenses as a % of increased revenues	**55.0%**	64.3%
Annual increase in overheads	**3.0%**	6.3%
Discount rate	**15.6%**	17.1%

Other cash generating units

Reasonably possible changes in key assumptions for other cash generating units would not result in the recoverable amounts equalling their carrying values.

(v) Computer software

Movement in computer software	2024 $000	2023 $000
Balance at 1 July	**1,575**	1,680
Additions	**81**	450
Amortisation	**(558)**	(555)
Impairment charge for obsolete software	**(273)**	-
Disposals	**(4)**	-
Balance at 30 June	**821**	1,575

Costs incurred in developing products or systems and costs incurred in acquiring software and licences that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems.

Costs capitalised include external direct costs of materials and service and direct payroll and payroll related costs of employees' time spent on the project.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the Consolidated Entity has an intention and ability to use the asset.

Amortisation is calculated on a straight-line basis over periods generally ranging from 3 to 5 years.

In 2024, the Company booked an impairment charge against previously capitalised software which is now deemed obsolete as the company's strategy is to move away from in-house developed software to use of cloud-based systems and "low-code / no-code" platforms to support the business.

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(vi) Trademarks

Movement in trademarks	2024 $000	2023 $000
Balance at 1 July	241	241
Disposals	-	-
Balance at 30 June	241	241

Trademarks have indefinite useful lives and are not amortised. Trademarks are tested for impairment annually by estimating the recoverable amount of the cash generating units based on value in use.

(d) Current tax liabilities

Current	2024 $000	2023 $000
Tax liability	-	28

The current tax liability for the Consolidated Entity of $Nil (2023: $Nil) represents the amount of income taxes payable in respect of current and prior financial periods. In accordance with the tax consolidation legislation, Acumentis Group Limited as the head entity of the Australian tax-consolidated group has assumed responsibility for the current tax asset/liability initially recognised by the members in the tax-consolidated group.

Income tax on the Statement of Profit & Loss and Other Comprehensive Income for the year comprises current and deferred tax. Income tax is recognised in the Statement of Profit & Loss and Other Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

The Company and its wholly owned Australian resident entities have formed a tax-consolidated group with effect from 1 July 2003 and are therefore taxed as a single entity from that date. Newly acquired wholly owned entities are immediately added to the tax-consolidation group. The head entity within the tax-consolidated group is Acumentis Group Limited.

(i) Tax consolidation

Current tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the group allocation approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity in the tax-consolidated group and are recognised as amounts payable (receivable) to (from) other entities in the tax-consolidated group in conjunction with any tax funding arrangement amounts (refer below). Any difference between these amounts is recognised by the

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Company as an equity contribution or distribution.

The Company recognises deferred tax assets arising from unused tax losses of the tax-consolidated group to the extent that it is probable that future taxable profits of the tax-consolidated group will be available against which the tax losses can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability are recognised by the head entity only.

(ii) Nature of tax funding arrangements and tax sharing arrangements

The head entity, in conjunction with other members of the tax-consolidated group, has entered into a tax funding arrangement which sets out the funding obligations of members of the tax-consolidated group in respect of tax amounts. The tax funding arrangements require payments to/from the head entity equal to the current tax liability (asset) assumed by the head entity and any tax-loss deferred tax asset assumed by the head entity, resulting in the head entity recognising an inter-entity receivable (payable) equal in amount to the tax liability (asset) assumed. Any such inter-entity receivables (payables) are at call.

Contributions to fund the current tax liabilities are payable as per the tax funding arrangement and reflect the timing of the head entity's obligation to make payments for tax liabilities to the relevant tax authorities.

The head entity in conjunction with other members of the tax-consolidated group has also entered into a tax sharing agreement. The tax sharing agreement provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any such amounts under the tax sharing agreement is considered remote.

(e) Deferred tax balances

Deferred tax assets and liabilities are attributable to the following:

Recognised deferred tax assets	2024 $000	2023 $000
Right of use assets	89	248
Employee provisions	1,335	1,309
Provision for expected credit losses	24	45
Accruals	129	151
Make good provisions	125	42
s40-880 ITAA 1936 "black hole" expenditure	42	95
Income tax losses carried forward	513	757
Finance lease assets	(29)	(140)
Plant and equipment	(9)	(12)
Other	106	50
	2,325	2,545

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Movement in temporary differences during the year

Deferred tax assets	Balance 1 July 23 $000	Recognised in Profit & Loss $000	Balance 30 June 24 $000
Right of use assets	248	(159)	89
Employee provisions	1,309	26	1,335
Doubtful debts	45	(21)	24
Accruals	151	(22)	129
Make good provisions	42	83	125
S40-880 “black hole” expenditure	95	(53)	42
Income tax losses carried forward	757	(244)	513
Finance lease assets	(140)	111	(29)
Plant and equipment	(12)	3	(9)
Other	50	56	106
	2,545	(220)	2,325

Deferred tax assets	Balance 1 July 22 $000	Recognised in Profit & Loss $000	Balance 30 June 23 $000
Right of use assets	403	(155)	248
Employee provisions	1,354	(45)	1,309
Provision for expected credit losses	90	(45)	45
Accruals	152	(1)	151
Make good provisions	54	(12)	42
S40-880 “black hole” expenditure	143	(48)	95
Income tax losses carried forward	862	(105)	757
Finance lease assets	(245)	105	(140)
Plant and equipment	(16)	4	(12)
Other	38	12	50
	2,835	(290)	2,545

(f) Other current assets

	2024 $000	2023 $000
Prepaid expenses	1,203	1,064

(g) Employee benefit obligations

Current	2024 $000	2023 $000
Annual leave	**2,076**	2,062
Long service leave	**1,900**	1,856
Performance pay	**1,284**	979
	5,260	4,897
Non-Current		
Long service leave	**475**	446

The current portion of this liability includes all of the accrued annual leave, the unconditional entitlements to long service leave where employees have completed the required period of service and also for those employees who are entitled to pro-rata payments in certain circumstances. The entire amount of the annual leave provision is presented as current, since the group does not have an unconditional right to defer settlement for any of these obligations.

The non-current portion of the long service leave liability is measured based on the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary increases and past experience of employee retention. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Based on past experience, the group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

	2024 $000	2023 $000
Current obligations expected to be settled after 12 months	**1,687**	1,621

(h) Provisions

Non-Current	2024 $000	2023 $000
Make Good	**418**	142

Movement in provision		
Balance at 1 July	**142**	182
Net increase / (decrease) during year	**276**	(13)
Utilised during year	**-**	(27)
Balance at 30 June	**418**	142

The provision has not been discounted to its present value as the effect is not material. It is expected that the expense will be incurred within a 5-year period.

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7 Equity

(a) Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share on a poll at meetings of the Company. On a show of hands, every shareholder present at a meeting or by proxy is entitled to one vote. There are currently 219,955,046 ordinary fully paid shares on issue (2023: 218,174,605). Shares have no par value, and the Company does not have a limited amount of capital.

Share capital	Note	Number	$000
Balance at 30 June 2022		175,317,445	19,433
Capital raise			
Placement of shares		21,928,571	1,535
Placement of shares to directors		6,642,857	465
Share Placement Plan (SPP)		3,685,732	258
Placement of SPP Shortfall shares		10,600,000	742
Costs of capital raise		-	(225)
Balance at 30 June 2023		**218,174,605**	**22,208**
Settlement of deferred, contingent consideration			
Acumentis (WA) Pty Ltd	**5(h)(i)**	**1,595,747**	**120**
Acumentis (SA) Pty Ltd	**5(h)(i)**	**184,694**	**14**
Balance at 30 June 2024		**219,955,046**	**22,342**

On 9 February 2023, the Company issued 21,928,571 ordinary shares at 7 cents per share under a placement to institutional, professional and sophisticated investors under ASX Listing Rule 7.1.

On 17 March 2023, the Company issued 6,642,857 ordinary shares at 7 cents per share to directors of the Company, under a placement with the issue to directors approved at an Extraordinary General Meeting held on 10 March 2024.

On 17 March 2023, the Company issued 3,685,732 ordinary shares at 7 cents per share to existing shareholders under a Share Purchase Plan (SPP).

On 24 March 2023, the Company issued 10,600,000 ordinary shares at 7 cents per share to institutional, professional and sophisticated investors under a placement of the SPP Shortfall with the placement of the shortfall approved by shareholders at an Extraordinary General Meeting held on 10 March 2024.

On 21 May 2024, the Company issued 1,780,441 ordinary shares at 7.52 cents per share to settle the deferred, contingent consideration payable in relation to the acquisitions of Acumentis (WA) Pty Ltd and Acumentis (SA) Pty Ltd.

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(b) Options to acquire ordinary shares

The holders of options are not entitled to receive dividends nor are they entitled to vote at meetings of the Company.

Options	2024 Number	2023 Number
Balance at 1 July	2,500,000	2,500,000
Lapsed	(2,500,000)	-
Balance at 30 June	-	2,500,000

On 23 August 2019, 2,500,000 options were issued to the underwriter and lead manager of the share offer in part consideration of the services provided. These options had an exercise price of $0.12 and an expiry date of 23 August 2023. The options were not exercised prior to the expiry date and so lapsed.

8 Other Reserves

Share-based payments	30 June 2024 $000	30 June 2023 $000
Balance at 1 July	**165**	127
Performance rights expense	**185**	38
Balance at 30 June	**350**	165

9 Cash flow information

(a) Reconciliation of profit after income tax to net cash inflow from operating activities

	Notes	2024 $000	2023 $000
Profit for the period after tax		**1,425**	429
Adjustments for the period			
Depreciation & amortisation		**2,790**	2,287
Loss on disposal of fixed assets		**57**	53
Fair value adjustment on early settlement of deferred, contingent consideration	5(h)(i)	**(995)**	-
Performance rights expense		**185**	38
		3,462	2,807
Changes in assets & liabilities during the period net of amounts relating to acquisition of controlled entities			
(Increase)/decrease in trade and other receivables	5(c)	**214**	371
(Increase)/decrease in other financial assets	5(d)	**370**	347
(Increase)/decrease in deferred tax assets	6(e)	**220**	290
(Increase)/decrease in other assets	6(f)	**(132)**	297
Increase/(decrease) in trade and other payables	5(e)	**406**	(328)
Increase/(decrease) in provision for income tax	6(d)	**-**	(28)
Increase/(decrease) in employee benefit obligations	6(g)	**389**	(395)
Increase/(decrease) in provisions	6(h)	**(71)**	(40)
Net cash from operating activities		**4,858**	3,321

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Risk

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RISK

This section of the notes discusses the Consolidated Entity's exposure to various risks and shows how these could affect the Consolidated Entity's financial position and performance.

10 Significant estimates & judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Consolidated Entity's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in notes 1 to 7 together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving significant estimates or judgements and which have the potential for material impact to the financials are:

- Deferred contingent consideration (note 5(h))
- Intangible assets (note 6(c))
- Employee benefits (note 6(g))

11 Financial risk management

This note explains the Consolidated Entity's exposure to financial risks and how these risks could affect the Consolidated Entity's future financial performance. Current year profit and loss information has been included where relevant to add further context.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and debt investments and contract assets	Ageing analysis Credit ratings	Diversification of bank deposits Credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of borrowing facilities
Interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	Accept risk given low levels of debt

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Chief Executive Officer and Chief Financial Officer are responsible for developing and monitoring risk management policies.

Risk management policies are established to identify and analyse the risks faced by the Consolidated Entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Consolidated Entity's activities. The Consolidated Entity, through their training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Consolidated Entity's Audit & Risk Committee oversees how management monitors compliance with the Consolidated Entity's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Consolidated Entity.

(a) Credit Risk

Credit risk is the risk of financial loss to the Consolidated Entity if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Consolidated Entity's receivables from wholesale and retail clients.

Trade and other receivables

The Consolidated Entity's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Consolidated Entity's customer base, including the default risk of the industry and country, in which clients operate, has less of an influence on credit risk.

The Consolidated Entity has established a credit policy under which each new customer is analysed individually for creditworthiness before the Consolidated Entity's standard payment and delivery terms and conditions are offered. Credit limits are established for each customer, these limits are reviewed regularly. Clients which fail to meet the Consolidated Entity's benchmark creditworthiness are placed on a restricted customer list and may transact with the Consolidated Entity only on a prepayment basis.

In monitoring customer credit risk, clients are grouped according to their credit characteristics, including whether they are an individual or legal entity, whether they are a wholesale, retail or end-user customer, geographic location, industry, ageing profile, maturity and existence of previous financial difficulties. The Consolidated Entity's trade and other receivables relate mainly to the Consolidated Entity's retail clients. The Consolidated Entity does not require collateral in respect of trade and other receivables.

The Consolidated Entity has established an allowance for credit losses that represents their estimate of expected credit losses in respect of trade and other receivables.

Exposure to credit risk

The carrying amount of the Consolidated Entity's financial assets represents the maximum credit risk exposure.

The Consolidated Entity's maximum exposure to credit risk at the end of the reporting period was:

	Note	2024 $000	2023 $000
Trade and other receivables	5(c)	**5,702**	5,916
Other financial assets	5(d)	**280**	655
Cash and cash equivalents	5(a)	**4,140**	1,697
Term deposits & other	5(b)	**940**	914
		11,062	9,182

The Consolidated Entity's maximum exposure to credit risk for trade and other receivables before impairment losses at the end of the reporting period by type of customer was:

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	2024 $000	2023 $000
Financial clients	**3,821**	3,657
Non-financial clients	**1,355**	1,710
Government non-financial clients	**608**	701
	5,784	6,068
The Consolidated Entity's most significant clients included the following amounts within trade and other receivables carrying amounts:		
An Australian financial client	**1,025**	928
An Australian non-financial client	**89**	146
An Australian Government non-financial client	**205**	239

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Impairment Losses

The aging of the Consolidated Entity's trade and other receivables and expected loss rates at the end of the reporting period was:

	Gross 2024 $000	Expected Loss Rate 2024 %	Impairment 2024 $000	Gross 2023 $000	Expected Loss Rate 2023 %	Impairment 2023 $000
Not past due	**4,451**	**0.1%**	**4**	5,019	0.1%	7
Past due 0-30 days	**850**	**0.4%**	**3**	663	0.3%	2
Past due 31-120 days	**341**	**2.9%**	**10**	108	1.9%	2
Past due 121 days or more	**142**	**45.8%**	**65**	278	50.7%	141
	5,784		**82**	6,068		152

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2024 $000	2023 $000
Balance at 1 July	**152**	299
(Decrease) / Increase during year	**(70)**	(147)
Balance at 30 June	**82**	152

The Consolidated entity applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowances for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on payment profiles of sales over a 5 year period ended 30 June 2023 and the corresponding historical credit losses experienced over this period and to 30 June 2024 (for invoices raised prior to 30 June 2023). The historical loss rates are adjusted to reflect current and forward-looking macro-economic factors that might impact the ability of customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of the debtors to engage in a repayment plan and the failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts written off are credited against the same line item.

(b) Liquidity risk

Liquidity risk is the risk that the Consolidated Entity will not be able to meet its financial obligations as they fall due. The Consolidated Entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Consolidated Entity's reputation.

Typically, the Consolidated Entity ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 45 to 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting arrangements:

Non-derivative financial liabilities	Note	Carrying Amount $000	Contractual cash flows $000	Payable 6 months or less $000	Payable between 6 and 12 months $000	Payable after 12 months $000
30 June 2024						
Trade and other payables	**5(e)**	**4,240**	**4,240**	**4,040**	**100**	**100**
Short and long term loans	**5(f)**	**39**	**39**	**4**	**4**	**31**
Lease liabilities	**5(g)**	**1,939**	**1,939**	**725**	**454**	**760**
Deferred consideration	**5(h)**	**287**	**287**	**134**	**42**	**111**
		6,505	**6,505**	**4,903**	**600**	**1,002**
30 June 2023						
Trade and other payables	5(e)	3,834	3,834	3,834	-	-
Short and long term loans	5(f)	47	47	4	4	39
Lease liabilities	5(g)	3,331	3,331	865	900	1,566
Deferred consideration	5(h)	1,406	1,406	143	-	1,263
		8,618	8,618	4,846	904	2,868

(c) Interest risk

Interest rate risk is the risk that changes in interest rates will affect the Consolidated Entity's income and expenses or the value of its holdings of financial instruments and financial liabilities. The objective of interest rate risk management is to manage and control interest rate risk exposures within acceptable parameters, while optimising the return.

Interest rate risk is managed by seeking to maximise the yield achieved on cash held at bank and minimise the interest rates incurred on borrowings.

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At the end of the reporting period the interest rate profile of the Consolidated Entity's interest-bearing financial instruments and borrowings was:

Variable rate instruments	Note	2024 $000	2023 $000
Assets			
- Cash and cash equivalents	5(a)	**4,140**	1,697
- Non-current financial assets	5(d)	**185**	189
Liabilities			
- Current borrowings	5(f)	**8**	8
- Non-current borrowings	5(f)	**31**	39
Fixed rate instruments			
Assets			
- Term deposits	5(b)	**940**	914
- Current financial assets	5(d)	**95**	371
- Non-current financial assets	5(d)	**-**	95
Liabilities			
- Current lease liabilities	5(g)	**1,179**	1,765
- Non-current lease liabilities	5(g)	**760**	1,566

(d) Cash flow sensitivity analysis for rate instruments

The impact of interest rate changes on the profitability of the Consolidated Entity is likely to be immaterial.

(e) Fair values

The Directors consider that the fair value of financial assets and financial liabilities of the Consolidated Entity approximate their carrying amount.

(f) Financial instruments at fair value

The Consolidated Entity has adopted the following fair value hierarchy in relation to its financial instruments that are carried in the balance sheet at fair value:

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 (as prices) or indirectly (derived from prices).

Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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The following table sets out the fair value of liabilities that are measured at fair value:

	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
30 June 2024				
Deferred contingent consideration (note 5(h))	**-**	**-**	**153**	**153**

30 June 2023	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
Deferred contingent consideration (note 5(h))	-	-	1,263	1,263

The fair value of the deferred contingent consideration is determined based on the expected payment which is dependent upon the revenue for the acquired business for the three years ended 31 January 2025, 2026 and 2027. This unobservable input is estimated by applying an annual growth in revenue of 18% over the remaining two years of the three year measurement period.

If the weighted average growth in revenue changed then the deferred consideration would change as follows:

- Growth in profit increased by 10%, deferred consideration would increase by $15,000
- Growth in profit decreased by 10%, deferred consideration would decrease by $14,000

The amount is not discounted due to the immaterial impact that discounting would have.

12 Capital management

(a) Risk management

The Company's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so they can continue to provide returns to shareholders and benefits to other stakeholders;
- To maintain a capital structure that is appropriate for a professional services firm with limited tangible assets; and
- To reduce the overall cost of capital.

In order to maintain or adjust capital structure, the Company may adjust the level of dividends to shareholders, return capital to shareholders, issue new shares, source new debt finance or repay debt finance.

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The Company monitors capital on the basis of the following gearing ratio:

Net debt (borrowings minus cash or cash equivalents) / total equity

	Note	2024 $000	2023 $000
Borrowings	5(f)	**39**	47
Cash or cash equivalents	5(a)	**(4,140)**	(1,697)
(Net cash) / net debt		**(4,101)**	(1,650)
Total Equity		**26,024**	24,070
Net debt to equity ratio		**(16%)**	(7%)

The Company also monitors net working capital calculated as follows:

	Note	2024 $000	2023 $000
Cash or cash equivalents	5(a)	**4,140**	1,697
Trade and other receivables	5(c)	**5,702**	5,916
Trade and other payables	5(e)	**(4,240)**	(3,834)
Current borrowings	5(f)	**(8)**	(8)
Current tax liabilities	6(d)	**-**	-
Current deferred consideration	5(h)	**(176)**	(143)
Current employee benefit obligations			
- Total	6(g)	**(5,260)**	(4,897)
- Expected to be settled after 12 months	6(g)	**1,687**	1,621
		1,845	352

The net working capital increased during the year as a result of the improved trading performance.

The Company has access to a $3M receivables finance facility which does not require the Consolidated Entity to comply with any financial covenants or capital restrictions.

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(b) Dividends

(i) Ordinary shares

Dividends recognised in the current and prior years by the Company are:

	Cents per share	Total amount $000	Franked/ unfranked	Date of Payment
2024				
No dividends declared	**-**	**-**	**-**	**-**
2023				
No dividends declared	-	-	-	-

(ii) Franked dividends

After the end of the reporting period, the directors have not declared a final dividend.

Dividend franking account	**Company 2024 $000**	**Company 2023 $000**
30% franking credits available to shareholders of Acumentis Group Limited for subsequent financial years	**2,079**	2,079

The above available amounts are based on the balance of the dividend franking account at the end of the reporting period adjusted for:

a) Franking credits that will arise from the payment of the current tax liabilities;

b) Franking debits that will arise from the payment of dividends recognised as a liability at the year-end; and

c) Franking credits that will arise from the receipt of dividends recognised as receivables by the tax consolidated group at the year-end.

The ability to utilise the franking credits is dependent upon there being sufficient available profits to declare dividends. As there is no dividend declared for 2024, there is no impact on the dividend franking account for dividends proposed after the end of the reporting period but not recognised as a liability (2023: nil).

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Group structure

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GROUP STRUCTURE

This section provides information which will help users understand how the group structure affects the financial position and performance of the Consolidated Entity as a whole. In particular, there is information about:

- Changes to the structure that occurred during the year as a result of business combinations and the disposal of a discontinued operation;
- Transactions with non-controlling interests; and
- Interests in joint operations.

A list of significant subsidiaries is provided in note 14(a). This note also discloses details about the Consolidated Entity's equity accounted investments.

13 Business combinations - Acquisitions

(a) Gill Wright & Associates Business Valuations ("GWA")

Summary of acquisition

Effective 1 February 2024, the Company acquired the business and assets of GWA.

Details of the purchase consideration, the net assets acquired, and goodwill were as follows:

	$000
Details of the consideration transferred	
Cash paid	94
Contingent consideration	
Payable March 2025	42
Payable March 2026	51
Payable March 2027	60
	247
Fair value of assets and liabilities acquired	
Other current assets	7
Employee benefits	(3)
	4
Goodwill	243
	247
Net cashflows from acquisition	
Cash paid	(94)

Contingent consideration

Additional contingent consideration is payable calculated as 8.5% of net fees generated by the acquired business for the 36 months following the acquisition date. Contingent consideration is payable within 2 months of each anniversary of the acquisition date. The amounts provided in the financial statements are based on managements' forecasts for the acquired business.

Acquisition costs

No acquisition costs were incurred.

(b) Revenue & Profit Contribution

The GWA business contributed the following revenue and profit between the effective date of acquisition (1 February 2024) and the end of the financial year:

	2024 $000
Revenue	194
Net profit / (loss) before tax	-

If the acquisitions had occurred on 1 July 2023, consolidated revenue and loss before tax would have been:

	2024 $000
Revenue	582
Net profit before tax	-

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14 Interests in other entities

(a) Subsidiaries

The Consolidated Entity's subsidiaries at 30 June 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Consolidated Entity, and the proportion of ownership interests held equals the voting rights held by the Consolidated Entity. All entities are incorporated and operate in Australia only.

	Ownership interest held by the Consolidated Entity		Ownership interest held by non-controlling interests		
Name of entity	**2024 %**	**2023 %**	**2024 %**	**2023 %**	**Principal activities**
Acumentis Pty Ltd	**100**	100	**-**	-	Valuations
Acumentis Brisbane Pty Ltd	**100**	100	**-**	-	Commercial valuations
Acumentis Gold Coast Pty Ltd	**100**	100	**-**	-	Commercial valuations
Acumentis Melbourne Pty Ltd	**100**	100	**-**	-	Commercial valuations
Acumentis Statutory Services Pty Ltd	**100**	100	**-**	-	Government valuations
Taylor Byrne Holdings Pty Ltd	**100**	100	**-**	-	Non-trading
Acumentis Regional Pty Ltd	**100**	100	**-**	-	Regional valuations
Lane Infrastructure Pty Ltd	**100**	100	**-**	-	Property advisory services
Acumentis Australia Pty Ltd	**100**	100	**-**	-	National valuation contracting entity
Acumentis Management Pty Ltd	**100**	100	**-**	-	Group employer
Acumentis Advisory Pty Ltd	**100**	100	**-**	-	Non-trading
Hoolihan Valuations Pty Ltd	**100**	100	**-**	-	Non-trading
Acumentis (WA) Holdings Pty Ltd	**100**	100	**-**	-	Non-trading
Acumentis (WA) Pty Ltd	**100**	100	**-**	-	Valuations
Acumentis (WA) Advisory Pty Ltd	**100**	100	**-**	-	Property advisory services
HPG Nominees Pty Ltd	**100**	100	**-**	-	Franchisor
WA Property Valuers Pty Ltd	**100**	100	**-**	-	Non-trading
Acumentis (SA) Pty Ltd	**100**	100	**-**	-	Valuations
Acumentis Employee Benefits Pty Ltd	**100**	100	**-**	-	Trustee for employee share plan

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Unrecognised items

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UNRECOGNISED ITEMS

This section of the notes provides information about items that are not recognised in the financial statements as they do not (yet) satisfy the recognition criteria.

15 Contingent liabilities

At 30 June 2023, the Consolidated Entity reported a contingent liability relating to the cyber attacks in 2019 and the claim by insurers that the two attacks should be aggregated. The insurers had demanded repayment of $1.1M. The Consolidated Entity has agreed to repay $300K in full and final settlement of the aggregation claim in order to avoid legal costs defending the claim and the associated litigation risk if the matter progressed to trial. Accordingly, the $300K has been recorded within other payables and accruals as at 30 June 2024 and the Consolidated Entity is no longer exposed to a contingent liability related to this matter.

The Consolidated Entity, from time to time, is involved in matters of litigation in the normal course of business in undertaking valuation services. At 30 June 2024 there are no open litigated claims that are expected to have a material impact on the results of the Consolidated Entity. The Consolidated Entity has professional indemnity insurance, and under the terms of the insurance policy, each claim has an excess which is required to be paid by the Consolidated Entity. It was not practical to estimate the maximum contingent liability arising from litigation; however, in a worst-case situation there could be a material adverse effect on the Consolidated Entity's financial position. In the directors' opinion, disclosures of any further information in relation to litigation would be prejudicial to the interests of the Consolidated Entity.

16 Commitments

Capital expenditure

The Consolidated Entity does not have any capital expenditure commitments at the end of the reporting period.

Operating lease commitments	2024 $000	2023 $000
Within one year	353	247
One year or later and no later than five years	-	-
Later than five years	-	-
	353	247

Under accounting standard AASB16 – Leases, except for leases with terms of 12 months or less or where the value of the leased asset does not exceed $5,000, commitments under leases are now recorded on the statement of financial position.

Where the Consolidated Entity leases property and equipment under non-cancellable operating leases with lease terms less than or equal to 12 months or with asset values less than or equal to $5,000 the leases continue to be accounted for off consolidated statement of financial position with operating lease commitments disclosed in the above table.

Guarantees

Acumentis Group Limited has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiaries.

17 Events occurring after the reporting period

Subsequent to 30 June 2024, the Consolidated Entity reached agreement to settle the cyber insurance aggregation claim previously disclosed as a contingent liability. The matter was settled for $300,000 which has been included in other payables and accruals as at 30 June 2024. Refer note 15.

There were no other events occurring after the reporting period that have a material impact on the financial statements or the operating activities of Acumentis Group Limited.

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Other disclosures

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OTHER DISCLOSURES

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

18 Related party transactions

(a) Subsidiaries

Interests in subsidiaries are set out in note 14(a).

(b) Key management personnel compensation

Executive directors and other key management personnel	2024 $	2023 $
Short term employee benefits	**1,009,960**	953,680
Post-employment benefits	**65,973**	59,366
Long-term benefits	**3,878**	(5,383)
Share based payments	**189,178**	2,057
	1,268,989	1,009,720

Detailed remuneration disclosures are provided in the remuneration report on pages 29 to 35.

(c) Transactions with other related parties

The following transactions occurred with related parties:

	2024 $	2023 $
Group management fee income from associates & franchisees	**21,450**	21,450

(d) Loans to related parties

Executive directors and other key management personnel	2024 $	2023 $
Balance at 1 July	**188,978**	185,991
Interest charged	**13,100**	10,487
Loan & interest repayments received	**(17,507)**	(7,500)
Balance at 30 June	**184,571**	**188,978**

1. The employee loan was advanced to a vendor shareholder of Acumentis (WA) Holdings Pty Ltd to enable retirement of debt secured against that shareholder's investment in Acumentis (WA) Holdings Pty Ltd. The loan carries interest at market rates, equal to the 6 monthly bank bill swap rate plus 2.6%. On grant, this loan was repayable in full when the deferred, contingent consideration relating to the acquisition of Acumentis (WA) Holdings Pty Ltd was settled. When the deferred, contingent consideration was settled early in May 2024 (refer note 5(h)) the terms were amended so that the loan is now payable in full by 30 June 2024 and now has minimum payments of $20,000 capital plus accrued interest per calendar year. The loan is secured by the 2,606,565 ordinary shares in Acumentis Group Limited issued to the vendor as part consideration for the acquisition.

19 Share-based payments

(a) Employee option & performance rights plans

The directors at their discretion allocate share options or performance rights that entitle key management personnel and senior employees to purchase shares in the entity. The terms of the options including vesting conditions and performance criteria vary depending upon the incentive arrangements appropriate for key management personnel and senior employees and are a part of an approved Employee Share Acquisition Scheme, which was approved by shareholders at the 2018 Annual General Meeting and renewed at the 2021 Annual General Meeting.

Movements in options during the period were as follows:

	2024 Average Exercise Price	2024 Number of Options	2023 Average Exercise Price	2023 Number of Options
As at 1 July	-	-	-	-
Exercised during the year	-	-	-	-
As at 30 June	-	-	-	-

Performance rights were granted under the Acumentis Group Performance Rights and Option Plan which was approved by shareholders at the 2018 Annual General Meeting and renewed at the 2021 Annual General Meeting.

The Plan allows the Company to grant options or rights to selected key employees to acquire ordinary shares in the Company. Participants are required to satisfy performance and service conditions at the time of the offer. The exercise price for performance rights is nil. Rights cannot be transferred and are not quoted on the ASX.

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Movements in performance rights during the period were as follows:

	2024 Number of Rights	2023 Number of Rights
As at 1 July	**2,316,000**	2,416,000
Granted during the year	**9,000,000**	1,140,000
Forfeited during year		
Failure to meet service condition	**-**	(240,000)
Failure to meet performance and market conditions	**(1,176,000)**	(1,000,000)
Vested and exercised during the year	**-**	-
As at 30 June	**10,140,000**	2,316,000

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Details of performance right valuations and vesting conditions are as follows:

Grant date	15 Oct 20	20 Sep 21 & 28 Oct 21	25 Oct 22	25 Oct 23	25 Oct 23	25 Oct 23
Number of rights						
Originally issued	1,000,000	1,680,000	1,140,000	1,500,000	1,500,000	6,000,000
Forfeited	(1,000,000)	(1,680,000)	-	-	-	-
Vested & exercised	-	-	-	-	-	-
On issue	-	-	1,140,000	1,500,000	1,500,000	6,000,000
Weighted average fair value at grant date[1] (cents)	11.83	13.25	6.92	6.05	5.76	5.48
Inputs into Monte Carlo and Binomial valuation models used to determine fair value						
Share price at measurement date (cents)	13.00	15.00	8.60	6.30	6.30	6.30
Expected volatility	60%	60%	60%	50%	50%	50%
Dividend yield	0%	0%	0%	3-7%	3-7%	3-7%
Risk free interest rate	0.14%	0.17%	3.50%	4.51%	4.43%	4.37%
Service Condition The executive must remain employed from grant date until the finalisation of the statutory audit for the financial year ended	30 Jun 23	30 Jun 24	30 Jun 25	30 Jun 24	30 Jun 25	30 Jun 26
Market Condition Applicable to (% of rights) The performance rights will vest if the total shareholder return ("TSR") for Acumentis is at least equal to the TSR for the ASX300 for the period	50% 1 Jul 20 – 30 Jun 23	50% 1 Jul 21 – 30 Jun 24	50% 1 Jul 22 – 30 Jun 25	N/A	N/A	N/A
Performance Condition Applicable to (% of rights) The performance rights will vest pro-rata based on the earnings per share of Acumentis Group Limited being between	50% 2.4 & 3.2 cents for FY23	50% 2.5 & 3.4 cents for FY24	50% 2.6 & 3.5 cents for FY25	N/A	N/A	100% 1.0 & 2.0 cents for FY26
Management estimate of likely outcome of performance (non-market) condition as at:						
30 June 2024	N/A	0%	0%	N/A	N/A	100%
30 June 2023	N/A	100%	100%	N/A	N/A	N/A

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The Board has the discretion to adjust the number of rights that ultimately vest and/or the service condition period if it forms the view that the unadjusted outcome is not appropriate to the circumstances that prevailed over the measurement period.

The Board has discretion to determine that some or all unvested rights held lapse on a specified date if allowing the rights to vest would, in the opinion of the Board, result in an inappropriate benefit to the rights holder. Such circumstances would include joining a competitor or actions that harm the Company's stakeholders.

In the case of fraud or misconduct, all unvested rights will be forfeited.

(b) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period as part of employee benefit expense were as follows:

	2024 $	2023 $
Options	-	-
Performance rights	**184,494**	38,000
	184,494	38,000

20 Remuneration of auditors

	2024 $	2023 $
Audit services		
Auditor of the Consolidated Entity – William Buck		
Audit and review of the financial reports	**220,000**	234,000
Other services		
Other William Buck related entities		
Taxation and other services	**9,690**	9,790
Total services	**229,690**	243,790

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21 Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share was calculated as follows:

	2024 $000	2023 $000
Profit attributable to ordinary shareholders	**1,425**	429
Weighted average number of shares used as the denominator	**Number**	Number
Issued Ordinary Shares at 1 July	**218,174,605**	175,317,445
Shares issued during year	**1,780,441**	42,857,160
Issued Ordinary Shares at 30 June	**219,955,046**	218,174,605
Weighted average number of ordinary shares at 30 June	**218,369,189**	189,605,747
Calculated basic earnings per share	**0.65 cents**	0.23 cents

(b) Diluted earnings per share

The calculation of diluted earnings per share was calculated as follows:

	2024 $000	2023 $000
Profit / (loss) attributable to ordinary shareholders	**1,425**	429
Weighted average number of ordinary shares and potential ordinary shares used as the denominator	**Number**	**Number**
Issued Ordinary Shares at 1 July	**218,174,605**	175,317,445
Shares issued during year	**1,780,441**	42,857,160
Issued Ordinary Shares at 30 June	**219,955,046**	218,174,605
Weighted average number of ordinary shares at 30 June	**218,369,189**	189,605,747
Options on issue at 30 June (note 7(b))	**-**	2,500,000
Performance rights on issue at 30 June (note 19(a))	**10,140,000**	2,316,000
Weighted average number of ordinary shares and potential ordinary shares at 30 June	**228,509,189**	194,421,747
Calculated diluted earnings per share	**0.62 cents**	0.22 cents

As at the date of this report there are no options over ordinary shares and 10,140,000 performance rights in the Company.

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22 Parent entity financial information

The following information has been extracted from the books and records of the parent and has been prepared in accordance with the accounting standards.

(a) Statement of financial position

	2024 $000	2023 $000
Assets		
Current assets	**5,118**	2,532
Non-current assets	**55,793**	57,019
Total assets	**60,911**	59,551
Liabilities		
Current liabilities	**31,297**	26,957
Non-current liabilities	**-**	1,382
Total liabilities	**31,297**	28,339
Net assets	**29,614**	31,212
Equity		
Issued capital	**22,342**	22,208
Retained earnings	**6,922**	8,839
Other reserves	**350**	165
Total equity	**29,614**	31,212

(b) Statement of profit & loss and other comprehensive income

	2024 $	2023 $
Total profit / (loss)	**(1,917)**	(1,950)
Total comprehensive income / (loss)	**(1,917)**	(1,950)

23 Going concern

The directors are satisfied that the going concern basis of preparation is appropriate and therefore the financial information does not include any adjustments relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the company not be able to continue as a going concern.

24 Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Consolidated Entity consisting of Acumentis Group Limited and its subsidiaries.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Acumentis Group Limited is a for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with IFRS

The consolidated financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for deferred consideration which is recorded as a financial liability at fair value with changes recorded through the statement of profit and loss and other comprehensive income.

(iii) New and amended standards adopted by the Consolidated Entity

No new or amended standards were applicable to the Consolidated for the current financial year.

(iv) New standards and interpretations not yet adopted

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods and which the Consolidated Entity has decided not to early adopt. These standards are not expected to have a material impact on the Consolidated Entity in the current or future reporting periods and on foreseeable future transactions.

(b) Segment reporting

The Consolidated Entity's operations and clients are located entirely in Australia.

The Consolidated Entity's operating segments have been identified based on the segments analysed within management reports. Based on these criteria, it has been determined that the Consolidated Entity only operates in the Valuation segment, which provides valuation, research and advice services in relation to property and businesses.

Accordingly, no separate segment reporting is required.

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(c) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated statement of financial position.

(ii) Other long-term employee benefit obligations

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the consolidated statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Consolidated Entity operates various defined contribution pension plans.

Pension obligations

For defined contribution plans, the Consolidated Entity pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Consolidated Entity has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Share-based payments

Share-based compensation benefits are provided to employees via the Acumentis Group Employee Option & Performance Rights Plan and an employee share scheme. Information relating to these schemes is set out in note 19.

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Employee options and performance rights

The fair value of options and performance rights granted under the Acumentis Group Limited Employee Option and Performance Rights Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options and performance rights granted:

- Including any market performance conditions (e.g. the entity's share price);
- Excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- Excluding the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options and performance rights that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The Employee Option and Performance Rights Plan is administered by the Acumentis Employee Share Trust, which is not consolidated. When the options or performance rights are exercised, the trust transfers the appropriate number of shares to the employee. The proceeds received net of any directly attributable transaction costs are credited directly to equity.

(v) Profit-sharing and bonus plans

The Consolidated Entity recognises a liability and an expense for bonuses and profit-sharing based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The Consolidated Entity recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(vi) Termination benefits

Termination benefits are payable when employment is terminated by the Consolidated Entity before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Consolidated Entity recognises termination benefits at the earlier of the following dates: (a) when the Consolidated Entity can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of AASB 137 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(d) Rounding of amounts

The company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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Consolidated entity disclosure statement

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CONSOLIDATED ENTITY DISCLOSURE STATEMENT AS AT 30 JUNE 2024

Name of entity	Type of Entity	% of share capital	Country of incorporation	Australian resident or foreign resident[2]
Acumentis Pty Ltd	Body corporate	100	Australia	Australian
Acumentis Brisbane Pty Ltd	Body corporate	100	Australia	Australian
Acumentis Gold Coast Pty Ltd	Body corporate	100	Australia	Australian
Acumentis Melbourne Pty Ltd	Body corporate	100	Australia	Australian
Acumentis Statutory Services Pty Ltd	Body corporate	100	Australia	Australian
Taylor Byrne Holdings Pty Ltd	Body corporate	100	Australia	Australian
Acumentis Regional Pty Ltd	Body corporate	100	Australia	Australian
Lane Infrastructure Pty Ltd	Body corporate	100	Australia	Australian
Acumentis Australia Pty Ltd	Body corporate	100	Australia	Australian
Acumentis Management Pty Ltd	Body corporate	100	Australia	Australian
Acumentis Advisory Pty Ltd	Body corporate	100	Australia	Australian
Hoolihan Valuations Pty Ltd	Body corporate	100	Australia	Australian
Acumentis (WA) Holdings Pty Ltd	Body corporate	100	Australia	Australian
Acumentis (WA) Pty Ltd	Body corporate	100	Australia	Australian
Acumentis (WA) Advisory Pty Ltd	Body corporate	100	Australia	Australian
HPG Nominees Pty Ltd	Body corporate	100	Australia	Australian
WA Property Valuers Pty Ltd	Body corporate	100	Australia	Australian
Acumentis (SA) Pty Ltd	Body corporate	100	Australia	Australian
Acumentis Employee Benefits Pty Ltd	Body corporate	100	Australia	Australian

Notes

1. None of the entities noted above were trustees of trusts within the Consolidated Entity, partners in a partnership within the consolidated entity or participants in a joint venture within the consolidated entity except for Acumentis Employee Benefits Pty Ltd which is trustee of the Employee Share Plan.
2. Residency in accordance with the Income Tax Assessment Act 1997 (Cth)

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Directors' declaration

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DIRECTORS' DECLARATION

1 In the opinion of the directors of Acumentis Group Limited ('the Company'):

(a) the financial statements and notes set out on pages 40 to 98 and the remuneration disclosures of the Remuneration report in the Directors' report, set out on pages 29 to 35, are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the financial position of the Company and the Consolidated Entity as at 30 June 2024 and of its performance, for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;

(b) the financial report also complies with International Financial Reporting Standards

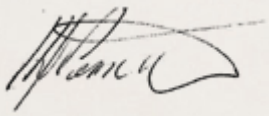
(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(d) the Consolidated Entity Disclosure Statement set out on page 100 is true and correct.

2 The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2024.

Dated at Sydney this 30th day of August 2024

Signed in accordance with a resolution of the directors:



Keith Perrett
Director

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WilliamBuck
ACCOUNTANTS & ADVISORS

Independent auditor's report to the members of Acumentis Group Limited

Report on the audit of the financial report

Our opinion on the financial report

In our opinion, the accompanying financial report of Acumentis Group Limited (the Company) and its subsidiaries (the Consolidated Entity) is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Consolidated Entity, which comprises:

- the consolidated statement of financial position as at 30 June 2024,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information,
- the consolidated entity disclosure statement, and
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards[1]. 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 Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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.

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

	Area of focus (refer also to notes 6 (c), & 13(a)	How our audit addressed the key audit matter
Impairment assessments - Goodwill	The Consolidated Entity's net assets include a significant amount of intangible assets, the majority of which have originated from acquisitions in the current and prior years. As at 30 June 2024, the Consolidated Entity's net assets include Goodwill of $20.5 million (2023: $20.3 million) There is a risk that the Consolidated Entity may not trade in line with initial expectations and forecasts, resulting in the carrying amount of intangible assets exceeding the recoverable amount and therefore requiring impairment. In accordance with the requirements of AASB 136 Impairment of Assets, the Consolidated Entity is required to test goodwill for impairment annually and whenever there is an indicator of impairment. The recoverable amount for each Cash Generating Unit (CGU) to which goodwill has been allocated has been calculated based on value-in-use models, which use discounted cash flow forecasts. The Directors make judgements over certain key inputs including, but not limited to, revenue growth, gross margins, discount rates, long term growth rates and inflation rates. Due to the high degree of judgement and estimation involved in the determination of the recoverable amount of each CGU, and the significance of the carrying amounts involved, we have determined that this is an area of significance in our audit of the financial report.	Our audit procedures included: — Giving consideration to and performing an assessment of management's determination of CGUs; — A detailed evaluation of the Consolidated Entity's budgeting procedures upon which the forecasts are based and testing the principles and integrity of the discounted future cash flow models; — Testing the accuracy of the calculation derived from each forecast model and assessing key inputs to the calculations such as revenue growth, gross margins, discount rates and working capital assumptions; — Engaging our own valuation specialists to critically evaluate the appropriateness of the discount rates and the long-term growth rates used in the discounted cash flow model; — Reviewing the historical accuracy of the forecasts by comparing actual results with the original forecasts from prior years — Performing sensitivity analysis of the calculations; and — Assessing whether disclosure in the financial report is appropriate.

[1] We elected to early adopt the revised *ASA600 Audits of a Group Financial Report (Including the work of Component Auditors)*

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ACCOUNTANTS & ADVISORS

Other information

The directors are responsible for the other information. The other information comprises the information contained in the Directors' Report but does not include the financial report and the auditor's report thereon, which we obtained prior to the date of this auditor's report, and the annual report, which is expected to be made available to us after this date.

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 Company are responsible for the preparation of:

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

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- 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 ability of the Consolidated Entity 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 Consolidated Entity 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[1] 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/media/bwvjcgre/ar1_2024.pdf
This description forms part of our auditor's report.

[1] We elected to early adopt the revised *ASA600 Audits of a Group Financial Report (Including the work of Component Auditors)*

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William Buck
ACCOUNTANTS & ADVISORS

Report on the Remuneration Report

Our opinion on the Remuneration Report

In our opinion, the Remuneration Report of Acumentis Group Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

What was audited?

We have audited the Remuneration Report included in pages 8 to 14 of the directors' report for the year ended 30 June 2024.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards[1].

William Buck
Accountants & Advisors
ABN 16 021 300 521

Domenic Molluso
Partner
Sydney, 30 August 2024

[1] We elected to early adopt the revised *ASA600 Audits of a Group Financial Report (Including the work of Component Auditors)*

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below.

The Company was admitted to the Australian Stock Exchange under rule 1.3.2(b).

Shareholdings

Shareholding details are as at 31 July 2024.

Substantial shareholders

The number of shares held by substantial shareholders and their associates are set out below:

Shareholder	Number of Ordinary Shares	Percentage
Redbrook Nominees Pty Ltd	36,860,852	16.6%
Newport Shipping Company Pty Limited	25,953,613	11.7%
Citicorp Nominees Pty Ltd	23,935,874	10.8%

Voting rights	
Ordinary shares	Holders of ordinary shares are entitled to one vote per share at shareholder meetings.
Options	There are no voting rights attached to options

Distribution of equity security holders

Category	Number of Shareholders	Number of shares
1 – 1,000	58	16,980
1,001 – 5,000	193	695,980
5,001 – 10,000	147	1,179,321
10,001 – 50,000	243	6,133,562
50,001 – 100,000	66	4,863,029
100,001 and over	156	208,566,174
Total	863	221,455,046

As at 30 June 2024 there were 219,955,046 ordinary shares on issue (note 7(a)).

On-market buy back	There is no current on-market buy back.
Unmarketable Parcels	The number of shareholders holding less than a marketable parcel of 6,173 shares (based on closing price of $0.081 on 31 July 2024 is 269 and they hold 815,170 securities.

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Twenty largest shareholders

Name	Number of Ordinary Shares	Percentage
CITICORP NOMINEES PTY LIMITED	23,935,874	10.8%
NEWPORT SHIPPING COMPANY PTY	19,555,041	8.8%
REDBROOK NOMINEES PTY LTD	16,018,746	7.2%
ACRES HOLDINGS PTY LTD	11,676,473	5.3%
KIUT INVESTMENTS PTY LTD	10,229,536	4.6%
ENABLE INVESTMENT MANAGER PTY	6,323,817	2.9%
MR LESLIE PETER WOZNICZKA	5,720,000	2.6%
CAROSSAH PTY LTD	4,968,865	2.2%
STIBBCO INVESTMENTS PTY LTD	4,585,753	2.1%
WHITE VALUATIONS PTY LTD	3,600,000	1.6%
MS LYNETTE JANE ELLIS & MR JEFFREY GEORGE KEANE	3,558,334	1.6%
NICKSON PTY LTD	3,411,416	1.5%
GOGORM SUPER PTY LTD	3,182,494	1.4%
KEVIN KING PTY LTD	3,136,069	1.4%
NATANI INVESTMENTS PTY LTD	3,134,641	1.4%
NATHAN ALEXANDER KING	2,824,063	1.3%
MR NOEL EDWARD KAGI & MRS MICHELLE LEONIE KAGI	2,796,437	1.3%
BLAKE FRANCIS DEAN LIESCHKE	2,747,576	1.2%
TONY MICHAEL GORMAN	2,689,771	1.2%
ARKMIST PTY LTD	2,645,712	1.2%
	136,740,618	**61.7%**

Company Secretary John Wise

Principal registered office Level 7, 283 Clarence Street
Sydney NSW 2000

Telephone 02 8823 6300
Facsimile 02 8823 6399
Website www.acumentis.com.au

Location of share registry Automic Registry Services

Level 5, 126 Phillip Street
Sydney NSW 2000

Telephone 1300 288 664 (toll free within Australia)
+61 2 9698 5414 (outside Australia)
Email hello@automic.com.au

Stock exchange The company is listed on the Australian Stock Exchange ("ACU")

Other information Acumentis Group Limited, incorporated and domiciled in Australia, is a publicly listed company limited by shares.

Teri Roberts, Director - Business / Rent Roll Valuations

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www.acumentis.com.au

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