

# **Australian Consumers' Association (CHOICE)**

ABN 72 000 281 925

## **Financial Report**

For the year ended 30 June 2024

**Australian Consumers' Association (CHOICE)**

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**For the year ended 30 June 2024**

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**Australian Consumers' Association (CHOICE)  
Directors' report  
For the year ended 30 June 2024**

The directors present their report together with the financial report of Australian Consumers' Association ("the Company") and its controlled entity ("the consolidated entity") for the year ended 30 June 2024 and the independent auditor's report thereon.

**Directors**

The names of directors in office during the financial year and at the date of this report and meetings attended during the year are as follows:

Director	Date appointed	Date of cessation	Board meetings		Committee meetings	
			E	A	E	A
Anita Tang			7	6	5	5
Nic Cola			7	6	7	6
Samantha Challinor			7	7	5	5
Katherine George			7	6	5	4
Fiona Guthrie			7	7	9	9
Fiona Jolly			7	4	9	9
Alexandra Kelly		28 Nov 2023	3	3	1	1
Melissa King	28 Nov 2023		4	4	3	3
Jamie Pride			7	6	9	8
Amanda Robbins			7	6	3	2

E – Number of meetings eligible to attend

A – Number of meetings attended

The directors have been in office since the start of the year to the date of this report unless otherwise stated.

**Qualifications, Experience and Special Responsibilities of Directors**

**Anita Tang – Co-Chair**

Anita has a strong background in public policy reform and community organising across a range of social justice and community service areas. She is currently community organising director at the Centre for Australian Progress, building the capacity of civil society for systems change, following five years running her own advocacy and campaigning consultancy. Her other experience includes more than a decade at Cancer Council NSW where she led the transformation of its advocacy work, and senior roles in the statutory bodies and Parliamentary Committees. Anita has completed nonprofit leadership programs at Harvard and at Stanford, and served on the Boards of numerous nonprofits that focus on rights and justice particularly in the disability and racial justice areas. She is a longstanding member of CHOICE, and while at the Cancer Council, led a number of collaborative projects with CHOICE, including campaigns against junk food advertising to children and the regulation and eventual ban of commercial solariums. Anita joined the Board in March 2017 and was appointed Chair in 2020, and in 2021, became part of an inaugural new leadership model of Co-Chairing. She is also Chair of the Impact Committee and a member of the Governance, Culture and Ethics Committee.

**Nic Cola – Co-Chair**

Nic is currently the CEO of RMIT Online and also acts as Chair of Picaluna, a disruptor in the funeral industry. Nic has over 25 years of CEO experience in high growth, with expertise in delivering revenue and share growth across a diverse range of business models in traditional and digital media, education, and e-commerce. His key strengths are strategy, mergers and acquisitions, operations, digital transformation and change management. His previous roles have included General Manager of Retail and Digital at Helloworld Ltd, CEO of Open Colleges and CEO of Marketplaces at Fairfax Media where he was one of the founding executives of Fairfax Digital. Nic was active in building the digital industry in Australia having been on the board of the Australian Interactive Multimedia Industry Association (AIMIA) as well as serving as Chairman of the Australian

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Internet Advertising Bureau. He has a Bachelor of Business from UTS and is a graduate of the Australian Institute of Company Directors course. Nic joined the CHOICE Board in November 2019 and from November 2022 stepped into the Co-Chair role, alongside Anita. Nic is also Chair of the Membership Growth & Engagement Committee and a member of the Finance, Risk & Audit Committee.

**Samantha Challinor**

Samantha is a non-executive director, with more than 20 years' experience in senior accounting and leadership roles. This includes Interim CEO at Arthritis NSW, Director Corporate Services at the Agency for Clinical Innovation (NSW Health), Deputy CEO at Sydney North Shore and Beaches Medicare Local and Chief Accountant at Lexmark International (Australia). She is adept at bringing financial, information technology, risk and project management oversight and governance to organisations through expertise gained in the commercial, for-purpose and public health government sectors.

Sam is a director of Sydney North Health Network, RSL LifeCare, and the National Affordable Housing Group. She also chairs the Finance, Audit and Risk Committees of these organisations. She holds a Bachelor of Business (Accountancy) from QUT, is a Fellow of CPA Australia and a Fellow of the Australian Institute of Company Directors. Sam joined the CHOICE Board in November 2020 and is Chair of the Finance, Risk & Audit Committee.

**Katherine George**

Kat has extensive experience in consumer advocacy and policy, and is currently Associate Director, Research, at Energy Consumers Australia. She has worked across the government, private and nonprofit sectors, driving significant policy reform projects to promote economic and social inclusion and system reform, especially in relation to delivering equitable, human-focused outcomes in essential services markets. Currently, Kat is Chair on the Board of Hope Street Youth and Family Services, a youth homelessness service operating in the northern and western regions of Melbourne. Kat was elected to the CHOICE Board in November 2020 and is a member of the Impact Committee and Chair of the Governance, Culture & Ethics Committee in 2024.

**Fiona Guthrie AM**

Fiona has over 30 years' experience in consumer advocacy, including a number of years on the executive of the Consumers' Federation of Australia. Her main interest has been in advocating for people on low incomes or in vulnerable circumstances to get a fair go, particularly in the financial services marketplace. Fiona is the CEO of debt relief charity, Way Forward. She was previously the CEO of Financial Counselling Australia, the peak body for financial counsellors for 15 years. She has held directorships on Energex Retail Pty Ltd, the Insurance Ombudsman Service and the Financial Ombudsman Service, and was previously chair of ASIC's Consumer Advisory Panel. Fiona is currently a member of the board of the Queensland Competition Authority. She holds a BA, LLB and MBA. Fiona was made a member of the Order of Australia in 2017 for her work in social welfare and financial counselling. She joined the Board in November 2015 and is a member of the Finance, Risk & Audit Committee and Governance, Culture & Ethics Committee.

**Fiona Jolly**

Fiona is a lawyer with significant senior executive and non-executive director experience who works with boards and businesses undergoing change and growth and operating in highly regulated areas. She brings government experience along with expertise in communications, traditional and digital media advertising and marketing, stakeholder engagement and international trade. Fiona is a director of Goodwin Aged Care Services, Rural Financial Counselling Service (NSW), the ACT Cemeteries and Crematoria Authority, Freshmark Fresh Produce, Australian Institute of Building Surveyors and is an elected Councillor for HCF. Fiona has previously served as president of the YWCA of Australia and the chair of Australian Business Volunteers. Fiona's executive career spans significant work on regulation reform with both the government and private sector. Fiona was elected to the CHOICE Board in November 2020 and is a member of the Governance, Culture & Ethics Committee; Technology Committee; and the Membership Growth & Engagement Committee.

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**Alexandra Kelly**

Alexandra is director of casework at the Financial Rights Legal Centre, which operates the National Debt Helpline in NSW, Mob Strong Debt Help and the Insurance Law Service. She is a member of the Law Council's Australian Consumer Law Committee and is the consumer representative on the Life Insurance Code Compliance Committee. She served on the Board of the Financial Counsellors of NSW from 2009 to 2012.

Alexandra has considerable experience developing consumer rights in the financial services sector through lobbying, working with regulators and government, and raising public awareness of issues in the media and through online financial literacy campaigns. She brings to the CHOICE Board high-level legal expertise, extensive sectoral knowledge, and understanding of social enterprises. She holds a Bachelor of Laws (Hons)/Bachelor of Psychology and Master of Laws. Alexandra was appointed to the Board in 2017 and is Chair of the Governance, Culture & Ethics and a member of the Impact Committee. Alex retired from the Board in November 2023.

**Melissa King**

Melissa is a practised CEO, senior executive and advisor, with experience spanning corporate, government, the arts, sport and not for profit sectors with organisations including Surf Life Saving Australia, Sydney Opera House, Department of Prime Minister & Cabinet – APEC Taskforce. As CEO of the FIBA Women's Basketball World Cup in 2022 Melissa delivered the most attended Women's World Cup in history of the competition and the first carbon-neutral event. Currently, Melissa is the CEO of the Australian Veterinary Association and serves as an Independent Director of ASX-listed cyber risk firm WhiteHawk (WHK) and the NSW Institute of Sport. Melissa strongly aligns with CHOICE values that promote fairness, and empower consumers.

Since joining the CHOICE Board in November 2023, Melissa has been a member of the Governance, Culture & Ethics Committee and Membership Growth & Engagement Committee.

**Jamie Pride**

Jamie is a Partner at Humanly Agile, an organisational design and change management consultancy focused on helping clients unlock innovative ways of working and maximising the potential of their people. In addition to his consulting work, Jamie serves as the Chief Entrepreneur in Residence at Western Sydney University, where he supports the next generation of innovators and business leaders. With over 27 years of experience in senior leadership roles across global consulting, advisory, and technology organisations, Jamie has built a career on driving transformation and growth. His corporate background includes serving as the Australian CEO of realestate.com.au, where he spearheaded significant digital advancements, and as a Partner at Deloitte, where he advised on complex business transformations for some of the world's leading companies. Jamie joined the Board in November 2021. He serves on the Finance, Risk, and Audit Committee and the Technology Committee, where he has played a critical role in overseeing the transformation of CHOICE's technology platforms.

**Amanda Robbins**

Amanda has extensive expertise in economic and social policy, having worked at the most senior levels of the Australian government and across the community and nonprofit sectors for over 20 years, domestically and internationally. Amanda founded Equity Economics in 2013 and has since delivered original economic policy analysis and advice for governments, think tanks, corporates and the community sector. Amanda is committed to supporting and strengthening the role of the non-government sector in Australia. Amanda combines skills in economic analysis with an ability to formulate policy and communicate complex reform. Amanda's experience internationally includes roles as senior adviser in the Treasury of Papua New Guinea from 2006 to 2008; deputy director of Australia's flagship economic governance program in Indonesia; and most recently working as a consultant for the World Bank in Washington DC.

Amanda holds a Global Executive MBA and Bachelor of Economics (Social Sciences) from the University of Sydney, a Diploma of Law from the NSW College of Law, and a Master of Laws (Legal Practice) from the ANU. Amanda was appointed to the CHOICE Board in November 2022 and is a member of the Impact Committee and Membership Growth & Engagement Committee.

**Australian Consumers' Association (CHOICE)  
Directors' report  
For the year ended 30 June 2024**

**General information**

The financial statements cover Australian Consumers' Association (CHOICE) as a consolidated entity. The financial statements are presented in Australian dollars, which is Australian Consumers' Association (CHOICE)'s functional and presentation currency.

**Registered office and principal place of business**

57 Carrington Road  
Marrickville NSW 2204

**Principal Activities**

The principal activities of the consolidated entity during the financial year were the dissemination of consumer information to the general public and members of the consolidated entity through our website and publications, and advocacy on issues of importance to Australian consumers.

**Purpose**

Recognising the inequality in bargaining power between consumers and businesses, the overall purpose of the consolidated entity is to work for fair, just and safe markets that meet the needs of Australian consumers.

**Strategy**

2023-24 was the final year of a three-year strategy that set three key goals:

1. We drive big changes and more people know us for it
2. Our membership is larger and more engaged
3. We are an organisation that people want to support and work for

**We drive big changes and more people know us for it**

CHOICE pursues changes to laws and business practices through research, policy advocacy, investigative journalism and working with consumers to push for change.

The annual Shonkys awarded to Woolworths and Coles captured the mood of the nation, and also prompted the federal government to take action to help consumers out. It also highlighted CHOICE's role in fighting for just and fair markets, as well as increasing our media visibility and driving visits to the website.

Winning the government contract to monitor grocery prices for the next three years was a significant moment for CHOICE. Not only did it secure funding to allow us to do work to keep prices down for consumers, but the show of faith in CHOICE and the work we do from the Prime Minister on the national stage was a huge lift for the team and validation for all the hard work they do.

Similarly, a number of investigations by our journalists into banks and how they need to do more to protect consumers, particularly around scams, has pushed the issue to the forefront of the national conversation and we hope changes will come soon.

**Our membership is larger and more engaged**

Although we did not manage to grow the overall number of paying members during the course of the year, the total held up surprisingly well: we started the year with 200,740 paying members and finished the year with 197,782, a decline of 1.4%. It is never ideal to see fewer members at the end of the year than at the start, but given the economic uncertainty and compared to a drop of 2.8% last year, it was a strong result.

It is worth noting that across the three years of the strategy we have achieved our goal and grown the number of members from 196,685 on 1 July 2021 to the current number. At the start of the strategy period, many were turning to CHOICE during

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COVID-19 and we experienced strong growth as a result. To finish the three-year strategy period in a stronger position overall is an accomplishment.

We also managed to engage more people with our email list of campaign supporters and interested consumers growing to over 300,000 this year. This means we are able to reach and engage with over half a million Australian consumers at any given time – which is such a privilege.

**We are an organisation that people want to support and work for**

At the heart of CHOICE is its people and we have worked incredibly hard over the past three years to improve our workforce diversity so it better reflects modern Australia and to a large extent we have achieved that. There is more work to be done, but we are proud of how far we have come.

One particularly successful project has been the progress we have made on our Reconciliation Action Plan. The plan is staffed and despite only being on the journey for a couple of years, we have already had our Inspire plan approved and the team are developing a detailed plan for the next phase.

Another example of the commitment of our staff to good work is our Social Impact Committee, which focuses on raising money for local, community-based causes and this year contributed over \$60,000 in donated products and cash donations.

**Review of financial operations and results**

The 2023–24 financial year was another challenging year for consumers facing sustained cost-of-living pressures. Being a predominantly subscription-driven model, CHOICE was also impacted by inflation and other cost pressures. As the Board looks ahead to ensure CHOICE's long term financial sustainability, management comprehensively reviewed our operations to ensure our cost base is sustainable and in line with future revenue projections. This led to a redesign of the organisation, and as such, this year's result incorporates associated one-off restructure costs. It also reflects our significant investment in implementing the technology strategy and roadmap (Evolve27) that is also critical to our future impact.

In terms of financial performance, our major revenue line – membership – held up well thanks to the support of loyal members like you and the hard work of the CHOICE team. This was a positive result, especially given lower levels of consumer confidence that persisted through the year. Our CHOICE Recommended licensing scheme did not perform as well as expected in part because we had several test categories that did not result in a 'Best Brand' winner. Although this has a financial impact on our commercial outcomes, we see it as a healthy show of our principles and independence in action: we will not licence our brand to a product unless it's backed by strong results. The effects of cost-of-living pressures also impacted brand promotion budgets, even those awarded Best Brand status.

Total revenue decreased by 2.8% to \$23.8m in FY24 versus \$24.5m in FY23. This result is predominantly attributable to a year-on-year decline in CHOICE Recommended revenue. Total operating revenue decreased by 4.3% to \$21.5m, down by \$1.0m year on year. Membership revenue experienced a decrease to \$18.6m compared to \$19.0m the previous year. CHOICE Recommended licensing revenue of \$1.7m was down by 26.1% (\$2.3m in FY23).

In addition to the organisational redesign, the management team made a range of savings to operating expenditure during the past year to offset the decline in revenue. We did, however, provide a 3.5% increase in salaries. As noted earlier, we also continued to invest in Evolve27 which will deliver a more streamlined approach to our ways of working and ensure we can continue to deliver a great service to our members. Planned completion for this large-scale technology upgrade is by the end of FY26.

Total operating expenses increased by \$1.5m to \$23.9m or 6.6% year on year. This includes \$1.4m for organisational restructure expenses and \$484k related to Evolve27. These were both exceptional items and had a corresponding negative impact on our bottom line.

This combination of economic factors and exceptional items resulted in a deficit of \$2.7m for the year. Our cash and investments balance at 30 June 2024 was \$10.7m, which is well above the cash reserves target set by the Board. This,

**Australian Consumers' Association (CHOICE)  
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combined with our lower cost base due to the restructure, will allow us to continue to fund our ongoing technology works until completion while maintaining an annual surplus.

**Events subsequent to the end of the financial year**

On 22 July 2024, CHOICE implemented a restructuring plan to enhance operational efficiency and reduce costs, which had been approved by the Board prior to balance date. This restructure resulted in the redundancy of certain staff positions across various departments. As part of the restructuring, redundancy payments amounting to approximately \$1.08m have been made to affected staff. These expenses relate to termination benefits and accrued leave entitlements, which include severance payments and other related costs. A provision was recognised within Note 14 to the financial statements at balance date in relation to the restructuring plan.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

**Likely development and expected results of operations**

The consolidated entity expects to maintain the present status and level of operations.


**Members Liability**

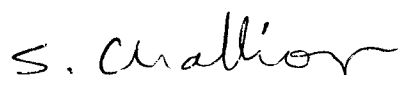
The Company is incorporated under the *Corporations Act 2001* (Cth) and is a public company limited by guarantee. If the Company is wound up, the Company's constitution states that each voting member of the Company is required to contribute a maximum of \$1 each towards meeting any liabilities of the Company. As at 30 June 2024 the number of voting members was 7,631 (2023: 7,217).

**Auditor's independence declaration**

A copy of the auditor's independence declaration under section 307C of the *Corporations Act 2001* in relation to the audit for the financial year is provided with this report.

Signed in accordance with a resolution of the board of directors.

Director:   
Nic Cola

Director:   
Samantha Challinor

Dated this 30<sup>th</sup> day of September 2024



**Auditor's Independence Declaration**

To the directors of Australian Consumers' Association:

As lead auditor for the audit of the consolidated financial report of Australian Consumers' Association for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

This declaration is in relation to Australian Consumers' Association and the entities it controlled during the period.

Sydney, NSW  
30 September 2024



**N J Guest**  
Director

**Australian Consumers' Association (CHOICE)  
Statement of profit or loss and other comprehensive income  
For the year ended 30 June 2024**

	<b>Note</b>	<b>Consolidated 2024 \$</b>	<b>2023 \$</b>
Revenue		21,556,678	22,534,566
Super Consumers Australia revenue		1,104,676	1,241,531
	3	<u>22,661,354</u>	<u>23,776,097</u>
Other income		1,179,009	760,406
Total revenue	4	<u>23,840,363</u>	<u>24,536,503</u>
<b>Expenses</b>			
Cost of sales		(1,544,158)	(1,448,299)
Technical and consumer research		(4,860,308)	(4,879,332)
Editorial content		(2,065,501)	(1,900,212)
Digital product development		(4,327,282)	(4,376,296)
Data & technology		(2,110,481)	(2,537,268)
Marketing		(2,261,945)	(2,437,577)
Subscriptions and customer services		(590,311)	(577,146)
General and administrative	5	(5,019,520)	(3,139,086)
Campaigns and communications		(1,499,112)	(1,417,096)
Innovation		(264,488)	(242,822)
Depreciation and amortisation expense	5	(534,181)	(541,417)
Facility and other operating expense		(359,858)	(371,021)
Super Consumers Australia expense		(996,857)	(1,133,708)
Other expenses		(85,147)	(96,695)
Total expenses	5	<u>(26,519,149)</u>	<u>(25,097,975)</u>
<b>Deficit for the year attributable to the members of Australian Consumers' Association (CHOICE)</b>		(2,678,786)	(561,472)
Other comprehensive income for the year		-	-
<b>Total comprehensive loss for the year attributable to the members of Australian Consumers' Association (CHOICE)</b>		<u>(2,678,786)</u>	<u>(561,472)</u>

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

**Australian Consumers' Association (CHOICE)**  
**Statement of financial position**  
**As at 30 June 2024**

	<b>Note</b>	<b>Consolidated 2024 \$</b>	<b>2023 \$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	1,508,028	424,076
Financial assets	7	9,289,836	11,431,656
Trade and other receivables	8	711,353	1,007,727
Other assets	9	751,180	1,004,416
Total current assets		<u>12,260,397</u>	<u>13,867,875</u>
<b>Non-current assets</b>			
Intangibles	10	-	-
Property, plant and equipment	11	7,385,397	7,798,027
Total non-current assets		<u>7,385,397</u>	<u>7,798,027</u>
<b>Total assets</b>		<u>19,645,794</u>	<u>21,665,902</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	944,675	1,336,574
Contract liabilities	13	5,408,130	5,156,779
Provisions	14	3,331,531	2,387,774
Total current liabilities		<u>9,684,336</u>	<u>8,881,127</u>
<b>Non-current liabilities</b>			
Contract liabilities	13	577,336	750,448
Provisions	14	273,923	245,342
Total non-current liabilities		<u>851,259</u>	<u>995,790</u>
<b>Total liabilities</b>		<u>10,535,595</u>	<u>9,876,917</u>
<b>Net assets</b>		<u>9,110,199</u>	<u>11,788,985</u>
<b>Equity</b>			
Accumulated surplus		<u>9,110,199</u>	<u>11,788,985</u>
<b>Total equity</b>		<u>9,110,199</u>	<u>11,788,985</u>

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

**Australian Consumers' Association (CHOICE)  
Statement of changes in equity  
For the year ended 30 June 2024**

<b>Consolidated</b>	<b>Accumulated surplus \$</b>	<b>Total equity \$</b>
<b>Balance at 1 July 2022</b>	12,350,457	12,350,457
Deficit for the year	(561,472)	(561,472)
Other comprehensive income for the year	-	-
Total comprehensive loss for the year	<u>(561,472)</u>	<u>(561,472)</u>
<b>Balance at 30 June 2023</b>	<u>11,788,985</u>	<u>11,788,985</u>
	<b>Accumulated surplus \$</b>	<b>Total equity \$</b>
<b>Consolidated</b>		
<b>Balance at 1 July 2023</b>	11,788,985	11,788,985
Deficit for the year	(2,678,786)	(2,678,786)
Other comprehensive income for the year	-	-
Total comprehensive loss for the year	<u>(2,678,786)</u>	<u>(2,678,786)</u>
<b>Balance at 30 June 2024</b>	<u>9,110,199</u>	<u>9,110,199</u>

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

**Australian Consumers' Association (CHOICE)**  
**Statement of cash flows**  
**For the year ended 30 June 2024**

	<b>Note</b>	<b>Consolidated 2024 \$</b>	<b>2023 \$</b>
<b>Cash flows from operating activities</b>			
Cash receipts from customers		26,279,099	26,196,769
Payments to suppliers and employees		<u>(27,640,724)</u>	<u>(27,106,501)</u>
Net cash used in operating activities		<u>(1,361,625)</u>	<u>(909,732)</u>
<b>Cash flows from investing activities</b>			
Proceeds from sale of property, plant and equipment		-	8,013
Payments for property, plant and equipment	11	(122,489)	(509,524)
Interest received		429,589	190,386
Net proceeds from term deposits		5,138,477	577,215
Payments for financial investments		<u>(3,000,000)</u>	<u>-</u>
Net cash from investing activities		<u>2,445,577</u>	<u>266,090</u>
Net cash from financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		1,083,952	(643,642)
Cash and cash equivalents at the beginning of the financial year		<u>424,076</u>	<u>1,067,718</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>1,508,028</u></u>	<u><u>424,076</u></u>

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

**Australian Consumers' Association (CHOICE)**  
**Notes to the financial statements**  
**For the year ended 30 June 2024**

**Note 1. Material accounting policies**

The accounting policies that are material to the consolidated entity are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

The financial statements are for the consolidated entity consisting of Australian Consumers' Association and its subsidiary.

**New or amended Accounting Standards and Interpretations adopted**

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Basis of preparation**

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for not-for-profit oriented entities.

Comparative information is reclassified where appropriate to enhance comparability.

*Historical cost convention*

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss.

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

**Parent entity information**

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 23.

**Principles of consolidation**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Australian Consumers' Association (CHOICE) ('company' or 'parent entity') as at 30 June 2024 and the results of the subsidiary for the year then ended. Australian Consumers' Association (CHOICE) and the subsidiary together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Investment in the subsidiary is accounted for at cost less any impairment in the financial statements of Australian Consumers' Association.

**Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

**Australian Consumers' Association (CHOICE)**  
**Notes to the financial statements**  
**For the year ended 30 June 2024**

**Note 1. Material accounting policies (continued)**

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

**Impairment of assets**

An impairment loss is recognised when the carrying amount of an asset or cash generating unit exceeds the asset's or cash generating unit's recoverable amount. The recoverable amount of an asset or cash generating unit is defined as the higher of its fair value less costs to sell and value in use.

Impairment losses in respect of individual assets are recognised immediately in profit or loss unless the asset is measured at a revalued amount such as property, plant and equipment, in which case the impairment loss is treated as a revaluation decrease in accordance with the applicable Accounting Standard. Impairment losses in respect of cash generating units are allocated first against the carrying amount of any goodwill attributed to the cash generating unit with any remaining impairment loss allocated on a pro rata basis to the other assets comprising the relevant cash generating unit.

Where it is not possible to estimate the recoverable amount of a class of assets, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**Goods and Services Tax ('GST')**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

**Income tax**

No provision for income tax has been raised as the Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

**Note 2. Critical accounting judgements, estimates and assumptions**

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

*Estimation of useful lives of assets*

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

*Employee benefits provision*

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

**Australian Consumers' Association (CHOICE)**  
**Notes to the financial statements**  
**For the year ended 30 June 2024**

**Note 3. Revenue**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Revenue from sale of goods	4,379,070	4,585,860
Revenue from provision of services	18,282,284	19,190,237
Revenue	<u>22,661,354</u>	<u>23,776,097</u>

*Disaggregation of revenue*

The disaggregation of revenue from contracts with customers is as follows:

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Timing of revenue recognition</i>		
Point in time	4,527,159	4,730,445
Over time	18,134,195	19,045,652
	<u>22,661,354</u>	<u>23,776,097</u>

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Revenue Stream</i>		
Choice Membership	18,580,131	19,079,018
External Testing Revenue	762,169	657,349
Affiliate Revenue	128,585	110,210
Prototyping Revenue	181,125	150,100
Fundraising	19,504	34,375
Choice Recommended Revenue	1,710,744	2,315,812
Royalties & Content Related Sales	174,420	187,702
	<u>21,556,678</u>	<u>22,534,566</u>
Super Consumers Australia Revenue	1,104,676	1,241,531
	<u>22,661,354</u>	<u>23,776,097</u>

*Accounting policy for revenue recognition*

The consolidated entity recognises revenue as follows:

*Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.



**Australian Consumers' Association (CHOICE)**  
**Notes to the financial statements**  
**For the year ended 30 June 2024**

**Note 3. Revenue (continued)**

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

The consolidated entity primarily derives revenue from the sale of goods, rendering of services, interest and rent. Revenue from the sale of goods, donations and commercial partners are recognised at the point in time when performance obligation is complete. Revenue from rendering of a service is recognised over time as the performance obligation, being the provision of services from which customers receive benefit, is provided. All revenue is stated net of the amount of goods and services tax (GST).

**Note 4. Other income**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Rental income	425,519	429,581
Interest	362,609	241,178
Profit on sale of fixed assets	-	8,013
Fair value gain on financial assets	286,493	-
Other income	104,388	81,634
	<u>1,179,009</u>	<u>760,406</u>
Other income	<u>1,179,009</u>	<u>760,406</u>

*Accounting policy for other revenue*

Rental income is recognised over time as the performance obligation, being the provision of the property being let, is provided.

Interest revenue is recognised as interest accrues.

Refer to note 7 for accounting policy of investments held at fair value through profit or loss.

All revenue is stated net of the amount of goods and services tax (GST).

**Note 5. Expenses**

The deficit presented in the statement of profit or loss and other comprehensive income includes the following specific expenses:

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Depreciation and amortisation expense		
- Land and buildings	305,085	290,272
- Plant and equipment	229,096	251,145
	<u>534,181</u>	<u>541,417</u>
Total depreciation and amortisation expense	<u>534,181</u>	<u>541,417</u>

**Australian Consumers' Association (CHOICE)**  
**Notes to the financial statements**  
**For the year ended 30 June 2024**

**Note 5. Expenses (continued)**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Employee benefits expense		
- Salaries excluding contributions to defined contribution superannuation funds	15,366,583	14,534,495
- Contributions to defined contribution superannuation funds	<u>1,627,647</u>	<u>1,495,995</u>
Total employee benefits expense	<u><u>16,994,230</u></u>	<u><u>16,030,490</u></u>

General and administrative expenses presented in the statement of profit or loss and other comprehensive income includes restructuring costs of \$1,374,102 (2023: \$Nil).

**Note 6. Cash and cash equivalents**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Cash at bank	<u><u>1,508,028</u></u>	<u><u>424,076</u></u>

*Accounting policy for cash and cash equivalents*

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Note 7. Financial assets**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Term deposits	6,000,000	11,431,656
Financial investments	<u>3,289,836</u>	<u>-</u>
	<u><u>9,289,836</u></u>	<u><u>11,431,656</u></u>

Term deposits are short term with maturity dates of 3 -12 months.

Investments held at fair value through profit or loss are initially recorded at cost, and subsequently carried at market value, with changes in fair value recorded in profit or loss. Dividends and distributions are recognised as other income when the right to receive is established.

**Australian Consumers' Association (CHOICE)**  
**Notes to the financial statements**  
**For the year ended 30 June 2024**

**Note 8. Trade and other receivables**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Trade receivables	604,007	935,381
Less: Allowance for expected credit losses	-	(1,980)
	<u>604,007</u>	<u>933,401</u>
Other receivables	<u>107,346</u>	<u>74,326</u>
	<u><u>711,353</u></u>	<u><u>1,007,727</u></u>

*Accounting policy for trade and other receivables*

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses an expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

**Note 9. Other assets**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Accrued revenue	50,164	57,267
Prepayments	<u>701,016</u>	<u>947,149</u>
	<u><u>751,180</u></u>	<u><u>1,004,416</u></u>

**Note 10. Intangibles**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Website development and database management - at cost	1,253,091	1,364,439
Less: Accumulated amortisation	<u>(1,253,091)</u>	<u>(1,364,439)</u>
	<u><u>-</u></u>	<u><u>-</u></u>

*Accounting policy for intangible assets*

Intangible assets acquired separately are initially recognised at cost. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

**Australian Consumers' Association (CHOICE)**  
**Notes to the financial statements**  
**For the year ended 30 June 2024**

**Note 10. Intangibles (continued)**

*Website development and database management*

Significant costs associated with the development of the revenue generating aspects of the website development and database management are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

*Computer software*

Significant costs associated with computer software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

**Note 11. Property, plant and equipment**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Freehold land - at deemed cost	1,400,000	1,400,000
Land and buildings - at cost	9,534,889	9,518,967
Less: Accumulated depreciation	<u>(3,967,232)</u>	<u>(3,662,147)</u>
	<u>6,967,657</u>	<u>7,256,820</u>
Plant and equipment - at cost	5,452,084	5,346,455
Less: Accumulated depreciation	<u>(5,034,344)</u>	<u>(4,805,248)</u>
	<u>417,740</u>	<u>541,207</u>
	<u><u>7,385,397</u></u>	<u><u>7,798,027</u></u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

<b>Consolidated</b>	<b>Land and buildings \$</b>	<b>Plant and equipment \$</b>	<b>Total \$</b>
Balance at 1 July 2023	7,256,820	541,207	7,798,027
Additions	26,471	125,325	151,796
Disposals	(10,549)	(19,696)	(30,245)
Depreciation expense	<u>(305,085)</u>	<u>(229,096)</u>	<u>(534,181)</u>
Balance at 30 June 2024	<u><u>6,967,657</u></u>	<u><u>417,740</u></u>	<u><u>7,385,397</u></u>

*Accounting policy for property, plant and equipment*

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Freehold land and buildings are initially recorded at cost. Where freehold land and buildings were acquired at no cost or for a nominal amount, cost is deemed to be the fair value as at the acquisition date.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land which is not depreciated) over their expected useful lives as follows:

Buildings	2-20%
Plant and equipment	5-33.3%
Motor vehicles	20%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

**Australian Consumers' Association (CHOICE)**  
**Notes to the financial statements**  
**For the year ended 30 June 2024**

**Note 11. Property, plant and equipment (continued)**

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

**Note 12. Trade and other payables**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	\$	\$
<i>Current liabilities</i>		
Trade payables	272,263	470,389
Other payables	672,412	866,185
	<u>944,675</u>	<u>1,336,574</u>

*Accounting policy for trade and other payables*

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**Note 13. Contract liabilities**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	\$	\$
<i>Current liabilities</i>		
Contract liabilities	<u>5,408,130</u>	<u>5,156,779</u>
<i>Non-current liabilities</i>		
Contract liabilities	<u>577,336</u>	<u>750,448</u>

*Accounting policy for contract liabilities*

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

**Note 14. Provisions**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	\$	\$
<i>Current liabilities</i>		
Annual leave	1,312,087	1,439,159
Long service leave	939,106	948,615
Restructuring provision	1,080,338	-
	<u>3,331,531</u>	<u>2,387,774</u>
<i>Non-current liabilities</i>		
Long service leave	<u>273,923</u>	<u>245,342</u>

**Australian Consumers' Association (CHOICE)**  
**Notes to the financial statements**  
**For the year ended 30 June 2024**

**Note 14. Provisions (continued)**

*Movements in provisions*

Movements in each class of provision during the current financial year are set out below:

<b>Consolidated</b>	<b>Annual leave \$</b>	<b>Long service leave \$</b>	<b>Restructuring \$</b>
Carrying amount at 1 July 2023	1,439,159	1,193,957	-
Additional provisions raised during the year	1,314,268	261,999	1,374,102
Amounts used	<u>(1,441,340)</u>	<u>(242,927)</u>	<u>(293,764)</u>
Carrying amount at 30 June 2024	<u>1,312,087</u>	<u>1,213,029</u>	<u>1,080,338</u>

*Accounting policy for provisions*

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

*Accounting policy for employee benefits*

*Short-term employee benefits*

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled and are included in other current payables. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the statement of financial position.

*Long-term employee benefits*

The liability for long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date 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 reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

**Note 15. Contingent assets and contingent liabilities**

There are no contingent assets or contingent liabilities at 30 June 2024.

**Note 16. Key management personnel disclosures**

*Compensation*

The aggregate compensation made to members of key management personnel of the consolidated entity is set out below:

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Aggregate compensation	<u>2,194,279</u>	<u>1,747,440</u>

**Australian Consumers' Association (CHOICE)**  
**Notes to the financial statements**  
**For the year ended 30 June 2024**

**Note 17. Remuneration of auditors**

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

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	\$	\$
<i>Audit services - HLB Mann Judd Assurance (NSW) Pty Ltd</i> Audit of the financial statements	42,000	33,500
<i>Other services - HLB Mann Judd (NSW) Pty Ltd</i> Assistance with the preparation of the financial statements	10,500	5,500
	<u>52,500</u>	<u>39,000</u>

**Note 18. Commitments**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	\$	\$
<b>Lessor commitments</b>		
Minimum lease commitments receivable but not recognised in the financial statements:		
Not later than one year	437,997	425,519
Later than one year and not later than five years	1,858,846	1,824,887
Later than five years	235,401	707,357
	<u>2,532,244</u>	<u>2,957,763</u>

**Note 19. Related party transactions**

Australian Consumers' Association is the parent entity. Interests in subsidiaries are set out in note 20.

Disclosures relating to key management personnel are set out in note 16.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

There were no other related party transactions during the year.

**Note 20. Interests in subsidiaries**

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 1:

<b>Name</b>	<b>Principal place of business / Country of incorporation</b>	<b>Ownership interest</b>	
		<b>2024</b>	<b>2023</b>
		%	%
ACA Insight Pty Ltd	Australia	100.00%	100.00%

**Australian Consumers' Association (CHOICE)**  
**Notes to the financial statements**  
**For the year ended 30 June 2024**

**Note 21. Events after the reporting period**

On 22 July 2024, CHOICE implemented a restructuring plan to enhance operational efficiency and reduce costs, which had been approved by the Board prior to balance date. This restructure resulted in the redundancy of certain staff positions across various departments. As part of the restructuring, redundancy payments amounting to approximately \$1,080,338 have been made to affected staff. These expenses relate to termination benefits and accrued leave entitlements, which include severance payments and other related costs. A provision was recognised within note 14 to the financial statements at balance date in relation to the restructuring plan.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

**Note 22. Members' Guarantee**

The Company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute to a maximum of \$1 each towards meeting any outstanding obligations of the Company. At 30 June 2024 the number of voting members was 7,631 (2023: 7,217). The combined total amount that members of the Company are liable to contribute if the Company is wound up is \$7,631.

**Note 23. Parent entity information**

Set out below is the supplementary information about the parent entity.

*Statement of profit or loss and other comprehensive income*

	<b>Parent</b>	
	<b>2024</b>	<b>2023</b>
	\$	\$
Deficit	(2,678,786)	(561,472)
Total comprehensive loss	(2,678,786)	(561,472)

*Statement of financial position*

	<b>Parent</b>	
	<b>2024</b>	<b>2023</b>
	\$	\$
Total current assets	12,260,397	13,867,875
Total assets	19,645,894	21,666,002
Total current liabilities	9,684,436	8,881,227
Total liabilities	10,535,695	9,877,017
Equity		
Accumulated surplus	9,110,199	11,788,985
Total equity	<u>9,110,199</u>	<u>11,788,985</u>

*Contingent liabilities*

Refer to note 15 for contingent liabilities concerning the parent entity.



**Australian Consumers' Association (CHOICE)**  
**Notes to the financial statements**  
**For the year ended 30 June 2024**

**Note 23. Parent entity information (continued)**

*Material accounting policy information*

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in notes, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

**Australian Consumers' Association (CHOICE)**  
**Consolidated entity disclosure statement**  
**As at 30 June 2024**

**Basis of preparation**

This consolidated entity disclosure statement has been prepared in accordance with the s295(3A)(a) of the *Corporations Act 2001* and includes the required information for Australian Consumers' Association and the entity it controls in accordance with *AASB 10 Consolidated Financial Statements*.

**Tax residency**

S295(3A)(vi) of the *Corporations Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency may involve judgement as there are different interpretations that could be adopted and which could give rise to different conclusions regarding residency.

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

*Australian tax residency*

Current legislation and judicial precedent has been applied, including having regard to the Tax Commissioner's public guidance.

Entity name	Entity type	Country of incorporation	Ownership	Tax residency
			interest %	
Australian Consumers' Association (CHOICE)	Company limited by guarantee	Australia	-	Australia
ACA Insight Pty Ltd	Body corporate	Australia	100.00%	Australia

**Australian Consumers' Association (CHOICE)**  
**Directors' declaration**  
**For the year ended 30 June 2024**

In the directors' opinion:

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

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

On behalf of the directors



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Nic Cola  
Director



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Samantha Challinor  
Director

30 September 2024

## **Independent Auditor's Report to the Members of Australian Consumers' Association**

### **REPORT ON THE AUDIT OF THE FINANCIAL REPORT**

#### **Opinion**

We have audited the financial report of Australian Consumers' Association ("the Company") and its controlled entity ("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, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- (a) 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
- (b) complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001*.

#### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the consolidated entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Information Other than the Financial Report and Auditor's Report Thereon**

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

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

### **Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the consolidated entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the consolidated entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the consolidated entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the consolidated entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the consolidated entity's audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

*HLB Mann Judd*

**HLB Mann Judd Assurance (NSW) Pty Ltd  
Chartered Accountants**

**Sydney, NSW  
30 September 2024**

A handwritten signature in black ink, appearing to read 'N J Guest'.

**N J Guest  
Director**