Consolidated Financial
HOLDINGS LIMITED

31 August 2022

Appendix 4E and Preliminary Financial Report

Consolidated Financial Holdings Limited (CWL or the Group) is pleased to announce its Appendix 4E and Preliminary Financial Report for the year ended 30 June 2022.

Other Business

Further to previous announcements, CWL has entered into a non-binding agreement to acquire an entity in the health care industry by way of a proposed transaction under Listing Rule 11.1. The Company will now undertake the procedures outlined in section 2.10 of Guidance Note 12 in relation to the proposed transaction.

CWL is aware of its continuous disclosure obligations under Listing Rule 3.1 and confirms that it is in compliance with its obligations.

For further information contact

Phillip Carter
Non-Executive Chairman
M +61 4 0695 9196

CONSOLIDATED FINANCIAL HOLDINGS LIMITED & ITS CONTROLLED ENTITIES
ACN 119 383 578

RESULTS FOR ANNOUNCEMENT TO THE MARKET
ASX APPENDIX 4E AND PRELIMINARY FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

1. Reporting Period

Current Reporting Year - For the year ended 30 June 2022
Previous Reporting Year – For the year ended 30 June 2021

2. Results for Announcement to the Market

	June 2022 ($)	June 2021 ($)	Change ($)	Change (%)
Revenue from ordinary activities	1,774	54,218	(52,444)	(96.73%)
Loss from ordinary activities after tax attributable to members from continuing operations	(368,308)	(941,836)	573,528	60.89%
Net loss after tax for the year attributable to members	(368,308)	(426,455)	58,147	13.63%

Earnings Per Share	**June 2022**	**June 2021**
Continuing Operations		
Basic earnings per share (cents)	(0.29)	(0.75)
Diluted earnings per share (cents)	(0.29)	(0.75)
Discontinued operations		
Basic earnings per share (cents)	-	0.41
Diluted earnings per share (cents)	-	0.41
Overall		
Basic earnings per share (cents)	(0.29)	(0.34)
Diluted earnings per share (cents)	(0.29)	(0.34)

Net Tangible Asset Backing	**June 2022**	**June 2021**
Net tangible assets per share (cents)	0.40	0.70

3. Financial Results

This report should also be read in conjunction with any public announcements made by Consolidated Financial Holdings Limited in accordance with the continuous disclosure requirements arising under the Corporations Act 2001 and ASX Listing Rules.

The information provided in this report contains all the information required by ASX Listing Rule 4.3A.

4. Dividends

The Group is not intending to pay a dividend in relation to the financial year ended 30 June 2022 and, at this stage, it is not intending to pay a dividend in relation to the financial year ending 30 June 2023.

5. Statement of profit or loss and other comprehensive income with notes

Refer to attached preliminary financial report.

6. Statement of financial position with notes

Refer to attached preliminary financial report.

7. Statement of changes in equity

Refer to attached preliminary financial report.

8. Statement of cash flows

Refer to attached preliminary financial report.

9. Segment results

The Company only has revenue and expenses that are corporate in nature.

10. Details of entities over which control has been gained or lost

The consolidated entity did not gain or lose control over any entities during the year ended 30 June 2022.

11. Details of associates and joint venture entities

The consolidated entity had no associates or joint venture entities during the year ended 30 June 2022.

12. Other factors

Refer to attached preliminary financial report.

13. Commentary on the results

The operating loss after tax from continuing operation for the year was $368,308 (2021: $941,836). The operating loss after tax includes due diligence expense of $92,189 (2021: $129,900) for which the Group was unfortunately the underbidder. Pursuant to a cost agreement with the vendor, $78,285 (2021: $nil) was recouped and offset against due diligence costs.

At the end of the period the Group had consolidated net assets of $439,235 (2021: $807,543), including cash reserves of $471,923 (2021: $836,869).

As previously announced, the Board continues to seek a compelling new operating business. Despite effort expended in the search, the board has committed to substantially reducing the cost of administering the Group where possible during this period, including a reduction in fees paid to all officeholders and advisers.

14. Status of audit and description of likely dispute or qualification

The attached preliminary financial report is in the process of being audited. No matters have arisen which would result in a dispute or qualification at this time and an unmodified audit report is expected to be issued with an emphasis of matter in relation to going concern.

Consolidated Financial

HOLDINGS LIMITED

Preliminary Financial Report

June 2022

Preliminary Financial Report

FOR THE YEAR ENDED 30 JUNE 2022

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2022

	Note	2022 $	2021 $
Interest income		1,774	16,718
Other income		-	37,500
Total other income from continuing operations		1,774	54,218
Less: Expenses			
Depreciation and amortisation	3	737	5,666
Employee benefits	4	86,500	418,386
Impairment of assets	3	-	6,394
Professional fees		132,428	296,997
Due diligence expenses	7	14,594	129,900
Finance costs	3	-	4,227
Other expenses		135,823	134,484
Total expenses		370,082	996,054
Net loss from ordinary activities before income tax from continuing operations		(368,308)	(941,836)
Income tax expense	5	-	-
Net loss for the year attributable to members of the parent entity from continuing operations		(368,308)	(941,836)
Profit from sale of discontinued operations – Chant West	6	-	515,381
Net (loss) / profit for the year attributable to member of the parent entity		(368,308)	(426,455)
Other comprehensive loss for the year, net of tax		-	-
Total comprehensive loss for the year, net of tax		(368,308)	(426,455)
Loss per share from continuing operations attributable to holders of ordinary shares:			
Basic (cents per share)	22	(0.29)	(0.75)
Diluted (cents per share)	22	(0.29)	(0.75)
Earnings per share from discontinued operations attributable to holders of ordinary shares:			
Basic (cents per share)	22	-	0.41
Diluted (cents per share)	22	-	0.41
Loss per share attributable to holders of ordinary shares:			
Basic (cents per share)	22	(0.29)	(0.34)
Diluted (cents per share)	22	(0.29)	(0.34)

The accompanying notes form part of these financial statements.

Statement of Financial Position

At 30 June 2022

	Note	2022 $	2021 $
Assets			
Current assets			
Cash and cash equivalents	9	471,923	839,869
Trade and other receivables	10	2,638	8,081
Other assets	11	18,580	22,559
Total current assets		**493,141**	**870,509**
Non-current assets			
Property, plant and equipment		738	1,475
Total non-current assets		**738**	**1,475**
Total assets		**493,879**	**871,984**
Liabilities			
Current liabilities			
Trade and other payables	12	47,334	57,131
Total current liabilities		**47,334**	**57,131**
Non-current liabilities			
Deferred tax liability	13	7,310	7,310
Total non-current liabilities		**7,310**	**7,310**
Total liabilities		**54,644**	**64,441**
Net assets		**439,235**	**807,543**
Equity			
Issued capital	14	7,892,194	7,892,194
Accumulated losses	17	(7,452,959)	(7,084,651)
Total equity		**439,235**	**807,543**

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2022

	Issued Capital $	Accumulated Losses $	Reserves $	Total Equity $
For the year ended 30 June 2021				
Balance at 1 July 2020	21,733,287	(6,658,196)	-	15,075,091
Loss for the year	-	(426,455)	-	(426,455)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	(426,455)	-	(426,455)
Return of capital payment	(13,841,093)	-	-	(13,841,093)
Total transactions with owners and other transfers	(13,841,093)	-	-	(13,841,093)
Balance at 30 June 2021	**7,892,194**	**(7,084,651)**	**-**	**807,543**
For the year ended 30 June 2022				
Balance at 1 July 2021	7,892,194	(7,084,651)	-	807,543
Loss for the year	-	(368,308)	-	(368,308)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	(368,308)	-	(368,308)
Total transactions with owners and other transfers	-	-	-	-
Balance at 30 June 2022	**7,892,194**	**(7,452,959)**	**-**	**(439,235)**

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 June 2022

	Note	2022 $	2021 $
Cash flows from operating activities			
Grants received		-	37,500
Payments to suppliers and employees		(355,126)	(1,517,462)
Interest received		1,774	16,718
Interest paid		-	(4,227)
Net cash used in operating activities from continuing operations	18	**(353,352)**	**(1,467,471)**
Net cash provided by operating activities from discontinued operations		-	415,165
Total net cash used in operating activities		**(353,352)**	**(1,052,306)**
Cash flows from investing activities			
Purchase of property, plant and equipment		-	(2,753)
Payments associated with business sales/acquisition		(14,594)	(124,840)
Net cash used in investing activities from continuing operations		**-**	**(127,593)**
Net cash used in investing activities from discontinued operations		-	(96,578)
Total net cash used in investing activities		**(14,594)**	**(224,171)**
Cash flows from financing activities			
Net cash used in financing activities from continuing operations		**-**	**-**
Net cash used in financing activities from discontinued operations		-	(13,841,093)
Total net cash used in financing activities		**-**	**(13,841,093)**
Net decrease in cash held		(367,946)	(15,117,570)
Cash and cash equivalents at beginning of financial year		839,869	15,957,439
Cash and cash equivalents at end of financial year	9	**471,923**	**839,869**

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

This preliminary financial report has been prepared in accordance with the requirements of the Australian Securities Exchange listing rules.

This preliminary financial report does not constitute the full financial report for the year ended 30 June 2022.

1. Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The Group's functional currency is Australian dollars.

2. Summary of Significant Accounting Policies

a. Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Consolidated Financial Holdings Limited) and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it 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 over the entity. A list of the subsidiaries is provided in Note 24.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is obtained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included.

All transaction costs incurred in relation to business combinations, other than those associated with the issue of a financial instrument, are recognised as expenses in profit or loss when incurred.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

Goodwill

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

(i) the consideration transferred;
(ii) any non-controlling interest (determined under either the full goodwill or proportionate interest method); and
(iii) the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of net identifiable assets acquired.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Fair value re-measurements in any pre-existing equity holdings are recognised in profit or loss in the period in which they arise. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units, representing the lowest level at which goodwill is monitored and not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed of.

Changes in the ownership interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions and do not affect the carrying amounts of goodwill.

b. Income Tax

The income tax expense (income) for the year comprises current income tax expense and deferred tax expense.

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised. Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (i) a legally enforceable right of set-off exists; and (ii) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

The Company and its wholly owned Australian controlled entities formed a tax consolidated group at 1 May 2015, which included Consolidated Financial Holdings Limited as the head entity and the following subsidiaries: Enzumo LMS Pty Ltd, Enzumo Consulting Pty Ltd and Enzumo Corporation Pty Ltd. On 1 December 2015 the acquisition of Consolidated Financial Holdings (Australia) Pty Ltd by Consolidated Financial Holdings Limited resulted in Consolidated Financial Holdings (Australia) Pty Ltd joining the tax consolidated group on that date. On 5 May 2019, Enzumo LMS Pty Ltd was voluntarily deregistered resulting in Enzumo LMS Pty Ltd leaving the tax consolidated group on that date. On 17 June 2020, Enzumo Corporation Pty Ltd and Enzumo Consulting Pty Ltd were sold and effectively left the tax consolidated group on that date.

c. Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard. Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

d. Property, Plant and Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 2(f) for details of impairment).

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

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

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

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate - years
Office Equipment	2-15 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise.

e. Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instruments and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

(i) Financial assets at amortised cost
(ii) Financial assets at fair value through profit or loss (FVPL)
(iii) Debt instruments at fair value through other comprehensive income (FVOCI)
(iv) Equity instruments at fair value through other comprehensive income (Equity FVOCI)

Classifications are determined by both:

(i) The entity's business model for managing the financial asset
(ii) The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within credit losses.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

(i) they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
(ii) the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

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

The Group does not have any assets in the categories FVPL, FVOCI and Equity FVOCI as defined in the Standard and as such has not disclosed a specific policy with regards to these classifications.

Impairment of financial assets

AASB 9's impairment model uses more forward-looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. The application of the impairment model depends on whether there has been a significant increase in credit risk.

Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assesses impairment of trade receivables on a collective basis as they possess similar credit risk characteristics regardless of the number of days past due. The Group allows 0% for trade receivables based on the Group's impeccable record of collecting its outstanding debts combined with highly reputable clients and improvement in the receivable collection procedures.

All financial assets are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Trade and other payables are measured at amortised cost. Gains or losses are recognised in profit or loss when the financial liability is derecognised.

f. Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the asset's value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

g. Employee Benefits

Short-term employee benefits

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

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position. The Group's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

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

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

Termination benefits

When applicable, the Group recognises a liability and expense for termination benefits at the earlier of: (i) the date when the Group can no longer withdraw the offer for termination benefits; and (ii) when the Group recognises costs for restructuring pursuant to AASB 137: *Provisions, Contingent Liabilities and Contingent Assets* and the costs include termination benefits. In either case, unless the number of employees affected is known, the obligation for termination benefits is measured on the basis of the number of employees expected to be affected. Termination benefits that are expected to be settled wholly before 12 months after the annual reporting period in which the benefits are recognised are measured at the (undiscounted) amounts expected to be paid. All other termination benefits are accounted for on the same basis as other long-term employee benefits.

Equity-settled compensation

The Group operates an employee share and option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Binomial model and the fair value of performance right is determined using the Monte Carlo model (Tranche 1 and 2) and Vesting Prediction (Tranche 3 and 4). The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

h. Provisions

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

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

i. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are reported within borrowings in current liabilities on the statement of financial position.

j. Revenue and Other Income

Interest income

Interest income is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

Government grant income

Government grants are recognised at fair value where there is a reasonable certainty that the grant will be received upon meeting all grant terms and conditions.

(i) R&D grant income

Grants that are meant to fund expenditure on research and development are recognised over the periods when these costs are recognised in profit or loss. Grants related to assets are carried forward as deferred income at fair value and are credited to other income over the expected useful life of the asset over a straight-line basis.

(ii) Cashflow boost

Grants that are meant to fund employee expenditure as part of the Government's COVID business support are recognised on cash receipt basis in profit and loss.

k. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

l. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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 ATO is included with other receivables or 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

m. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit/(loss) attributable to equity holders of the entity, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus share issued during the year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

n. Parent entity financial information

The financial information for the parent entity, Consolidated Financial Holdings Limited, disclosed in Note 26 has been prepared on the same basis as the consolidated financial statements except for investments in subsidiaries which are accounted for at cost less accumulated impairment losses in the financial statements of the parent entity.

o. Segment Reporting

As a result of the sale of Chant West and Enzumo businesses, and in light of the prior year figures being adjusted in line with the requirements set out in AASB 5: Non-current Assets Held for Sale and Discontinued Operations, the Group now only has one segment being the corporate entity.

p. Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements 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 Group.

Key estimates

(i) Recovery of deferred tax assets

A tax loss has been recognised as deferred tax assets to offset movements in deferred tax liabilities. No further tax losses have been recognised due to the uncertainty in relation to the timing of the losses being utilised in the future.

(ii) R & D grant income

The company has received R & D grant income of $433,737 for the year ended 30 June 2021 from the Australian Taxation Office. Pursuant to AASB 120, the full amount has been recognised as income.

q. Going Concern Basis of Accounting

The Group incurred a loss after tax of $368,308 for the year ended 30 June 2022 (2021: $426,455), the group had cash outflow from continuing and discontinued operations of $367,946 (2021: $15,117,570) and the directors are satisfied the Company is a going concern.

The directors have assessed the cash requirements of the Company and believe the Company will be able to realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report post distribution and, accordingly, have prepared the financial report on a going concern basis.

3. Profit or loss from continuing operations before income tax

	Note	2022 $	2021 $
Profit or Loss before income tax has been arrived at after charging the following:			
Finance Costs			
Interest Expense		-	4,227
Other items of expense			
Depreciation expense		737	5,666
Impairment of assets		-	6,394

4. Employment costs from continuing operations

Employee benefits comprises of the following items:		
Directors fees	86,500	314,877
Other employee expenses	-	103,509
	86,500	418,386

5. Income tax

(a) Income tax recognised in profit or loss:

The prima facie income tax expense on pre-tax accounting profit or loss from continuing operations reconciles to income tax expense in the financial statements as follows:

		2022 $	2021 $
Profit/ (Loss) before income tax expense		(368,308)	(941,836)
Prima facie income tax at 25% (2021: 26%)		(92,077)	(244,877)
Non-deductible items		11,102	13,372
Non assessable income		(19,470)	(37,632)
Recognition of temporary differences as a deferred tax asset		3,608	12,573
Income tax losses not recognised as a deferred tax asset		87,872	(473,710)
Income tax losses recognised as a deferred tax asset	(i)	8,965	730,274
Income tax (benefit) / expense		-	-

(i) A deferred tax asset relating to tax losses has been recognised amounting to $8,965 (gross $35,860), further tax losses exist that have not been recognised as a deferred tax asset. The deferred tax asset has been netted off against the deferred tax liability.

(b) Unrecognised deferred tax balances

The following temporary difference balances have not been recognised in the accounts:

	2022 $	2021 $
Income tax losses	87,872	(473,710)
	87,872	(473,710)

The taxation benefits of losses and temporary differences not brought to account will only be obtained if:

(i) The Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from deductions to be realised;
(ii) The Group continues to comply with the conditions for deductibility imposed by law; and
(iii) No changes in tax legislation adversely affect the Group's ability to realise the benefit of deductions.

6. Discontinued operations

Sale of Chant West

On 30 June 2020, the Group disposed of its business in superannuation research and consultancy business, Chant West, for total consideration of $12,000,000. Consequently, assets and liabilities allocable to Chant West were classified as a disposal group. Revenue and expenses, gains and losses related to the discontinuation of this subgroup have been eliminated from profit or loss from the Group's continuing operations and are shown as a single line item in the statement of profit of loss.

Operating profit of Chant West until the date of disposal and the profit or loss from re-measurement and disposal of assets and liabilities classified as discontinued operations are summarised as follows:

	2022 $	2021 $
Revenue from customers	-	-
R&D grant income	-	433,737
Interest revenue	-	-
Other income	-	-
Total revenue and other income	-	433,737
Depreciation & amortisation	-	-
Employee remuneration	-	(98,528)
Finance costs	-	-
IT expenses	-	-
Marketing	-	-
Other expenses	-	-
Professional fees	-	16,884
Rent and outgoings	-	-
Total expenses	-	(81,644)
Profit before income tax expense	-	515,381
Income tax expense	-	-
Profit after income tax expense	-	515,381
Profit on disposal before income tax	-	-
Income tax expense	-	-
Profit on disposal after income tax expense	-	-
Profit after income tax expense from discontinued operations	-	515,381

All of the assets and liabilities have been disposed of in this transaction. The carrying amounts of assets and liabilities in this disposal group are $nil.

7. Due diligence expenses

	2022 $	2021 $
Due diligence expenses	14,594	129,900

Due diligence expense of $92,879 was associated with a potential opportunity for which the Group was unfortunately the underbidder. Pursuant to a cost agreement with the vendor, $78,285 was recouped and offset against due diligence costs. For further information, please refer to the Company's announcements on the ASX.

8. Remuneration of auditors

	2022 $	2020 $
Parent and consolidated entity auditor		
Audit and audit review of financial reports	55,500	68,000
Financial and taxation due diligence	-	43,000
	55,500	111,000

9. Cash and cash equivalents

	2022 $	2021 $
Cash at bank and on hand	471,923	839,869
	471,923	839,869

10. Trade and other receivables

	2022 $	2021 $
Current		
GST receivable	2,638	8,081
	2,638	8,081

11. Other assets

	2022 $	2021 $
Current		
Prepayments	18,580	22,559
	18,580	22,559

12. Trade and other payables

	2022 $	2021 $
Current		
Trade payables	3,049	11,553
Sundry payables & accruals	44,285	45,578
	47,334	57,131

The average credit period on purchases is 30 days. No interest is charged on the trade payables. The Group has financial risk management policies in place to ensure that all payables are paid within terms.

13. Deferred tax

	Opening balance $	Charge to income $	Closing balance $
Non - Current			
Deferred tax liabilities (i)			
Black hole expenditure	(8,703)	8,703	-
Provisions and accruals	(11,180)	262	(10,918)
Tax losses	27,193	(8,965)	18,228
Balance at 30 June 2021	7,310	-	7,310

(i) Deferred tax assets have been netted off against deferred tax liabilities for disclosure purposes.

14. Issued capital

(a) Share capital

	2022 $	2021 $
Fully paid ordinary shares	7,892,194	7,892,194

(b) Movement in fully paid ordinary shares

Date	Details	Number of Shares	$ per Share	$
30/06/2020	Balance at end of period	125,827,798		21,733,287
080/9/2020	Return of capital payment	-	0.11	(13,841,093)
30/06/2021	Balance at end of period	125,827,798		7,892,194
30/06/2022	Balance at end of period	125,827,798		7,892,194

(c) Terms and conditions of fully paid ordinary shares

(i) Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on shares held.

(ii) On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote and on a poll each share is entitled to one vote.

(i) Ordinary shares have no par value and the company does not have limited amount of authorised capital.

15. Options over unissued shares

There are no options over unissued shares at 30 June 2022.

16. Performance rights over unissued shares

There are no performance rights over unissued shares at 30 June 2022.

17. Accumulated losses

	2022 $	2021 $
Balance at beginning of year	(7,084,651)	(6,658,196)
Loss for the year	(368,308)	(426,455)
Balance at end of year	(7,452,959)	(7,084,651)

18. Dividends

No dividends have been paid or declared for the year ended 30 June 2022. Reconciliation of cash flows from operating activities

	2022 $	2021 $
Loss for year	(368,308)	(941,836)
Adjusted for:		
Depreciation and amortisation	737	5,666
Impairment	-	6,394
	(367,571)	(929,776)
Add (deduct) net changes in working capital (net of acquisition):		
Change in trade receivables	5,443	(8,081)
Change in other assets	3,979	82,588
Change in trade and other payables	4,797	(612,202)
Net cash inflow from operating activities	**(353,352)**	**(1,467,471)**

19. Financial assets and liabilities

The carrying amounts of each category of financial asset and liability, as detailed in the accounting policies are as follows:

	Carried at amortised cost $	Total $
Year ended 30 June 2022		
Financial assets		
Cash and cash equivalents	471,923	471,923
Trade and other receivables	2,368	2,368
Total financial assets	474,561	474,561
Financial liabilities		
Trade payables	47,334	47,334
Total financial liabilities	47,334	47,334
Net financial assets	427,227	427,227
Year ended 30 June 2021		
Financial assets		
Cash and cash equivalents	839,869	839,869
Trade and other receivables	8,081	8,081
Total financial assets	847,950	847,950
Financial liabilities		
Trade payables	57,131	57,131
Total financial liabilities	57,131	57,131
Net financial assets	790,819	790,819

20. Financial instruments and risk management

(a) Risk management objectives and policies

The Group's principal financial instruments comprise cash and cash equivalents. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

Through these instruments the Group is exposed to various risks, the main risk types being market risk, credit risk and liquidity risk. An analysis of the Group's exposure management to these risks follows.

The Group's risk management is coordinated in close cooperation with the Board of Directors, and focuses on actively securing the Group's short to medium-term cash flows by minimising the exposure to financial markets.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write uncovered options.

A discussion and analysis of each of the key areas of the Company's financial risk management framework follows.

(b) Market risk management

The Group is exposed to market risk through its use of financial instruments and specifically to currency risk and interest rate risk, which result from its operating activities.

Interest rate risk

The Group's exposure to the risks of changes in market interest rates relates primarily to the Group's short-term deposits with floating interest rates. These financial assets with variable rates expose the Group to cash flow interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing. The Group does not engage in any hedging or derivative transactions to manage interest rate risk.

At the reporting date a 10% variation up or down in short term interest rates (with all other variables held constant) would have varied after the tax result and equity for the year by an immaterial amount.

(c) Credit risk management

Credit risk arises in the event that a counterparty will not meet its obligations under a financial instrument leading to financial losses. The Consolidated Group is exposed to credit risk from its operating activities and financing activities, including deposits with banks and trade receivables. Cash balances are held in financial institutions with high ratings, primarily the Australian Big 4 banks. The entity has assessed that there is minimal risk that the cash balances are impaired. Trade receivables are reviewed for impairment by a process of specific identification and appropriate allowance made for credit losses as required.

(d) Liquidity risk management

The group is exposed to liquidity risk by having to maintain sufficient cash reserves to close out trade and other payable obligations in a timely manner and manages this risk by maintaining sufficient cash reserves and through regular rolling forecasts of cash flows. The entity aims at maintaining flexibility in funding by having plans in place to source additional capital as required.

The following table details the Consolidated Entity's non-derivative financial instruments according to their contractual maturities. The amounts disclosed are based on contractual undiscounted cash flows.

	2022 $	2021 $
Contracted maturities of payables at reporting date:		
Less than 6 months	47,334	57,131
	47,334	57,131

(e) Capital risk management

When managing capital (shareholder equity), management's objective is to ensure the entity continues as a going concern in addition to providing optimal returns to shareholders and benefits for other stakeholders.

In order to maintain or adjust the capital structure, the entity may adjust the amount of dividends paid to shareholders, return capital to shareholder, issue new shares, enter into joint ventures or sell shares. The entity does not have a defined share buy-back plan.

There is no current intention to incur debt funding on behalf of the Company. The Group is not subject to any externally imposed capital requirements.

21. Contingent liabilities

The Company and the Group had contingent liabilities at balance date in respect of:

Indemnities

Indemnities have been provided to directors and certain executive officers of the consolidated Group in respect of potential liabilities to third parties arising from their positions. No monetary limit applies to these agreements and there are no known liabilities still outstanding as at 30 June 2022 (2021: Nil).

22. Earnings per share

	2022 $	2021 $
Loss per share from continuing operations attributable to holders of ordinary shares:		
Basic (cents)	(0.29)	(0.75)
Diluted (cents)	(0.29)	(0.75)
The loss attributable to shareholders of the Company and used in the calculation of losses per share from continuing operations:		
Basic	(368,308)	(941,836)
Diluted	(368,308)	(941,836)
Weighted average number of ordinary shares outstanding during the year used in the calculation of earnings per share:		
Basic	125,827,798	125,827,798
Diluted	125,827,798	125,827,798
Earnings per share from discontinued operations attributable to holders of ordinary shares:		
Basic (cents)	-	0.41
Diluted (cents)	-	0.41
The profit attributable to shareholders of the Company and used in the calculation of losses per share from discontinued operations:		
Basic	-	515,381
Diluted	-	515,381
Weighted average number of ordinary shares outstanding during the year used in the calculation of earnings per share:		
Basic	125,827,798	125,827,798
Diluted	125,827,798	125,827,798

Loss per share attributable to holders of ordinary shares:		
Basic (cents)	(0.29)	(0.34)
Diluted (cents)	(0.29)	(0.34)
The loss attributable to shareholders of the Company and used in the calculation of losses per share from operations:		
Basic	(368,308)	(426,455)
Diluted	(368,308)	(426,455)
Weighted average number of ordinary shares outstanding during the year used in the calculation of earnings per share:		
Basic	125,827,798	125,827,798
Diluted	125,827,798	125,827,798
Options and performance rights on issue not used in the calculation of diluted loss per share:	-	-

(a) At the report date the company had no (2021: nil) unlisted options over unissued ordinary shares on issue. These options are not considered to be dilutive as their exercise price was higher that the Company's share price on the reporting date.

23. Related party transactions and disclosures

(a) Parent entity

The parent entity within the Group is Consolidated Financial Holdings Limited. The parent entity's interests in subsidiary companies are set out in Note 24.

(b) Transactions with key management personnel

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

(c) Key management personnel compensation

The aggregate compensation of Directors is set out below:

	2022 $	2021 $
Short-term employment benefits	83,727	306,208
Post-employment benefits	2,773	8,849
Share-based payments	-	-
	86,500	314,877

(d) Equity-based payments

There was no equity settled transaction during the year ended 30 June 2022.

24. Subsidiaries

	Country of Incorporation	Ownership interest 2022 %	Ownership interest 2021 %
Parent entity			
Consolidated Financial Holdings Limited	Australia		
Subsidiaries			
Consolidated Financial Holdings (Australia) Pty Ltd	Australia	100	100
Goldminex Resources (PNG) Limited (i)	Papua New Guinea	100	100

(i) Goldminex Resources (PNG) Limited is a dormant entity with neither assets or external liabilities at the reporting date and did not contribute to the operating result for the year.

25. Segment reporting

As a result of the sale of Chant West and Enzumo in the 2020 financial year, and in light of the prior year figures being adjusted in line with the requirements set out in AASB 5: Non-current Assets Held for Sale and Discontinued Operations, the Group now only has one segment being the Corporate entity.

26. Parent entity information

(a) Summary of financial information

	2022 $	2021 $
Statement of Financial Position		
Current assets	47,227	268,390
Non-current assets	589,817	590,553
Total assets	637,044	858,943
Current liabilities	31,612	30,943
Non-current liabilities	-	-
Total liabilities	31,612	30,943
Share capital	52,625,099	52,625,099
Accumulated losses	(52,109,638)	(51,797,099)
Shareholders' equity	515,461	828,000
Statement of Comprehensive Income		
Operating (loss) / profit for the year	(312,539)	1,832,893
Total comprehensive expense	(312,539)	(901,512)

(b) Guarantees entered into by the parent entity

The parent entity has not provided financial guarantees to external parties.

(c) Contingent liabilities

The parent entity did not have any contingent liabilities as at 30 June 2022 or 30 June 2021.

(d) Contractual commitments for the acquisition of property, plant or equipment

The parent entity did not have any contractual commitments for the acquisition of property, plant or equipment as at 30 June 2022 or 30 June 2021.

(e) Receivables from subsidiaries

Receivables from entities within the wholly owned group arise from Consolidated Holdings Limited funding development and other significant items of expenditure for its subsidiaries. The non-interest bearing intercompany loan is repayable when the subsidiary is in a financial position to repay. Due to the nature of the receivable balances, no collateral or security is held.

Management has assessed the recoverability of the parent entity loans from its subsidiaries and a debts forgiveness for $nil was received as at 30 June 2022 (2021: $12,009,054).

(f) Events subsequent to balance date

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.