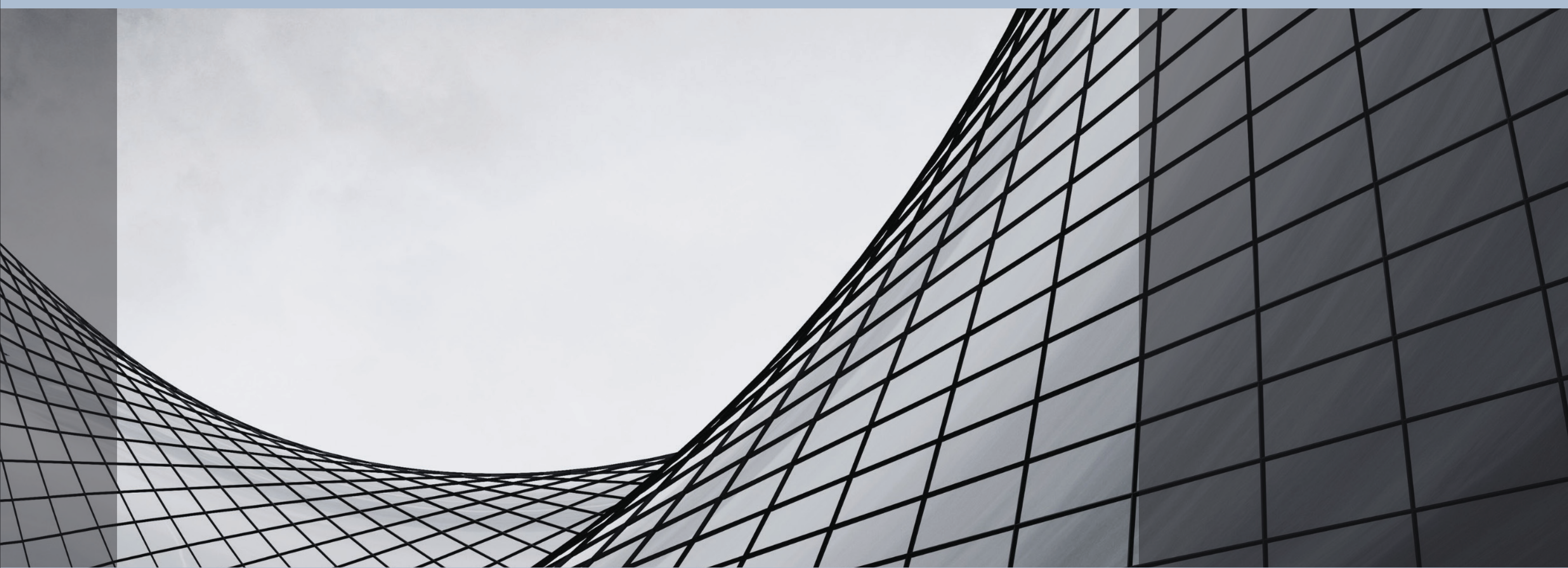
2023-2024

ANNUAL REPORT



Income Asset Management Group Limited.

IAM
INCOME ASSET MANAGEMENT

Contents

About

IAM is a full service investment house, focused on income investments including deposits, bonds and loans.

Our vision

"To be a leading player in the Australian capital markets, providing innovative and client-focused solutions for investors."

Our people

"We only hire the best people who are recognised as being highly skilled in their field. Our leaders lead by example, emphasising ethical and transparent behaviour at all times."

Our business model

"We efficiently supply vanilla investment grade bonds for income focused investors.
We look to bring interesting deals with good risk/return metrics, and we bring boring deals in interesting ways.
We also bring liquidity in high yield and bank loan markets, where this didn't exist previously."
— Jon Lechte, CEO

2024 Highlights

In the financial year 2024 we sought to simplify our business structure and invest in our core fixed income distribution capability. We reduced staff in administration where possible and we closed our Funds Distribution division. We added experienced client facing fixed income staff to widen the breadth of our coverage. To further simplify the business going forward, we took the opportunity to write down legacy technology and our investment in Alpha Vista Financial Services.

Going into FY25 we have boosted the distribution team and are now at a scale to cover the rapidly growing list of clients. Our main focus is selling investment-grade 'over-the-counter' (OTC) bonds, which constitutes almost 80% of our turnover. Higher yielding bank arranged loans and unrated bonds remain an important additional offering that provide clients with a relatively low risk but higher yield return.

Our cost base settled in FY24 at circa $21m, a number that supported expected deal flow and enabled our continued business growth to scale. To speed the transition from a loss-making organisation to being cleanly profitable, we have decided to outsource our administrative processes to a leading provider. Once completed, we expect our bottom line to improve by circa $4-5m net from cost savings while also being able to add recurring revenue from administration fees. We finished FY24 with an annualised quarterly revenue run-rate of $16m. We fully expect to improve on that this year, but even at that run-rate, we would be profitable following this switch to externalise our administrative processes.

The business has sustained significant losses in FY24, expenses increased in both cash and non-cash items. Some explanation is required of each.

Cash items:

With revenue from outside of Capital Markets not evolving quickly enough, we moved to reduce costs in all but our core Capital Markets business. We also invested in new revenue writers, requiring significant employment costs. Redundancy and these employment costs have added to employment costs in the year.

Non-cash items:

We have decided to fully accelerate the depreciation of the legacy IT system we inherited from Cashwerkz. It requires ongoing maintenance and improvements that we do not feel leads to a commercial outcome. We also decided to write down the investment in fund manager Alpha Vista, the company Tactical Global Management (TGM) was folded into, as our focus is not on Funds Management. We felt it prudent to write this investment down to zero, despite it potentially being valuable in the future.

Given this backdrop, throughout FY24 we have been exploring options to externalise administration and custody for client assets, and for our cash and deposit offering. This will allow us to focus on our core business of bond and loan distribution and origination while providing our clients with a best-in-class back-end service offering. We expect to announce the result of this work as we select the final potential provider.

The total of our non-cash write downs was $3.2m for the Cashwerkz technology and $3.8m for the investment in Alpha Vista.

What will change in FY25?

- The alternative platforms we have been researching will provide us with a far superior client experience and administration platform while reducing our need to provide these services directly in a sub-scale manner. **We expect a cost reduction of between $4m and $5m from this change.** This is a very significant moment in IAM's history as we have achieved scale and can now take advantage of this by moving our client administration to a larger platform that values our size commercially.

- We also expect far **greater scalability**, to cope with our significant growth in client numbers and turnover. With the larger sales team, coupled with the increasing number of partner firms working with us, we expect to grow very significantly.

In summary, we expect to reduce cash costs to circa $16m and increase revenue significantly from this year's $14m (and the $16m run-rate) based upon recent quarters. This means with our new cost base going forward, even if we maintain the run-rate of late FY24 into FY25 we will be cashflow profitable. Of course, we expect revenue to grow significantly.

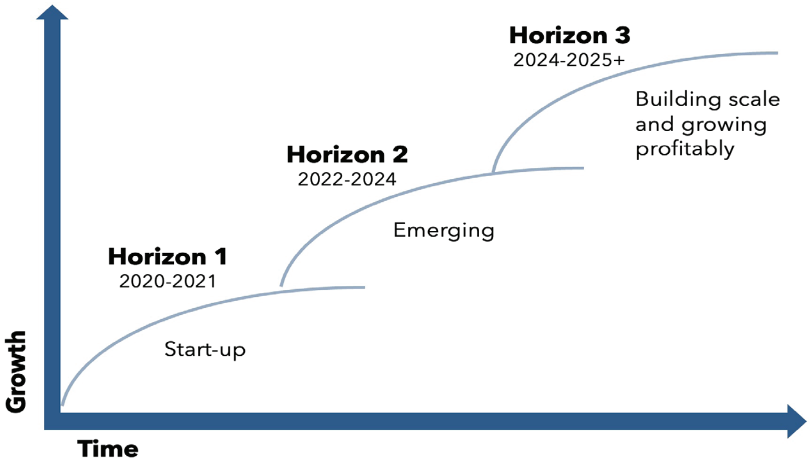
For deeper understanding, see Q&A on page 15.

We remind readers of our short operational history:

- **2020-21 Horizon 1** - a start-up operation. Hiring fixed income expertise into the (then) under-scaled cash deposit and fixed income business and exiting most of the incumbent staff.

- **2022-24 Horizon 2** – a building phase. Needing primary debt capital markets (DCM) to cover costs while we were building client numbers and funds under advice (FuA). Due to a heavy reliance on lumpy income, this exposed us to markets vagaries as in Q1FY24.

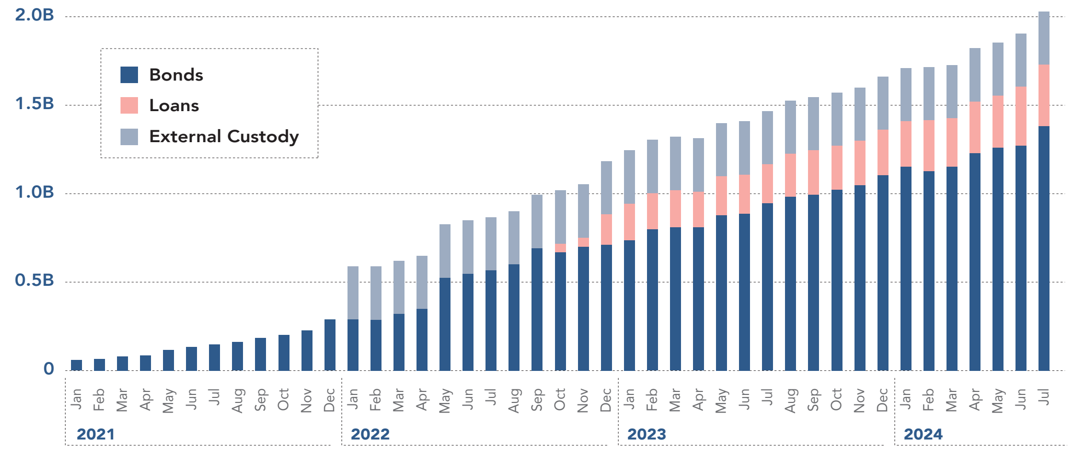
- **FY25 Horizon 3** - having the client numbers, staff, Assets Under Administration (AuA) and energy to build a sustainably profitable business. We have scaled our business model and cleared the decks of legacy redundant technology assets and written down legacy financial assets, to focus on the core business. The pathway ahead is clear and exciting, with a growing list of financial services firms believing us when we say that we are the firm to finally bring transparency, honesty and product expertise, to direct fixed income investors.



FY24 was one of consolidation and a pivot back to our core competency – that of selling the best fixed income assets available to clients seeking to control some of their investments outside of a managed fund.

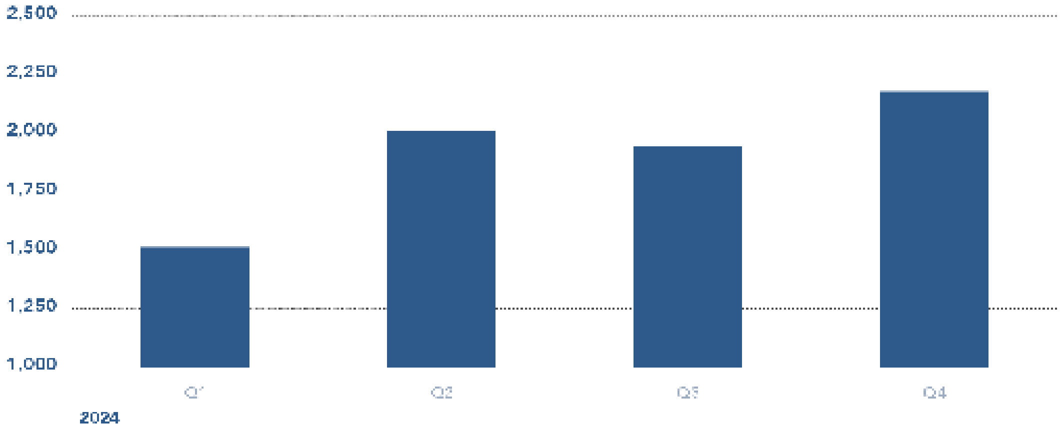
- We added $500m of bonds and loans to our Capital Markets AuA in FY24 and another $120m in July 2024, the total is now over $2bn.

AUA (Custody and Non Custody) – Monthly



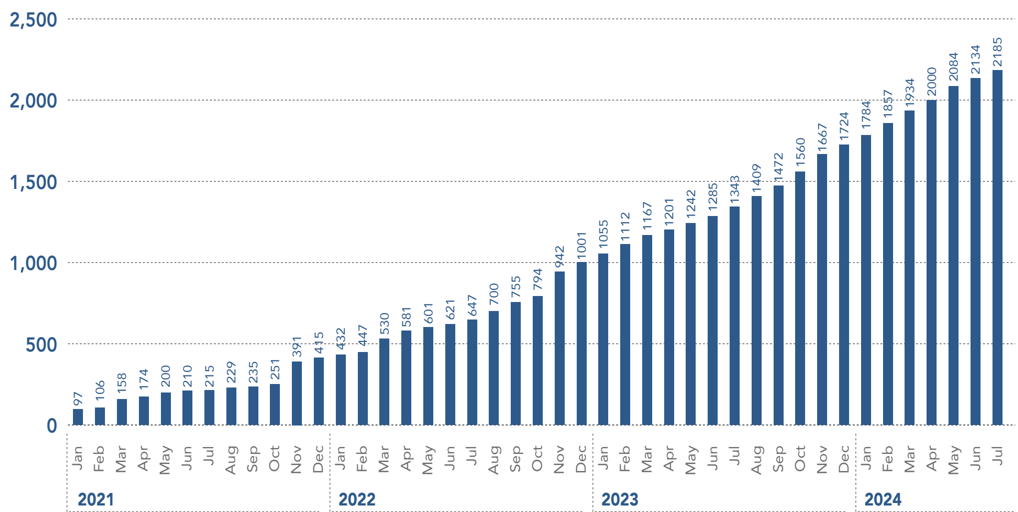
- The processed number of trades increased by 1000 this year and it is encouraging to note that since the expansion of our sales team, our trade count has increased from an average of 635 per month in FY23, to 820 trades in FY24 - and July 2024 recorded nearly 1100 individual trades.

Bond Trading – Quarterly Volumes (Trade Count)



- We welcomed 850 new clients in FY24, up from 665 the previous year.

Client Accounts – Cumulative



Chairman's report

John Nantes, Executive Chairman

On behalf of the board of directors (Board) of Income Asset Management Group Limited (IAM), I am pleased to present the Annual Report of the company and its controlled entities (Group) for the financial year ended 30 June 2024, and to update you on our progress, performance and outlook.

The financial year (FY) ending 30 June 2024 saw IAM achieve similar revenue to the previous financial year and a continual refining of the business model, which helped grow client numbers and our total assets under advice (AUA) of loans, bonds and cash. We finished the year with $4m in revenue Q4 FY24, or a $16m run-rate. Importantly the revenue in calendar 2024 has been mostly derived from secondary trading with a growing list of clients. IAM experienced an extremely tough Q1 FY24 due to challenging conditions in global debt markets, which impacted the whole sector. IAM responded to this with improved revenue per quarter, following a capital raise of $4m in Q2 FY24. IAM additionally invested in more client-facing staff, adding seven experienced Fixed Income salespeople who have already made a difference to revenue – and a cultural boost going into FY25.

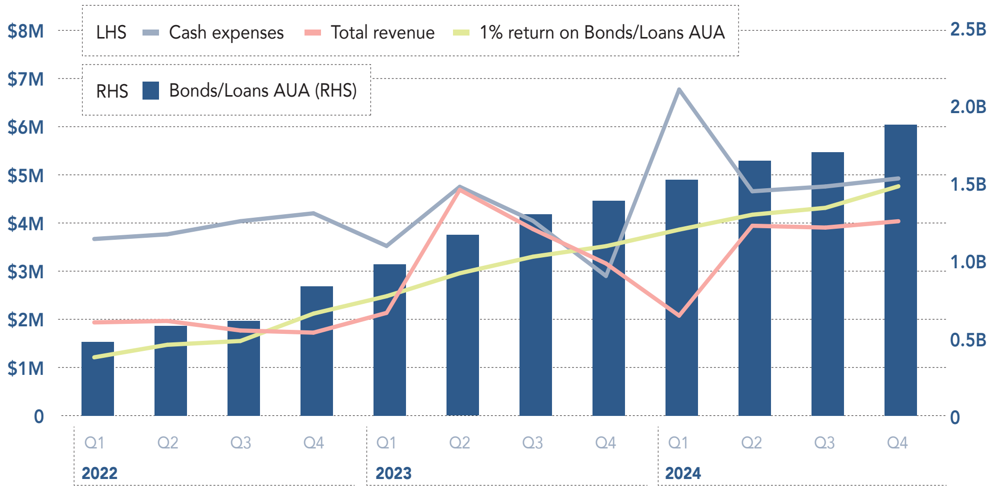
IAM's costs increased year on year, primarily driven by the aforementioned new hires, general wage increases and redundancy payments. With the investment in people and structures completed, we will continue to look for synergies through partnerships. As noted above, we have taken the step to move our operations to an external platform and this will save more than $4m per annum once completed. To achieve this economically, we had to get to a scaled size, 2000+ clients and close to $2bn in Capital Market AuA.

IAM experienced the revenue volatility expected of a new entrant trying to disrupt the incumbent brokers. However, in Q4 FY24 we were able to pivot to more consistent reliable income from regular deal flow, with less focus on large one-off Debt Capital Market (DCM) deals. This places IAM extremely well going into Q1 FY25. It has taken us four years to achieve scale, we believe we will avoid the fluctuations of previous years due to the growing number of clients, higher total AUA, investment in client-facing staff, and the subsequent increased trading activity we are seeing.

Over the year, we achieved:

- AuA growth – $3.1b to $3.69b in total AuA. A 19% YOY increase.
- Client numbers – 1304 to 2153. A 65% YOY increase.
- Sales FTE – ratio of total staff moved from 41% to 53.5%. Total FTE numbers declined by 2, to 54 people.
- Revenue – relatively flat YOY, $13.85m to $14m, after a Q1 FY24 market impact.

AUA Growth, Revenue and Cash Expenses



- Cash costs – growth in cash costs, from circa $17m to $21m from investment in people and a completely new sales mix. To operate successfully IAM has invested in its people, compliance and processes and now has critical mass going into FY25. Our largest step has then been leveraging our scale to create better unit economics with an external platform provider rather than house custody and settlements on our own internal system. While we wanted to move faster, we reviewed a shortlist of possible providers and are completing our due diligence to make the right decision for our clients and business. Significant cost out and recurring revenue upside comes from this key improvement.
- National footprint with the addition of Perth, adding to our strong Melbourne, Sydney, Brisbane and Adelaide presence.

Board and Governance

The IAM Board introduced Mr Simon Maidment as a Non-Executive Director during the year with Mr Brook Adcock and Ms Fiona Dunn retiring from the Board. Additionally, Mr Cameron Coleman was promoted to Chief Operating Officer while maintaining his General Counsel role. The Board will continue to review Director requirements in FY25 to ensure appropriate financial services experience and oversight is maintained given the size of the business now and what lies ahead. While the Board lost the experience of Ms Dunn and Mr Adcock, who had been a Non-Executive Director since the company merged with Trustees Australia (2017), the addition of Mr Maidment and the restructuring of General Counsel and Operations have added greatly to the strength of the company and its ability to govern complicated AFSL and ASX requirements for a company like IAM.

IAM through IAM Capital Markets and Trustees Australia holds two AFSL licences and holds quarterly Audit, Risk, and Compliance Committee meetings, ensuring key personnel from within the business and Board Directors meet compliance requirements ongoing. Additionally, Directors, KMP's and Senior Executives are Responsible Managers across the business to further ensure compliant oversight. Ms Alex Coleman continues to be the independent Chairperson of Trustees Australia with selected Directors, KMP and Senior Executives being Directors of that fully owned subsidiary.

IAM takes cyber security very seriously, contracting external providers to provide oversight, testing, and reviews of our systems and controls. We also require all staff to be regularly trained on cyber security as a condition of their employment, in addition to standard financial services training required under our licences. IAM also has in place the appropriate Whistleblower requirements, AFSL Audit requirements, Information Barrier requirements, and Breach Reporting/Action Requirements.

Positioned for the future

Our Group is extremely focused on growing revenue in FY25, while restricting our cost base, a target highly achievable now we have much higher levels of client numbers, AuA and distribution partners. Termed "Horizon 3" by our CEO, Jon Lechte, the pivots we made to move past our 'growing pains' place us well into FY25. At almost $4bn total AuA, 20+ sales staff, and over 2000 wholesale clients we are confident about our trajectory. Add to that the circa $4m cost out we are about to experience and we have achieved a significant inflection point in our journey. Only a few years ago we had few clients and little AuA in capital markets and had a small Cash Markets business. We now head to $4bn in combined AuA and have the ability to leverage our scale now to become profitable and sustainable.

I would like to thank the Board, Vanessa Chidrawi our Company Secretary, and all of our Staff involved in the Governance and Compliance of our business for their dedication, thought leadership and time put in to building IAM the right way. The Board would also like to sincerely thank Jon Lechte, our CEO, and his entire team for their contribution, passion and pursuit in making IAM the leader in Fixed Income in Australia for our chosen sectors. Lastly, thank you to our shareholders who continue to support our trajectory which has come a long way, we continue to work hard for you and thank you for your support.

John Nantes, Executive Chairman

Chief Executive Officer's report

Jon Lechte, CEO

FY24 has seen IAM refocus on our core capability of delivering direct fixed income to our clients in a transparent and cost-efficient manner. Where we can, we have cleared the decks of other distractions.

- In early FY24 the Funds Distribution business was closed as the timeframe to profitability was not sensible.
- We have written down the asset value of our existing deposit technology. We are still using this technology for now but have plans to improve client experience and deliver further cost efficiency.
- We have written down the investment in Alpha Vista Financial Services (AV). This is a legacy of our investment in Tactical Global Management which was folded into AV. While that business may flourish in the future, we do not want to carry it as an asset on our balance sheet.
- Revenue has been growing each quarter with Q4 FY24 posting $4m, almost entirely from secondary trading. The source of the revenue is important as secondary trading is more reliable than primary debt-origination. We have a long-held ambition to be profitable based on secondary trading with primary markets being the 'cream on top' – with the reduction in administration costs and the growth in secondary trading, we are there.

To further our distribution capability, we doubled down on building relationships with platforms and advisory groups and have made great in-roads with signed agreements in place with ANZ Private Bank, HUB24, Netwealth, Wilsons Advisory, amongst others.

We have delivered direct loan investments to our clients, that are originated and distributed mostly by the major banks. We can do this within Trustees Australia, our 100% owned Trustee company, acting as Bare Trustee. This asset class is very investor-friendly and funds some of the largest projects in Australia. The loans trade well above Investment Grade (IG) bonds in yield and yet are strong credits.

We are very active in Investment Grade bonds in the secondary market, particularly in bank subordinated debt with their large liquid issues.

Our Debt Capital Markets (DCM) primary issuance business has been refined. We will still help companies issue corporate debt, provided they follow our strict processes. To supplement this business, we have widened our focus now to allow externally managed trades to be marketed to our client base. To enable this, we have built strong links with some of the best advisory firms in the country. After facing quiet market conditions in Q1 FY24 we implemented the focus change described above. We hired seven new seasoned dealers we required to manage the demand from the broad list of advisory and platform partnerships we are building.

We also recently hired one of the most experienced minds in Asset Backed Securities in Australia, to build an ABS capability within IAM. We have significant reverse enquiry for ABS and expect to see robust trade in FY25.

Revenue in FY24 was consistent with that of FY23 but each quarter improved on the previous one and Q4 was our best with $4m in revenue. We have started the new financial year off well with strong revenue growth, 51 new wholesale clients and $120m in new Capital Markets AUA.

As we move into Horizon 3, the outlook is bright. We have the right partners, products, processes and the right people to deliver great outcomes for our clients and the business. I'd like to thank my leadership team for their energy, commitment and drive to succeed, and I am looking forward to seeing the next evolution of IAM unfold.

Jon Lechte, CEO

Directors' report

In this report from our directors, we provide an update on the key activities and operations from the past financial year.

Principal activities

Income Asset Management Group delivers leading financial product solutions in Cash/Deposits and Fixed Income to wholesale, sophisticated clients and professional investors. Additionally, IAM owns Trustees Australia Limited, a trustee business that provides responsible entity, custody and trustee services internally.

Our licences include margin lending, foreign exchange, derivatives trading and market-making.

We have a range of solutions that capture a large part of all investments made in the income-focused space.

Our entities

At 30 June 2024, the Group comprised the operating entities and Australian Financial Services Licensees shown in the table below.

Group Entities	AFSL
Income Asset Management Group Limited	None
IAM Capital Markets Limited	283119
IAM Cash Markets Pty Ltd	Corporate Authorised Representative of AFSL 283119
Trustees Australia Limited	260038
IAM Funds Pty Ltd	Corporate Authorised Representative of AFSL 260038
ETB Pty Ltd	Corporate Authorised Representative of AFSL 260038

Our Business Divisions

IAM Capital Markets

IAM Capital Markets provides advisors and direct investors with access to the over-the-counter (OTC) and listed bond markets, and syndicated loans. Capital Markets AUA increased 35% Year on Year (YOY) to $1.91bn. At the end of July 24 this AUA number was over $2bn.

Our business model

- **Our revenue model** includes transactional brokerage, new issue fees, custodial and management fees.
- **Our clients** include financial advisers, wholesale investors, corporates, fund managers and family offices.
- **We have a team of fixed income professionals** skilled in structuring and facilitating unrated debt for Australian corporates, with a strong focus on the non-bank sector.

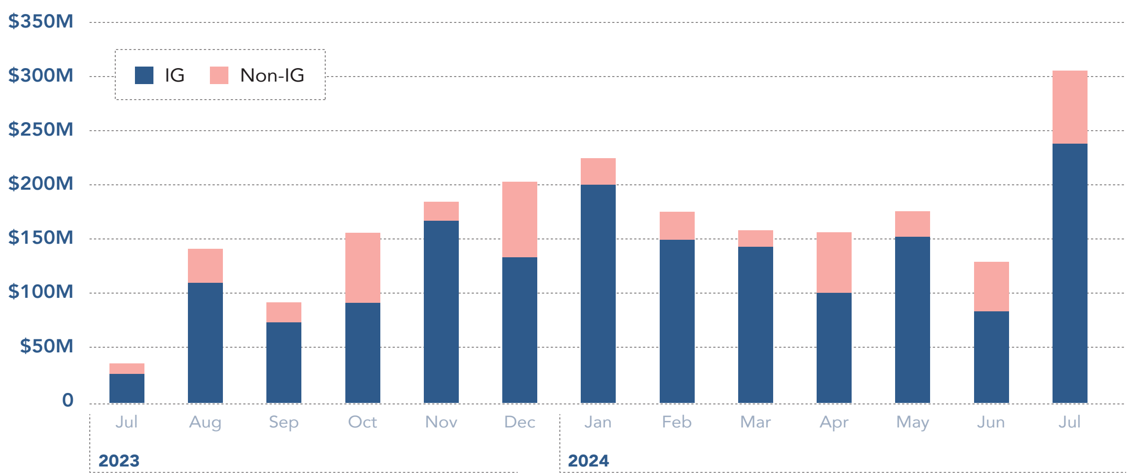
Our services

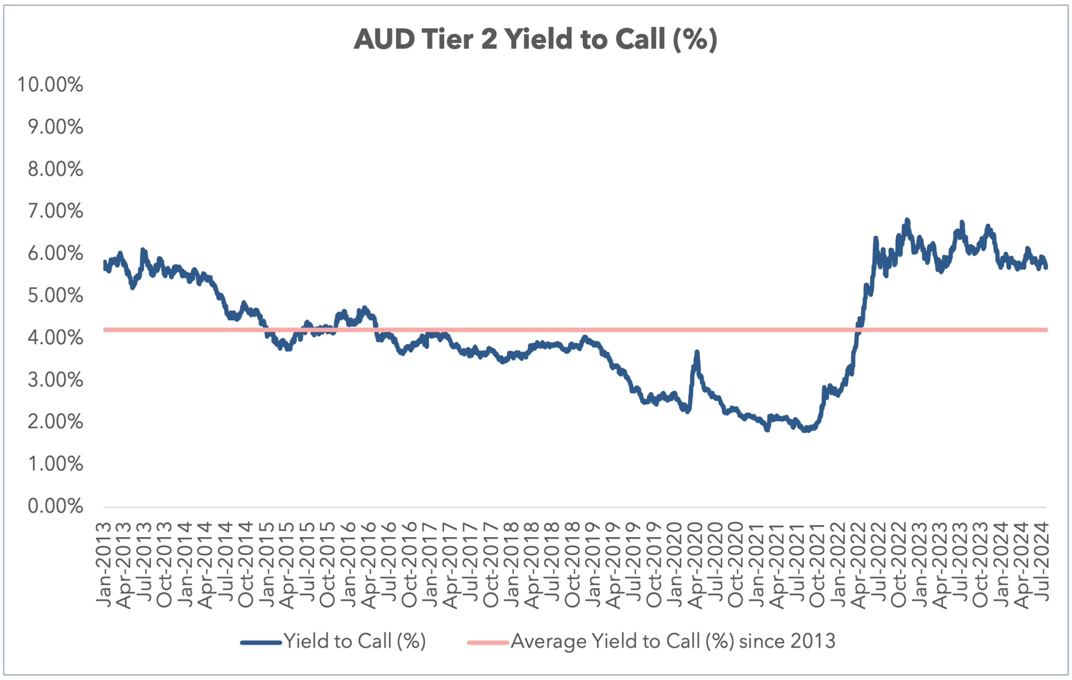
- **Bond trading.**
- **Primary issuance of bonds.**
- **Syndicated loan offering.**
- **Listing single-asset ETFs in FY25,** to enable retail investors and all those who prefer listed investments, to easily gain exposure to individual bonds
- **Fixed income research.**
- **Q2 FY25 we will launch a service for Asset Backed Securities.** Our team will source high quality opportunities for investors in this huge and important market.

Capital Markets is a fixed income advisory and sales business, very different to the incumbent competition in that our mission is to grow the fixed income asset allocation for all Australian investors. To achieve this lofty mission our strategy includes:

- Primarily focusing on the advisers to investors, we have relatively few direct clients compared to advised clients.
- We mainly sell investment-grade securities as we believe that the bulk of an investor's portfolio should be in higher-grade securities. Almost 80% of the bonds we sell are Investment Grade.
- IAM expects to shortly launch the listed units of a single-asset ETF. The underlying asset will be major bank issued subordinated debt, well rated, large liquid issues. This way of delivering fixed income will be completely transparent, liquid and will enable all investors to buy in a parcel size that suits. This is a much better way for investors to build a portfolio of bonds in small parcels.

Bond/Loan turnover (FV)





IAM and the corporate loan market

IAM is targeting the large senior secured bank syndicated term loans made to large corporates with significant assets, equity, and cash flows.

Origination is dominated by the major banks and the market is characterised by high credit quality and low loss rates and is very investor friendly. Our investors benefit from the rigorous due diligence conducted by banks pre transaction, and continued surveillance post issuance.

We buy senior secured loans from banks. We typically are seeking $20m-$50m pieces of $500m bank funded term loans. We don't have the pressure to deploy capital like a Private Credit fund manager. Our investors are lending alongside banks – their capital is strategic and patient, not subject to retail capital flight.

IAM Cash Markets

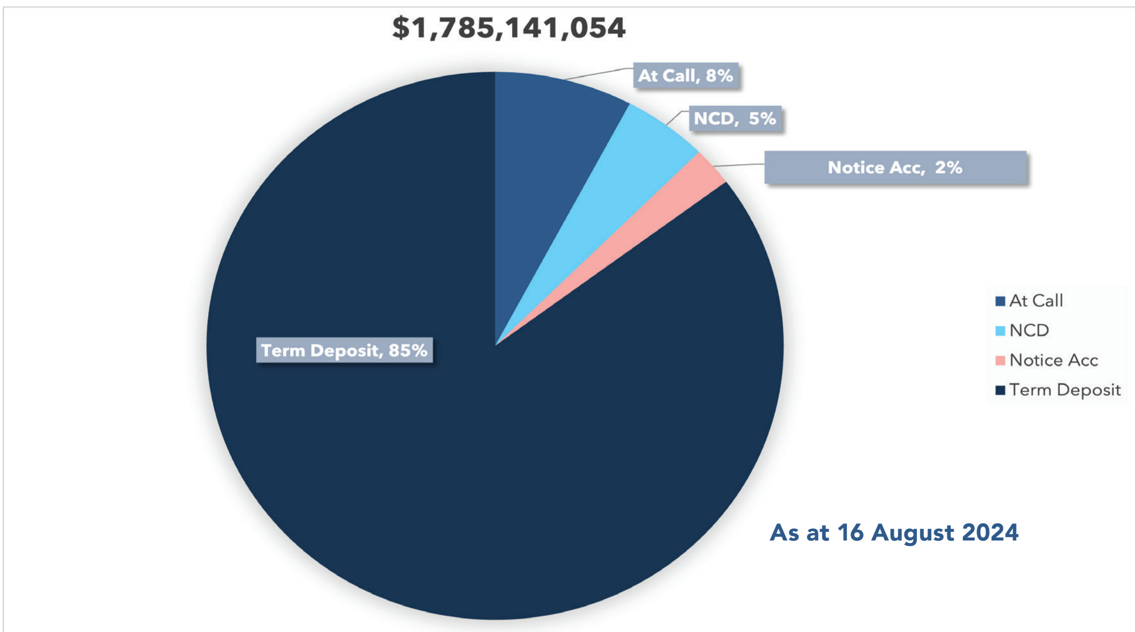
Our active cash management solution streamlines the process of investing in term deposits and at call accounts, helping our established customer base seeking new income investment opportunities earn a higher yield. Cash Assets under Administration increased 6% Year on Year (YOY), closing the year at $1.79bn.

Our business model

- A revenue model based on brokerage commission and management fees.
- Offer a range of term deposit investments from leading banks and financial institutions.
- Our clients include corporates, not-for-profits (NFPs), family offices, wealth managers, aged care providers and semi-government authorities.

Our services

- IAM Cash Management Account – offering competitive rates on interest, at call via our online platform.
- Term deposits, at call and negotiable certificates of deposit.
- Access to 50+ global and domestic authorised deposit-taking institutions (ADIs). All banks partnering with IAM are covered by the Australian Government's bank deposit guarantee.



Trustees Australia Limited

Our Services

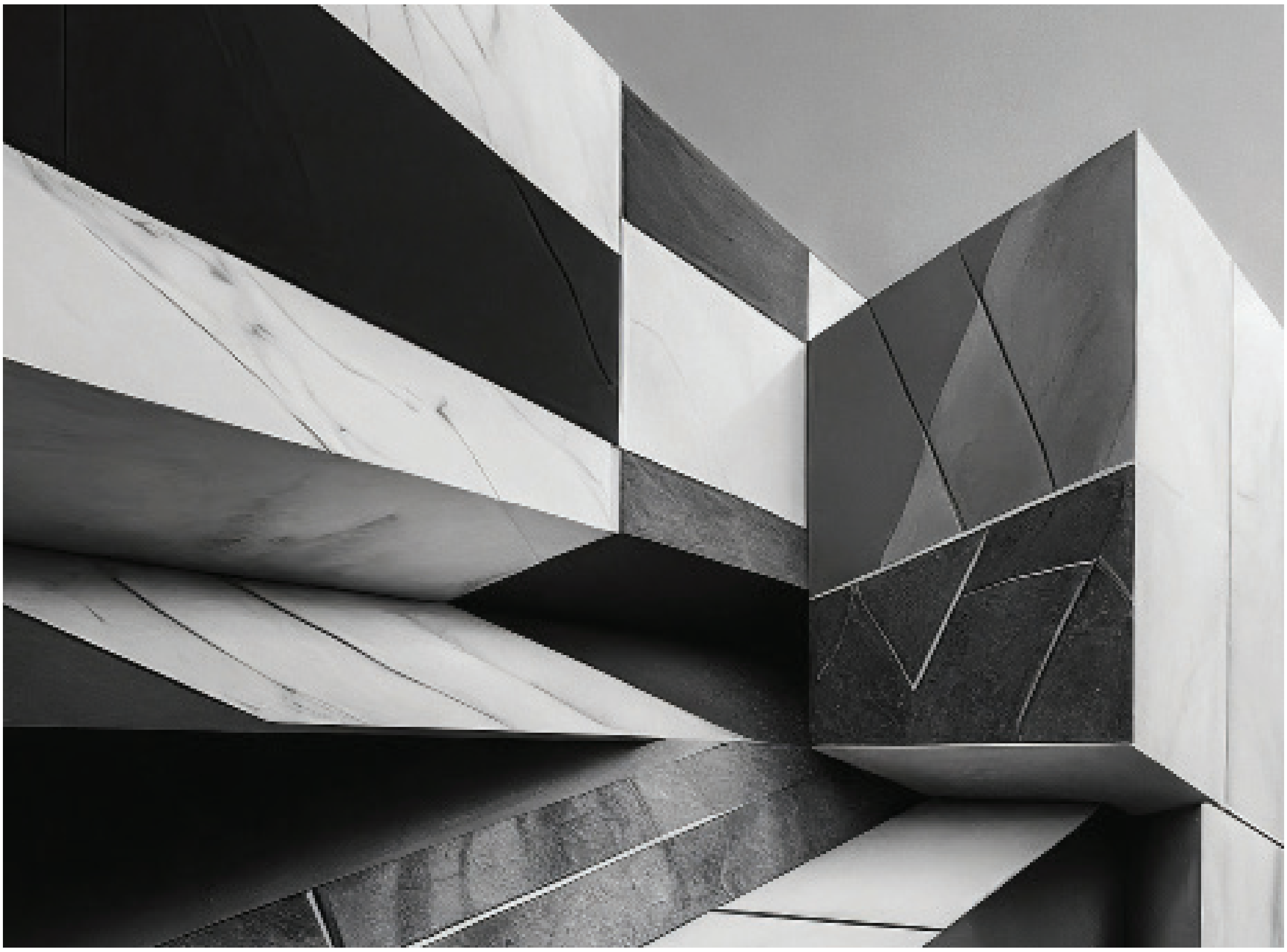
- Wholly-owned Trustee business established in 1987.
- Full AFSL capability to provide fund trusteeship.
- Responsible entity.
- Issuer services as trustee for securities.
- Independently chaired board.
- Independent compliance committee.
- Custody and administration services.
- Bespoke consulting services to support clients' investment strategies and execution.

TAL has been party to 12 DCM loan transactions during FY24. TAL has acted as:

- joint lead manager with IAM Capital Markets Ltd;
- distributor; and
- provider of administrative services.

Primary and secondary private placement loan transactions - IAM notes expansion of its loan book held through TAL as bare trustee for IAM clients, and growth of its client base. The total traded loan book amounts to more than $340m at 30 June 2024.

TAL and IAM Capital Markets provides custodial services for the IAM Group.



Q&A

1. What is the trade-off for shifting to an external provider for custody and administration?

There was an opportunity for IAM to build an annuity income from custody fees as we grew our Capital Markets AuA. With $2bn of AuA the revenue generated does not cover the cost of providing this service, but in years to come additional AuA would build an additional profitable stream of revenue.

However, with the pressure on the business to get to profitability, in the near term we need to reduce costs and focus on generating revenue. The shift to an external provider not only saves us the cost of the operations team, but also our technology team and the cost of SAAS contracts. Externalising this also reduces operational risk for the Group while providing clients with the benefit of a large specialist administration platform.

2. Why didn't you do this earlier?

To build the future annuity revenue. To own the client experience and provide an additional reason for them wanting to deal with us. However, the market and delays in getting the client engagement we are now experiencing, have encouraged us to make this shift. As we have grown our AuA and client numbers, in particular through advisors, it is clear that they both value the ability to have a small number of platforms to manage their investments across a range of asset classes. By getting to the scale we are now, we are well place to outsource and achieve significant cost out, as well as increase recurring custody revenue given our size.

3. Other than cost reduction, what other benefits are there for using an external provider?

We will be well placed to add further administration revenue from the improved service and solutions for our clients. This revenue will be recurring in nature, as it would be for a platform-based business. Also, the firms we are engaged with are huge financial services players with experience in dealing with many multiples of the transaction volume of IAM. The technology platforms have far greater capability than ours and IAM does not have the financial wherewithal, to compete with the major players. Our clients will have a better client experience in fixed income than a specialist firm like IAM can provide, moreover the platforms will all provide tax reporting and multi-asset reporting which clients and their advisers value.

4. Why was revenue only $14m in FY24?

While we successfully banked some primary and secondary placement deals in FY24 the size of most was smaller than we had expected. We had two very significant transactions to close in Q4, one was delayed into FY25 and the other was executed, but the final revenue outcome was weaker than expected to assist the issuer get to market.

Despite the lower-than-expected financial outcome, the team are very upbeat coming out of FY24 and into FY25 as the quality of our revenue was much higher. The bulk of our revenue is now coming from secondary trading and almost 80% of that trade, is in Investment Grade bonds. We are far less likely to see large fluctuations in core fixed income trading, than what we have seen historically in high-yield bonds and primary debt origination.

The growth in secondary trading will see us continue to build our total revenue numbers, while we strive to close more primary and high yield trades this year than last.

Finally, the new joiners in Capital Markets Sales only joined us between March and May so were not able to impact FY24 revenue by much. As we have seen going into FY25, they are starting to impact our revenue results.

Operating result

Total revenue increased in FY24 to $14.02m (2023: $13.85m).

Revenue for Capital Markets decreased in FY24 to $11.11m (2023: $12.29m). Largely a result of a tough Q1 FY24 due to challenging conditions in global debt markets that impacted the whole sector. There was quarter on quarter increases following Q1 FY24 and a strong finish to the year in Q4 FY24 of $4M, or a $16M run rate, which is a positive end to the year.

Revenue from Cash products decreased in FY24 to $1.19m (2023: $1.26m). A relatively flat result for the year from a revenue perspective, however we still increased cash Assets under Administration 6% year on year, closing at $1.79bn.

Service fee revenue increased in FY24 to $1.32m (2023: $0.13m).

Total expenses increased to $28.49m (2023: $20.30m).

Key contributors to core business operating costs:

Employment expenses increased in FY24 to $12.64m (2023: $9.37m). Primarily driven by investment in client-facing staff, general wage increases and redundancy payments. Headcount has remained broadly flat through the year, however the sales FTE ratio moved from 41% to 54%.

Business operating expenses increased in FY24 to $2.54m (2023: $2.12m). Largely attributable to payroll tax from increased employment costs and a new jobs credit offsetting payroll tax costs in the 2023 comparative.

Software and Infrastructure costs increased in FY24 to $2.55m (2023: $1.92m). This relates to the new operating system rollout and implementation costs.

Other expenses increased in FY24 to $2.98m (2023: $2.58m. Predominantly from the loss on disposal of GCOF and the impairment of contingent consideration relating to the investment in Alpha Vista Financial Services, offset by a decrease in legal expenses.

Depreciation and amortisation costs increased in FY24 to $5.11m (2023: $1.73m) from the acceleration of amortisation to write down old technology.

Share-based payments have decreased 78% to $0.11m (2023: $0.49m) as issued awards amortise.

Finance costs increased in FY24 to $2.47m (2023: $2.37m). Relatively flat for the year, with the costs predominantly a mixture of cash related interest costs from IAM notes and the non-cash amortisation of issuance costs and expenses related to the options issued with the note.

Net operating cash outflows were $7.46m for the year (2023: $1.15). This is reflective of the relatively flat revenue result and increased cost base primarily driven by investment in client-facing staff, general wage increases and costs associated with the new operating system rollout.

Financial Position

The key movements in assets and liabilities in the statement of financial position are:

- **Cash and cash equivalents** of $4.72m (2023: $9.28m), reflecting net cash operating losses for FY24 offset by the $4M placement to institutional and sophisticated investors in November 2023.
- Intangible assets of $0.24m (2023: $5.07m), relating to the accelerated amortisation of the IAM proprietary technology platform.
- Investment in associates - the Group no longer holds an investment in associates (2023: $3.68m) following the merger of Tactical Global Management with Alpha Vista Financial Services.
- Total borrowings of $8.90m (2023: $7.22m) primarily relating to IAM issued notes of $10m, offset by issuance costs and the amortised expenses related to the options issued with the note, and a short-term borrowing that was repaid 3 July 2024.

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business. As presented in the financial statements, the entity incurred a loss before comprehensive income of $14,470,763 and had net cash outflows from operating activities of $7,460,499 for the year ended 30 June 2024. As at that date the entity had current liabilities of $6,576,427, and net liabilities of $5,277,174.

The Directors believe that there are reasonable grounds to believe that the entity will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- Current assets of $6,947,016 at 30 June 2024;
- $560,000 of current liabilities was repaid on the 4 July 2024 therefore reducing the current liability balance post year end;
- $1,371,766 in borrowings represents the non-cash amortisation of transactions costs and value attributed to the options granted on the issue of issued notes which is not outstanding to be paid;
- Additional revenue writers and partnerships with financial intermediary firms which is expected to increase revenue streams;
- Further cost reductions will occur in FY25 due to the group being in advanced negotiations with an industry leader to outsource certain costs of about $4,000,000; and
- As a listed entity, the Group also has capital raising opportunities available to itself from existing shareholders as well as sophisticated investors with strong alignment to the Group's strategy and future objectives.

However, these events and conditions indicate that a material uncertainty exists which may cast significant doubt on the entity's ability to continue as a going concern, and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the entity does not continue as a going concern.

Capital management

In November 2022 the Group issued a $10m Note with attaching options to institutional and sophisticated investors, repaying the $4.5m Note that had been issued in December 2020 and raising a further $5.5m in debt funding. The funds were raised to support the ongoing growth of the Company, especially the IAM Capital Markets and Trustees Australia businesses that are experiencing growth.

Business risks

IAM Group consists of complementary businesses in financial services that are exposed to a range of inherent risks. The Group has an enterprise risk management framework which, together with corporate governance and compliance assurance, provides a framework for managing the material risks.

Financial risk

The availability of funding and management of capital and liquidity are fundamental to IAM's business operations and growth.

To mitigate this risk, the Group is focused on growing its Capital Markets business and accelerating client and AUA growth.

To reduce costs, we have been exploring options to externalise administration and custody for client assets, and for our cash and deposit offering.

The Group anticipates its chosen sectors; Cash, Bonds, Debt Capital Markets to continue to provide growth opportunities. The increased RBA rate and our own ability to continue to innovate product and services will help support protect the revenue and cost lines within the business, as well as allow margin improvement where appropriate.

Operational risk

The Group is subject to operational risk including the availability of high quality and experienced personnel to operate and grow the business.

To mitigate these risks, the Group has established policies, procedures, standards and training in respect of business operations, AFSL compliance, financial requirements, supervision, conflicts management, financial services laws and business continuity. Management continues to invest in our operational capability across processes, technology and high calibre human resources, improving our business and assisting to attract and retain sophisticated clientele.

Compliance risk

The Group is subject to applicable laws, regulations and contractual arrangements and is exposed to regulatory or legislative changes which increase both compliance risks and associated costs. Regulatory changes or breaches have the ability to result in negative impacts on the Group's reputation, operations and profitability, and significant fines or other adverse consequences may apply.

To mitigate these issues, the Group has a compliance framework in place including various policies, processes and approval and supervision protocols have been established to facilitate legal, regulatory compliance and internal controls effectiveness. Management liaises with government and regulatory bodies on relevant proposed legal and regulatory changes and product development, and the IAM Code of Conduct and training programs promote awareness of legal, regulatory and internal policy requirements.

Competition and new technologies

The Group competes against other financial services providers in an industry that is highly concentrated. The Group faces the risk that its competitors, or new entrants to the market, will increase their competitive position through marketing campaigns, product innovation, or advances in technological infrastructure to support client investments. Where these circumstances result in the Group competing less effectively against its competitors, the Group's business, financial performance and operations may be adversely affected.

To mitigate the issue, the Group works closely with its clients and internal and external experts to address ongoing needs. Through these continuous improvement initiatives, the launch of broader income related products and services and technology improvements, the Group aims to remain ahead of the competition curve. The Group also leverages its internal technology resources and global technology providers to remain competitive and adapt our products and services to the changing technological landscape.

Cyber security, data loss, theft or corruption

The Group, through its technology platform, security protocols and business processes, manages highly confidential data. The Group's business could materially be disrupted by data breaches that may affect the security of information and data concerning the Group and/ or its customers. This could occur through theft, unauthorised access or malicious cyber security attacks on the Group's systems or unauthorised disclosure of confidential customer information or loss of information (e.g. system problems). While the Group implements a robust set of security measures and actively monitors its technology environment to detect, alert and remediate any occurrence of such security breaches, there is a risk that such measures may not be adequate in all circumstances.

A security breach could cause material harm to the Group's reputation and accordingly may have an adverse impact on the Group's ability to retain existing and attract new customers, continue growth prospects, and keep operating results, financial performance or information confidential.

To mitigate the issue, the Group has implemented a data breach policy and associated protocols, which seek to continuously improve the Group's technology and security landscape. The Group undertakes regular penetration testing through external consultants, and is implementing additional controls assurance compliance, reflecting the need to ensure our capabilities are institutional grade.

General IT infrastructure/platform-related risks

The Group is dependent on the performance, reliability and availability of its technology platform (including servers, the internet and its cloud-based infrastructure). Third party service providers provide some of these services.

There is a risk that these systems may be adversely affected by interruptions, failures, service outages or data corruption events that could arise as a result of computer viruses, bugs or 'worms', malware, internal or external use by websites, cyber security attacks or other disruptions including natural disasters or power outages. Such events outside of the Group's reasonable control may lead to business disruption and delay in customer outcomes. There is also a risk that the Group's potential growth may be constrained by a lack of scalability in the IT infrastructure.

To mitigate the issue, the Group engages global providers of technology services that have capacities to expand as the business grows.

Director information

The directors of IAM Group Limited during the year ended 30 June 2024 and up to the date of this report are listed below. Directors were in office for this entire period except where stated otherwise:

Name	Position	Date appointed
John Nantes	Executive Chairman	17 August 2017 (Appointed Chair 12 October 2019)
Craig Swanger	Executive Director	1 October 2019
Simon Maidment	Non-Executive Director	29 April 2024

Resigned	Position	Date resigned
Brook Adcock	Non-Executive Director	13 May 2024
Fiona Dunn	Non-Executive Director	5 December 2023

Our directors

John Nantes Executive Chairman

Qualifications

Bachelor Law,
Deakin University

Bachelor Commerce,
University of Melbourne

Bachelor of Arts,
University of Melbourne

Diploma of Financial Planning,
Deakin University Financial (tax) Adviser

Member NTAA

Member FPAA

Directorships in other listed entities (past 3 years)

Wisr Limited,
Chairman since June 2016

Visionflex Ltd,
Non-Executive Director since June 2022

Experience

John has over 25 years of experience in Financial Services, Private Equity, Tax and Accounting, Corporate Finance, Capital Markets, and M&A. He is a non-executive director of Visionflex (VFX:ASX), a newly merged leading Healthtech company in Australia, and a non-executive director of Thinxtra, a public non-listed IOT technology company. John was previously Chairman of Wisr (WZR:IAM), a non-bank lender of consumer loans in Australia.

John has a strong reputation for advising to or directly building profitable and fast growing businesses, especially those reliant on technology, product innovation, and market disruption with strict compliance and governance requirements, having previously also held corporate roles such as: Group Head of WHK/Crowe Horwath Wealth Management; CEO Prescott Securities; Executive roles at St George Bank/ Bank SA and financial advisory roles at Colonial State Bank.

Craig Swanger Executive Director

Qualifications

Bachelor of Commerce,
University of Queensland

Honours in Finance,
University of Adelaide

Graduate Diploma in Financial Markets,
Securities Institute of Australia

Strategy and Innovation,
Harvard University

Directorships in other listed entities (past 3 years)

Wisr Limited,
Non-Executive Director since 2015

Experience

Craig is one of the most highly regarded fintech investment and strategy experts in Australia.

He is an advisor to, or investor in, a portfolio of 15 high-growth technology companies.

Craig has worked in investment markets for more than 25 years, including as Global Head of Macquarie Group's Global Investment Unit, with more than US$10 billion funds under management.

Simon Maidment Non-Executive Director

Qualifications

Graduate, Australian Institution of Company Directors (GAICD)

Bachelor of Economics, University of NSW

Directorships in other listed entities (past 3 years)

Experience

Simon has extensive experience in the financial services industry, with deep expertise in fixed income, debt capital markets and treasury.

His previous role was as Deputy Treasurer and Head of Group Funding and Liquidity at Commonwealth Bank of Australia, which he held for 10 years. Previous to this he worked in a variety of roles at UBS Investment Bank including Managing Director and Head of Fixed Income and Currencies in Australia.

Company secretary

The following persons held office as a company secretary of IAM during the financial year:

Vanessa Chidrawi Appointed 4 December 2020.

Vanessa is a highly experienced governance professional, with a portfolio of domestic and international clients across various sectors.

She had 12 years' private practice experience in commercial law and litigation, practising for her own account in Johannesburg. Over the past 15 years, she has acted as General Counsel and Company Secretary for ASX200 and TSX-listed companies and has held senior executive positions in the mining industry across Australia and Southeast Asia.

Vanessa holds Bachelor of Law and Bachelor of Commerce qualifications and brings a wealth of experience in corporate governance, mergers and acquisitions, board advisory and capital raising in the listed company space. She currently acts as company secretary and governance advisor to four ASX- listed companies, including Wisr Limited.

Director meetings

The Board meets each month in person or video conference. Directors meet twice a year with the Group's auditor to discuss relevant issues. On matters of corporate governance, the Board has recently established a separate committee structure.

Aside from formally constituted directors' meetings, the directors are in regular contact with each other regarding the operation of the company and particular issues of importance. Written reports on trading activities, budget and performance and operating strategies are provided to the directors monthly or as required by changing circumstances.

The number of directors' meetings and number of meetings attended by each of the company directors during the financial year are set out in the table below:

Director	Board Meetings		Audit Committee Meetings		People, Culture & Remuneration Committee Meetings*		Risk Committee Meetings*	
	Eligible to attend	**Meetings attended**	**Eligible to attend**	**Meetings attended**	**Eligible to attend**	**Meetings attended**	**Eligible to attend**	**Meetings attended**
J Nantes	13	13	3	3	-	-	-	-
C Swanger	13	13	1	1	-	-	-	-
B Adcock	12	11	3	3	-	-	-	-
F Dunn	6	6	2	2	-	-	-	-
S Maidment	1	1	-	-	-	-	-	-

Non-audit services

The Board is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Board is also satisfied that the services disclosed below did not compromise the external auditor's independence because:

- all non-audit services are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence, in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional Ethical Standards Board.

During the year ended 30 June 2024, there was a payment of $34,180 (2023: $24,809) to the external auditors for non-audit taxation services.

Proceedings on behalf of the company

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

Environmental regulation

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends

No dividends have been paid or declared during or since the end of the 2024 financial year.

*Both committees are in abeyance pending further board appointments. Neither committee met separately in FY2024.

Performance rights and options

At the date of this report, the unissued ordinary shares of the Company are as follows:

Grant date	Number	Exercise price	Exercisable on or before
Options granted:			
16-Aug-21	1,500,000	$0.41	18-Aug-24
04-Nov-22	45,660,000	$0.25	31-Dec-25
29-Dec-23	1,500,000	$0.25	29-Dec-26
15-Mar-24	5,207,500	$0.20	15-Mar-27
15-Mar-24	5,207,500	$0.30	15-Mar-27
15-Mar-24	10,415,000	$0.45	15-Mar-27
Performance rights granted:			
01-Apr-20	8,830,000	$0.45	1-Apr-25
01-Dec-20	1,605,000	$0.50	1-Dec-25
01-Dec-20	2,410,000	$0.75	1-Dec-25
22-Jun-22	1,520,000	$0.45	22-Apr-27
22-Jun-22	1,140,000	$0.35	22-Apr-27

Holders of options and performance rights do not have any entitlement, by virtue of their holdings of performance rights or options, to participate in any issues of securities or other interests of the Company or any other entity.

There have been no other options granted over unissued securities or interests of any controlled entity within the Group during or since the end of the reporting period.

For details of performance rights or options issued to directors and key management personnel as remuneration, refer to the Remuneration Report.

Indemnification of officers

The Company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001.

Significant changes

In the opinion of the directors, there were no significant changes in the state of affairs of the Group during the year that are not disclosed elsewhere in this report or in the accompanying financial statements.

Events after balance date

In the opinion of the directors, there are no material matters that have arisen since 30 June 2024 that have significantly affected or may significantly affect the Group, that are not disclosed elsewhere in this report or in the accompanying financial statements.

The financial report was authorised for issue as at the date of the Directors' Declaration.

Auditor's independence declaration

The Auditor's Independence declaration for the year ended 30 June 2024 has been received and is set out on page 31.

Remuneration report

Information in this remuneration report has been audited as required by section 308(3C) of the Corporations Act.

This audited remuneration report outlines IAM's remuneration strategy and framework, as set out by the Board, and subject to shareholder approval.

Our remuneration framework reflects our commitment to deliver competitive remuneration for outstanding performance. Our aim is to attract and retain talented individuals, while aligning the interests of executives and shareholders.

Cash conservation continues to be critical to protecting shareholder value. As such, performance-based, non-cash remuneration remains a significant part of IAM's remuneration strategy.

This enables us to recruit experts in our strategic growth markets, paying market remuneration when they deliver significant shareholder returns, but paying cash remuneration in line with companies of IAM's current size and growth strategy.

As shown on the following pages, key management personnel (KMP) including Directors have been granted Long Term Incentive (LTI) performance rights. These include shareholder return triggers linked to a share price ranging from 20cps to 45cps, and are subject to various minimum service standards, such as term of service.

The total value of these packages has been benchmarked to relevant peers on the ASX in terms of total expected remuneration components and maximum remuneration. The share price triggers were set in consultation with KMP, with the team collectively choosing shareholder return triggers well above those typically used by peers on the ASX. This has allowed us greater alignment of interests while managing the cost of the total packages.

Regarding Short-Term Incentives (STI), each year the Board will assess several factors, to determine the extent to which the overall outcomes adequately reflect actual performance and returns to shareholders.

These include:

- the quality of the results
- adherence to risk management policies
- achievement against individual objectives, and
- the effectiveness of strategic initiatives implemented.

This report is structured to provide shareholders with insights into the remuneration governance, policies, procedures and practices being applied.

As we seek the support of shareholders for the proposed approaches, this report is intended to help shareholders engage with the Board regarding potential refinements and improvements.

Remuneration framework, policies and practices

A. Our remuneration framework

IAM's remuneration strategy is approved by the Board, based on recommendations from the People, Culture and Remuneration Committee (PCRC). The role of the PCRC is set out in its charter, which is reviewed annually. Further details about the role and operation of the PCRC are included in our Remuneration Policy on our website incomeam.com.

B. Income Asset Management Group executive remuneration framework (2023-2026)*

(TFR: Total Fixed Remuneration; STI: Short Term Incentives; LTI Long Term Incentives)

*Applies to KMP and selected Directors. Total Remuneration has reflected the market's conditions using TFR (cash salary and super), STI and LTI (equity-linked securities), albeit with some LTI having relatively short maturities. During a review conducted February 2023 to August 2023, STI and LTI strategies were separately devised but considered by the Board in the context of the framework below.

Remuneration (Rem) Component	Total Remuneration (TR)	Total Fixed Remuneration (TFR)	Variable Short-Term Remuneration (STI)	Variable Long-Term Remuneration (LTI)
Objectives	Attract, motivate and retain executive talent required to deliver strategy	Appropriately balance fixed (TFR) and at-risk components (STI and LTI)	Create reward differentiation to drive performance values and behaviours.	Create shareholder value through equity alignment.
Amount and Range (Min Rem – Max Rem)	Expected TR is at 2nd-3rd quartile level for IAM current size. Max TR is 2nd – 3rd quartile at IAM market cap if LTI hurdles achieved.	TFR set according to similar positions at ASX companies of IAM's size today. This will result in TFR being at current market if executives do not grow the company's value in line with the strategy, but well under market if they do.	0-50% depending upon position. None for directors. 100% of STI is at risk- meaning that the minimum STI payment is nil for all recipients.	LTI to form 40-70% of TR but flexible to suit value-added to the Company. 100% of LTI is at risk, meaning that the minimum LTI payment is nil for all recipients.
Conditions to exceed Min	Must pass all compliance KPIs to exceed minimum remuneration. In order to reach maximum remuneration, individual STI and LTI hurdles must be exceeded each year, and tenure must be at least 3 years.	n/a	Must pass all compliance KPIs to exceed minimum, then performance driven according to individual, but aligned, KPIs.	All LTI linked to share price increases from the share price at the time of issue. LTI also requires minimum service and compliance KPIs to be satisfied.
Strategy behind this approach	The strategy requires executives with experience well beyond what IAM can afford in cash remuneration. Further there are no guarantees of success, so the framework relies heavily upon at-risk components.	Conserve cash and therefore minimise shareholder dilution.	Align behaviour in short-term, including risk management and revenue growth, while conserving cash.	Align executives to manage all aspects required for shareholder growth including earnings growth, compliance and attracting shareholders.

C. Remuneration structures for current executives

Remuneration levels will reflect the strategy outlined above. Any LTI award will only have value to the executive if the performance hurdles are met to enable vesting to occur, and for performance rights-related awards, if the share price on vesting exceeds the trigger price.

In the event of serious misconduct or a material misstatement in the company's financial statements, the PCRC can cancel or defer performance-based remuneration and may also claw back performance-based remuneration paid in previous financial years.

D. Employment details of members of Key Management Personnel (KMP)

The following table provides employment details of persons who, during the financial year, were the Group's KMP including Directors. These are calculated in accordance with applicable accounting standards. No KMP remuneration was performance based.

Name	Position held	Contract details	Non-salary cash-based incentives	Shares	Options	Fixed salary/fees	Total
Directors			%	%	%	%	%
J Nantes	Executive Chairman	3 months' notice	-	-	-	100.00	100.00
S Maidment[1]	Non-Executive Director	-	-	-	-	100.00	100.00
C Swanger	Executive Director	3 months' notice	-	-	-	100.00	100.00
			-	-	-		
Executives							
J Lechte	CEO	3 months' notice	-	-	-	100.00	100.00
Former Directors							
B Adcock[2]	Non-Executive Director		-	-	-	100.00	100.00
F Dunn[3]	Non-Executive Director					100.00	100.00

1. Commenced 29 April 2024.
2. Resigned 13 May 2024.
3. Resigned 5 December 2023.

For senior executives of IAM, employment conditions are formalised in contracts of employment. No KMP has a fixed term contract.

E. Remuneration details

Details of the nature and amount of each major element of remuneration for KMP and other executives of the Group:

	Short term benefit			Post employment	Long term benefit	Termination	Equity-based payments	
Key Management Personnel (KMP)	**Salary/ Director's fees**	**Annual leave**	**Bonus**	**Super contributions**	**Long service leave**	**Termination benefits**	**Performance rights / Options**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
J Nantes[1]								
2024	**248,004**	**-**	**-**	**-**	**-**	**-**	**-**	**248,004**
2023	206,334	-	-	-	-	-	-	206,334
J Lechte								
2024	**300,000**	**12,691**	**-**	**27,399**	**4,081**	**-**	**-**	**344,171**
2023	212,821	(6,924)	-	22,073	2,687	-	-	230,657
S Maidment[2]								
2024	**12,913**	**-**	**-**	**1,420**	**-**	**-**	**-**	**14,333**
2023	-	-	-	-	-	-	-	-
C Swanger[3]								
2024	**171,000**	**-**	**-**	**-**	**-**	**-**	**-**	**171,000**
2023	60,000	-	-	-	-	-	-	60,000
Former KMP								
B Adcock[4]								
2024	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2023	-	-	-	-	-	-	-	-
Fiona Dunn[5]								
2024	**25,806**	**-**	**-**	**2,839**	**-**	**-**	**-**	**28,645**
2023	60,000	-	-	6,300	-	-	-	66,300
M Loughnan[6]								
2024	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2023	208,333	(28,846)	-	18,969	(626)	170,063	(229,580)	138,313
Total 2024	**757,723**	**12,691**	**-**	**31,658**	**4,081**	**-**	**-**	**806,153**
Total 2023	747,488	(35,770)	-	47,342	2,061	170,063	(229,580)	701,604

1. This amount is paid in accordance with a contract arrangement with CJN Advisory Pty Limited, an entity associated with John Nantes. Refer to Note 23: Related Party Transactions.
2. Commenced 29 April 2024.
3. This amount is paid in accordance with a contract arrangement with Revolver Capital Pty Limited, an entity associated with Craig Swanger. Refer to Note 23: Related Party Transactions.
4. Resigned 13 May 2024.
5. Resigned 5 December 2023.
6. Resigned 28 February 2023.

Performance rights granted, vested and forfeited during the year

The terms and conditions relating to performance rights granted as remuneration to KMP are as follows:

Grant date	Fair value at grant date	Grant value	Reason for grant	Percentage vested during the year	Percentage forfeited during the year	Percentage remaining as unvested	Expiry date	Range of possible values relating to future payments
	$	$	Note	%	%	%		
Granted during 2020:								
J Lechte								
1/4/2020	0.04	338,189	(i)	-	-	100	1/4/2025	n/a

i. Performance rights were issued as part of the Group's LTIP and vest upon 2 years minimum service subject to meeting the share price hurdle and the exercise price is $nil.

Number of performance rights granted as remuneration

All LTI equity is subject to a voluntary escrow which requires that no shares are sold until 1 year after exit from the Group. There are generally shareholder return triggers linked to a share price and minimum service standards such as terms of service attached to the grant of performance rights.

		Grant details			Exercised		Forfeited	
Name	Balance at 30/06/2023	Issue Date	Rights	Value	Rights	Value	Value	Balance at 30/06/2024
	No		No.	$	No.	$	No.	No.
J Lechte	8,830,000	1/4/2020	-	-	-	-	-	8,830,000
Total	8,830,000		-	-	-	-	-	8,830,000

	Balance at 30/6/24	Vested no.	Unvested no.
J Lechte	8,830,000	-	8,830,000
Total	**8,830,000**	**-**	**8,830,000**

The fair value of performance rights granted as remuneration as shown in the above table has been determined in accordance with Australian Accounting Standards and will be recognised as an expense over the relevant vesting period.

Description of performance rights issued as remuneration

Details of the performance rights granted as remuneration to those KMP listed in the previous table are as follows:

Grant date	Issuer	Entitlement on exercise	Dates exercisable	Share price hurdle	Value at grant date	Amount paid/payable by recipient
						$
1/4/20	Income Asset Management Group Limited	1:1	1/4/25	$0.45 [1]	$0.04	nil

Award values at grant date were determined using a Monte Carlo, Black-Scholes or binomial pricing method.

Further details relating to performance criteria required for vesting have been provided in the performance rights granted as share-based payments table on page 25.

[1] KMP voluntarily elected for these performance rights to vest at $0.45 and escrow them to a $0.75 price hurdle. This was done to align the KMP interests with those of shareholders.

F. KMP Shareholdings

The number of ordinary shares in Income Asset Management Group Limited held by each of the KMP of the Group during the financial year is as follows:

Current KMP:	Balance at 1 July 2023	Granted as remuneration	Purchased	Other movement	Balance at 30 June 2024
J Nantes	10,972,857	-	250,000	-	11,222,857
C Swanger	2,485,626	-	-	-	2,485,626
S Maidment	-	-	-	-	-
J Lechte	15,616,615	-	875,000	-	16,491,615
TOTAL	**29,075,098**	**-**	**1,125,000**	**-**	**30,200,098**

Former Directors:	Balance at 1 July 2023	Granted as remuneration	Purchased	Other movement	Balance at date ceased as KMP
B Adcock[1]	59,348,475	-	-	-	59,348,475
F Dunn[2]	250,000	-	-	-	250,000
TOTAL	**59,598,475**	**-**	**-**	**-**	**59,598,475**

[1] Commenced 29 April 2024.
[2] Resigned 13 May 2024.
[3] Resigned 5 December 2023.

G. KMP Other Equity Transactions

There have been no other transactions involving equity instruments other than those described in the tables above.

H. Participation in IAM Notes

On 4 November 2022, IAM issued a 12% unsecured note and each noteholder was also issued 4 options for every $1 invested (refer Note 16(ii)). Below is a list of KMP who participated in the issue and their relevant interest from the issue.

KMP	Notes ($)	Options (no.)
J Nantes	50,000	200,000
J Lechte	500,000	2,000,000

I. KMP Contracts for Services

Other than as disclosed in employment details of members of key management personnel (KMP) and other executives (refer point D), there are no formal employment contracts in place for any other key management personnel in the Group.

J. Transactions with KMP

From time to time KMP may purchase or supply goods or services from or to the Group.

These transactions are made on an arms-length commercial basis and are outlined below:

- **John Nantes** is a director of CJN Advisory Pty Ltd (CJN Advisory), who undertakes responsible manager and consulting services work for the Group. During the 2024 year, $248,004 (2023: $206,334) was paid by the Group to CJN Advisory and at 30 June 2024 the Group had $22,734 (2023: $nil) outstanding amounts with CJN Advisory.
- **Craig Swanger** is a director of Revolver Capital Pty Ltd (Revolver Capital). Revolver Capital undertakes project management, CIO and consulting work for the Group on a cost recovery basis. During the 2024 year, $171,000 (2023: $60,000) was paid by the Group to Revolver Capital and at 30 June 2024 the Group had $11,000 (2023: $5,500) outstanding payable to Revolver Capital.

This report of the directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

John Nantes
Executive Chairman

Corporate Governance Statement

The Group is committed to a high level of corporate governance and fostering a culture that values ethical behaviour, integrity and respect.

We believe that adopting and operating in accordance with high standards of corporate governance is essential for sustainable long-term performance and value creation.

This Corporate Governance Statement reports on the Group's key governance principles and practices. These are reviewed regularly and revised as appropriate to reflect changes in law and developments in corporate governance.

The Board monitors the operational and financial position and performance of the Group and oversees the business strategy, including approving the strategic goals of the Group and considering and approving its business plan and the associated subsidiary entities and corporate budgets.

The IAM Management System describes the Group's way of working, enabling the Group to understand and manage its business to achieve its objectives. It defines the boundaries within which the Group's employees and contractors are expected to work.

The IAM Management System establishes a common approach to how we operate, wherever the location.

The group, as a listed entity, must comply with the Corporations Act 2001 (Cth), the ASX Listing Rules, the Australian Financial Services Licence conditions and authorities and other Australian and international laws.

The ASX Listing Rules require the Group to report on the extent to which it has followed the Corporate Governance Recommendations contained in the ASX Corporate Governance Council's Principles and Recommendations. The Corporate Governance Statement, which was lodged with this Annual Report, discloses the extent to which the Group will follow the recommendations taking into account the relatively small size of the Group in determining the extent of practical implementation.

The website (incomeam.com) contains copies of Board and committee charters and copies of many of the policies and documents mentioned in this Statement, which form part of the IAM Management System. The website is updated regularly to ensure it reflects the Group's most current corporate governance information.

Environmental, Social and Governance Considerations

The Group recognises that stakeholders are increasingly looking to organisations to outline their Environmental, Social and Governance (ESG) framework and approach, in order to assess the long-term sustainability of the organisations. ESG requires a focus on risk management: monitoring and mitigating risks across all three areas.

The Group expects to commence the process to establish an ESG framework to measure, report and manage the risks and opportunities associated with changes in ESG factors.

We expect that the establishment of such a framework will align with our Corporate Values and bring greater transparency for all stakeholders – clients, shareholders, employees and communities. It will also assist us in managing risk, especially climate risk, and contribute to improvement in our financial performance.

Auditor’s Independence Declaration

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Australia

DECLARATION OF INDEPENDENCE BY TIM AMAN TO THE DIRECTORS OF INCOME ASSET MANAGEMENT GROUP LIMITED

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

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Income Asset Management Group Limited and the entities it controlled during the period.

Tim Aman
Director

BDO Audit Pty Ltd
Sydney
30 August 2024

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024

	Note	2024 $	2023 $
Revenue and operational income	4(a)	14,017,889	13,854,862
Business operating expenses		(2,535,707)	(2,119,175)
Employment expenses	4(b)(ii)	(12,643,164)	(9,374,015)
Finance costs	4(b)(i)	(2,468,445)	(2,370,346)
Depreciation and amortisation expense		(5,112,783)	(1,732,931)
Property operating expenses		(75,907)	(62,801)
Software and infrastructure expenses		(2,552,366)	(1,927,114)
Other expenses		(2,983,487)	(2,579,146)
Share of net loss from associates		(116,793)	(138,109)
Loss before income tax		(14,470,763)	(6,448,775)
Income tax expense	5	-	-
Loss for the year attributable to members		(14,470,763)	(6,448,775)
Other comprehensive income			
Items that will be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss:			
Fair value movement on financial assets at fair value through other comprehensive income	8(i)	(3,388,103)	-
Other comprehensive loss for the year		(3,388,103)	-
Total comprehensive loss for the year attributed to members		(17,858,866)	(6,448,775)
Earnings per share	**26**	**Cents**	**Cents**
Basic earning per share (cents)	26	(4.7)	(2.3)
Diluted earnings per share (cents)	26	(4.7)	(2.3)

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As at 30 June 2024

	Note	2024 $	2023 $
Current Assets			
Cash and cash equivalents	6	4,722,560	9,279,270
Trade and other receivables	7	1,347,741	2,123,516
Financial assets at fair value through profit or loss	8	571,543	982
Other assets	9	305,172	471,545
Total Current Assets		6,947,016	11,875,313
Non-current Assets			
Right of use assets	10	1,640,417	1,169,550
Intangibles	11	236,391	5,069,853
Investments accounted for using the equity method	12	-	3,679,856
Property, plant & equipment	13	140,868	153,471
Other non-current assets	14	393,128	392,169
Total Non-current Assets		2,410,804	10,464,899
Total Assets		9,357,820	22,340,212
Current Liabilities			
Trade and other payables	15	3,093,748	4,424,179
Lease liabilities	10	677,869	508,000
Borrowings	16	2,034,557	1,042,681
Provisions	17	770,253	617,391
Total Current Liabilities		6,576,427	6,592,251
Non-current Liabilities			
Lease liabilities	10	1,082,189	751,006
Borrowings	16	6,864,058	6,173,780
Provisions		112,320	94,435
Total Non-current Liabilities		8,058,567	7,019,221
Total Liabilities		14,634,994	13,611,472
Net Assets		(5,277,174)	8,728,740
Equity			
Issued capital	18	52,473,700	48,514,383
Reserves	19	1,428,752	9,189,227
Retained earnings		(59,179,626)	(48,974,870)
Total Equity		(5,277,174)	8,728,740

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 June 2024

Cash Flows from Operating Activities	Note	2024 $	2023 $
Receipts from customers and other sources of income		7,715,310	4,064,413
Payments to suppliers and employees		(19,850,239)	(14,310,326)
Net proceeds from sale of financial instruments at fair value through profit or loss		5,938,121	10,007,407
Interest received		174,433	43,271
Finance costs paid		(1,438,124)	(954,158)
Net operating cash flows	6(b)	(7,460,499)	(1,149,393)

Cash Flows from Investing Activities	Note	2024 $	2023 $
Payment for property, plant & equipment	13	(75,089)	(71,740)
Acquisition / disposal of a business net of cash acquired	11(ii),3	100,000	(356,272)
Loan repaid by associate		-	1,041,666
Loan to associate		-	(125,000)
Proceeds from sale of equity-accounted investment	12(a)(i)	-	2,500,000
Payment for loans		(492,203)	-
Net payment for office bonds		(960)	9,660
Net investing cash flows		(468,252)	2,998,314
Cash Flows from Financing Activities			
Proceeds from issue of notes	16(ii)	-	5,101,250
Proceeds from issues of shares		4,000,000	-
Cost of raising capital		(260,479)	-
Proceeds from related party borrowings	16(iii)	560,000	1,000,000
Repayment of related party borrowings	16(iii)	-	(1,000,000)
Payment for derivative financial assets		(560,000)	-
Proceeds from borrowings		308,273	139,913
Repayment of borrowings		(217,141)	(157,684)
Repayment of lease principal	10(c)	(606,534)	(546,744)
Net financing cash flows		**3,224,119**	**4,536,735**
Net (decrease) / increase in cash held		(4,704,632)	6,385,656
Cash at the beginning of the period		9,279,270	2,849,309
Effect of exchange rates on cash held in foreign currencies		147,922	44,305
Cash at the end of the financial period	6(a)	4,722,560	9,279,270

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2024

	Note	Issued capital ordinary	Option reserve	Financial asset reservation reserve	Retained earnings	Total
		$	$	$	$	$
Balance at 1 July 2023		48,514,383	9,189,227	-	(48,974,870)	8,728,740
Comprehensive income						
Loss attributable to members of parent entity for the year		-	-	-	(14,470,763)	(14,470,763)
Other comprehensive loss for the year		-	-	(3,388,103)	-	(3,388,103)
Total comprehensive loss for the year		-	-	(3,388,103)	(14,470,763)	(17,858,866)
Transactions with owners, in their capacity as owners, and other transfers						
Contributions of equity, net of transaction costs	18(a)(ii),(iii)	3,727,521	12,000	-	-	3,739,521
Contingent consideration reserve		-	(490,387)	-	490,387	-
Issued note – option premium reserve			(1,260,000)		1,260,000	-
Share-based payments – employee scheme		-	113,431	-	-	113,431
Shares issued on exercise of rights	18(a)(i)	231,796	(231,796)	-	-	-
Transfer of share-based payment reserve		-	(2,515,620)	-	2,515,620	-
Total transactions with owners and other transfers		**3,959,317**	**(4,372,372)**	**-**	**4,266,007**	**3,852,952**
Balance at 30 June 2024		52,473,700	4,816,855	(3,388,103)	(59,179,626)	(5,277,174)

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2023

	Note	Issued capital ordinary $	Option reserve $	Retained earnings $	Total $
Balance at 1 July 2022		47,319,283	10,006,184	(45,943,331)	11,382,136
Comprehensive income					
Loss attributable to members of parent entity for the period		-	-	(6,448,775)	(6,448,775)
Total comprehensive loss for the period		-	-	(6,448,775)	(6,448,775)
Transactions with owners, in their capacity as owners and other transfers					
Issued note - option premium reserve		-	2,720,000	-	2,720,000
Contingent consideration reserve			119,705		119,705
Share-based payments - employee scheme		-	485,835	-	485,835
Shares issued on exercise of rights	18(b)(i)	1,195,100	(1,195,100)	-	-
Share based payment		-	384,880	-	384,880
Contingent consideration reserve			(2,100,000)	2,100,000	-
Transfer of share based payment reserve		-	(1,232,277)	1,232,277	-
Total transactions with owners and other transfers		1,195,100	(816,957)	3,332,277	3,710,420
Balance at 30 June 2023		48,514,383	9,189,227	(49,059,829)	8,643,781

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

Note 1: Material Accounting Policy Information

The financial report includes the consolidated financial statements and notes of Income Asset Management Group Ltd (IAM) and controlled entities (the Group). IAM is a listed public company, incorporated and domiciled in Australia.

The separate financial statements of the parent entity, IAM, have not been presented within this financial report as permitted by the Corporations Act 2001. Supplementary information about the parent entity is disclosed in Note 2: Parent Information.

The financial statements were authorised for issue as at the date of the Directors' Declaration.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board, the Corporations Act 2001 and in compliance with 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.

The financial report, except for cash flow information, has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business. As presented in the financial statements, the entity incurred a loss before comprehensive income of $14,470,763 and had net cash outflows from operating activities of $7,460,499 for the year ended 30 June 2024. As at that date the entity had current liabilities of $6,576,427, and net liabilities of $5,277,174.

The Directors believe that there are reasonable grounds to believe that the entity will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- Current assets of $6,947,016 at 30 June 2024;
- $560,000 of current liabilities was repaid on the 4 July 2024 therefore reducing the current liability balance post year end;
- $1,371,766 in borrowings represents the non-cash amortisation of transactions costs and value attributed to the options granted on the issue of issued notes which is not outstanding to be paid;
- Additional revenue writers and partnerships with financial intermediary firms which is expected to increase revenue streams;
- Further cost reductions will occur in FY25 due to the group being in advanced negotiations with an industry leader to outsource certain costs of about $4,000,000; and
- As a listed entity, the Group also has capital raising opportunities available to itself from existing shareholders as well as sophisticated investors with strong alignment to the Group's strategy and future objectives.

However, these events and conditions indicate that a material uncertainty exists which may cast significant doubt on the entity's ability to continue as a going concern, and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the entity does not continue as a going concern.

A. Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (IAM) and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has the right 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 controlled entities is contained in Note 22: Controlled Entities.

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

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

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

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss. Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss.

Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

B. Income Tax

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

Current income tax expense charged to the profit or loss is the tax payable on taxable income for the period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Current and deferred income tax expense (income) is charged or credited directly to equity outside the profit or loss when the tax relates to items that are recognised outside profit or loss or arising from a business combination.

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. When an investment property that is depreciable is held by the entity in a business model whose objective is to consume substantially all the economic benefits embodied in the property through use over time (rather than through sale), the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of such property will be recovered entirely through use.

A deferred tax liability shall be recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from (a) the initial recognition of goodwill, or (b) the initial recognition of an asset or liability in a transaction which, (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

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 unless the deferred tax asset relating to temporary difference arises from the initial recognition of an asset or liability in a transaction that:

- is not a business combination; and
- at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

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 a legally enforceable right of set-off exists, 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.

Tax consolidation

IAM and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. Each entity in the Group recognises its own current and deferred tax assets and liabilities, except for any deferred tax liabilities resulting from unused tax losses and tax credits, which are immediately assumed by the head entity. The current tax liability of each group entity is then subsequently assumed by the parent entity. The Group notified the Australian Tax Office that it had formed an income tax consolidated group to apply from 1 July 2004. The tax consolidated group has entered a tax sharing agreement whereby each company in the Group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

C. Fair Value of Assets and Liabilities

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the test valuation where applicable, with external sources of data.

D. Property and Office Equipment

Each class of property and office equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Office equipment

Office equipment is measured on the cost basis and therefore carried at cost less accumulated depreciation and accumulated impairment. In the event the carrying amount of office equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to be estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease is the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (Refer to Note 1(G)) for details of impairment.

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are 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 capitalised lease assets, is depreciated on a straight-line basis over their useful lives to the 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 useful-life rates used for each class of depreciable assets are:

Class of Fixed Assets	Depreciation Rate (years)
Leasehold improvements	7
Office equipment	3–10

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

E. Leases (the Group as lessee)

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Group where the Group is a lessee. However all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates exercising a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

F. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through profit or loss, in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied.

Classification and subsequent measurement

Financial assets

Financial assets are subsequently measured at:

1. Amortised cost

   Measurement is on the basis of the two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.
- A financial asset is subsequently measured at amortised cost if it meets the following conditions:
- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

2. Fair value through profit and loss

   Financial assets not measured at amortised cost are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either:

- held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or
- designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss as net trading income.

Financial liabilities

All of the Group's financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability; that is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

The Group does not have any financial liabilities classified as held for trading, designated as fair value through profit or loss or any financial guarantee contracts.

A financial liability cannot be reclassified.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the Statement of Financial Position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial assets:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Group no longer controls the asset (i.e. the Group has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

the Group no longer controls the asset (i.e. the Group has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Impairment

The Group recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

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

There are no expected credit losses in the Group's financial assets.

G. 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 higher of the asset's fair value less costs of disposal and 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, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

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.

H. Investments Using Equity

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

I. Intangible Assets Other Than Goodwill

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Intangible assets are subsequently measured at cost less amortisation and any impairment. The amortisation method and useful lives of finite life intangibles are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Capitalisation of platform development costs

Research costs and costs associated with maintaining software programs are expensed in the period in which they are incurred. Development costs and software costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets and amortised from the point which the asset is ready for use when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised platform costs are amortised on a straight line basis over the period of their expected benefit to the Group of 10 years. The platform costs have been fully amortised at 30 June 2024 and there is no useful life remaining.

Trademarks

Trademarks are recognised at cost of acquisition. Trademarks have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Trademarks are amortised over their useful life of 20 years.

J. 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 at grant date and amortised 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 amounts are recognised in the option reserve and statement of profit and loss and other comprehensive income respectively. The fair value of options and rights may be determined using either a Black-Scholes, Monte Carlo or Binomial pricing model. 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.

K. 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, salaries and personal leave. 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 personal leave are recognised as a 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 corporate bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements 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.

L. 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.

M. 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 three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

N. Trade and Other Payables

Trade and other payables represent the liabilities outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability. Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

O. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

P. 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 Tax Office. Receivables and payables are shown inclusive of GST. The net amount of GST receivable 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.

Q. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

When the Group applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a Statement of Financial Position as at the beginning of the earliest comparative period will be disclosed.

R. Revenue and Other Income

Revenue Recognition

Financial services revenue

Revenue is recognised for the major business activities using the methods outlined below:

1. Net trading income

   The Group operates a fixed income trading business trading in bonds. The Group, trading as the principal, sells bonds to, or buys from, its clients and the fixed income market. Bond trading income is recognised on the trade date, which is the date the Group meets the requirements to recognise the financial asset.

2. Revenue from contracts with customers

   - Revenue from contracts with customers is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and their revenue can be reliably measured.
   - Fee revenue includes placement or arrangement fees derived from bonds. Placement fees arise where the Group arranges for a number of investors to participate in the acquisition of fixed rate securities to be issued on the primary markets by an issuer intending to raise capital. As consideration for the arrangement of the issue, the Group earns an arrangement or placement fee. Revenue is recognised when the customer has received the benefit of the service such that the performance obligation has been met — that is at the time when agreement is reached with individual investors to acquire notes, or with an underwriter to take up any remaining notes. The revenue may be reduced for rebates, or for underwriting fees.
   - Services revenue — the Group provides responsible entity services and other administrative services to funds. Revenue is measured at the time when the performance obligation is met and services are transferred.

Interest received

Interest income is recognised using the effective interest method.

S. Responsible Entity Obligations

The Group acts as responsible entity for managed investment schemes registered with the Australian Securities and Investment Commission. A responsible entity is liable for limited obligations of its underlying trusts, and generally has a right of indemnity against the trusts' assets. These financial statements do not recognise such liabilities except to the extent that the Group has committed a breach of fiduciary duty, or the extent that an underlying trust might have insufficient assets to settle its obligations. Such circumstances have not arisen. The Group has no obligation in respect of any borrowing or other liability of any trust for which it acts as responsible entity.

The Consolidated Cash Flow Statement does not reflect any cash flows attributable to the activities of the group undertaken on behalf of the trusts. At the end of the reporting period, to the directors' knowledge the assets of the trust are sufficient to meet their liabilities.

Commissions and fees earned in respect of the trusts' activities are included in profit and loss, which also includes commissions and fees earned or paid from fund management activities.

T. Critical Accounting Estimates and Judgments

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

Key Estimates

i. Impairment — general

The Group assesses impairment at each reporting date by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using either fair value less costs to sell, value-in-use calculations or an alternative valuation technique which incorporates various key assumptions.

ii. Business combinations

As discussed in note 1, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the consolidated entity taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

iii. Goodwill

The Group makes assessments of goodwill based on recoverable amount calculations, refer Note 11.

Impairment — software

The Group determines recoverable amounts of its software on a regular basis to assess whether an impairment expense should be recognised in the current accounting period. Recoverable amount assessments are performed using various valuation methodologies that may include capitalisation of future maintainable earnings, net present value of future cash flows, asset-based methods and comparable market transactions. The Group has determined its finite life intangible assets are not impaired when considering these valuation techniques in conjunction with the accumulated costs of developing its software and bringing them to their current state, refer Note 11: Intangible Assets.

There has been no impairment charge recognised during the year (2023: Nil).

iv. Estimation of useful lives of software

At each reporting date the Group re-evaluates the estimated useful lives and related amortisation charge for its finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The 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.

At 30 June 2024 there was 3 years useful life remaining on the internally generated software, however management consider the software to be obsolete technology and are assessing alternative solutions. As a result of the assessment, the amortisation has been accelerated (2023: No change) and the value has been written back to nil.

v. Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees and suppliers by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either a Binomial, Monte Carlo or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments may affect the value of share-based payments recorded in the financial statements.

Key Judgements

vi. Future Tax benefit of Tax Losses

At 30 June 2024, the directors reassessed the recoverability of the future tax benefits of tax losses and consider there is no certainty that future taxable profit will be available to enable the benefit of tax losses to be realised. At each period end the directors will reassess the recoverability of the future tax benefit of these tax losses. Furthermore, the tax benefit of these losses will only be obtained if:

- The Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised; and
- The Group continues to comply with the conditions for deductibility of losses imposed by the relevant tax legislation.
- In particular, the Group's tax losses can be carried forward to offset its future income and the future income of members of its tax consolidated group, subject to the satisfaction of the Continuity of Ownership Test or the Same or Similar Business Test, and having regard to the application of the "available fraction".

U. New and Amended Accounting Policies Adopted by the Group

The Group has considered the implications of new or amended Accounting Standards which have become applicable for the current financial reporting period but determined that their application to the financial statements is either not relevant or not material.

Note 2: Parent Information

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

Statement of Financial Position	**2024**	**2023**
Assets	**$**	**$**
Current assets	2,567,066	5,624,623
Non-current assets	13,124,840	13,227,948
Total assets	15,691,906	18,852,571
Liabilities		
Current liabilities	20,024,629	22,034,870
Non-current liabilites	8,058,568	7,734,085
Total liabilities	28,083,197	29,768,955
Equity		
Issued capital	52,473,700	48,514,383
Reserves	4,952,975	9,189,227
Retained earnings	(69,817,966)	(68,619,994)
Total equity	(12,391,291)	(10,916,384)
Statement of Profit or Loss and Other Comprehensive Income		
Total loss	(23,200,218)	(20,380,087)
Total comprehensive loss	(23,200,218)	(20,380,087)

Contingent liabilities and guarantees

The parent company does not have any contingent liabilities or guarantees in place for the year ended 30 June 2024.

Other contingent matters of the company, or the Group, are mentioned in Note 20: Commitment and Contingencies.

Contractual commitments

At 30 June 2024, the parent company had not entered into any contractual commitments (2023: $nil).

Note 3: Business Combination

There were no business combinations for the year ended 30 June 2024.

2023 Comparative

On 23 June 2023, Income Asset Management Group Limited acquired a business which includes the management rights and the rights to the contracts of a multi-strategy credit fund, subsequently renamed IAM Global Credit Opportunities Fund and also became the replacement trustee. The acquisition forms part of the Group's strategy to own and manage its own fund and increase recurring revenue through internal investment management. As part of the transaction, Daniel Saldanha (Head of Credit and Fixed Income) and Anthony Swan (Director - Senior Investment Analyst) have joined the Group to add to exisiting inhouse capabilities.

(a) Purchase consideration:

	Note	2023 $
Cash		350,000
Consideration Shares	(i)	119,705
Total Purchase Consideration		469,705

(i) The consideration shares are subject to various performance milestones and Daniel Saldanha remaining employed with the company on a conversion date. The consideration securities are forfeited if performance hurdles are not satisfied and the conversion dates are as follows:

- First tranche of consideration shares - 14 July 2024
- Second tranche of consideration shares - 14 July 2025

The consideration shares have been valued using forecast total revenue of the acquired business and a risk-free rate of 3.24% to calculate the fair values below:

- First Tranche of Consideration Shares - $72,794
- Second Tranche of Consideration Shares - $46,911

(b) Fair value of assets acquired and liabilities assumed:

	Note	$
Intangible asset - management rights	11	556,745
Provisions		(87,040)
Net identifiable assets acquired and liabilities assumed		469,705

Acquisition costs expensed to profit or loss	24,750

(c) As the completion date was 23 June 2023, the acquired entity had no material results contributed to the Group from acquisition to 30 June 2023.

Note 4: Revenue and Expenses

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

(a) Revenue and operational income	Note	2024 $	2023 $
• Brokerage and commissions		1,187,863	1,259,492
• Placement fees		4,941,796	2,529,322
• Service fees		1,315,077	129,897
Revenue from contracts with customers	(i)	7,444,736	3,918,711
Net trading income	(ii)	6,163,505	9,761,927
Total operating revenue		13,608,241	13,680,638
Other sources of revenue	(iii)	409,648	174,224
Total revenue		14,017,889	13,854,862

(i) Revenue disaggregation

The Group has disaggregated revenue into various categories in the following table.
The revenue is disaggregated by service line and timing of revenue recognition.

Service lines:			
• financial services		7,444,736	3,918,711
Timing of revenue recognition			
Services transferred to customers:			
• at a point in time		7,444,736	3,918,711

(ii) Net trading income

• Income from financial instruments held at fair value through profit or loss		6,163,505	9,761,927

(iii) Other sources of revenue

• Interest — unrelated		176,969	44,274
• Gain on disposal of equity investment		232,679	129,950
		409,648	174,224

(b) Expenses

(i) Finance costs

• Bank loans and overdrafts		129,095	161,755
• Lease liabilities		109,028	85,395
• Interest paid		2,230,322	2,123,196
		2,468,445	2,370,346

(ii) Employee benefits expense

• wages and salaries costs		11,398,630	8,149,627
• superannuation		960,355	725,830
• employee benefits provisions		170,748	12,723
• share based payment expenses		113,431	485,835
		12,643,164	9,374,015

Note 5: Income Tax Expense

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

	2024	2023
	$	$
(a) The components of tax expense / (benefit) comprise		
Current tax	-	-
Under / (over) provision prior year	-	-
	-	-
(b) The prima facie tax on profit before income tax is reconciled to the income tax as follows		
Prima facie tax payable / (benefit) on loss from ordinary activities before income tax at 25% (2023: 25%):	(3,617,691)	(1,565,027)
Add / (less)		
Tax effect of:		
• current period tax losses not recognised	2,243,783	1,112,330
• net amount of expenses not currently deductible	1,383,781	245,917
• other income not included in assessable income	(9,873)	206,780
Income tax expense / (benefit) attributable to entity	-	-

Applicable weighted average effective tax rates are nil due to losses.

(c) Deferred tax assets not recognised

Deffered tax assets and liabilities not brought to account, the net benefit of which will only be realised if the conditions for deductibility set out in Note 1: Statement of Significant Accounting Policies occur. The amount of losses ultimately available is also dependant on compliance with conditions of deductability imposed by Taxation law.

Temporary differences (other than tax and capital losses)	659,649	(450,374)
Tax losses	16,084,980	13,569,070
Capital losses	305,101	-
Net unbooked deferred tax assets	17,049,730	13,118,696

The group has unconfirmed revenue losses of $64,339,919 (2023: $54,276,280) and $1,220,406 (2023: nil) capital losses.

These losses can only be carried forward to offset against taxable profits made in future income years if the Group can satisfy the Continuity of Ownership Test (COT), or failing COT, the Business Continuity Test (BCT) in respect of those losses. Whilst the Group is of the view that it has satisfied the necessary criteria, it has not sought any independent advice to confirm whilst it is still in a loss making position.

Note 6: Cash and Cash Equivalents

	2024 $	2023 $
Cash at bank and on hand	4,722,560	9,279,270
	4,722,560	9,279,270

Cash at bank earns interest at floating rates based on daily bank rates.

The fair value of cash, cash equivalents and overdrafts is $4,722,560 (2023: $9,279,270).

(a) Reconciliation of Cash

For the purpose of the Consolidated Cash Flow Statement, cash includes cash and cash equivalents comprising the following at 30 June:

	Note	2024 $	2023 $
Cash at bank and in hand		4,722,560	9,279,270
	27	4,722,560	9,279,270

(b) Reconciliation of Profit after Income Tax to Cash Flows from Operations

	2024 $	2023 $
Net loss after income tax	(14,470,763)	(6,260,108)
Adjustment of non cash items		
Fair value changes (unrealised)	6,376	(5,530)
Amortisation & depreciation	5,112,782	1,732,932
Net exchange differences	(147,922)	(44,305)
Share based payment expenses	113,431	485,835
Interest paid	1,030,322	1,227,521
Share of profits from associates	(115,886)	138,109
Retention bonuses	492,204	-
Impairment of contingent consideration	407,639	-
Loss on disposal of GCOF	345,091	-
Gain on disposal of equity investment	-	(129,950)
Changes in assets and liabilities, net of the effects of movements in subsidiaries		
Increase in trade debtors and receivables	1,196,316	(1,220,084)
Increase in finacial assets at fair value	(271,107)	84,096
Increase in trade creditors	(1,329,730)	2,804,618
Increase in provisions	170,748	12,723
Net operating cash flows	(7,460,499)	(1,149,393)

(c) Changes in Liabilities arising from Financing Activities

	1 July 2023 $	Cash flows $	Non-cash movements $	30 June 2024 $
Short-term borrowings	1,042,681	651,132	340,744	2,034,557
Lease liabilities	1,259,005	(606,534)	1,107,587	1,760,058
Long-term borrowings	6,173,780	-	690,278	6,864,058
	8,475,466	**44,598**	**2,138,609**	**10,658,673**

Note 7: Trade and Other Receivables

Current	Note	2024 $	2023 $
Trade debtors		135,515	280,871
Other receivables		1,212,226	1,842,645
Total current receivables	(i)	1,347,741	2,123,516
Financial Assets classified as loans and receivables			
Trade and other receivables			
• Total current		1,347,741	2,123,516
Financial assets	27	1,347,741	2,123,516

(i) Significant management judgement — expected credit loss provision

The Group applies the simplified approach to providing for expected credit loss prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group has not recorded an impairment for expected credit losses in the current or prior year as all trade and other receivables are considered credit worthy ADI's and other institutions with no material balances past due.

Note 8: Financial Assets at Fair Value

Current	Note	2024 $	2023 $
Unlisted investments at fair value			
Corporate bonds		571,543	982
Total current financial assets at fair value through profit or loss	27	571,543	982
Total non-current financial assets at fair value through other comprehensive income	(i)	-	-

(i) Financial assets at fair value through other comprehensive income

On 18 September 2023, the Group announced to the ASX that Tactical Global Management (TGM) had untertaken a strategic merger with Alpha Vista Financial Services (AVFS) that combines their complementary intellectual property and leverages AVFS's capabilities and TGM's 25 years of asset management experience. TGM shareholders received a 10% equity stake in the merged entity and an entitlement to deferred contingent share consideration, resulting in the Group holding 2.5% of the merged AVFS entity. Refer Note 12(a)(i).

The Group received 2,258,735 ordinary shares in AVFS and the fair value using the most recent capital raise in AVFS and the merger valuations was $1.50 per share in the 31 December 2023 Interim Report.

At the date of this report AVFS continues to be in a loss making position and is in the process of commencing a further capital raise. As a result of this, the Group has taken a conservative approach and impaired the investment in full at 30 June 2024. $3,388,103 has been recorded as a fair value loss in other comprehensive income.

Note 9: Other Assets

Current	2024 $	2023 $
Prepayments	305,172	471,545
Total current other assets	305,172	471,545

Note 10: Right of Use Assets

(a) AASB 16 related amounts recognised in the statement of financial position

	Note	2024 $	2023 $
Right of use assets			
Leased building		2,773,060	2,127,498
Accumulated depreciation		(1,132,643)	(957,948)
		1,640,417	1,169,550

Movement in carrying amounts:

Leased building:			
Opening net carrying amount	(i)(iii)	1,169,550	856,257
Additions	(ii)	1,107,587	909,864
Depreciation expense for the period		(636,720)	(596,571)
		1,640,417	1,169,550

(i) The Group has the following carried forward leases recognised under AASB 16.

A 5-year lease for office premises in Flinders Lane, Melbourne, with an expiry date of 11 November 2026.

A 3-year lease for office premises in Martin Place, Sydney, with an expiry date of 19 July 2025.

(ii) The Group entered into the following leases recognised under AASB 16 during the year.

A 5-year lease for office premises in Adelaide Street, Brisbane, with an expiry date of 30 November 2028.

Management estimate — lease term and discount rate

The lease has no option period and as such there is no option included in the calculation of the lease liability. A benchmarked borrowing rate of 8.75% has been used as the discount rate.

A 3-year lease for office premises on The Esplande, Perth, with an expiry date of 30 April 2027.

Management estimate — lease term and discount rate

The lease has no option period and as such there is no option included in the calculation of the lease liability. A benchmarked borrowing rate of 9% has been used as the discount rate.

(iii) The following carried forward lease recognised under AASB 16 expired during the period.

A 3-year lease for office premises in Adelaide Street, Brisbane, with an expiry date of 30 November 2023.

(b) AASB 16 related amounts recognised in the statement of profit or loss

	2024 $	2023 $
Depreciation charge related to right of use assets	636,720	596,571
Interest expense on lease liabilities (included in finance costs)	109,028	85,395

(c) AASB 16 related amounts recognised in the statement of cash flows

	2024 $	2023 $
Total principal and interest cash outflows for leases	606,534	546,744

Note 10: Right of Use Assets (cont'd)

(d) Lease liabilities

Current	2024 $	2023 $
Lease liabilities	677,869	508,000
Total current lease liabilities	677,869	508,000
Non-current		
Lease liabilities	1,082,189	751,006
Total non-current lease liabilities	1,082,189	751,006
Total lease liabilities	1,760,058	1,259,006

(e) Lease liabilities maturity analysis

2024	Less than 1 year	1 to 2 years	2 to 5 years	5 + years	Total
Lease payments	792,927	496,802	733,333	-	2,023,062
Finance costs	(115,058)	(78,879)	(69,067)	-	(263,004)
	677,869	417,923	664,266	-	1,760,058
2023					
Lease payments	567,970	526,408	289,445	-	1,383,823
Finance costs	(59,970)	(35,076)	(29,770)	-	(124,817)
	508,000	491,332	259,675	-	1,259,006

Note 11: Intangible Assets

	2024 $	2023 $
Goodwill — at cost	226,316	226,316
	226,316	226,316
Software development — at cost	11,383,682	11,383,682
less accumulated amortisation	(11,383,682)	(7,113,244)
	-	4,270,438
Trademarks and patent — at cost	20,986	20,986
less accumulated amortisation	(10,911)	(4,632)
	10,075	16,354
Management rights - at fair value	-	556,745
	-	556,745
Total intangibles	236,391	5,069,853

Note 11: Intangible Assets (cont'd)

	Note	Management Rights $	Goodwill $	Software $	Trademarks $	Total $
Balance at 1 July 2023		556,745	226,316	4,270,438	16,354	5,069,853
Disposal	(ii)	(445,091)	-	-	-	(445,091)
Amortisation charge		(111,654)	-	(4,270,438)	(6,279)	(4,388,371)
Balance at 30 June 2024	(i)	-	226,316	-	10,075	236,391
Balance at 1 July 2022		-	226,316	5,310,397	11,635	5,548,348
Additions		556,745			6,272	563,017
Amortisation charge		-	-	(1,039,959)	(1,553)	(1,041,512)
Balance at 30 June 2023		556,745	226,316	4,270,438	16,354	5,069,853

(i) Intangible Assets

Management Rights relate to IAM Global Credit Opportunities Fund (refer Note (ii)).

Goodwill relates to the subsidiary IAM Capital Markets Limited Cash Generating Unit.

Internally generated software intangibles relate to the Cash Generating Units of IAM Cash Markets and IAM Capital Markets.

As part of the financial year impairment assessment process, the Group has considered the carrying value of the intangible assets balance and note that no impairment charge is required at 30 June 2024.

Management estimate — useful lives of intangible assets

The useful lives of all intangible assets have been assessed at 30 June 2024. There was 3 years useful life remaining on the internally generated software, however management consider the software to be obsolete technology and are assessing alternative solutions. As a result of the assessment, the amortisation has been accelerated and the value has been written back to nil.

(ii) Disposal of Management Rights

On 28 June 2024, the Group disposed of the management rights to the Global Credit Opportunities Fund for $100,000 and will cease to be the trustee by 30 September 2024. Included in the sale was the transfer of two key employees and various supplier agreements associated with the fund. There is a net loss on disposal of $355,402, which is recorded in other expenses in the statement of profit and loss.

Note 12: Investments Accounted for Using the Equity Method

	2024 $	2023 $
Investments accounted for using the equity method	-	3,679,856

(a) Carrying amounts

The Group held investments that undertook funds management activities. Information relating to these entities is set out below:

		Note	Ownership interest		Carrying value	
Name of Company	**Principal Activities**		**2024 %**	**2023 %**	**2024 $**	**2023 $**
Unlisted						
Tactical Global Management Ltd	Funds Management	(i)	-	25	-	3,679,856
					-	3,679,856

Tactical Global Management Ltd (TGM) is incorporated and has its principal place of business in Australia and was accounted for using the equity method in the June 2023 comparative.

(i) TGM and AVFS merger

On 18 September 2023, the Group announced to the ASX that TGM had untertaken a strategic merger with Alpha Vista Financial Services (AVFS) that combines their complementary intellectual property and leverages AVFS's capabilities and TGM's 25 years of asset management experience.

TGM shareholders received a 10% equity stake in the merged entity, resulting in the Group holding 2.5% of the merged AVFS entity. From the date of the merger, the Group does not have significant influence over AVFS and accordingly the investment ceases to be accounted for using the equity method. The Group initially recognised the interest in AVFS as a financial asset and is recorded at fair value in accordance with AASB 9. Refer note 8(i)).

In time, the Group and TGM could earn additional equity in AVFS and cash bonuses, subject to performance hurdles. The Group has waived the majority of its rights to this additional equity and cash bonuses, and in exchange, TGM shareholders have accepted the cancellation of 15 million performance rights issued to them on 26 October 2021, as part of the contingent consideration for the Group's acquisition of shares in TGM. As a result, the $370,682 in contingent consideration has been reversed from the option reserve to retained earnings.

The Group retains a proportional entitlement of 5.8823% of the aggregate deferred share consideration in AVFS. This 5.8823% proportional entitlement will represent approximately 0.5% of the ordinary share capital in AVFS. The deferred consideration is in two tranches comprising 50% when the revenue of the asset management component of AVFS reaches or exceeds $10 million in a financial year, and then a further 50% when the revenue of the asset management component of AVFS reaches or exceeds $20 million in a financial year. The Group fair valued the deferred contingent consideration on acquisition. Refer Note 14(i).

The difference between the fair value of the initially recognised interest in AVFS of $3,388,103 plus the deferred contingent consideration of $407,639 and the carrying amount of the TGM investment at the date the equity method was discontinued of $3,563,063 is a profit of $232,679, which has been recognised through the profit and loss as a gain on disposal of equity investment.

Note 12: Investments Accounted for Using the Equity Method (cont'd)

(b) Summarised financial information for joint ventures

The tables below provide summarised financial information for entities accounted for using the equity method. The information disclosed reflects the amounts presented in the financial statements of the individual entities and not the Group's share of those amounts.

	Tactical Global Management Ltd	
	2024	2023
Summarised statement of financial position	$	$
Cash and cash equivalents	-	1,094,143
Other current assets	-	630,707
Total current assets	-	1,724,850
Total non-current assets	-	649,453
Current financial liabilities	-	(407,944)
Other current liabilities	-	(417,626)
Total current liabilities	-	(825,570)
Non-current financial liabilities	-	(234,884)
Other non-current liabilities	-	(39,416)
Total non-current liabilities	-	(274,300)
Net assets	-	1,274,433
Group's share %	-	25%
Reconciliation to carrying amounts		
Opening net assets 1 July	1,274,433	2,016,617
Total comprehensive loss	(467,172)	(742,184)
Net assets on disposal of investment	(807,261)	-
Closing net assets	-	1,274,433
Group's share of net assets	-	318,608
Consideration premium	-	3,361,248
Carrying amount	-	3,679,856

Summarised statement of comprehensive income		
Revenue	452,935	2,887,476
Net loss for the year after tax	(467,172)	(742,184)
Other comprehensive income	-	-
Total comprehensive income / (loss)	(467,172)	(742,184)
Depreciation and amortisation	(45,325)	(195,188)
Interest income	11,957	46,150

Note 12: Investments Accounted for Using the Equity Method (cont'd)

(c) Movement in carrying amounts

	Tactical Global Management Ltd	
	2024	**2023**
	$	**$**
Carrying amount at the beginning of the year	3,679,856	3,865,402
Share of loss after tax	(116,793)	(185,546)
Disposal of shares in entity under joint control	(3,563,063)	-
Carrying amount at the end of the year	-	3,679,856

Note 13: Property, Plant and Equipment

	2024 $	2023 $
Plant and equipment owned		
• at cost	557,755	487,424
less accumulated depreciation	(422,740)	(338,807)
Total plant and equipment, net	135,015	148,617
Leasehold improvements		
• at cost	12,912	8,154
Less accumulated amortisation	(7,059)	(3,300)
Total Leasehold improvements, net	5,853	4,854
Total property, plant and equipment, net	140,868	153,471

Movements in the Carrying Amounts

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

30 June 2024	Plant & equipment $	Leasehold improvements $	Total $
Balance beginning of the financial year	148,617	4,854	153,471
Additions	70,331	4,758	75,089
Depreciation expense	(83,933)	(3,759)	(87,692)
Balance at end of financial year	135,015	5,853	140,868

30 June 2023	Plant & equipment $	Leasehold improvements $	Total $
Balance beginning of the financial year	170,492	6,088	176,580
Additions	70,300	1,440	71,740
Depreciation expense	(92,175)	(2,674)	(94,849)
Balance at end of financial year	148,617	4,854	153,471

Note 14: Other Non-current Assets

	2024 $	2023 $
Bonds & Deposits	393,128	392,169
Total other non-current other assets	393,128	392,169

(i) The Group retains a proportional entitlement of 5.8823% of the aggregate deferred share consideration in AVFS. This 5.8823% proportional entitlement will represent approximately 0.5% of the ordinary share capital in AVFS. The deferred consideration is in two tranches comprising 50% when the revenue of the asset management component of AVFS reaches or exceeds $10 million in a financial year, and then a further 50% when the revenue of the asset management component of AVFS reaches or exceeds $20 million in a financial year. The Group fair valued the deferred contingent consideration at $407,639 on initial recognition.

At the date of this report AVS continues to be in a loss making position and is in the process of commencing a further capital raise. As a result of this, the Group has taken a conservative approach and impaired the contingent consideration in full at 30 June 2024. $407,639 has been recorded as an impairment in the profit and loss. Refer Note 8(i).

Note 15: Trade and Other Payables

	Note	2024 $	2023 $
Trade creditors		786,635	2,926,652
Sundry creditors and accrued expenses		2,307,113	1,497,527
Total current payables		3,093,748	4,424,179
Financial liabilities at amortised cost classified as trade and other payables	27	3,093,748	4,424,179

Note 16: Borrowings

Current	Note	2024 $	2023 $
Loans - unsecured	(i)	102,791	11,659
Issued notes	(ii)	1,371,766	1,031,022
Loan - related party	(iii)	560,000	-
Total current borrowing		2,034,557	1,042,681
Non-current			
Issued notes	(ii)	6,864,058	6,888,644
Total non-current borrowing		6,864,058	6,173,780
Total borrowings		8,898,615	7,216,461

(i) Unsecured short-term loan for the payment of the Group's insurance policy and CRM system

(ii) Issued notes

On 4 November 2022, IAM issued a 12% unsecured note with a face value of $10,000,000 and a maturity of 3 years. Interest is payable quarterly in arrears at a rate of 12% based on face value and notes have been measured at amortised cost. The borrowing will be used to fund the growth of the IAM Capital Markets and Trustees Australia businesses, and to repay the $4,500,000 6% 3 year unsecured note that was issued on 24 December 2020. The issued notes balance of $8,235,824 (2023: $7,919,666) represents the face value of the borrowing less costs of issuance. The noteholders were also issued with four ASX listed options for every $1 invested. Each option entitles the holder to purchase one IAM share at an exercise price of $0.25 at any time during the 3-year life of the option. Each of these options entitles the holder to purchase one IAM share at an exercise price of $0.50 at any time during the 3-year life of the option. Refer below for details of the fair valuation process.

Issued notes — option premium

The option premium on the issued note represents the options on IAM shares outlined in (ii) above. The premium represents an additional borrowing cost, and is incorporated within the effective interest rate on the issued note liability.

Management estimate — fair valuation of option premium

The fair value of the options was determined using a Black-Scholes pricing model taking into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the instrument.

Note 16: Borrowings (cont'd)

	Options issued 4 November 2022
Fair value at grant date (per right)	$0.07
Grant date	4 November 2022
Number of rights	40,000,000
Exercise price	$0.25
Expiry date	31 December 2025
Share price at grant date	$0.15
Expected price volatility of the Company's shares	32%
Expected dividend yield	nil
Risk-free interest rate	3.42%

(iii) Related party funding

Commencing in September 2022, the Group entered into a borrowing agreement with Third Return Investments Pty Ltd, an entity associated with Jon Lechte (CEO), who provided a loan facility for an amount of not more than $1,000,000 at any time. The interest rate was 6%, repayment was to be made by 1 September 2023 or with 2 business days' notice to the lender, and the facility was to be used to settle securities or bonds purchased by the Group. During the year, the facility has been renewed on the same terms as the expired facility with a repayment date of 30 June 2024. The Group utilised $560,000 at 30 June 2024, which was repaid on 3 July 2024.

In the June 2023 comparative, the facility with Third Return Investments was utilised between September 2022 and November 2022 and was repaid on 10 November 2022. Interest paid on the loan was $13,063.

A loan facility of $500,000 was provided by Adcock Private Equity Limited ATF Adcock Private Equity Trust, an entity associated with former Director Brook Adcock. The facility was provided for the purpose of meeting any liabilities that fall due and general corporate purposes until such time as the Group could raise capital. The interest rate was 6% and repayment was to be made by 1 September 2023 or with 2 business days' notice to the lender. On 1 September 2023 the facility expired and has not been renewed. The facility was not utilised during the year or in the prior year comparative.

Note 17: Provisions

	2024 $	2023 $
Current		
Employee benefits	770,253	617,391
Total current provisions	770,253	617,391
Non-Current		
Employee benefits	112,320	94,435
Total non-current provisions	112,320	94,435
Opening Balance	711,826	612,063
Additional provisions	913,276	662,778
Amounts used	(742,529)	(563,015)
Closing Balance	882,573	711,826

Provision for employee benefits

A provision has been recognised for employee entitlements relating to annual leave and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.

The current portion for this provision includes the total amount accrued for annual leave and long service entitlements that have vested due to employees having completed the required period of service. Based on past experience the Group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities as the Group does not have an unconditional right to defer settlement of the amount in the event the employees wishes to leave their employment.

Note 18: Issued Capital

	2024 $	2023 $
Issued capital	52,473,700	48,514,383

(a) Movement in ordinary shares as of 30 June 2024

Date	Detail	Note	Number of shares	Issue price $	Issued capital $
1 July 2023	Opening balance		280,020,821		48,514,383
7 November 2023	Performance rights exercised	(i)	850,000	$0.27	231,796
7 November 2023	Share Placement - Tranche 1	(ii)	31,003,123	$0.08	2,480,250
2 January 2024	Share Placement - Tranche 2	(iii)	18,996,877	$0.08	1,519,750
	Transaction costs				(272,479)
30 June 2024	Closing balance		330,870,821		52,473,700

(i) On 7 November 2023, IAM issued 850,000 shares at an average issue price of $0.27 upon vesting of employee performance rights.

(ii) On 7 November 2023, IAM issued 31,003,123 shares to institutional and sophisticated investors. This was tranche one of a two-tranche placement of $4M at an issue price of $0.08. Funds have been used to rebalance the cash position and address the increasing demand in secondary trading, where the Group can use its balance sheet to generate revenue and allow the trading desk to move faster on debt deals.

(iii) On 2 January 2024, IAM issued 18,996,877 shares to institutional and sophisticated investors. This is tranche two of the two-tranche placement of $4M at an issue price of $0.08.

(b) Movement in ordinary shares as of 30 June 2023:

Date	Detail	Note	Number of shares	Issue Price ($)	Issued Capital
1 July 2022	Opening balance		276,220,821		47,319,283
3 November 2022	Performance rights exercised	(i)	3,800,000	$0.31	1,195,100
30 June 2023	Closing balance		280,020,821		48,514,383

(i) On 3 November 2022, IAM issued 3,800,000 shares at an average issue price of $0.31 upon vesting of employee performance rights.

Note 18: Issued Capital (cont'd)

(c) Capital Management

The Group's debt and capital includes shares and financial liabilities, supported by financial assets. The Group's capital is managed by assessing the Group's financial risks and adjusting its capital structure in response to changes in those risks and in the market. Financial risk consideration includes the management of debt levels, distributions to shareholders and share issues. Given the increased risks associated with high levels of gearing, the directors have elected to maintain low levels of borrowings. The strategy adopted to manage capital is consistent with prior years.

Income Asset Management Group Ltd and Trustees Australia Limited hold Australian financial services licences. Conditions of each licence authorisation, require each licensee to maintain a number of minimum financial standards as set out in Note 20: Commitments and Contingencies.

Note 19: Reserves

	2024 $	2023 $
Reserves	1,428,752	9,189,227

(a) Movement in reserves as of 30 June 2024:

Options/performance rights reserve:

Date	Detail	Note	No. of options / performance rights	Option Reserve ($)
1 July 2023	Opening balance		110,429,000	9,189,227
18 September 2023	Contingent consideration reserve	12(a)(i)	(15,000,000)	(370,682)
29 December 2023	Blue Ocean Options	14(b)(i)	1,500,000	12,000
4 March 2024	Issued notes 1 forfeited		(9,000,000)	(1,260,000)
28 June 2024	Contingent consideration reserve - GCOF			(119,705)
30 June 2024	Share based payments - employee scheme	14(a)	20,830,000	113,431
30 June 2024	Performance rights exercised	14(a)	(850,000)	(231,796)
30 June 2024	Performance rights forfeited	14(a)	(22,914,000)	(2,515,620)
30 June 2024	Closing balance		84,995,000	4,816,855

Finanacial asset revaluation reserve:

Date	Detail	Note	Financial Asset Revaluation Reserve ($)
1 July 2023	Opening balance		-
30 June 2024	Fair value movement	8(i)	(3,388,103)
30 June 2024	Closing balance		(3,388,103)

Note 19: Reserves (cont'd)

(b) Movement in options/performance rights as of 30 June 2023:

Date	Detail	Note	No. of options / performance rights	Option Reserve ($)
1 July 2022	Opening balance		89,677,333	10,006,184
30 September 2022	Blue Ocean Options - Lapsed		(133,333)	(13,237)
4 November 2022	Issued notes - option premium reserve		40,000,000	2,720,000
4 November 2022	Share based payments		5,660,000	384,880
25 May 2023	Contingent consideration reserve		(10,000,000)	(2,100,000)
23 June 2023	Contingent consideration reserve		-	119,705
30 June 2023	Blue Ocean Options - lapsed		(1,200,000)	(72,000)
30 June 2023	Share based payments - employee scheme		-	485,835
30 June 2023	Performancerights forfeited		(9,775,000)	(1,147,040)
30 June 2023	Performance rights exercised		(3,800,000)	(1,195,100)
30 June 2023	Closing balance		110,429,000	9,189,227

Note 20: Commitments and Contingencies

(i) Responsible Entity and AFSL Licence Obligations

The Group holds the following financial services licences under section 913B of the Corporations Act 2001:

Name	Licence No.
IAM Capital Markets Limited	283119
Trustees Australia Limited (Trustees Australia)	260038

As a condition of licence authorisation, each licensee is required to maintain a number of base level financial requirements and Trustees Australia has additional financial requirements as a result of being licenced to provide Responsible Entity services. At 30 June 2024, all entities meet the base level requirements and Trustees Australia meets its additional financial requirements.

There are no other commitments and contingencies reported at 30 June 2024.

Note 21: Key Management Personnel (KMP) Interests

(a) Names and positions held of KMP in office at any time during the financial year are:

Name	Position
John Nantes	Executive Chairman
Craig Swanger	Executive Director
Simon Maidment	Non-executive Director (Appointed 29 April 2024)
Brook Adcock	Non-executive Director (Resigned 13 May 2024)
Fiona Dunn	Non-executive Director (Resigned 5 December 2023)
Jon Lechte	CEO

(b) KMP Compensation by Category

Refer to the Remuneration Report contained in the Directors Report for details of the remuneration paid or payable to each member of the Group's KMP for the year ended 30 June 2024.

The totals of remuneration paid to KMP of the company and the Group during the year are as follows, no other remuneration has been paid from that listed:

	2024 $	2023 $
Short-term	711,718	711,718
Post employment	47,342	47,342
Other long-term	2,061	2,061
Termination payments	-	170,063
Share-based payments	-	(229,580)
	761,121	701,604

Short-term employee benefits

These amounts include fees and benefits paid to the Executive Chair, directors and non-executive directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to executive directors and other KMP.

Post-employment benefits

These amounts are the costs of superannuation contributions made during the year.

Other long-term benefits

These amounts represent the movement in long service leave benefits accruing during the year.

Termination benefits

These are amounts payable as a result of either i) the Group's decision to terminate an employees employment before the normal retirement date, or ii) an employees decision to accept voluntary redundancy in exchange for those benefits.

Share-based payments

These amounts represent the expense related to the participation of KMP in equity settled benefit schemes as measured by the fair value of the options and shares granted.

Note 22: Controlled Entities

(a) Information about subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1(A). The country of incorporation of all subsidiaries is also the principal place of business.

Particulars in relation to controlled entities	Country of incorporation	Note	Class of equity	2024 Percentage owned	2023 Percentage owned
Parent Entity					
Income Asset Management Group Limited	Australia	(i)	ordinary		
Wholly Owned Controlled Entities					
IAM Capital Markets Limited	Australia		ordinary	100	100
Trustees Australia Limited	Australia		ordinary	100	100
IAM Cash Markets Pty Ltd	Australia		ordinary	100	100
Australian Share Registers Pty Ltd (dormant)	Australia		ordinary	100	100
IAM Funds Pty Ltd	Australia		ordinary	100	100
Cashwerkz Group Trust (dormant)	Australia		ordinary	100	100

The financial year of all controlled entities is the same as that of the holding company.

(i) The ultimate controlling entity of the Group is Income Asset Management Group Ltd.

(b) Significant restrictions

There are no significant restrictions over the Group's ability to access or use assets, and settle liabilities, of the Group.

Note 23: Related Party Transactions

Related parties of the IAM Group are:

- controlled entities
- key management personnel and their associates
- director related entities
- joint ventures accounted for under the equity method

Entities with significant influence over the Group are:

- Relevant interests associated with Director, Brook Adcock, owned 17.94% (June 2023: 26.19%) of the ordinary shares in IAM at the date of his resignation on 13 May 2024.

Transactions with related parties

Transactions with related parties are made at arm's length at normal market prices and on normal commercial terms.

The following transactions occurred with director related parties:

- John Nantes is a director of CJN Advisory Pty Ltd (CJN Advisory), who undertakes responsible manager and consulting services work for the Group. During the year, $248,004 (2023: $206,334) was paid by the Group to CJN Advisory and at 30 June 2024 the Group had $22,734 (2023: nil) outstanding amounts with CJN Advisory.
- Craig Swanger is a director of Revolver Capital Pty Ltd (Revolver Capital). Revolver Capital undertakes project management, CIO and consulting work for the Group. During the year, $171,000 (2023: $60,000) was paid by the Group to Revolver Capital and at 30 June 2024 the Group had $11,000 (2023: $5,500) outstanding with Revolver Capital.

The following transactions occurred with directors:

- Fiona Dunn received a director's fee of $25,806 (2023: $60,000) and superannuation of $2,839 (2023: $6,300) during the reporting period. Fiona resigned from the board on 5 December 2023.
- Simon Maidment received a director's fee of $12,913 (June 2023: nil) and superannuation of $1,420 (2023: nil) during the reporting period. Simon was appointed to the board on 29 April 2024.
- On 4 November 2022, IAM issued a 12% unsecured note and each noteholder was also issued 4 options for every $1 invested. Below is a list of directors who participated in the issue and their relevant interests at 30 June 2024.

		Options issued 4 November 2022
	Notes ($)	**Options (No.)**
Brook Adcock	-	-
John Nantes (indirect holdings)	50,000	200,000

Interest on the IAM notes of $6,000 (2023: $19,187) has been expensed in finance costs.

On 2 January 2024, John Nantes (indirect holdings) was issued 250,000 IAM shares as part of the Group's $4,000,000 placement to institutional and sophisticated investors.

Note 23: Related Party Transactions (cont'd)

The following transactions occurred with KMP:

On 4 November 2022, IAM issued a 12% unsecured note and each noteholder was also issued 4 options for every $1 invested. Below is a list of KMP who participated in the issue and their relevant interests at 30 June 2024.

	Options issued 4 November 2022	
	Notes ($)	Options (No.)
Jon Lechte	500,000	3,600,000

Interest on the notes of $60,000 (2023: $40,932) has been expensed in finance costs.

On 2 January 2024, Jon Lechte was issued 875,000 IAM shares as part of the Group's $4,000,000 placement to institutional and sophisticated investors.

Loans from related parties:

- Commencing in September 2022, the Group entered into a borrowing agreement with Third Return Investments Pty Ltd, an entity associated with Jon Lechte (CEO), who provided a loan facility for an amount of not more than $1,000,000 at any time. The interest rate was 6%, repayment was to be made by 1 September 2023 or with 2 business days' notice to the lender, and the facility was to be used to settle securities or bonds purchased by the Group. During the year, the facility has been renewed on the same terms as the expired facility with a repayment date of 30 June 2024. The Group utilised $560,000 at 30 June 2024, which was repaid on 3 July 2024.
- In the June 2023 comparative, the facility with Third Return Investments was utilised between September 2022 and November 2022 and was repaid on 10 November 2022. Interest paid on the loan was $13,063.
- A loan facility of $500,000 was provided by Adcock Private Equity Limited ATF Adcock Private Equity Trust, an entity associated with former Director Brook Adcock. The facility was provided for the purpose of meeting any liabilities that fall due and general corporate purposes until such time as the Group could raise capital. The interest rate was 6% and repayment was to be made by 1 September 2023 or with 2 business days' notice to the lender. On 1 September 2023 the facility expired and has not been renewed. The facility was not utilised during the year or in the prior year comparative.

Note 24: Segment Information

The Group has only one operating segment based on the information provided to the Board of Directors (who are identified as the Chief Operating Decision Makers (CODM)). Therefore, as the results are the same as the consolidated entity, no reconciliation of operating segment information has been presented. The disaggregation of revenue is reported in Note 4(a).

Note 25: Share-based Payments

(a) Employee share scheme

The Group established the Long Term Incentive Plan (LTIP) on 30 November 2016 as an incentive scheme to recognise and motivate employees to strive for Group performance. The Group considers that the LTIP reflects our commitment to deliver competitive remuneration in order to attract and retain high calibre professionals to the Group, while prudently managing the Group's cash reserves and aligning the interests of executives and shareholders.

The LTIP allows the Board to grant performance rights and/or options to eligible employees. An eligible employee of the Group is an employee (including a director employed in an executive capacity) and any other person who is declared by the Board to be eligible to receive a grant of performance rights or options.

The number available to be granted is determined by the Board and is generally based on shareholder return triggers linked to a share price and are also subject to various minimum service standards such as term of service.

Set out below are performance rights and options granted under the plan during the year:

Grant date	Expiry date	Hurdle price	Exercise price	Balance at 1 July 2023	Granted during the year	Vested and issued during the year	Forfeited during the year	Balance at 30 June 2024	Note
Performance rights									
1/4/2020	1/4/2025	$0.45	-	8,830,000	-	-	-	8,830,000	(i)
9/9/2020	9/9/2025	$0.45	-	1,640,000	-	-	(1,640,000)	-	
1/12/2020	1/12/2025	$0.50	-	4,815,000	-	-	(3,210,000)	1,605,000	
1/12/2020	1/12/2025	$0.75	-	7,230,000	-	-	(4,820,000)	2,410,000	
1/11/2021	1/7/2023	-	-	500,000	-	(500,000)	-	-	
1/11/2021	1/7/2024	-	-	500,000	-	-	(500,000)	-	
1/11/2021	1/7/2025	$0.45	-	1,000,000	-	-	(1,000,000)	-	
1/11/2021	1/7/2026	$0.75	-	1,500,000	-	-	(1,500,000)	-	
1/11/2021	1/10/2023	$0.75	-	8,830,000	-	-	(8,830,000)	-	
30/5/2022	30/5/2027*	-	-	350,000	-	(350,000)	-	-	
30/5/2022	30/5/2027	$0.45	-	400,000	-	-	(400,000)	-	
30/5/2022	30/5/2027	$0.45	-	400,000	-	-	(400,000)	-	
22/6/2022	22/4/2027	$0.45	-	1,820,000	-	-	(300,000)	1,520,000	
22/6/2022	22/4/2027	$0.75	-	1,370,000	-	-	(230,000)	1,140,000	
Options									
24/12/2020	24/12/2023	-	$0.50	84,000	-	-	(84,000)	-	
15/3/2024	15/03/2027	-	$0.20	-	5,207,500	-	-	5,207,500	(ii)
15/3/2024	15/03/2027	-	$0.30	-	5,207,500	-	-	5,207,500	(ii)
15/3/2024	15/03/2027	-	$0.45	-	10,415,000	-	-	10,415,000	(ii)
				39,269,000	20,830,000	(850,000)	20,830,000	36,335,000	

(i) Executive Directors and senior management have voluntarily agreed to raise the hurdle price from $0.45 to $0.75 by way of escrow.

Note 25: Share-based Payments (cont'd)

(ii) Options granted to employees

Number of options	5,207,500	5,207,500	10,415,000
Fair value at grant date (per option)	$0.022	$0.005	$0.001
Grant date	15 March 2024	15 March 2024	15 March 2024
Service hurdle	15 March 2024	1 July 2024	1 July 2025
Exercise price	$0.00	$0.00	$0.00
Expiry date	15 March 2027	15 March 2027	15 March 2027
Share price at grant date	$0.10	$0.10	$0.10
Expected price volatility of the Company's shares	32%	32%	32%
Expected dividend yield	nil	nil	nil
Risk-free interest rate	4.52%	4.52%	4.52%

(b) Other options granted

Set out below are other options granted during the period:

Grant date	Expiry date	Type	Note	Exercise price	Balance at 1 July 2022	Granted during the year	Exercised during the year	Forfeited during the year	Balance at 30 June 2023	Vested and exercisable at end of the period
16/8/2021	16/8/2024	Options		$0.41	1,500,000	-	-	-	1,500,000	1,500,000
4/11/2022	4/11/2025	Options		$0.25	5,660,000	-	-	-	5,660,000	5,660,000
29/12/2023	29/12/2026	Options	(i)	$0.25	-	1,500,000	-	-	1,500,000	1,500,000
					7,160,000	1,500,000	-	-	8,660,000	8,660,000

(i) Options granted to suppliers
Blue Ocean Equities was issued options as part consideration for the $4M capital raise during the period. The options were issued for no consideration and vested immediately. The fair value of the options was determined using the Black Scholes valuation model, taking into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the instrument.

Number of options	1,500,000
Fair value at grant date (per option)	$0.008
Grant date	29 December 2023
Exercise price	$0.12
Expiry date	29 December 2026
Share price at grant date	$0.08
Expected price volatility of the Company's shares	32%
Expected dividend yield	nil
Risk-free interest rate	4.45%

Note 25: Share-based Payments (cont'd)

During the year $12,000 (2023: $nil) has been expensed as transaction costs in equity.

(ii) Total expenses arising from share-based transactions recognised during the year are as follows:

	Note	2024 $	2023 $
Employee share scheme - share-based payment expenses	4(b)(ii)	113,431	485,835
Other options granted - transaction costs (equity)		12,000	-
Other options granted - transaction costs (borrowings)		-	384,880

Note 26: Earnings Per Share

Earnings per share	**2024 cents**	**2023 cents**
Basic loss per share	(4.7)	(2.2)
Diluted loss per share	(4.7)	(2.2)
Reconciliation of earnings to profit or loss		
Loss attributed to shareholders	(14,470,763)	(6,448,775)

	Number of Shares	**Number of Shares**
Weighted average number of ordinary shares outstanding during the period used in calculating basic EPS	309,984,588	278,709,040
Weighted average number of options outstanding	-	-
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	309,984,588	278,709,040

All options on issue are considered to be dilutive potential ordinary securities, however they are presently anti-dilutive at 30 June 2024 as the Group is in losses.

Note 27: Financial Risk Management

The Group's principal financial instruments are set out below.

The totals for each category of financial instruments, measured in accordance with AASB 9: Financial Instruments as detailed in the accounting policies to these financial statements, are as follows:

	Note	2024 $	2023 $
Financial assets			
Financial assets at amortised cost:			
Cash and cash equivalents	6	4,722,560	9,279,270
Trade and other receivables	7	1,347,741	2,123,516
Bonds and deposits	14	393,129	392,170
Financial assets at fair value through profit or loss			
Corporate bonds	8	571,543	982
Total financial assets		7,034,973	11,795,938
Financial liabilities			
Financial liabilities at amortised cost:			
Trade and other payables	15	3,093,748	4,424,179
Lease liabilities	10	1,760,058	1,259,006
Borrowings	16	8,898,615	6,900,303
Total financial liabilities		13,752,422	12,583,488

The Group's activities expose it to a variety of financial risks, namely market risk (which includes foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk.

The Board of Directors has overall responsibility for monitoring the Group's risk management framework. Risk governance is managed through the Audit, Risk and Compliance Committee which reports to the Board quarterly and is responsible for monitoring adherence to the risk appetite and enterprise risk management. Written policies for risk management such as balance sheet management and pricing policies are in place in order to identify and assess the risks faced by the Group, set appropriate risk limits, monitor risks and adherence to risk policies. Risk management policies are regularly reviewed to reflect changes in the activities undertaken by the Group and changes in market conditions.

The Group's compliance function provides regular training to all employees with the aim of ensuring all employees understand their responsibilities within the risk management environment.

Note 27: Financial Risk Management (cont'd)

(a) Market risk

(i) Foreign exchange risk

The Group is exposed to foreign currency sensitivity due to the purchase and sale of bonds in foreign currencies and selling and buying foreign currency bonds in Australian dollar contracts. It is also exposed due to the purchase of foreign-denominated bonds which the Group may hold for short durations before selling to investors. Certain supplier contracts are denominated in foreign currency, but this does not constitute a material exposure.

In order to limit its exposure to foreign currency sensitivity on bonds held the Group imposes limits on the duration and value of foreign-denominated bonds it may hold.

The Group has not performed a sensitivity analysis relating to its exposure to foreign currency risk as the short-term exposure is immaterial. Foreign currency denominated financial assets and liabilities, translated into Australian dollars at the closing rate, are as follows:

2024	**USD**	**GBP**	**EUR**	**NZD**	**SGD**
Cash and cash equivalents (AUD equivalent)	699,690	113,558	31,281	8,981	8,957
Trade and other payables (AUD equivalent)	(29,723)	-	-	-	-
Short-term exposure	669,967	113,558	31,281	8,981	8,957
2023					
Cash and cash equivalents (AUD equivalent)	1,297,942	23,407	774	7,970	
Trade and other receivables (AUD equivalent)	2,052	-	-	-	
Trade and other payables (AUD equivalent)	(187,950)	-	-	-	
Short-term exposure	1,112,044	23,407	774	7,970	

The Board considers financial risk exposure to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The overall risk management strategy seeks to assist the group in meeting its financial targets, while minimising potential adverse effects on financial performance. Risk management policies are reviewed by the Board when necessary. These include the use of credit risk policies and future cash flow requirements.

Sensitivity

The table below summarises the impact of increases/decreases in exchange rates on the Group's (after tax) profit for the year

The analysis is based on the price sensitivity assumption that exchange rates have increased/decreased by 10% (2022: 10%) with all other variables held constant.

	2024		**2023**	
	+10%	**-10%**	**+10%**	**-10%**
Impact on after-tax profit	**$**	**$**	**$**	**$**
USD	(66,997)	66,997	(111,204)	111,204
GBP	(11,356)	11,356	(2,341)	2,341
EUR	(3,128)	3,128	(77)	77
NZD	(898)	898	(797)	797
SGD	(896)	896	-	-
Total	(83,274)	83,274	(113,622)	113,622

Note 27: Financial Risk Management (cont'd)

(ii) Price risk

Through its business transactions and investments, the Group is exposed to bond securities price risk. The risk is the potential for losses in Group earnings as a result of adverse market movements and arises from investments held by the Group and classified as financial assets at fair value through profit or loss.

The Group manages the price impact of market risk through exposure to bond securities by setting limits on its exposures to bonds by risk classification and in total. The performance of the Group's bond securities exposures and market risk are monitored on a regular basis.

Assets as at 30 June	**2024**	**2023**
Unlisted bond securities	11,543	982
Total assets at fair value through profit or loss	11,543	982

Sensitivity

The table below summarises the impact of increases/decreases in equity/debt securities prices on the Group's (after tax) profit for the year and on equity.

The analysis is based on the price sensitivity assumption that prices have increased/decreased by 5% (2022: 5%) with all other variables held constant.

	2024 **+/–5%** **$**	**2023** **+/–5%** **$**
Impact on after-tax profit	577	49
Impact on equity	577	49

(iii) Interest rate risk

The Group's main interest rate risk arises from holding cash and cash equivalents and borrowings with variable rates. During 2024 and 2023, the Group's cash and cash equivalents were denominated in Australian dollars. The Group's borrowings were also denominated in Australian dollars. The Group reviews its interest rate exposure as part of the Group's cash flow management and takes into consideration the yields, duration and alternative financing options as part of the renewal of existing positions.

As at the reporting date, the Group had the following cash and cash equivalents and borrowings:

	2024		**2023**	
	Effective interest rate	**Balance**	**Effective interest rate**	**Balance**
	%	**$**	**%**	**$**
Cash and cash equivalents	0.1%	4,722,560	1.2%	9,279,270
Bonds and deposits (bank guarantees)	2.8%	393,129	3.9%	392,169
Net exposure to interest rate risk		5,115,689		9,671,439
Other payables	0%	13,482	0%	12,923
Net exposure to interest rate risk		13,482		12,923

Sensitivity

At 30 June 2024, if interest rates had changed by -/+ 100 basis points from the year end rates with all other variables held constant, after tax profit and equity for the year would have been $51,292 lower/higher (2022: change of 100 basis points: $96,804 lower/higher).

Note 27: Financial Risk Management (cont'd)

(b) Credit risk

Credit risk arises from the risk that a counterparty will default on its obligations to the group, resulting in a loss to the Group, and includes potential loss of principal and interest, disruption to cash flows, and increased collection costs. The Company's credit risk arises from cash and cash equivalents, corporate bonds, deposits with banks and credit exposures to wholesale and retail customers, including outstanding receivables from unsettled transactions.

The Company has the following assets with exposure to credit risks:

	2024 $	2023 $
Cash at bank	4,722,560	9,279,270
Trade and other receivables	1,347,741	2,123,516
Bonds and deposits	393,129	392,169
Financial assets at fair value through profit or loss — corporate bonds	571,543	982
Total	7,034,973	11,795,937

(i) Impaired trade, other and loan receivables

While cash and cash equivalents and financial assets at fair value through profit or loss are also subject to the impairment requirements of AASB 9, the identified impairment loss was nil.

Trade and other receivables

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The expected loss rate and loss allowance has been assessed as $nil as at 30 June 2024 (30 June 2023: $nil). This is because there is no history of default, revenue is generated primarily through providing brokerage services to customers who are credit worthy ADI's and other institutions with no material balances past due. Hence the recoverability of receivables can be determined with a high degree of certainty on a forward-looking basis. Furthermore, the Group also considered the classification of trade receivables as shown below. Refer to Note 1 (F) for more information on the trade receivables policy of the Group.

The Group records trade receivables and loans in the following classifications:

Neither past due nor impaired trade receivables and loans are those that are within their relevant contractual payment terms and thus have no expected credit loss due to the reasons above.

Past due but not impaired trade receivables and loans are those that have fallen outside of their contractual settlement terms. However there remains an expectation of full recovery, with no change in credit risk based on the value of the underlying bond securities and the financial position of the client or counterparty and as such there is no expected credit loss.

Past due and impaired trade receivables and loans are those that have fallen outside of the prescribed settlement terms and/or there is evidence to suggest that the client or counterparty will fail to meet their obligations and thus would result in an expected credit loss. This is $nil as at 30 June 2024 (2023: $nil).

Note 27: Financial Risk Management (cont'd)

Trade and other receivables	2024 $	2023 $
Neither past due nor impaired	1,270,904	2,021,052
Past due but not impaired	113,717	102,464
	1,384,621	2,123,516

Loans held at amortised cost		
Neither past due nor impaired	-	-

Bonds and deposits

The Group held term deposits of $368,777 at 30 June 2024 (2023: $364,869). The term deposits are held with AA- rated banks as security for bank guarantees issued in connection with certain leases for premises. The Group obtained bank guarantees that guarantee certain lease commitments of the Group to the lessor. In connection with these bank guarantees, the banks required the Group to enter into certain term deposits and pledge these term deposits to the respective banks as a condition of the bank guarantee. The Group considers that its term deposits have low credit risk based on the external credit ratings of the banks.

Corporate Bonds

The Company is also exposed to credit risk in relation to corporate bonds measured at fair value through profit or loss. The maximum exposure at 30 June 2024 is the carrying amount of these investments of $11,543 (2023: $982) as set out in the table above.

Credit quality

The credit quality of financial assets can be assessed by reference to external credit ratings. These credit ratings are only available for cash assets and corporate bonds:

Cash	Rating agency	2024 $	2023 $
AA-	S&P	4,546,202	9,023,379
BBB-	Moody's	176,358	255,891
Total		4,722,560	9,279,270
Corporate Bonds			
A2	Moody's	10,202	-
BB+	S&P	1,342	-
BBB+	Moody's	-	982
Total		11,544	982

Note 27: Financial Risk Management (cont'd)

(c) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- investing surplus cash with appropriately regulated financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The table below presents maturity of the Group's financial liabilities. The financial liabilities are broken down into maturity groupings based on the remaining period at the reporting date to the contractual maturity date. Amounts are disclosed as contractual undiscounted cash flows.

		Contractual cash outflows			
	Carrying amount	**0–30 days**	**30 days – 1 year**	**1 year +**	**Total**
2024	**$**	**$**	**$**	**$**	**$**
Trade and other payables	3,093,551	1,698,938	1,394,613	-	3,093,551
Lease liabilities	1,760,058	54,244	623,625	1,082,189	1,760,058
Borrowings	8,898,615	2,034,557	-	6,864,058	8,898,615
Total	13,752,224	3,787,739	2,018,238	7,946,247	13,752,224
2023					
Trade and other payables	4,636,630	3,106,392	1,530,238	-	4,636,630
Lease liabilities	1,259,006	50,015	457,984	751,007	1,259,006
Borrowings	6,900,303	11,659	-	6,888,644	6,900,303
Total	12,795,939	3,168,066	1,988,222	7,639,651	12,795,939

Note 28: Fair Value Measurements

The Group measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

financial assets at fair value through profit or loss.

(a) Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into:

Level 1: The fair value of financial instruments that are traded in active and transparent markets (such as publicly traded derivatives and trading and available-for-sale securities) is based on quoted market prices for identical financial instruments at the end of the reporting period.

Level 2: The fair value of financial instruments that are traded in active and transparent markets other than quoted market prices within Level 1 (for example, over-the-counter bonds and derivatives) is determined using valuation techniques which maximises the use of observable market data and relies as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If inputs are not based on observable market data, the instrument is included in Level 3.

The following table provides the fair values of the Group's assets measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

		Level 1	Level 2	Level 3	Total
30 June 2024	**Note**	**$**	**$**	**$**	**$**
Unlisted - corporate bonds		-	571,543	-	571,543
Total financial assets		-	571,543	-	571,543

		Level 1	Level 2	Level 3	Total
30 June 2023	**Note**	**$**	**$**	**$**	**$**
Unlisted - corporate bonds		-	982	-	982
Total financial assets	8	-	982	-	982

The fair value of listed corporate bonds is based on quoted market prices at the end of the reporting period using the period end closing price. These instruments are included in level 1.

The fair value of unlisted corporate bonds is based on independent valuations. These instruments are included in level 2.

Note 28: Fair Value Measurements (cont'd)

(b) Fair value estimation

The fair value of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position.

		Carrying Amount		**Fair Value**	
		2024	**2023**	**2024**	**2023**
Financial assets	**Footnote**	**$**	**$**	**$**	**$**
Financial assets at amotised cost:					
• Cash and cash equivalents	(i)	4,722,560	9,279,270	4,722,560	9,279,270
• Trade and other receivables	(i)	1,347,741	2,123,516	1,347,741	2,123,516
• Bonds and deposits	(ii)	393,129	392,169	393,129	392,169
Financial assets at fair value through profit or loss:			-		-
Corporate bonds		571,543	982	571,543	982
Total financial assets		7,034,973	11,795,937	7,034,973	11,795,937

Financial liabilities					
Financial liabilities at amotised cost:					
• Trade and other payables	(i)	3,093,748	4,636,629	3,093,748	4,636,629
• Lease liabilities	(ii)	1,760,058	1,259,006	1,760,058	1,259,006
• Borrowings	(ii)	8,898,615	6,900,303	8,898,615	6,900,303
Total financial liabilities		13,752,421	12,795,938	13,752,421	12,795,938

The fair values disclosed in the above table have been determined based on the following methodologies:

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is not considered a financial instrument.

(ii) Fair values are determined using amortised cost.

Note 29: Auditor's Remuneration

The following fees were paid or are payable for services provided by auditors:

	2024 $	2023 $
BDO Audit Pty Ltd		
• Auditing or reviewing the financial statements	207,889	139,185
	207,889	139,185
BDO Services Pty Ltd		
• Taxation services	34,180	24,809
	34,180	24,809
	242,069	163,994

Note 30: Events After the Reporting Period

In the opinion of the directors there are no material matters that have arisen since 30 June 2024 that have significantly affected or may significantly affect the Group, that are not disclosed elsewhere in this report or in the accompanying financial statements.

Note 31: Restatement of Comparatives

In the 31 December 2023 half-year, the Group discovered it had erroneously been amortising its issued notes using the straight line method instead of the effective interest method. As a consequence, interest expenses and related liabilities have been impacted and corrected by restating each of the affected financial statement line items for prior periods.

The following table summarises the impacts on the Group's consolidated financial statements.

(i) Consolidated statement of financial position - as at 30 June 2023

	Impact of Correction		
	Previously Reported	Adjustment	Restated
Trade and other payables	4,636,629	(212,450)	4,424,179
Borrowings	11,659	1,031,022	1,042,681
Total current liabilities	5,773,679	818,572	6,592,251
Borrowings	6,888,644	(714,864)	6,173,780
Total non-current liabilities	7,734,085	(714,864)	7,019,221
Total liabilities	13,507,764	103,708	13,611,472
Net assets	8,832,448	(103,708)	8,728,740
Retained earnings	(48,871,162)	(103,708)	(48,974,870)
Total equity	8,832,448	(103,708)	8,728,740

(i) Consolidated statement of profit or loss and other comprehensive income - for the year ended 30 June 2023

	Impact of Correction		
	Previously Reported	Adjustment	Restated
Finance costs	(2,181,679)	(188,667)	(2,370,346)
Loss before tax	(6,260,108)	(188,667)	(6,448,775)
Total comprehensive loss	(6,260,108)	(188,667)	(6,448,775)

Consolidated Entity Disclosure Statement

Presented below is the consolidated entity disclosure statement for Income Asset Management Limited at 30 June 2024. This statement outlines the relevant information noted in the table below for each entity in IAM's consolidated Group.

Entity name	Entity type	Place formed or incorporated	% of share capital held	Australian resident or foreign resident
Income Asset Management Group Limited	Body Corporate	Australia	n/a	Australian
IAM Capital Markets Limited	Body Corporate	Australia	100%	Australian
Trustees Australia Limited	Body Corporate	Australia	100%	Australian
IAM Cash Markets Pty Ltd	Body Corporate	Australia	100%	Australian
Australian Share Registers Pty Ltd	Body Corporate	Australia	100%	Australian
IAM Funds Pty Ltd	Body Corporate	Australia	100%	Australian
ETB Pty Ltd	Body Corporate	Australia	100%	Australian
Cashwerkz Group Trust	Trust	Australia	n/a	Australian

Directors' Declaration

For the year ended 30 June 2024

In accordance with a resolution of the directors of Income Asset Management Group Limited, the directors of the Company declare that:

(a) the financial statements and notes to the financial statements of the Company and of the Group, as set out on pages 32 to 83, and the remuneration disclosures that are contained within the remuneration report with the Directors' Report set out on pages 23 to 29 are in accordance with the *Corporations Act 2001*, and:

i. give a true and fair view of the Company's and Group's financial position as at 30 June 2024 and of their performance for the year ended on that date; and

ii. comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the Financial Statements, constitutes compliance with International Financial Reporting Standards (IFRS); and

(b) the consolidated entity disclosure statement presented on page 84 is true and correct

(c) In the directors' opinion 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

(d) the directors have been given the declarations required by s 295A of the *Corporations Act 2001.*

This declaration is made in accordance with a resolution of the Board of Directors.

John Nantes
Executive Chairman

30 August 2024

Independent Auditor's Report to the Members

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INDEPENDENT AUDITOR'S REPORT

To the members of Income Asset Management Group Limited

Report on the Audit of the Financial Report

Opinion

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

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

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

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How the matter was addressed in our audit
Revenue Recognition As disclosed on the Statement of Profit or Loss and Other Comprehensive Income, the Group recorded $14m in Revenue and operational income as at 30 June 2024. Revenue recognition is considered a key audit matter due to the materiality of the balance and significant increase of the transactions that took place.	Our procedures in relation to revenue recognition included but were not limited to: • Performed substantive testing over all material revenue sources by selecting a sample of revenue transactions during the year; • Tested a sample of transactions around the period-end in order to gain assurance over the cut-off of revenue; and • Reviewed revenue recognition policies and disclosures in the financial statements for all material revenue sources to ensure they are accounted for and disclosed in accordance with AASB 15 *Revenue from Contracts with Customers*.

Other information

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

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

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

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

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

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

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 23 to 29 of the directors' report for the year ended 30 June 2024.

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

Responsibilities

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

BDO Audit Pty Ltd

BDO

Tim Aman
Director

Sydney, 30 August 2024

ASX Additional Information

Listed Equity Securities

The following information was extracted from Income Asset Management Group Limited's (Company) Register of Shareholders on 22 August 2024:

Twenty Largest Shareholders

		Fully Paid Shares	
		Shares Held	**% of Issued**
1	ADCOCK PRIVATE EQUITY PTY LTD	57,519,334	17.38%
2	UBS NOMINEES PTY LTD	43,371,792	13.11%
3	HSBC CUSTODY NOMINEES	18,596,940	5.62%
4	WARBONT NOMINEES PTY LTD	9,590,740	2.90%
5	BUTTONWOOD NOMINEES PTY LTD	9,514,069	2.88%
6	STUART ANDREW PTY LTD	8,750,000	2.65%
7	THIRD RETURN SUPER PTY LTD	8,121,727	2.46%
8	JONATHAN LECHTE	8,030,000	2.43%
9	DE NANTES INVESTMENT CO PTY LTD	7,999,496	2.42%
10	INVIA CUSTODIAN PTY LIMITED	7,500,000	2.27%
11	BELLITE PTY LTD	7,256,574	2.19%
12	CITICORP NOMINEES PTY LIMITED	6,924,766	2.09%
13	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	6,195,374	1.87%
14	MS EVELYN ANDERSON	4,921,559	1.49%
15	JABANE PTY LTD	4,613,050	1.39%
16	ONMELL PTY LTD	4,386,073	1.33%
17	KYLE LAMBERT	4,015,000	1.21%
18	MATTHEW LOUGHNAN	4,015,000	1.21%
19	JAMES SHILLINGTON	4,015,000	1.21%
20	MR RODNEY BRUCE EBSWORTH	3,261,235	0.99%
	Total of top twenty shareholdings	228,597,729	69.09%
	Total shares on issue	330,870,821	100.00%

Distribution of Shareholdings

Size of Holding	Number of Shareholders	Total Units	%
1 – 1,000	76	24,930	0.01%
1,001 – 5,000	195	449,374	0.14%
5,001 – 10,000	101	769,091	0.24%
10,001 – 100,000	189	7,673,082	2.32%
100,001 - 999,999,999	159	321,927,344	97.3%
	720	330,870,821	100.00%

Listed Options (ASX: IAMOB) - $0.25 Exp 31 December 2025

The following information was extracted from Income Asset Management Group Limited's (Company) Register of Listed Option holders on 22 August 2024:

Twenty Largest Listed Options Holders

		Listed options	
		Options Held	% of Issued
1	JAMPLAT PTY LTD	12,000,000	26.28%
2	TIMSTER PTY LIMITED	4,000,000	8.76%
3	THIRD RETURN SUPER PTY LTD	3,600,000	7.88%
4	R & R LANGLEY SUPER PTY LTD	3,480,000	7.62%
5	GEOFF NEATE & JENNIFER NEATE	2,000,000	4.38%
6	MR GARY NARVO	2,000,000	4.38%
7	SIM CHAN DEVELOPMENTS PTY LTD	2,000,000	4.38%
8	KALONDA PTY LTD	1,400,000	3.07%
9	ONMELL PTY LTD	1,400,000	3.07%
10	GAILFORCE MARKETING & PR PTY LIMITED	1,000,000	2.19%
11	TERAGOAL PTY LTD	1,000,000	2.19%
12	DOM HOLDINGS PTY LTD	800,000	1.75%
13	RUSTICA PTY LTD	600,000	1.31%
14	MLB KABO PTY LTD	500,000	1.10%
15	MRS CATHERINE ANNE MARSON & MR JOSEPH MARSON	500,000	1.10%
16	MR NIGEL ANTHONY DAVID THOMAS	420,000	0.92%
17	LYNNECO PROPERTIES PTY LTD	400,000	0.88%
18	PW AND VJ COOPER PTY LIMITED	400,000	0.88%
19	NOTRE ARGENT PTY LTD	400,000	0.88%
20	MATTHEW GRAHAME BROWN	400,000	0.88%
	Total of Top Twenty Option Holders	38,300,000	83.88%
	Total Options on Issue	45,660,000	100.00%

Distribution of Listed Option Holdings

Size of Holding	Number of Option Holders	Total Units	%
1 - 1,000	-	-	-
1,001 - 5,000	-	-	-
5,001 - 10,000	-	-	-
10,001 - 100,000	2	160,000	0.35%
100,001 - 999,999,999	51	45,500,000	99.65%
	53	45,660,000	100.00%

Escrowed securities

At 22 August 2024, 12,045,000 fully paid ordinary shares issued upon the vesting of performance rights were subject to escrow for a period of one year after vesting, and 81,070,090 fully paid ordinary shares held by current and former key management personnel were subject to escrow until 31 August 2024.

Marketable parcels

At 22 August 2024, using the last traded share price of

$0.065 per share, there were 322 holdings totalling 794,277 shares, which were of less than a marketable parcel ($500).

Voting Rights

On a show of hands, every member present in person or by proxy or attorney or being a corporation by its authorised representative shall have one vote. On a poll, every member who is present in person or by proxy or attorney, or being a corporation, by its authorised representative, shall have one vote for every share of which he is the holder. Options and performance rights carry no voting rights.

Holder of Relevant Interest

The securities held by substantial security holders, as disclosed to the Company, are as follows:

	Shares Held	Voting Power Advised
Brook Adcock and associated entities	59,348,475	17.94%
Regal Funds Management Pty Ltd	41,004,692	13.15%
Jon Lechte and associated entities	15,616,615	5.58%

Unquoted Securities

Performance rights over unissued shares

At the date of this report, there are 42,305,000 performance rights over unissued shares in the Company held by 15 rights holders. All holders hold more than 100,000 rights. No holders hold more than 20% of the performance rights on issue

Options over unissued shares

At the date of this report, there are 3,000,000 unlisted options to acquire shares in the Company, all held by Blue Ocean Equities Pty Ltd.

Quoted Securities

Listed options over unissued shares

At the date of this report, there are 45,660,000 listed options over unissued shares in the Company.

On-market buy-backs

There is no current on-market buy-back in relation to the Company's securities.

No securities were purchased on market by the Company during the reporting period.

Corporate Directory

Board of Directors

John Nantes
Executive Chairman

Craig Swanger
Executive Director

Simon Maidment
Non-Executive Director

Company Secretary

Vanessa Chidrawi

Company Secretary

Corporate Office

Level 11, 4 Martin Place
Sydney NSW 2000

Telephone	1300 784 132
Email	info@incomeam.com
Web	incomeam.com

Registered Office

Level 11, 4 Martin Place
Sydney NSW 2000

Telephone	1300 784 132
Email	info@incomeam.com
Web	incomeam.com

Share Register

Boardroom Limited
GPO Box 3993
Sydney NSW 2001

Telephone	1300 737 760
Facsimile	(02) 9279 0664
Email	enquiries@boardroomlimited.com.au
Web	boardroomlimited.com.au

Auditor

BDO Audit Pty Ltd
Level 11, 1 Margaret Street
Sydney NSW 2000

Telephone	(02) 9251 4100
Facsimile	(02) 9240 9821
Email	info.sydney@bdo.com.au
Web	bdo.com.au

Stock Exchange

IAM is listed on the ASX with ticker code IAM

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Sydney NSW 2000
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INCOME ASSET MANAGEMENT