



Council of Australian
Life Insurers



Annual Report

October 2023

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Acknowledgement of Country

The Council of Australian Life Insurers acknowledges the Traditional Owners of the many lands on which we work and recognises their ongoing connection to culture and country. Our head office sits on the land of the Gadigal people of the Eora nation. We pay our respects to them and their Elders past and present.

Co-Chairs' foreword

"The leaders of the life insurance industry have committed to amplifying our efforts to work with the Federal Government, advocates and our partners to expand Australians' access to the life insurance protection that suits them when they need it most."

Millions of Australians rely on life insurance for peace of mind as they face some of life's biggest decisions and challenges. Life insurance can help to replace income when things get tough, protect accumulated superannuation savings when people are not able to live a full, active working life, and help people get back to health when they have been sick or injured.

By founding the Council of Australian Life Insurers (CALI), the leaders of the life insurance industry have committed to amplifying our efforts to work with governments, regulators, consumer advocates and our partners to expand Australians' access to high-quality life insurance products and services. CALI is truly representative of the life insurance industry. Our membership comprises the life companies covering more than 99 per cent of the market and all reinsurers registered as life companies with APRA.

We believe it is critical to listen to the views of our stakeholders to ensure our industry responds to the evolving expectations of customers and the community. In CALI's first year, our focus has been on working with the Australian Government to improve the ways Australians can access better help and advice on their life insurance needs. This work is becoming increasingly important as the demographic profile of the workforce changes and as people juggle their expenses to respond to cost-of-living pressures.

This past year has been a busy time for the CALI Board, appointing our inaugural CEO and investing in CALI's organisational capability, people and governance systems including preparations to become the custodian of the recently updated Life Insurance Code of Practice (Life Code). We would like to acknowledge and thank Megan Beer, Rodney Cook and Simon Swanson for their significant contributions to the CALI Board at a critical time in CALI's formation. The Board has welcomed Tim Tez, Kent Griffin and Nadine Gooderick as their respective replacement Directors on the CALI Board.

This year, Australia's life insurers implemented the updated Life Code to support even higher standards of customer service and enhanced consumer protections across the industry. The Life Code represents our commitment to listen to the needs of customers and the community while continuing to set a high bar across our industry.

Our shared purpose across all CALI members is to support people to live in the most healthy, confident, and secure way.

For the five million Australians who are at or near retirement, our work in the coming year will include exploring ways to provide people with more choice when it comes to retirement income products to ensure they have access to effective solutions to live their life in retirement with confidence and financial security.

We will also continue to engage Government and other stakeholders to ensure the regulatory framework better serves Australians through improved access to affordable financial advice in respect of their life insurance products and services.

We stand ready to continue to deliver the protection and certainty all Australians need on their best and worst days. **Life insurance matters. Your future matters.**



Brett Clark
Co-Chair of the CALI Board




Damien Mu
Co-Chair of the CALI Board



CEO's *introduction*

"The life insurance industry is central to the financial wellbeing and resilience of Australians and the broader community."

The peace of mind offered by our industry is particularly important in times of added pressure. The past year has presented many challenges for Australians that have been exacerbated by significant cost of living increases. We know that at times of uncertainty, people value financial security more than ever.

I am proud that Australia's life insurers continue to answer the community's call by providing jobs, protecting families and contributing to the national economy each day.

Life insurers have been a critical part of the financial sector since the 1850s and play a pivotal role in Australia's safety net alongside employee entitlements and the country's health and disability systems.

As the trusted voice of life insurance in Australia, we work with advocates, industry partners and the Federal Government to explain and optimise the role of life insurance across the financial, health and disability landscapes.

Over the past year, we have started this work by championing the wellbeing support our members provide their customers to help Australians best manage their health and identify any emerging health concerns. We have begun to explain the role that life insurers play in rehabilitation and claims management, and started to explore further ways life insurers can proactively support their customers ahead of any claim.

My own reflections on joining this industry are the vibrancy and diversity of its people. They are deeply connected with their purpose as they come to work each day to provide products and services that give Australians comfort and provide a financial safety net. They bring a diverse array of skills and professions spanning across actuaries, cyber risk managers, rehabilitation consultants, financial advisers, digital CX experts and insurance medicine professionals.

The industry is rich with people who are committed to the social and economic contribution life insurance makes, and to ensuring that life insurance remains affordable and accessible to the community.

The Council of Australian Life Insurers' first year has been marked by the enthusiasm and commitment of our members and the difference they can make for Australian customers.

We're your life insurers and we're here for life.



Christine Cupitt
CALI CEO



The *Council of Australian Life Insurers*

How we got here

We are the trusted voice of life insurers in Australia. We're here for life.

The life insurance industry has been completely reshaped over the past five years, culminating in the decision to form a dedicated national life insurance peak body.

CALI is a reflection of an industry that has come a long way in a short period of time. The industry has transitioned from being linked to banking and wealth groups to consolidating to specialist life insurers only. Changes since 2018 have resulted in substantial business investment, bringing capital, global insights and increasing capacity in the Australian market. There is a good story to tell for the industry and its future.

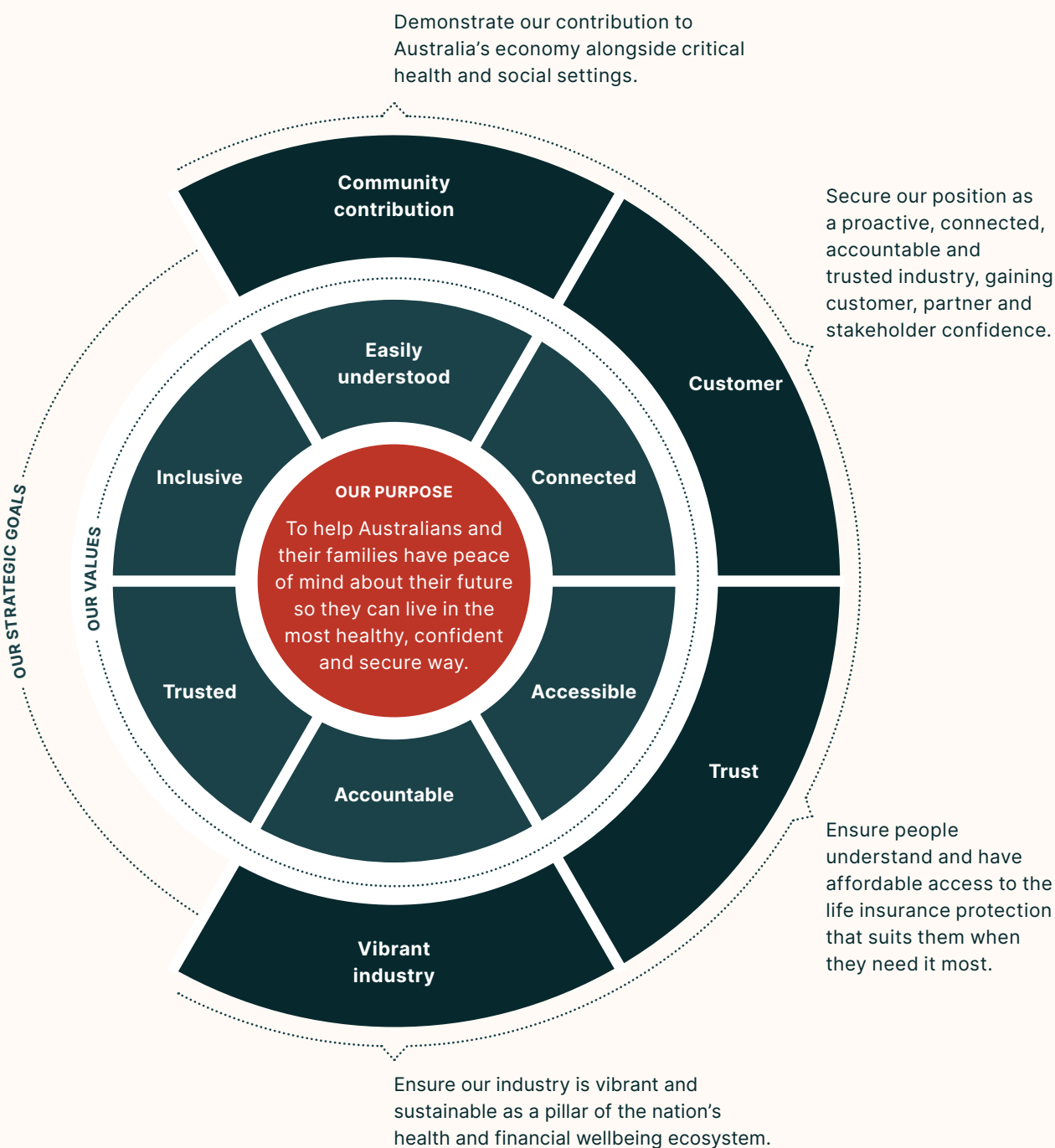
Life insurers have implemented significant regulatory and self-regulatory reforms over many years. Their work extends to insurance in superannuation as well as industry governance and conduct following the Hayne Royal Commission. More recently, they have been instrumental in the development of the rewritten Life Insurance Code of Practice, which will help life insurers meet evolving community expectations.

CALI was formed in 2022 when the time came for the life insurance industry to invest further in its future. The aims are to support future industry sustainability, connect more deeply with Australian customers and work with the Federal Government on regulatory reforms to expand Australians' access to affordable life insurance. A dedicated, trusted and united voice of life insurers will help achieve those aims.



Setting our *strategy*

A clear strategic direction to help us achieve our mission



OUR MISSION

Our mission is to ensure Australians view life insurance and the industry as accessible, understandable and trusted.

We do this by supporting our members to deliver the protection and certainty Australians need on their best and worst days.

We do this as the leading voice of life insurance in Australia.

Snapshot of the *year*

2023 in numbers



**15 million
Australians
covered**
by life insurance



**24 life
insurers**
in the Australian
market



Life insurers
**paid 95% of
finalised
claims**



Life insurers
**employ over
11,000
Australians**



Life insurers hold
**\$123bn in
assets**
with \$96bn of
investments, largely
in Australian debt
and equities



**3.4 million
Australians are
underinsured**
to meet basic needs
for income protection



**3% of financial
services
complaints**
in 2021-22 related to
life insurers



**15% of
employees**
across the life
insurance industry
are in **claims and
rehabilitation roles**



\$11.2bn in life insurance claims were paid to 85,000 Australians
or their loved ones over the past year:



\$2.9bn
in Death cover



\$3.2bn
in Total and
Permanent Disability



\$3.7bn
in Income Protection



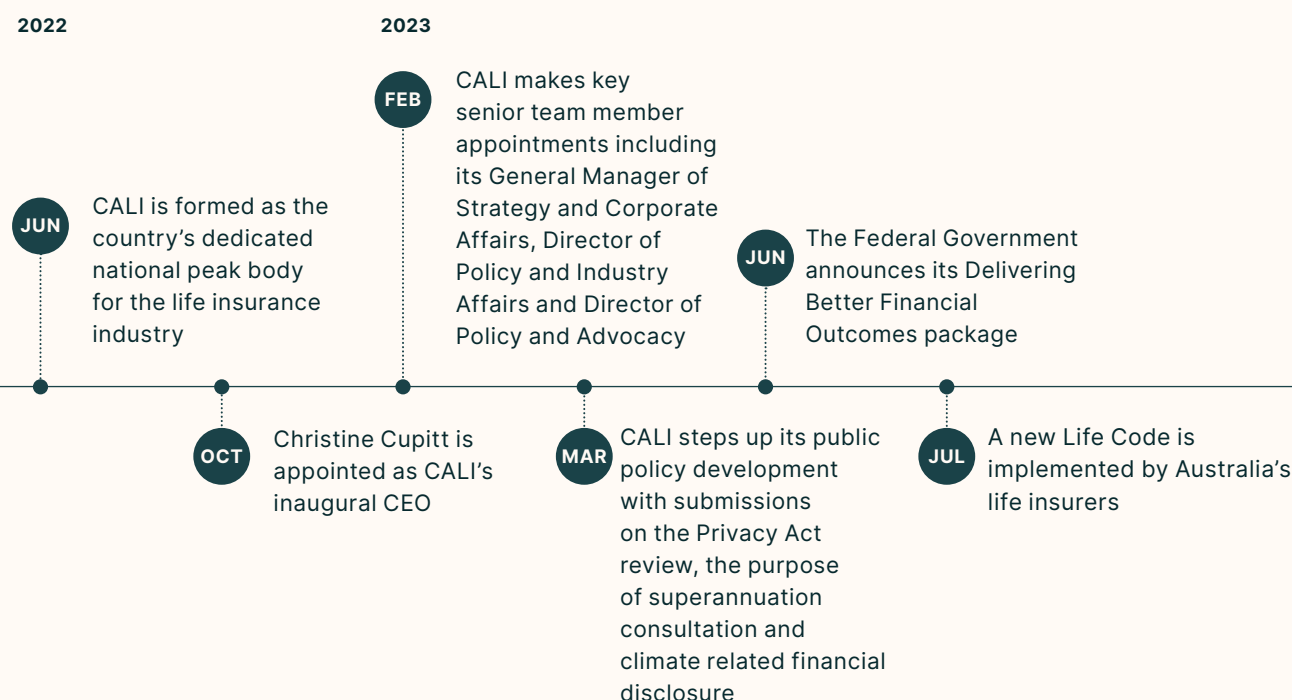
\$1.4bn
in other cover
types, including
Trauma cover

Our *progress*

Building on a solid foundation

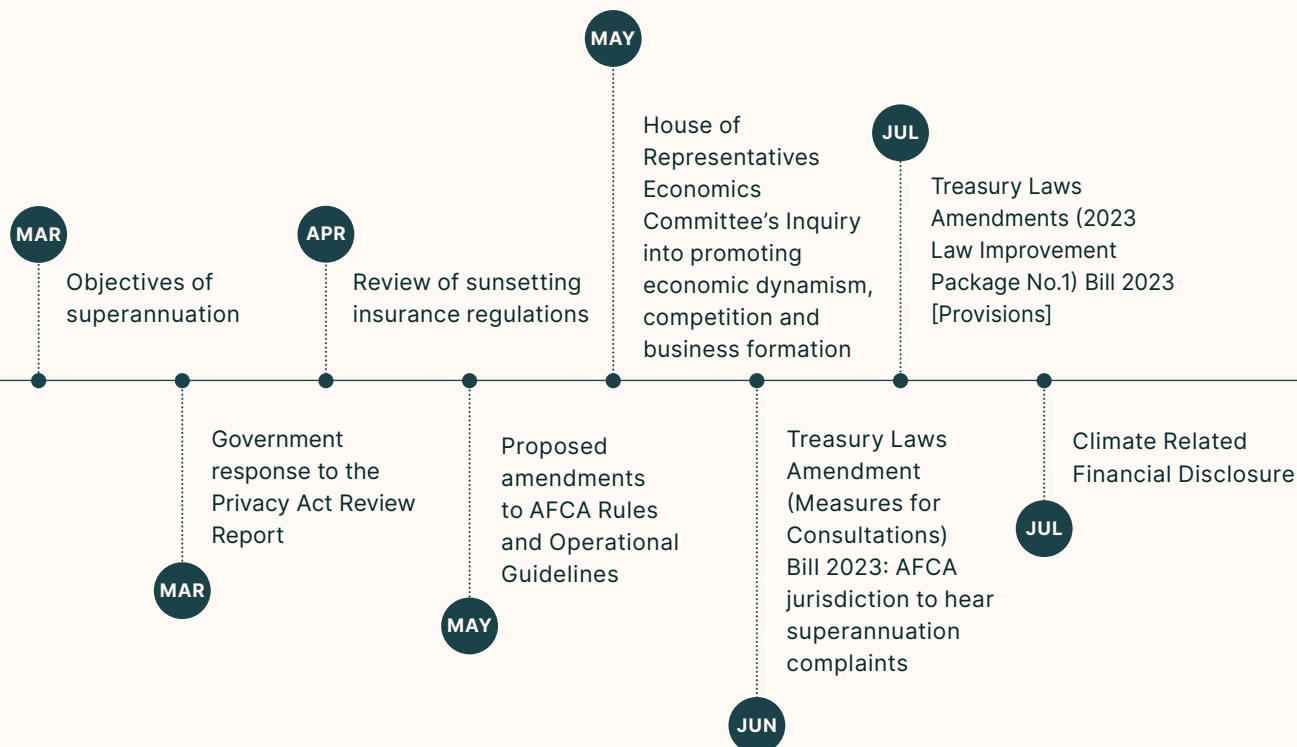
The CALI journey has been exponential over the past 12 months. In a short period of time, we have incorporated Australia's national peak body for the life insurance industry, appointed key senior team members and established a clear policy agenda and platform on a variety of significant issues relating to the life insurance industry.

We have laid a solid foundation in 2023 that sets CALI up to successfully drive an ambitious advocacy agenda, enhance member services and further our mission and purpose.



Submissions

Since key personnel joined CALI in February and March 2023, we have published several submissions on key topics that are important to our members and the life insurance industry at large.



Our *relationships*

We will always proactively engage with our key stakeholders to ensure CALI is seen as the credible, accessible and trustworthy voice of the life insurance industry.



Our focus in 2023

Priorities over the past year

In our first year, CALI has been focused on:

- 1 **Building a contemporary industry association**
- 2 **Launching the new Life Code and ensuring its smooth transition to CALI**
- 3 **Ensuring Australians have access to affordable life insurance products and advice**
- 4 **Helping Australians to live healthy, confident and secure lives at work and in retirement**

Building a contemporary industry association

We want to secure our position as a trusted and understandable information source to gain customer, partner and stakeholder confidence. We are:



Building a 'best in class' industry association through strong governance and the use of relevant technology to efficiently deliver value for members



Advocating for our industry and the customers it serves



Setting a clear strategy to respond to evolving customer expectations



Tracking consumer sentiment to build a strong data-based foundation



Investing in clear and understandable ways to explain the role and contribution of the industry

Launching the new Life Insurance Code of Practice (Life Code)

The Life Code is driven by the life insurance industry and was created to help life insurers provide the protection that suits Australians when they need it most, in an accountable and transparent way. It goes further than the law to improve outcomes for Australian customers throughout their entire relationship with their insurer.

The life insurance industry transitioned to a new Life Code in July 2023, which includes key developments, such as:

- ✓ clear, consistent standards and timeframes for communications, underwriting and claims decisions
- ✓ increased support and protections for Australian customers experiencing vulnerability, financial hardship or a mental health condition
- ✓ stronger sanctions powers for the Life Code Compliance Committee.

CALI took over governance of the Life Code in September 2023.



Ensuring Australians have access to affordable life insurance products and advice

The availability and affordability of advice is essential to ensuring Australians can make informed decisions about the life insurance products that best suit them.

For many people, getting advice is too expensive or too inaccessible. There are just 16,000 financial advisers to turn to across the country and of these advisers, there are just 1,100 who are regularly helping people navigate life insurance products, which makes reforms for life insurance advice an urgent priority. We are:

- ✓ engaging with the Federal Government on their Delivering Better Financial Outcomes agenda
- ✓ supporting actions to reduce red tape on advisers and retain life insurance commissions
- ✓ engaging on opportunities for life insurers to more easily be able to provide limited advice on their own products
- ✓ explaining the role life insurers can play in contributing to the wellbeing of their customers and supporting them back to health.

Life insurers are experts in the products they offer and are well placed to fill the life insurance advice gap by providing limited advice when people do not wish to engage a financial adviser. This should only happen with appropriate limitations and strong consumer protections to ensure better outcomes for Australians and their families.

Almost 10 million Australians have life insurance through their superannuation

For many people, the life insurance they hold in superannuation is the only life insurance protection that they have. Insurance in superannuation plays a critical role in Australia's superannuation system by protecting Australians' balances if they are unable to work through to retirement due to a major illness or injury. We believe Australian consumers and the broader economy are best served when superannuation is underpinned by life insurance. We have advocated for this to be recognised by the Federal Government in legislating an objective of superannuation.

Five million Australians are at, or nearing, retirement

CALI is focused on ensuring Australians have access to the right retirement income products to help provide them with the financial security they need to maintain their lifestyle as they transition to retirement. We are committed to further exploring opportunities to deepen the market when it comes to these types of products so that Australian consumers have more choices.



Our focus in 2024

Priorities for the year ahead

	Financial advice	Advocate for an effective and efficient regulatory framework for financial advice in Australia that will make it easier for consumers to obtain life insurance advice, including limited financial advice from life insurers about their own products.
	Life Code	Embed and promote the new Life Insurance Code of Practice (Life Code), including engaging with the Life Code Compliance Committee, consumer advocates and CALI members to continue to strengthen and improve the important consumer protections provided by the Life Code.
	Retirement	Ongoing engagement with the Federal Government, industry stakeholders and regulators to advocate for effective policy settings on retirement, including ensuring a deep and innovative market to support people to manage the risk that they will outlive their retirement savings (longevity risk).
	Best practice regulation	Engaging with the Federal Government and regulators on the design and implementation of best practice regulation and prudential settings.
	Rehabilitation	Continue to promote the life insurance industry's strong track record on providing crucial rehabilitation services for Australians to help them return to wellness after illness or injury.
	Early intervention	Expand on our preliminary work to advocate for life insurers to be able to provide broader support to their customers well before they need to make a claim.
	Women and life insurance	Focus on how the life insurance industry can better support women as customers and within the industry, including funding the ReCALibrate program to support mid-career female financial risk advisers to attend leading finance industry conferences.
	Emerging issues	Respond to emerging issues and stakeholder concerns relating to the life insurance industry, for example the use of genetic test results by life insurers, and support effective policy outcomes.
	Community expectations	Develop a deeper understanding of community expectations of the life insurance industry and the role it plays in people's lives, so that we can further identify opportunities for the industry to better serve and support Australians.
	Tell our story	Build on CALI's new brand and role as the voice of Australia's life insurers to proactively engage with the media and other key stakeholders to tell the CALI and broader life insurance industry story. This includes developing a social media campaign to inspire pride in the industry ('people of life insurance') and continuing to develop CALI's consumer-friendly website.

Our *members*



challenger 

 ClearView

Gen Re[®]

hannover re[®]

 HCF

integrity.

 MetLife



Munich RE 



 PACIFIC LIFE RE

 QInsure

Resolution Life

RGAA[®]

SCOR
The Art & Science of Risk

 Swiss Re

TAL

 ZURICH[®]

We work closely with our members across a range of issues and forums.

Member expertise, insights and advice are essential to becoming the clear and credible voice of life insurance in Australia.

Directors' Report

Council of Australian Life Insurers Limited (CALI)

Directors

The CALI Board is led by Co-Chairs, Damien Mu, AIA Australia Limited Chief Executive Officer and Managing Director and Brett Clark, TAL Life Limited Chief Executive Officer and Managing Director. The CALI Board provides guidance and leadership on issues that affect the life insurance industry.

The following members were directors of the CALI Board during the period from the date of incorporation (28 June 2022) to the date of this report, unless otherwise stated. All directors are 'non-executive' directors.

DIRECTOR	CALI MEMBER ORGANISATION	APPOINTED	RESIGNED
Megan Beer	Resolution Life Australasia Limited (Founding Member)	28-Jun-22	03-Feb-23
Brett Clark Co-Chair	TAL Life Limited (Founding Member)	28-Jun-22	-
Rodney Cook	MLC Limited (Founding Member)	28-Jun-22	28-Oct-22
Justin Delaney	Zurich Australia Limited (Founding Member)	28-Jun-22	-
Nadine Gooderick	ClearView Life Assurance Limited (Founding Member)	01-Jul-23	-
Kent Griffin	MLC Limited (Founding Member)	28-Oct-22	-
Tyson Johnston	Pacific Life Re (Australia) Pty Limited	28-Sep-22	-
Sean McCormack	Integrity Life Australia Limited	28-Sep-22	-
Damien Mu Co-Chair	AIA Australia Limited (Founding Member)	28-Jun-22	-
Richard Nunn	MetLife Insurance Limited (Founding Member)	28-Jun-22	-
Simon Swanson	ClearView Life Assurance Limited (Founding Member)	28-Jun-22	30-Jun-23
Timur Tez	Resolution Life Australasia Limited (Founding Member)	06-Feb-23	-

ALTERNATE DIRECTORS	ALTERNATE FOR	APPOINTED	RESIGNED
Nicolas Carro	Tyson Johnston	28-Nov-22	-
Phil Fraser	Sean McCormack	17-Oct-22	-
Linda Griffin	Justin Delaney	2-Jun-23	-
Alex Homer	Brett Clark	28-Jun-22	-
Mark Powell	Kent Griffin	21-Nov-22	-
Paul Tarlinton	Timur Tez	1-Sep-22	-
Wendy Tse	Richard Nunn	18-Aug-22	-

Directors' qualifications, experience and responsibilities



Brett Clark

CALI Board Co-Chair

Appointed 28 June 2022

- Chief Executive Officer and Managing Director – TAL Life Limited
- CALI Board Co-Chair
- Bachelor of Commerce, University of Melbourne
- Fellow of the Institute of Actuaries of Australia (FIAA)



Damien Mu

CALI Board Co-Chair

Appointed 28 June 2022

- Chief Executive Officer and Managing Director – AIA Australia Limited
- CALI Board Co-Chair
- Bachelor of Business – Accounting, Monash University
- Interpersonal Dynamics for High Performance Executives Program certified, Stanford University Graduate School of Business



Justin Delaney

Appointed 28 June 2022

- Chief Executive Officer – Zurich Australia Limited
- Bachelor of Arts, Macquarie University
- Graduate Diploma in Management, University of South Australia
- Graduate Diploma in Financial Planning, Securities Institute of Australia
- Member of the Australian Institute of Company Directors (MAICD)



Nadine Gooderick

Appointed 01 July 2023

- Managing Director – ClearView Life Assurance Limited
- Bachelor of Communications, University of Canberra



Kent Griffin

Appointed 28 October 2022

- Chief Executive Officer and Managing Director – MLC Limited
- Bachelor of Economics, Macquarie University
- Fellow of the Institute of Actuaries of Australia (FIAA)
- Chartered Enterprise Risk Actuary
- Graduate of the Australian Institute of Company Directors (GAICD)

	<p>Tyson Johnston Appointed 28 September 2022</p> <ul style="list-style-type: none"> • Senior Vice President – Pacific Life Re Australia Limited • Bachelor of Actuarial Studies, Australian National University • Bachelor of Finance, Australian National University • Fellow of the Institute of Actuaries of Australia (FIAA)
	<p>Sean McCormack Appointed 28 September 2022</p> <ul style="list-style-type: none"> • Chief Executive Officer – Integrity Life Australia Limited • Bachelor of Economics, Adelaide University • Certified Financial Planner, Financial Planning Association (FPA)
	<p>Richard Nunn Appointed 28 June 2022</p> <ul style="list-style-type: none"> • Chief Executive Officer – MetLife Insurance Limited • Bachelor of Business, University of South Australia • Graduate Diploma in Economics, University of Adelaide • Advanced Management Program, Harvard Business School • Fellow of the Australian Institute of Company Directors (FAICD)
	<p>Timur Tez Appointed 6 February 2023</p> <ul style="list-style-type: none"> • Chief Executive Officer – Resolution Life Australasia Limited • Bachelor of Commerce (Economics and Marketing), Sydney University • Master of Business Administration, Australian Graduate School of Management • Graduate Diploma in Financial Planning, Financial Services Institute of Australasia • Graduate of the Australian Institute of Company Directors (GAICD) • Fellow of Financial Services Institute of Australasia (F FIN) • Fellow, Australian and New Zealand Institute of Insurance and Finance (Fellow CIP)
	<p>Richard Beamish Company Secretary Appointed 20 June 2023</p> <ul style="list-style-type: none"> • Financial Controller & Assistant Company Secretary (Ret'd) – Insurance Council of Australia • Chartered Accountant, Certified Member of the Governance Institute of Australia

Directors' meeting attendance

Attendance by CALI Board Directors at CALI Board meetings from the date of incorporation (28 June 2022) to 15 August 2023.

DIRECTORS	ENTITLED TO ATTEND	ATTENDED
Megan Beer	3	2
Brett Clark	7	5
Rodney Cook	3	3
Justin Delaney	7	7
Phil Fraser	1 as Alt	1 as Alt
Nadine Gooderick	1	1
Kent Griffin	6	6 (2 as Alt)
Alex Homer	2 as Alt	2 as Alt
Tyson Johnston	4	4
Sean McCormack	4	3
Damien Mu	7	7
Richard Nunn	7	4
Simon Swanson	6	5
Paul Tarlington	1 as Alt	1 as Alt
Timur Tez	4	4
Wendy Tse	1 as Alt	1 as Alt

CALI objectives	<p>The shared purpose across all CALI members is to help Australians and their families have peace of mind about their future so they can live in the most healthy, confident and secure way.</p> <p>To deliver on this purpose, the Company pursues four strategic goals.</p> <p>1. Customer</p> <p>Ensure people understand and have affordable access to the life insurance protection that suits them when they need it most.</p> <p>2. Trust</p> <p>Secure our position as a proactive, connected, accountable and trusted industry, gaining customer, partner and stakeholder confidence.</p> <p>3. Community contribution</p> <p>Demonstrate our contribution to Australia's economy alongside critical health and social settings.</p> <p>4. Vibrant industry</p> <p>Ensure our industry is vibrant and sustainable as a pillar of the nation's health and financial wellbeing ecosystems.</p>
Principal activities in achieving objectives	<p>The principal activities of the Company were:</p> <ul style="list-style-type: none"> a) building the Company's organisational capability, including human resources, premises, policies and processes, and risk management and compliance systems b) implementing governance and operations to prepare for the transition of the Life Insurance Code of Practice to the Company from the Financial Services Council (FSC) c) engaging in government and regulatory consultations d) advocating for the role that life insurers and their partners play in the Australian community and economy e) establishing and maintaining engagement with governments, regulators and consumer groups on life insurance matters.
Review of operations and results	<p>The net surplus from ordinary activities, after tax, for the year ended 30 June 2023 was \$468,452. This surplus will provide the Council of Australian Life Insurers Limited (the Company) with the opportunity to both strengthen the balance sheet by retaining the 2023 surplus as reserves and to utilise part of the surplus to fund the 2024 budget and business plan.</p> <p>The Company was incorporated on 28 June 2022. The seven Founding Members contributed the initial funds required to establish the Company. All members contributed membership subscription funds for the half year from 1 January 2023 to 30 June 2023. During this period the appointments of the CEO and other senior executives were completed. By 30 June 2023 there were six full-time employees and one part-time.</p> <p>The primary focus of the Board and the executive was to set the Company's strategic objectives, establish a work plan of priorities, and prepare for the transfer of the Life Insurance Code of Practice (Life Code) from the Financial Services Council to the Company.</p>
Significant changes in state of affairs	<p>This is the first financial year of the Company, which was incorporated on 28 June 2022.</p>

Matters subsequent to the end of the financial year	The Directors are not aware of any other matters or circumstances not otherwise dealt with in the Directors' Report or Financial Report that have significantly or may significantly affect the operations of the Company, the results of these operations or the state of affairs of the Company in subsequent financial years.
Likely developments and expected results of operations	The Directors consider that the Company will continue its principal activities of working with its members to provide analysis, advice and advocacy relating to the development of public policy on life insurance and other related financial services, together with the maintenance and management of the Life Code.
Environmental regulation	The Company is subject to normal State and Federal environmental legislation and does not operate within an industry with specific environmental guidelines or limits. To the best of the Directors' knowledge, there have been no breaches of environmental legislation.
Corporate governance statement	<p>The Directors are responsible to the members of the Company for the governance, business and affairs of the Company. The Board provides guidance and leadership to the Company on policy issues that affect the life insurance industry as a whole.</p> <p>The functions of the Board include:</p> <ul style="list-style-type: none"> • setting the strategic goals and determining priority projects • overseeing and monitoring organisational performance and the achievement of the Company's strategic goals • ensuring there are effective management and reporting processes in place • reviewing and approving financial budgets for the financial year.
The Board of Directors	<p>The Board operates in accordance with the broad principles set out in the Company's Constitution including that:</p> <ul style="list-style-type: none"> • a Director must be the Chief Executive Officer or another suitably qualified executive of a Company that is a full member of the Company. They must have knowledge about and be committed to the purpose of the Company • the Directors should meet as often as required for the proper discharge of their Directors' duties • the Board may resolve to establish committees consisting of persons as they determine. It may delegate to each committee such of their powers required for the effective and efficient running and administration of the committee. At the Board meeting on 15 August 2023 the Remuneration Committee was established. <p>Further information about the Directors and their respective positions is available under the heading 'Directors' qualifications, experience, and responsibilities'.</p>
The Board's commitment	The Board meets six times per year. The Co-Chairs of the Board are responsible for the general conduct of the meetings. Should a Director not attend a Board meeting they may appoint a designated 'alternate' as their representative. The number of meetings and the attendance of Directors is recorded and disclosed under the heading 'Directors' meeting attendance'.
Conflicts of interest	Each Director discloses all personal interests and other matters that could, or do, give rise to a conflict of interest in relation to a matter or decision being considered by the Directors.

Independent professional advice	Directors and board committees have the right, in connection with their duties and responsibilities, to seek independent professional advice at the Company's expense. Prior written approval of a Co-Chair is required, but this will not be unreasonably withheld.
Remuneration	No fees were paid to the Directors of the Company.
Audit	This function is overseen by the full Board of the Company.
Directors' benefits	For the year ended 30 June 2023, no Director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company and the Director, a firm of which the Director is a member or an entity in which the Director has a substantial financial interest, with the exception of the benefits that may be deemed to have arisen in relation to transactions entered into in the ordinary course of business.
Insurance of officers	<p>To the extent permitted by law, the Company indemnifies its officers (both current and past) for all losses or liabilities incurred by the person as an officer of the Company including, but not limited to, a liability for negligence or for legal costs on a full indemnity basis.</p> <p>During the financial year the Company paid an insurance premium in respect of Directors' and officers' liability insurance. The policy does not specify the premium for individual Directors and officers.</p> <p>The Directors' and officers' liability insurance provides cover against all costs and expenses involved in defending legal actions and any resulting payments arising from a liability incurred by the Company's Directors and officers to other persons where that liability was incurred by the Director or officer in their position as a Director or officer unless the conduct involved a wilful breach of duty or fiduciary obligation.</p>
Auditors' Independence Declaration	A copy of the Auditors' Independence Declaration as required under section 307C of the Corporations Act 2001 is set out on page 23.

This Directors' Report is made in accordance with a resolution of the Directors.



Brett Clark

Co-Chair

17 October 2023



Damien Mu

Co-Chair

17 October 2023




AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
COUNCIL OF AUSTRALIAN LIFE INSURERS LIMITED

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2023 there have been:

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

Name of Firm: Camphin Boston
Chartered Accountants

Name of Partner: 
Justin Woods

Address: Level 5, 179 Elizabeth Street SYDNEY NSW 2000

Dated this 17th day of October 2023

Camphin Boston
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Financial Report

Statement of *Comprehensive Income*

For the year ended 30 June 2023

	Notes	2023 \$
Revenue from ordinary activities		
Member contributions		1,884,943
Interest earned		23,800
Total income from ordinary activities		1,908,743
Expenses from ordinary activities		
Staffing costs		679,014
Company establishment costs		351,326
Members services		229,037
Corporate & Governance costs		108,848
Occupancy expenses		45,642
Administration expenses		25,003
Depreciation & amortisation		1,421
Total expenses from ordinary activities		1,440,291
Surplus before income tax expense		468,452
Income tax expense	1	0
Surplus for the year		468,452
Other comprehensive income		0
Total Comprehensive Surplus for the year		468,452

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of *Financial Position*

For the year ended 30 June 2023

	Notes	2023 \$
Current Assets		
Cash and cash equivalents	2	723,248
Trade and other receivables	3	20,805
Total Current Assets		744,053
Non Current Assets		
Office equipment	4	20,218
Total Non Current Assets		20,218
Total Assets		764,271
Current Liabilities		
Trade and other payables	5	257,319
Provisions and other liabilities	6	38,500
Total Current Liabilities		295,819
Total Liabilities		295,819
Net Assets		468,452
Members funds		468,452

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of *Cash Flows*

For the year ended 30 June 2023

	Notes	2023 \$
Cash Flow from Ordinary Activities		
Cash receipts in the course of operations		2,051,947
Interest received		23,800
Cash payments in the course of Ordinary Activities		(1,330,860)
Net cash from Ordinary Activities		744,887
Cash flows used in investing activities		
Payments for property, plant and equipment		(21,639)
Net cash from Investing Activities		(21,639)
Net increase in cash and cash equivalents held		723,248
Cash and cash equivalents at the beginning of the financial year		0
Cash and cash equivalents at the end of the financial period		723,248
Reconciliation of comprehensive surplus		
Comprehensive surplus		468,452
Plus/(minus) non-cash items:		
Amortisation of office equipment		1,421
Amounts set aside to leave provisions		38,500
Changes in assets and liabilities:		
Decrease/(increase) in trade and other receivables		0
(Increase)/decrease in prepayments		(20,805)
Decrease/(increase) in Tax receivables		0
Increase/(decrease) in trade and other payables		257,319
Net cash (used in)/from operating activities		744,887

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Statement of Changes in *Members Funds*

For the year ended 30 June 2023

	Notes	2023
		\$
Total funds at the beginning of the financial year		0
Total comprehensive surplus for the year		468,452
Total funds at the end of the financial year		468,452

The above Statement of Changes in Members Funds should be read in conjunction with the accompanying notes.



Notes to and forming part of the Financial Report

For the year ended 30 June 2023

General information

This Financial Report covers the Council of Australian Life Insurers Limited (the Company) as an individual entity and is presented in Australian dollars.

The Company is the company limited by guarantee. In accordance with the Constitution, every member of the Company undertakes to contribute to the property of the Company in the event of the Company being wound up while they are a member or within one year after they cease to be a member, for payment of the debts and liabilities of the Company (contracted before they cease to be a member) and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required, but not exceeding one hundred dollars (\$100) per member.

The financial statements were authorised for issue by the directors on 17 October 2023.

The operations of the Company are conducted in Australia only.

Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the Financial Report are set out below. These principles have been consistently applied, unless otherwise stated.

a) Basis of preparation

These financial statements are general purpose financial statements for distribution to the members and for the purpose of fulfilling the requirements of the historical cost convention. They have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures made by the Australian Accounting Standards Board and the Corporations Act 2001.

For the purpose of this Financial Report, the Company is a not-for-profit entity.

These financial statements are the first general purpose financial statements prepared for the Company, which was incorporated on 28 June 2022.

Historical cost convention

These financial statements have been prepared under the historical cost convention and unless otherwise stated do not take into account current valuation of non-current assets.

b) Revenue

Member contributions

Revenue from member contributions is recognised on a straight-line basis over the performance period. Member contributions received in advance are held as unearned revenue (a current liability).

c) Trade and other receivables

Trade and other receivables are stated at the amounts to be received in the future, less any impairment losses. Debts which are known to be uncollectible are written off.

d) Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is an indication of impairment. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the asset is written down to the recoverable amount and the amount of the write-down is recognised in the Statement of Comprehensive Income.

The recoverable amount of an asset is determined by the value in use or fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

e) Property, plant and equipment

Office and IT equipment acquired for less than \$500 are written off to the Statement of Comprehensive Income when acquired.

Items of office and IT equipment acquired for greater than \$500 are depreciated over their estimated useful lives. The straight-line method of depreciation is used, from the date of acquisition. The expected useful lives of the major categories are as follows:

Office and IT equipment and software - 3 years

f) Trade and other payables

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days to 12 months. The carrying amount of payables is a reasonable approximation of the fair value of the liabilities because of the short-term nature of the liabilities.

Trade payables represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid.

Other payables include accrued amounts for goods and services supplied and for which no invoice has been received from the service provider.

g) Employee entitlements

The provision for employee entitlements relates to amounts expected to be paid to employees for annual leave and bonuses and is based on legal and contractual entitlements and assessments. The Company does not hold a provision for long service leave as no employees yet have a period of service exceeding 5 years.

Liabilities for employee entitlements to annual leave and other current entitlements are accrued at amounts calculated on the basis of current salary rates, including package costs and on-costs. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rate paid or payable.

h) Taxation

The Company is assessable only on income from non-mutual sources such as interest income.

The tax payable on income from non-mutual sources is generally not material and offset by tax deductions available to the Company. No deferred tax assets or liabilities are recognised given the unlikelihood of future net taxable income.

Revenue, expenses and assets are recognised net of the amount of Goods and Services Tax (GST). Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the tax authority is included as part of receivables and payables.

The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

i) Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. It has been determined that no critical accounting estimates or judgements have been made in the year.

j) Leases

The Company does not hold any leased assets and does not recognise any 'right-of-use asset'.

NOTE 2

Cash and cash equivalents

	2023
	\$
Cash at bank	723,248
Total cash and cash equivalents	723,248

Cash at bank bears floating interest rates, equal to RBA cash rate

Rate as at 30 June 2023: 4.1%

NOTE 3

Trade and other receivables

	2023
	\$
Trade receivables	0
Prepayments	9,909
Trademarks	10,896
Total trade and other receivables	20,805

NOTE 4

Office equipment

	2023
	\$
Office equipment at cost	21,639
Accumulated depreciation	(1,421)
Total office equipment	20,218

	2023
	\$
Opening balance office equipment	0
Additions	21,639
Disposals	0
Depreciation expense	(1,421)
Closing balance office equipment	20,218

NOTE 5

Trade and other payables

Trade creditors
Accrued expenses
Total trade and other payables

2023
\$
53,996
203,323
257,319

NOTE 6

Provisions and other liabilities

Provision for annual leave
Total provisions - current

2023
\$
38,500
38,500

NOTE 7

Auditors' remuneration

Total amounts due and receivable by the auditors
For audit services
For taxation services
Total provisions - current

2023
\$
9,000
3,500
12,500

NOTE 8

Related party transactions

The directors listed in the Directors' Report did not receive any remuneration from the Company in relation to the management of the Company. There were no transactions with the Company and other entities owned or controlled by any of the directors.

Individual directors are employees of certain member entities from which member contributions are received on a commercial basis.

There are no Related Party Transactions to be reported.

NOTE 9

Corporate information

Council of Australian Life Insurers Limited is a company limited by guarantee, incorporated and domiciled in Australia.

ABN: 11 659 620 998

Registered office and principal place of business:

Level 26, 9-13 Castlereagh Street

Sydney NSW 2000

Directors' *Declaration*

In the opinion of the directors of Council of Australian Life Insurers Limited (the Company):

- a) The Company is not a reporting entity;
- b) The financial statements and notes, set out on pages 26 to 36, are in accordance with the Corporations Act 2001, including:
 - i) giving a true and fair view of the financial position of the Company as at 30 June 2023 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
 - ii) complying with Australian Accounting Standards, other mandatory professional reporting requirements and the Corporations Regulations 2001; and
- c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.



Brett Clark

Co-Chair

17 October 2023



Damien Mu

Co-Chair

17 October 2023



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
COUNCIL OF AUSTRALIAN LIFE INSURERS LIMITED
A.B.N 11 659 620 998**

Auditor's Opinion

We have audited the financial report of Council of Australian Life Insurers Limited (the Entity). The financial report comprises the Balance Sheet as at 30 June 2023 and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ending, a summary of significant accounting policies, other explanatory information and the Directors' Declaration. In our opinion the financial report of Council of Australian Life Insurers Limited is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- (b) complying with Australian Accounting Standards and complying with 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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Entity, 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 audit opinion.

Other Information

Management is responsible for the other information. The other information comprises the pages spanning from 1 to 16, but does not include the financial report, Directors' Declaration and our auditor's report thereon.

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

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

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

Camphin Boston
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Responsibility of the Directors for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. The directors' responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

Auditor's Responsibility

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 material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, that 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: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Name of Firm: Camphin Boston
Chartered Accountants

Name of Partner:

A handwritten signature in black ink, appearing to read "J Woods".

Justin Woods

Address: Level 5, 179 Elizabeth Street SYDNEY NSW 2000

Dated this 17th day of October 2023





