Anglesey Secured Investments Ltd

Financial Statements

For the Period Ended 31 December 2019

Anglesey Secured Investments Ltd

Contents

For the Period Ended 31 December 2019

Directors' Report
31 December 2019

The directors present their report on Anglesey Secured Investments Ltd for the financial period ended 31 December 2019.

1. General information

Information on directors

The names of each person who has been a director during the period and to the date of this report are:
Henry Pinskier
Peter David Wright
Geoffrey John Wensley

Principal activities

The principal activity of Anglesey Secured Investments Ltd during the financial period was Debenture and Borrowing facilities.

No significant changes in the nature of the Company's activity occurred during the financial period.

2. Operating results and review of operations for the period

Operating results

The loss of the Company after providing for income tax amounted to $ (8,959) (2018: $ (140,267)).

3. Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the period.

Matters or circumstances arising after the end of the period

No matters or circumstances have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial periods.

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial periods have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental matters

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or a state or territory.

Company secretary

The following person held the position of Company Secretary at the end of the financial period:

Directors' Report
31 December 2019

Company secretary

Geoffrey John Wensley has been the company secretary since 2019.

Indemnification and insurance of officers

For Directors only with Macquarie Ltd

Proceedings on behalf of company

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, For the Period Ended 31 December 2019 has been received and can be found on page 3 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: ....
Peter David Wright

Director: ....
Geoffrey John Wensley

Dated this 13 March 2020

rosenfeld kant

Rosenfeld Kant & Co
Chartered Accountants
ABN: 74 057 092 046

Level 24, Tower 2
101 Grafton Street
Bondi Junction NSW 2022

PO BOX 86
Bondi Junction NSW 1355

Phone: +61 2 9375 1200
Fax: +61 2 9389 6695
www.roskant.com.au

Anglesey Secured Investments Ltd

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Anglesey Secured Investments Ltd

I declare that, to the best of my knowledge and belief, during the period ended 31 December 2019, there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* concerning the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Raul Valois CA

Partner

13 March 2020

Bondi Junction

Statement of Profit or Loss and Other Comprehensive Income

For the Period Ended 31 December 2019

	31 December 2019 $	30 June 2019 $
Finance income	**123,447**	110,488
Other income	**-**	4,927
Occupancy costs	**(19,939)**	(8,250)
Administrative expenses	**(28,771)**	(17,703)
Other expenses	**(83,696)**	(229,729)
Deficit before income tax	**(8,959)**	(140,267)
Income tax expense	**-**	-
Deficit from continuing operations	**(8,959)**	(140,267)
Total comprehensive income for the period	**(8,959)**	(140,267)

The Company has initially applied AASB 15 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118 and related interpretations.

The Company has not restated comparatives when initially applying AASB 9, the comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*.

Statement of Financial Position

As At 31 December 2019

	Note	31 December 2019 $	30 June 2019 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	**1,628,295**	898,665
Trade and other receivables	5	**78,048**	18,676
Loans and advances	6	**4,220,701**	5,124,092
TOTAL CURRENT ASSETS		**5,927,044**	6,041,433
NON-CURRENT ASSETS			
Property, plant and equipment	7	**27,000**	34,648
Investment properties	8	**594,716**	627,359
Other assets		**32,670**	-
TOTAL NON-CURRENT ASSETS		**654,386**	662,007
TOTAL ASSETS		**6,581,430**	6,703,440
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	**69,070**	39,966
Borrowings	10	**6,227,706**	6,369,862
TOTAL CURRENT LIABILITIES		**6,296,776**	6,409,828
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		**6,296,776**	6,409,828
NET ASSETS		**284,654**	293,612
EQUITY			
Retained earnings		**284,654**	293,612
		284,654	293,612
TOTAL EQUITY		**284,654**	293,612

The Company has initially applied AASB 15 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118 and related interpretations.

The Company has not restated comparatives when initially applying AASB 9, the comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*.

Statement of Changes in Equity
For the Period Ended 31 December 2019

	Ordinary Shares	Redeemable Preference Shares	Retained Earnings	Total
	$	$	$	$
Balance at 1 July 2019	**456,000**	**565,000**	**(727,388)**	**293,612**
Loss attributable to the entity	**-**	**-**	**(8,959)**	**(8,959)**
Issuing new shares	**140,000**	**-**	**(140,000)**	**-**
Balance at 31 December 2019	**596,000**	**565,000**	**(876,346)**	**284,654**

	Ordinary Shares	Redeemable Preference Shares	Retained Earnings	Total
	$	$	$	$
Balance at 1 July 2018	456,000	565,000	(586,496)	434,504
Loss attributable to the entity	-	-	(140,267)	(140,267)
Retrospective adjustment upon change in accounting policy	-	-	(625)	(625)
Balance at 30 June 2019	456,000	565,000	(727,388)	293,612

Anglesey Secured Investments Ltd

Statement of Cash Flows

For the Period Ended 31 December 2019

	31 December 2019 $	31 December 2018 $
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	**-**	720
Payments to suppliers and employees	**(221,758)**	(137,139)
Interest received	**210,027**	205,041
Interest paid	**(159,223)**	(146,890)
Net cash provided by/(used in) operating activities	**(170,954)**	(78,268)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	**(651)**	282,359
Purchase of financial assets	**-**	- -
Net cash provided by/(used in) investing activities	**(651)**	282,359
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issue of shares	**140,000**	-
Proceeds from borrowings	**761,235**	817,225
Net cash provided by/(used in) financing activities	**901,235**	817,225
Net increase/(decrease) in cash and cash equivalents held	**729,630**	1,021,316
Cash and cash equivalents at beginning of period	**898,665**	892,947
Cash and cash equivalents at end of financial period	**1,628,295**	1,914,263

The accompanying notes form part of these financial statements.

The financial report covers Anglesey Secured Investments Ltd as an individual entity. Anglesey Secured Investments Ltd is a for-profit Company limited by shares, incorporated and domiciled in Australia.

This half-period report is a general-purpose financial report prepared in accordance with requirements of the Corporations Act 2001, AASB 134, Australian Accounting Interpretations and other authoritative pronouncements of the AASB.

It is recommended that this financial report be read in conjunction with the online annual report period ended 30 June 2019. The half period report doesn't include all disclosures.

The functional and presentation currency of Anglesey Secured Investments Ltd is Australian dollars.

The financial report was authorised for issue by the Directors on 13 March 2020.

Comparatives are consistent with prior periods, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001.*

2 Summary of Significant Accounting Policies

(a) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

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

Deferred tax is not provided for the following:

- 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).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(b) Revenue and other income

For comparative period Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Revenue from contracts with customers

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company is:

Debenture Interest

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(c) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(d) Property, plant and equipment

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

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Office Equipment	20% - 100%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

2 Summary of Significant Accounting Policies

(e) Investment property

Investment property is carried at fair value, determined annually by independent valuer. Changes to fair value are recorded in the statement of profit or loss and other comprehensive income as other income/expenses.

(f) Financial instruments

For comparative period

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

Financial assets are divided into the following categories, which are described in detail below:

- loans and receivables.
- financial assets at fair value through profit or loss.
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Company's trade and other receivables fall into this category of financial instruments.

In some circumstances, the Company renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Company does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets:

2 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

- acquired principally for the purpose of selling in the near future
- designated by the Company to be carried at fair value through profit or loss upon initial recognition or

The Company has some derivatives which are designated as financial assets at fair value through profit or loss.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Company's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired. Although the Company uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

The Company's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Impairment of Financial Assets Loans and Advances

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

2 Summary of Significant Accounting Policies

(f) Financial instruments

Impairment of Financial Assets Loans and Advances

Bad debts are written off when identified. If a provision for impairment has been recognised in relation to a specific loan, write offs for bad debts are made against the provision. If no provision for impairment has been recognised, write offs for ad debts are recognised as expenses in the profit and loss account.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

For current period

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and finance lease liabilities.

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(h) Going concern

The financial report has been prepared on a going concern basis that considers the continuity of normal operating activities and the realisation of assets and settlement of liabilities in the normal operating activities and the realisation of assets and settlement of liabilities in the normal course of business.

the company's main activity is to accept deposits of monies via debentures from investor and then on lend the funds invested on the security of registered mortgages over real property in Australia.

At 31 December the net assets of the company were $284,653. Included in the net assets are liabilities with respect to debentures of $6,369,682. At balance date the company’s total assets were $6,581,429. Including cash and cash equivalents of $1,628,295.

(i) Calculation of Recoverable Amount

The recoverable amount of the entity's investments in receivables carried at amortised cost is calculated as the present value of estimated future cashflows, discounted at the original effective interest rate (ie the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

2 Summary of Significant Accounting Policies

(i) Calculation of Recoverable Amount

Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred. Significant receivables are individually assessed for impairment, Impairment testing's of significant receivables that are not as impaired individually is performed by planning them into portfolios of significant receivables with similar risk profiles and undertaking a collective assessment of impairment. Non-significant receivables are not individually assessed. Instead, impairment testing is performed is performed by placing non-significant receivables in portfolios of similar risk profiles, based on objective evidence from historical experience adjuster for any effect of conditions exiting at each balance date.

The recoverable amount of other assets is the greater of their fair value less costs to sell and value is use. In accessing value in use, the estimated future cashflows are discounted to their present value using a pre-tax discounted rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that doesn't to generate largely independent cash in flows, the recoverable am amount is determine for the cash generating until to which the asset belongs.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - fair value of financial instruments

The Company has certain financial assets and liabilities which are measured at fair value. Where fair value has not able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

3 Critical Accounting Estimates and Judgments

Key estimates Loans

Management uses independent valuations in conjunction with other credit assessment material in determining whether a potential borrower has adequate security and in turn determining the likelihood of recovering the loan advance that is to be made. All realty property must be valued by an independent licenses vale=valuer appointed by the company before a loan is made. The valuation is used to determine the maximum loan amount to be advanced taking into account the following Loan to Valuation Ratios (LVR).

- Residential Land 70%
- Industrial Land 70%
- Commercial Land 70%
- Rural Land 70%

The outcome of the analysis may determine whether or not the company will make a loan, the amount of any such loan in terms of the maximum LVR and the length of the loan term. In terms of provisioning against loans, the Board meets on a monthly basis and reviews all loans which have indicators of impairment. Where there is objective evidence of impairment, the Board assess the recoverability of a loan by preparing a discounted cash flows. The cash flow requires critical judgements to be made on the timing of the cash inflows and outflows in addition to the actual amounts recovered. The cash flows judgements to be made on the timing of the cash inflows and outflows in determining the recoverability of the loan. If the principal and unpaid interest and fees falls short of the discounted cash flows total, then a provision equal to the shortfall is adopted by the Board. Once the recommendation is approved by the Board a provision is made against the loan.

The Board believe that the chosen valuation techniques and assumptions used are appropriate in determining the recoverability of impaired loans.

Recoverable amount of financial and non-financial assets

In terms of provision against loans, the Board meets on a monthly basis and reviews all loans which have indicators of impairment. For all mortgage loans, Independent Valuations are commissioned to assess the value of the underlying real property associated with the registered first mortgage security on an ongoing basis.

Where there is objective evidence of impairment, the Board assess the recoverability of a loan by preparing a discounted cash flows. The cash flow requires critical judgements to be made on the timing of the cash inflows and outflows in determining the recoverability the loans. If the principal and unpaid interest and fees falls sour of the discounted cash flows total, then a provision equal to the shortfall is adopted by the Board. Once the recommendation is approved by the Board a provision is made against the loan.

Similarly, for non-current assets held for sale, investments and inventory properties, periodical independent valuations form licensed valuer's are commission in assessing recoverable amount and net realisable values. The recoverable amount for loans and investment property are estimates sensitive to several key assumptions in any independent valuation including estimated future sales rates made based on current and future sales in relevant markers and estimated project development potential. Changes in these assumptions used could cause the carrying amounts to exceed the recoverable amounts from time to time.

The Board believe that the chosen valuation techniques and assumptions used are appropriate in determining the recoverability of impaired assets.

Similarly for non-current assets, land and buildings not held for resale, periodic and independent valuations from licenced valuer's are commissioned in accessing recoverable amount and net realisable values.

Notes to the Financial Statements

For the Period Ended 31 December 2019

3 Critical Accounting Estimates and Judgments

Recoverable amount of financial and non-financial assets

Impairment

The company assesses impairment at each reporting date by evaluating conditions specific to the Company's that may lead to the impairment of assets. Where an impairment trigger exits, the recoverable amount of the asset is determined. Value-in-use calculations which incorporate key estimates, are performed in accessing recoverable amounts.

4 Cash and Cash Equivalents

	31 December 2019 $	30 June 2019 $
Cash at bank and in hand	**23,510**	264,108
Other cash and cash equivalents	**1,604,785**	634,557
	1,628,295	898,665

5 Trade and other receivables

	31 December 2019 $	30 June 2019 $
CURRENT		
Accrued Interest Loans	**26,902**	14,421
Accrued Interest Investments	**51,146**	4,255
Total current trade and other receivables	**78,048**	18,676

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

6 Loans and Advances

(a) Loan Analysis and Impairment

	< 30 days $	31-60 days $	61-90 days $	> 90 days $	Within Terms $	Gross amount $
2019						
Loans Secured by mortgage	-	-	-	175,000	4,045,700	4,220,700
Provision for Impairment	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Subtotal	-	-	-	175,000	4,045,700	4,220,700
Provision for Impairment	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-

6 Loans and Advances

(a) Loan Analysis and Impairment

	< 30 days $	31-60 days $	61-90 days $	> 90 days $	Within Terms $	Gross amount $
Subtotal	-	-	-	-	-	-

The above table details the company's trade and other receivables with ageing analysis and impairment provided thereon. Amounts are considered past due when the debt has not been settled within the terms and conditions agreed between the company and the counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining the solvency of the counterparty to the transaction and are proved for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

Impairment losses

A provision for impairment loss is recognised when there is objective evidence that an individual loan is impaired. Loans previously assessed as impaired have now been realised.

The company holds first or second mortgage collateral security over all mortgages and periodically reviews all loans for evidence of impairment.

	31 December 2019 $	30 June 2019 $
CURRENT		
Loans to NBFI	**-**	437,231
Loans control accounts	**4,220,701**	4,686,861
	4,220,701	5,124,092

7 Property, plant and equipment

	31 December 2019 $	30 June 2019 $
Right to use		
At cost	**21,357**	27,000
Total Right to use	**21,357**	27,000
Total land and buildings	**21,357**	27,000
PLANT AND EQUIPMENT		
Office equipment		
At cost	**65,461**	65,461
Accumulated depreciation	**(59,818)**	(57,813)
Total office equipment	**5,643**	7,648
Total plant and equipment	**5,643**	7,648
Total property, plant and equipment	**27,000**	34,648

8 Investment Properties

(a) Valuation

The valuation of investment properties is based upon independent valuations conducted by Saunders and Staniforth during the 2015 period. One property was sold this period for less than the revalued amount of $295,000 $20,000 less than the revalued amount.

No revaluations were completed during the 2019 period due to the sale pricing be less for the other property This will be revisited in the 2020 Financial period.

The Directors consider that the current value to be reflective of the market value at this time.

Investment property

- 52-70 Church Street Forbes

	31 December 2019 $	30 June 2019 $
Balance at beginning of period	**627,359**	627,359
Other movement	**32,643**	-
Total Investment Properties	**594,716**	627,359

9 Trade and Other Payables

	31 December 2019 $	30 June 2019 $
Current		
Trade payables	**26,153**	27,000
Sundry payables and accrued expenses	**10,463**	9,392
Provision for tax	**3,600**	3,574
Other payables	**28,854**	-
	69,070	39,966

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

10 Borrowings

(a) Borrowings liquidity

The liquidity of the company is reviewed on a monthly basis via management reporting. The company doesn't not believe there is any material exposure in respect of the concentration of its deposits and borrowing. All of its deposits and borrowings constitute secured debentures which are lodged for fixed terms. The debenture stock is secured by first ranking floating charge in favour of Melbourne Securities Corporation Limited over the whole of the assets and undertakings of the company.

	31 December 2019 $	30 June 2019 $
CURRENT		
Unsecured liabilities:		
Depositors Loan Account	**6,227,706**	6,369,862
Total current borrowings		

(b) The carrying amounts of non-current assets pledged as collateral for liabilities are:

Total borrowings	**6,227,706**	6,369,862

Summary of borrowings

Defaults and breaches

During the current and prior period, there were no defaults or breaches on any of the loans.

The financial assets pledged as collateral represent a floating charge and cannot be disposed of without consent of the financier.

11 Financial Risk Management

Interest rate swaps

Interest rate swap transactions entered into by the Company to exchange variable and fixed interest payment obligations to protect long-term borrowings from the risk of increasing interest rates. The Company uses swap contracts to maintain a designated proportion of fixed to floating debt.

The notional principal amounts of the swap contracts approximate the Company's borrowing facilities. The net interest payments or receipt settlements of the swap contracts occur every 90 days and correspond with interest payment dates on the borrowings. The net settlement amounts are brought to account as an adjustment to borrowing costs.

11 Financial Risk Management

At the end of the reporting period, the details of outstanding contracts, all of which are to receive floating/pay-fixed interest swaps, are as follows:

	31 December 2019 $	30 June 2019 $
Financial assets		
Loans and receivables	**-**	6,041,433
Held at amortised cost		
Cash and cash equivalents	**1,628,295**	-
Trade and other receivables	**4,298,749**	-
Fair value through profit or loss (FVTPL)		
Fair value through Other Comprehensive Income (OCI)		
Financial liabilities		
Financial liabilities at amortised cost	**6,296,776**	6,400,827
Financial liabilities at fair value		
Total financial liabilities	**6,296,776**	6,400,827
Total	**(369,732)**	(359,394)

The Company has not restated comparatives when initially applying AASB 9, the comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement.*

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Company maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

At the reporting date, these reports indicate that the Company expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

Financial guarantee liabilities are treated as payable on demand since Anglesey Secured Investments Ltd has no control over the timing of any potential settlement of the liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement

11 Financial Risk Management

dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Trade receivables and contract assets

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company review includes external ratings, if they are available, financial statements, credit agency information and industry information. Credit limits are established for each customer and the utilisation of credit limits by customers is regularly monitored by line management. Customers who subsequently fail to meet their credit terms are required to make purchases on a prepayment basis until creditworthiness can be re-established.

The Board receives monthly reports summarising the turnover, trade receivables balance and aging profile of each of the key customers individually and the Company's other customers analysed by industry sector as well as a list of customers currently transacting on a prepayment basis or who have balances in excess of their credit limits.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which the customers operate.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

On a geographical basis, the Company has significant credit risk exposures in Australia and [enter country name] given the location of its operations in those regions.

The following table details the Company's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, within the terms and conditions agreed between the Company and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Company.

11 Financial Risk Management

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

The Company does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

(i) Interest rate risk

The Company is exposed to interest rate risk as funds are borrowed at floating and fixed rates. Borrowings issued at fixed rates expose the Company to fair value interest rate risk.

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At the reporting date, the Company is exposed to changes in market interest rates through its bank borrowings, which are subject to variable interest rates.

The calculations are based on the financial instruments held at each reporting date. All other variables are held constant.

12 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2019 (30 June 2019:None).

13 Events Occurring After the Reporting Date

The financial report was authorised for issue on 13 March 2020 by the board of directors.

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

14 Statutory Information

The registered office and principal place of business of the company is:

Anglesey Secured Investments Ltd
Lvl 24 Tower 2
101 Grafton Road
Bondi Junction NSW

Anglesey Secured Investments Ltd

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 21, are in accordance with the *Corporations Act 2001* and:

   a. comply with Australian Accounting Standards – AABS 134 and the Corporations Regulations and;

   b. gives a true and fair view of the financial position as at 31 December 2019 and of the performance for the period ended on that date of the Company.

2. 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.

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

Director ....
Peter David Wright

Director ....
Geoffrey John Wensley

Dated 13 March 2020

rosenfeld kant

Rosenfeld Kant & Co
Chartered Accountants
ABN: 74 057 092 046

Level 24, Tower 2
101 Grafton Street
Bondi Junction NSW 2022

PO BOX 86
Bondi Junction NSW 1355

Phone: +61 2 9375 1200
Fax: +61 2 9389 6695
www.roskant.com.au

Anglesey Secured Investments Ltd

Independent Review Report to the members of Anglesey Secured Investments Ltd

Report on the Audit of the Financial Report Half Period.

Opinion

We have review the financial report of Anglesey Secured Investments Ltd (the Company), which comprises the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(i) giving a true and fair view of the Company's financial position as at 31 December 2019 and of its financial performance for the period ended; and

(ii) complying with Australian Accounting Standards 134.

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 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.

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability 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 Company or to cease operations, or have no realistic alternative but to do so.

Rosenfeld Kant & Co
Chartered Accountants
ABN: 74 057 092 046

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Anglesey Secured Investments Ltd

Independent Review Report to the members of Anglesey Secured Investments Ltd

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express a conclusion on the half-period financial report based on our work. We conducted our work in accordance with Auditing Standard ASRE 2410, in order to state whether, on the basis of the procedures completed, we have become aware of any matter that makes us believe that the half-period reports is not in accordance with the corporations Act 2001 including giving a true and fair view of the company's position as at 31 December 2019.

The audit of a half-period financial report consists of making enquires, primarily of persons responsible for the financial accounting matters, applying analytical and other procedures. The audit as substantially less in scope then a compliance audit conducted under ASA does not enable us to obtain assurance that we would become aware of all significant matters that might be identified. We have not express an audit opinion.

Raul Valois

Partner

Location Bondi Junction

Dated this 13 March 2020