Investments + Opportunities

NBFI Secured Investments Ltd

Prospectus No.12

For the Issue of Secured Notes

NBFI Secured Investments Limited
ACN 111 607 606

Important Notice

This Prospectus is dated 15th October 2021. A copy of this Prospectus has been lodged with the Australian Securities and Investments Commission (ASIC).

ASIC takes no responsibility for the contents of this document, or the merits of the investments offered by this Prospectus.

No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

The Company reserves the right to close the Prospectus at an earlier date.

The invitation to invest is available to persons who receive this Prospectus and Application Form within Australia. If you have received an electronic copy of the Prospectus, you may obtain a paper copy free of charge from our offices at Suite 103, Level 1 274-290 Victoria Street DARLINGHURST NSW 2010 or call 02 9167 0909. The electronic form can be found on the Company's website www.nbfisecuredinvestments.com.

The Company refers to and adopts ASIC Corporations (Debenture Prospectus) instrument 2016/75, where the Company issues a separate interest rate card containing investment rates and terms from time to time. All investors should confirm the currency of any interest rate prior to completing an application.

This Prospectus is an important document and should be read in its entirety. Before deciding to invest, you should consider whether NBFISI Notes are a suitable investment for you. The information in this Prospectus is of a general nature and has been prepared without taking account of your personal objectives, financial situation or needs. This Prospectus is not a statement of advice. You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues) and seek professional advice if necessary, before investing. Any material changes to information contained within this Prospectus will be the subject of continuous disclosure via the Company's website www.nbfisecuredinvestments.com

Melbourne Securities Corporation Limited is the trustee for the holders of NBFISI Notes and holds a General Security Agreement over all of the assets of the Company. This security interest is registered on the Personal Property Security Register. Neither the Company Directors, or the Trustee, or any of their related parties guarantee the obligations of the Company for the repayment of capital or payment of interest on NBFISI Notes.

ASIC's Class Order 12/1482 of 2012 provides that debenture issuers can only describe the debentures it issues as "Secured Notes" if:

(a) the repayment of all money that has been, or may be invested or lent under the Secured Notes has been secured by a first ranking security interest in favour of the trustee over the whole or any part of the property of the borrower or any guarantor; and

(b) the property that constitutes the security for the security interest is sufficient and is reasonably likely to be sufficient to meet the liability for the repayment of all such money and all other liabilities that:

(i) have been or may be incurred; and

(ii) rank in priority to, or equally with, that liability.

The Company does and will comply with those requirements.

The Company is <u>not</u> authorised under the Banking Act 1959 and is not supervised by the Australian Prudential Regulation Authority (APRA). The depositor protection provisions in Section 13A of the Banking Act 1959, will not cover NBFISI Notes. Investments with the Company are not covered by the Financial Claims Scheme established under Division 2AA of the Banking Act 1959. Investors in NBFISI Notes may lose some or all of their investment.

Contents

1. Company Profile

NBFI Secured Investments Limited ACN 111 607 606 (‘the Company’), is an Australian owned and operated unlisted Public Company with offices in Sydney NSW and holds Australian Financial Services License Number 292528, which authorises it to issue Secured Notes of the Company.

The predominant activity of the Company is to accept moneys from investors and to lend those funds to approved borrowers on security of registered mortgages over real property in Australia. However, the trust deed permits funds raised to be used for other purposes as outlined in Permitted Investments 7.8. While the mortgage lending business has not in the past reached the critical mass necessary to provide continued profit, other permitted investments being real property investment have also not been profitable. Of the two investment properties owned, one has been sold and the other under contract. This form of investment will not be repeated. The Company believes that it is now approaching the critical mass of mortgage loans required for sustainable profitability.

The Directors of the Company are committed to management and business practices designed to ensure the due performance of the Company’s Secured Notes together with sustainable profitability and growth. Since commencing business no investor in NBFISI Notes has lost any capital or not been paid any interest when falling due.

For information on the Directors’ Interests in the Company we refer you to Section 10.2 of this Prospectus.

The Company has prepared a Target Market Determination, in relation to the products disclosed in this Prospectus, in accordance with ASIC Regulatory Guide 274 “Product design and distribution obligations”. The Target Market Determination may be found on the Company’s website at www.nbfisecuredinvestments.com.

2. Corporate Directory

Principal Places of Business

Darlinghurst Office

Suite 103, Level 1 274-290 Victoria Street
DARLINGHURST NSW 2010

Telephone: (02) 9167 0909
Website: www.nbfisecuredinvestments.com
Email: info@nbficapital.com

Accountants
Rosenfeld Kant & Co.
Level 24, Tower 2
101 Grafton Street,
Bondi Junction NSW 2022

Trustee for NBFISI Secured Note Holders
Melbourne Securities Corporation Limited
Level 2, 395 Collins Street
MELBOURNE VIC 3000

Auditor
Rosenfeld Kant & Co.
Level 24, Tower 2/101
Grafton Street,
Bondi Junction NSW 2022

3. Chairman's Letter

Dear Investor

The Directors and I invite you as a potential investor to read our Prospectus.

On behalf of the Board, I present this Prospectus for your consideration and invite you to subscribe for Secured Notes issued by our Company. This is an opportunity to invest in a fixed term investment that provides a regular income and fixed rates of return. This Prospectus is designed to help you make an informed decision about whether you should invest in NBFISI Notes. By investing in Secured Notes your investment in the Company is secured by a charge over the assets of the Company in favour of Melbourne Securities Corporation Ltd as trustee for the holders of NBFISI Notes, to protect your interests for timely payments of interest earned and redemption of your investment principal. Please refer to Director's statements at clause 13.

NBFI Secured Investments Limited offers investors a fixed interest investment from a local owned Australian Company supporting local enterprises and communities.

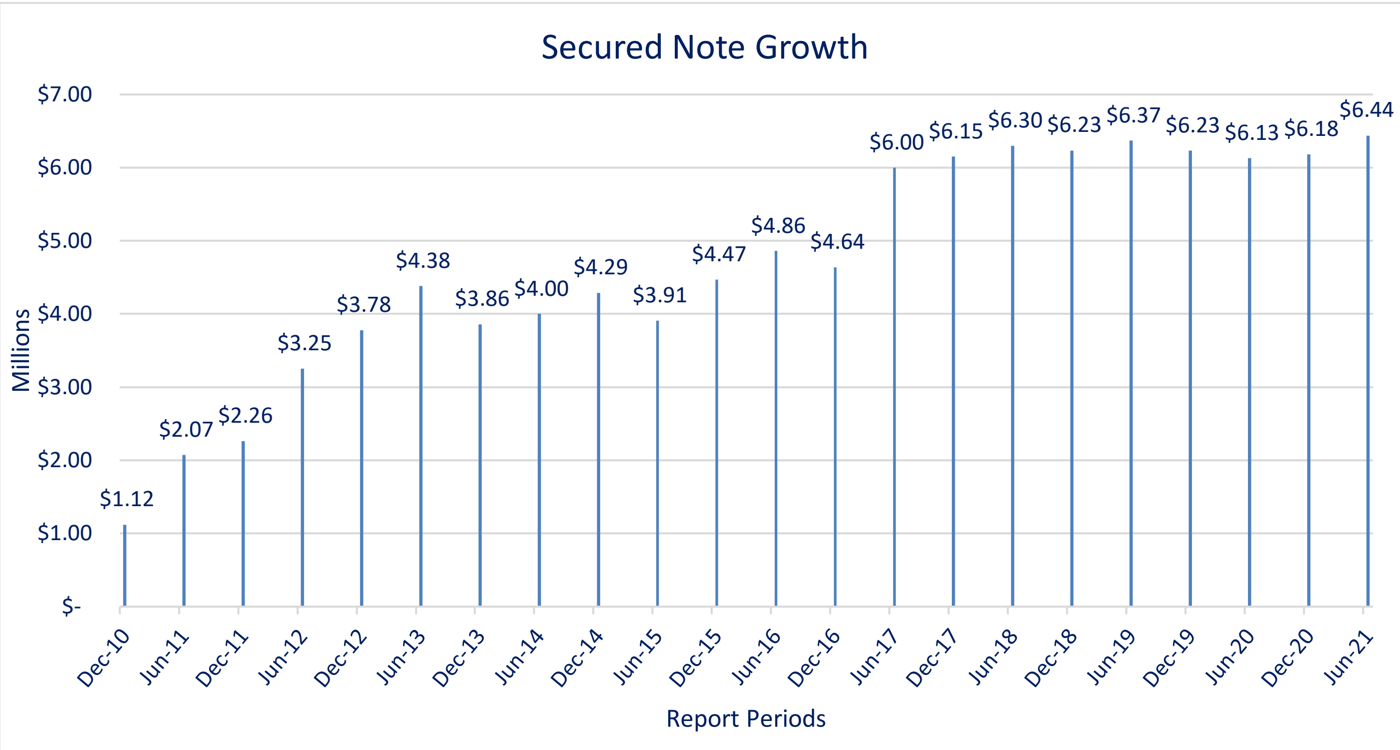
Whilst the Company continues to develop strategies to expand its debenture and lending business, the Company has been engaged by CEP Energy Pty Ltd (**CEP**) a related party of the Company, two of its Directors and the Company's sole shareholder, to manage loans applied for by, and granted to CEP to deliver environmental upgrades to a large portfolio of industrial and commercial properties. CEP is proposed to be the operating company of the CEP Fund, a fund that is planned to be launched in the near future which will develop, fund, own and operate cost-efficient energy solutions including embedded networks and behind the meter generation.

NBFISI's role under the engagement by CEP is limited to compiling the credit submissions, ongoing loan management and coordinating the collection of returns generated (if any) of the relevant energy projects funded by such loans. NBFISI is not giving advice or taking any credit exposure on the underlying loans. The Directors consider that the services to be provided to CEP will not hinder the management or operation of the Company's existing business.

The Directors consider that this is an excellent opportunity to add incremental long-term income to the Company via utilising the skills of the Company's existing management team, to supplement the organic growth of the Company's lending business. The Directors anticipate that the provision of such services to CEP has the potential to contribute to increased retained earnings

Yours faithfully,

Peter David Wright (Chairman)



The Company has shown steady growth in Secured Notes issued, increasing to $6.443 million as at the 30 June 2021.

4. Board of Directors

Peter David Wright Appointed 01 April 2019	Executive Director & Chairman	Peter has held many senior positions in multi-national corporations as well as start-ups as a founder over a 37 year period. He was an Executive Director of Macquarie Bank as well as a licenced fund manager. Within Macquarie he was involved in the formation of several significant real estate funds and securitized real estate lending businesses in which Macquarie was an early mover and the largest player in the Australian market. Peter received the first foreign private equity funds management license issued in Tianjin, China as well as a Capital Markets Services License in Singapore. Peter has extensive experience as a principal investor, senior lender and mezzanine lender and has established networks of wholesale investors globally to provide the necessary credit lines to build funds under management. Peter has chaired both credit and investment committees in Australia and Singapore and is an established investor in real estate, infrastructure and energy. Peter is a director of CEP Energy Pty Ltd, a renewable energy company.
Geoffrey John Wensley Appointed 01 April 2019	Executive Director & Head of Operations	Geoff brings over 33 years of experience in the finance industry which includes some 15 years within the mortgage/funds management field performing various roles within both bank and nonbank environments. Geoff's previous positions include Operation Manager with Global Capital Corporation actioning multiple project functions, Operations Manager at MCCA Limited responsible for two interstate offices, and Team Leader (Manager) of commercial lending operations for Challenger Commercial Lending and the Challenger Howard Mortgage Fund. Challenger Commercial Lending won Money Magazine's fund manager of the year for Mortgage Trusts seven times. Geoff brings a vast knowledge of the commercial lending, mortgage trust and fund management fields. Geoff's focus is to ensure each client that engages with the Company, gains the ultimate borrowing or investment experience through the implementation of quality processes and procedures throughout the various segments of the business.
Dr Henry Pinskier Appointed 10 May 2019	Non-Executive Director	Henry is a Williamson Fellow and is a trained medical practitioner. Henry is the controlling shareholder of Medi7 Pty Ltd and Health & Allied which is a general practice and allied health services company with 100 doctors and allied health professionals across 10 sites. He is a current director of Curae Health, a vertically integrated dental services business that owns dental practices, dental laboratories and dental radiology centres. Henry is the current Chair of the John Curtin Research Centre which is a progressive research centre undertaking public policy work. Henry is also a director of PhytoGro Pty Ltd, a medicinal cannabis and CEP Energy Pty Ltd, a renewable energy company. In the past Henry chaired the Optometry Research Ethics Committee, a director of VMIA (Victorian Govt insurance entity), a director of Disability Housing Trust and director of Alfred Hospital Health Service.
Craig Stephen Hitchings Appointed 25th September 2020	Executive Director & Head of Lending	Craig has substantial knowledge of a wide range of aspects of the banking and finance industry having held senior management roles for over 31 years. Craig was previously employed by Australia's largest commercial mortgage fund, Challenger Commercial Lending Limited for 20 years where he held the position of Head of Commercial Lending with funds under management of $4 bil. His previous employment included senior management roles with major banks. Craig's responsibilities included managing the lending activities of the fund including new business, arrears management, maturity profiling, broker and risk management as well as budget determination and pricing. As Head of Commercial Lending his role also encompassed liaising with Internal Asset and Funds Management staff, researches, industry bodies, brokers and borrowers. Craig was a member of the Mortgage Management Credit Risk Committee, Compliance Committee, Operational Risk Committee and Credit Committee, and won Money Magazine's Fund Manager of the Year for Mortgage Trusts seven times.

5. Investment Overview

This Section of the Prospectus highlights key information to help investors assess the risks and returns associated with this offer in order to make informed investment decisions. All investments involve risk and there is a risk to investors of a loss of either principal or interest. You should consider these risks, as detailed in the Risk Section 5.4.

5.1 Glossary

This Glossary highlights key terms and their meaning in this document.

ACL	Australian Credit License issued by ASIC pursuant to the National Credit Protection Act 2009
ADI	Authorised Deposit Taking Institution
AFSL	Australian Financial Services License issued by ASIC pursuant to the Corporations Act
Applicant/s	A person/s or entity who submits an Application Form.
APRA	Australian Prudential Regulation Authority
ASIC	Australian Securities and Investments Commission.
Board	The Board of Directors of NBFI Secured Investments Limited.
Company,Issuer,NBFISI,We,Us	NBFI Secured Investments Limited ACN 111 607 606 .
Corporations Act	Corporations Act 2001 (Cth), including regulations made for the purposes
of that Directors	The Directors of NBFI Secured Investments Limited.
Application Form	An Application Form included in or accompanied by this Prospectus.
Secured Notes, NBFISI Notes	Notes issued by NBFI Secured Investments Limited on the terms and conditions set out in this Prospectus and the Trust Deed.
Interest Rate Card	An Interest Rate Card included in or accompanied by this Prospectus which sets out the current interest rates and investment terms.
Investors, You, Your	A person/s or entity who completes an Application Form, has paid their application moneys and is issued NBFISI Notes.
Investment Application Form	An Investment Application Form included in or accompanied by this Prospectus.
Lending Ratio	Described as loan to value ratio (LVR) or percentage loaned against an asset on
valuation. Maturity Date	The date on which your "Fixed Term" investment term expires.
Offer	The offer under this Prospectus to acquire NBFISI Notes.
Our offices	Suite 103, Level 1 274-290 Victoria Street DARLINGHURST NSW 2010
Prospectus	The Prospectus dated the 15th October 2021
Trust Deed	The Trust Deed (as amended) between NBFI Secured Investments Limited and the Trustee dated 12th December 2006 as amended.
Trustee	Melbourne Securities Corporation Limited ACN 160 326 545.

5.2 Business Model

This section explains what the Company does and how the Company expects to generate income and provide a return to NBFISI Note holders.

The Company's business model is to raise funds from investors through the issue of Secured Notes under this Prospectus to provide for the Company's predominant activity which is to lend those funds on the security of registered mortgages over titles to real properties (i.e., real estate) in Australia and to invest in other investments as permitted by the Trust Deed. The Company's income is derived primarily from the difference between its average interest rate on mortgage loans and investment of liquid funds and the average rate of interest paid to NBFISI Note holders. NBFISI Note holders do not participate in the profits of the Company but receive a rate of return (interest) on their investments.

NBFISI's role under the engagement by CEP is to provide credit assessment, loan management services and coordinating the collection of returns generated of the relevant energy projects funded by such loans. NBFISI is not giving advice or taking any credit exposure on the underlying loans. The Directors consider that the services to be provided to CEP will contribute significantly to earnings.

The key risks associated with the Company's business model are addressed in subsection 5.4 of this Prospectus.

Details of the composition of the Company's mortgage portfolio are contained in Section 6 'ASIC Benchmarks'.

5.3 The Offer and Key Features of the Product

This subsection highlights details of the offer and key features of the product.

NBFI Secured Investments Ltd

NBFI Secured Investments Ltd has been in operation since 2007 (under the previous name of Anglesey Secured Investments Limited). During this time, it has never defaulted on a payment of principal or interest to an investor.

Amount to be raised by the offer

There are no minimum or maximum amounts to be raised under this Prospectus.

Term of the offer

This Prospectus is dated 15 October 2021. NBFISI Notes will not be allotted or issued after the expiry date, which is 15 November 2022.

Purpose of the offer

The funds raised under this Prospectus will be used to fund the expansion of the Company's predominant activity of lending funds to borrowers on a "secured basis" by registered mortgages over real property not exceeding 80% of valuation, and also making other investments as permitted by the Trust Deed.

Types of investments available

Fixed Term investments ranging from 12 months to 36 months.

Is repayment of my investment secured?

Repayment of all monies that have been or may be invested with the Company is secured by a security interest over the assets of the Company in favour of Melbourne Securities Corporation Limited as trustee for the holders of NBFISI Notes.

How to invest

Simply complete the Investment Application Form accompanying this Prospectus and, together with your cheque, either mail it to us or lodge it at one of the Company's offices. New investors will also need to provide sufficient identification. Please contact the Company to enquire about our current identification requirements.

Who can invest?

Investments can be opened in single or joint names, or in the names of partnerships, superannuation funds, trusts, deceased estates, businesses, companies and other incorporated/unincorporated bodies. Investments for trusts and superannuation funds should be opened in the name (s) of the trustee(s).

Minimum investment amount

$5,000.

Investment Terms

An Interest Rate Card accompanies this Prospectus. Applicants should confirm that the interest rates and terms are current prior to completing an Investment Application Form, either by contacting one of the Company's offices or visiting the Company's website www.nbfisecuredinvestments.com 'Fixed Term' investments attract the interest rate fixed for the term chosen by you. Investment terms range from fixed terms of 12 months to 36 months.

When is interest paid?

Interest is paid on all investments in arrears at regular intervals based on client instructions, which can be at maturity, monthly, 3 monthly or 6 monthly as displayed on the "Investment Rates Card" accompanying this Prospectus.

How is interest paid?

Interest on 'Fixed Term' investments may be added to your 'Fixed Term' investment or transferred directly to another Financial Institution.

How is interest calculated?

Interest is calculated and accrues on the investment daily from the date of receipt of your application monies.

What happens when my 'Fixed Term' Investment reaches its maturity date?

The Company's policy is that approximately 30 days prior to the maturity date of a 'Fixed Term' investment the Company will write to the Secured Note holder advising of the rates and terms available upon which funds may be reinvested for a further period. This pre-maturity letter will also state that the Company's current Prospectus, together with any relevant ongoing disclosure documents, will be available from the Company's website www.nbfisecuredinvestments.com and that investors who do not have access to the website may request a hard copy of these documents, free of charge, by directly contacting the

Company’s offices.

If written instructions are not received by the Company 10 business days before its maturity, the ‘Fixed Term’ investment shall, upon maturity, be reinvested for a similar term at the rate as at the date of maturity. A ‘Certificate of Investment’ will be forwarded to the client confirming the reinvestment.

How will I know if you have accepted my investment?

As soon as reasonably practicable and no later than 21 days from the receipt of application monies we will forward to you a ‘Secured Note Certificate’ for the fixed term Investments. If accepted by the Company, investors adding to an existing ‘Fixed Term ‘Investment will be issued with an investment receipt as confirmation.

Early withdrawal

The Company will consider early withdrawals from a ‘Fixed Term’ investment in exceptional circumstances. Withdrawal requests to 31 days’ notice accounts will require at least 31 days' notice to be given to the Company.

In line with the Banking Exemption No. 2 of 2018, the Company may, upon written request from a retail investor at any time, pay to the investor some or all of the funds invested in Secured Notes, provided that the Company is satisfied that the investor has demonstrated that he or she is subject to exceptional circumstances that may lead to hardship and that it is appropriate to release the funds.

The Company will consider early withdrawals from a "Fixed Term" investment or exemptions to the 31 days’ notice only in cases of hardship and compassionate grounds as per the Company's Hardship Policy. This will be at the sole discretion of the Company and will be subject to an adjustment of the interest rate.

Fees

No establishment charges, no ongoing fees and no exit fees apply to any investment/s made pursuant to this Prospectus. Government taxes are passed on to investors.

Other

The Company reserves the right to accept or reject applications and also the right to redeem early any NBFISI Note by giving 30 days written notice to the holder and redemption may be with or without a premium over and above interest earned up to and including the date of redemption.

More detailed disclosure is contained in Section 7 ‘Details of the Issue’, Section 6 ‘ASIC Benchmarks’ and the ‘Important Notice’ located at the front of this Prospectus.

5.4 Risks

This subsection highlights details of the key risks associated with an investment in NBFISI Notes.

The Company believes it has appropriate policies in place to manage and control the level of risk as detailed in Section 7.7 Security and Risk Assessment’, on page 21. This process provides a structured approach to ensure strategies are in place to meet the Company’s obligations under the Corporations Act, its AFSL as well as other core risks, including human resources, financial, technology, internal and external business and economic risks which may impact on the Company’s operation. All investments involve risk and there is a risk to Secured Note holders of a loss of either principal or interest.

THE KEY RISKS MONITORED BY THE COMPANY ARE DETAILED IN THE FOLLOWING TABLE:

Risks	**Details**	**Further information in this Prospectus**
Liquidity	Liquidity is a measure of the short-term financial health of the Company. Too little liquidity may mean that the Company has insufficient cash equivalents to meet its projected cash needs. That could result in the Company being unable to meet its obligations to pay interest on Notes when due or to repay principal on maturity. Too much liquidity may also be a factor that results in reduced profits.	Refer to Benchmark 2: Liquidity under Section 6 ‘ASIC Benchmarks’ for details on how the Company manages this risk.
Financial performance	The financial performance of the Company may be influenced by many factors, including the general economic conditions, Government policy, fluctuations in market interest rates and the composition of the Company’s investment and mortgage portfolio. Too little or no profit margin will have an effect on the Company’s ability to meet its financial commitments. Factors outside the influence of the Company, such as	Refer to Subsection 7.7 ‘Security and Risk Assessment' together with Benchmark 4: ‘Debt maturity’ and Benchmark 5: ‘Loan portfolio’ under Section 6 ’ASIC Benchmarks’, for details on how the Company manages this risk.

	general economic conditions and Government policy may, amongst other factors cause market interest rates to fluctuate. This may increase the risk of default by borrowers on loans or reduce the margin between interest paid on NBFISI Notes and the interest received on the Company's loans. A reduction in margin may affect the profitability of the Company. Likewise, a reduction in value of real property may impact on the value of the Company's investment portfolio. These circumstances may impact on the Company's profit margin and the Company's ability to pay interest and repay principal amounts of NBFISI Notes when they fall due. Many of the investors in the Company are from the Central Western Region of New South Wales. Their ability and willingness to invest in NBFISI Notes will to some extent depend on the state of the regional economy. A local recession could result in a significant reduction in investments in NBFISI Notes and an increase in defaults and loans made in the region. The Company is actively looking to expand the geographic diversity of its investor base. To help reduce the risk, the Company monitors cash flows, margins, expenditure, loan arrears and all legislation requirements to ensure the Company meets all its financial obligations.	
Loan portfolio	The financial circumstances of borrowers may change from time to time, as may the value of properties held as security for loans advanced and the diversification of the Company's loan portfolio. There is a risk of borrowers defaulting on loans which may result in a loss of principal and/or interest to the Company. The ability of the Company to meet its repayment obligations to NBFISI Note holders is dependent upon the performance of the Company's loan portfolio together with the performance of its investment portfolio and cash flows. Diversification of the Company's loan portfolio across a number of borrowers and variety of types of security property ranging from residential, commercial and rural helps to reduce risk. The Company believes it has appropriate policies to manage and control the level of risk as detailed in the subsection titled "Inherent Key Risks and Their Management", on pages 22-23.	Refer to Benchmark 5 "Loan Portfolio" together with subsection 7.7 "Security and Risk Assessment" for details of the Company's loan portfolio which includes details of the Company's loans past due, the lending policies the Company has adopted to manage and control risk and its approach to taking security in relation to its lending.
CEP agreement	Whilst the Company continues to expand its debenture and lending business, the Company has been engaged by CEP Energy Pty Ltd (CEP) a related party of the Company, two of its Directors and the Company's sole shareholder, to manage loans applied for by, and granted to CEP to deliver environmental upgrades to a large portfolio of industrial and commercial properties. CEP is proposed to be the operating company of the CEP Fund, a fund that is planned to be launched in the near future which will develop, fund, own and operate cost-efficient energy solutions including embedded networks and behind the meter generation. NBFISI's role under the engagement by CEP is limited to compiling the credit submissions, ongoing loan management and coordinating the collection of returns generated (if any) of the relevant energy projects funded by such loans. NBFISI is not giving advice or taking any credit exposure on the underlying loans. Notwithstanding the inherent risk of conflicts of interests	

	arising in connection with related party transactions, the Company believes that the common directors and shareholders between the Company and CEP, will serve to better align the interests of both parties under this engagement. The payment of fees by CEP is subject to the credit submissions converting into approved loans. Therefore the recoverability on the Company's efforts and monies expended on performing its services is dependent on a sufficient number of loans being approved (by volume and quantum). Finally, the Company is required to hold any licences, permits and authorisations required to provide the services to CEP and therefore bears the regulatory and compliance burden of complying with such requirements.	
Equity	Equity is the money invested by the owners of the Company (plus any profits retained by the Company). If the Company had a higher level of equity it would be better able to withstand unforeseen losses on loans. If the Company did incur losses on loans which reduced its equity too far and the Company could not see an immediate turnaround, it may need to either raise more share capital or stop issuing Notes.	Refer to Benchmark 1: 'Equity Capital' under Section 6 'ASIC Benchmarks' for details on how the Company manages this risk.

5.5 Financial Information

This subsection provides key financial information about the Company's financial position and performance. The Company's net profit (loss) after tax for each of the previous 3 financial years is as follows:

2021: $350,993 2020: $(26,129) 2019: $(140,267)

The activities of the Company are determined by the Trust Deed as outlined in Section 10.1 of this Prospectus. The funds raised are predominantly utilized in mortgage lending activities. During the past 12 months, this activity did not reach the critical mass required to produce a profit. Increased lending is expected to turn this around during the 2021 financial year. The company intends to comply with Benchmark 1 and maintain an equity capital ratio of 8% or more. An increase in shareholder capital will facilitate the Company's ability to raise more funds from investors without jeopardising compliance with Benchmark 1. The Company's equity capital at 30 June 2020 was $303,351 (audited figures) at 31 December 2020 $700,254 (reviewed figures) and at 30 June 2021 $924,022 (audited figures)

As at 30 June 2020 (reviewed figures) the Company's equity capital increased to $924,022 due to income produced via CEP energy agreement in this period.

The Directors believe the Company's current equity level is adequate given the nature of its business. However, past performance is not a guarantee of future performance.

The Company's Independent Auditors Report is set out in Section 7 of this Prospectus and should be referred to for further detail. The 31 December 2019 financial figures quoted in reference to the Company's performance in this Prospectus are audit reviewed figures. Further figures (unaudited) may be obtained at the Company's website displaying June 2021 quarter performance.

NBFISI Note holders do not participate in the profits of the Company but receive a rate of return (interest) on their investments.

5.6 Directors and Managers, Interest and Benefits.

This subsection details the Directors and Key Managers of the Company, the interest and any related party transactions. Directors and key managers of the company are:

Peter David Wright (Executive Chairman)

Geoffrey John Wensley (Executive Director, Company Secretary & Head of Operations)

Dr Henry Pinskier (Non-Executive Director)

Craig Hitchings (Executive Director, Head of Lending)

Section 4 'Board of Directors' of this Prospectus details each Director's role and expertise.
Subsection 10.2 Directors' Interests 'Corporations Act Requirements' details the interests each Director has in the Company.

Each Director is entitled to receive dividends on their shareholdings (if any), salaries and other entitlements as employees, and Director's fees.

This Prospectus is an important document and should be read in its entirety. Before deciding to invest, you should consider whether investments in NBFISI Notes are a suitable investment for you. Your financial adviser may help you determine whether investing in NBFISI Notes is appropriate for you taking account of your objectives, financial situation and needs.

6. ASIC Benchmarks

In its Regulatory Guide 69 entitled “Debentures and Unsecured Notes – improving disclosure for retail investors” ASIC sets out some guidelines for disclosure in the form of 8 benchmarks. ASIC considers that Note Issuers should disclose whether they comply with those benchmarks and if they do not, they should explain why that is. This section of this Prospectus addresses those benchmarks.

ASIC has produced an investor guide "investing in debentures?" to help investors understand and use the disclosure benchmarks and promote informed decision-making. The investor guide is available at www.moneysmart.gov.au

Benchmark 1: Equity Capital

NBFISI **does** comply with ASIC’s benchmark with regards to equity capital as at 30 June 2021.

ASIC’s benchmark is that issuers should use the following equity ratio benchmarks:

(a) where more than a minor part (e.g. 10%) of the issuer’s activities is property development or lending funds directly or indirectly for property development – the issuer should maintain a minimum equity ratio of 20%;

(b) in all other cases – the issuer should maintain a minimum equity ratio of 8%;

(c) the issuer’s equity ratio should be calculated as follows:

Total Equity / (Total Liabilities + Total Equity)

(d) the issuer should disclose its comparative equity ratio from the prior year.

Explanation - If the issuer has less equity capital invested in the business, there might be no safety margin to tide things over if the business runs into financial difficulties. It could also mean that the issuer has less incentive to operate the business prudently and responsibly because less of its own money is at risk.

As at 30 June 2021 the Company had no loans for property development. (refer to Section 6, Benchmark5 ’Loan Portfolio’). This may will change over time. However, historically property development has formed a minor part of the Company’s activities.

NBFISI did not comply with ASIC’s benchmark with regard to equity capital based on the unaudited ASIC 283 BF quarterly report for June 2021.

Paid up equity capital is the money invested by the owners of the issuer (plus any profits retained by the issuer). It provides a buffer in the event of financial difficulties, and it also provides the issuer’s owners with an incentive to operate prudently and responsibly.

Equity capital is the real value of the Company at a point in time, or the owners’ value in the Company. As at 30 June 2021, NBFISI had $924,022 in equity capital, which was an increase on the $303,351 in equity capital held at 30 June 2020.

Equity capital can be expressed as a financial ratio by dividing the equity capital of the Company by the total debt of the Company plus equity capital. As at June 2021 this ratio as a percentage was 12.51%. At 30 June 2020 the equity capital ratio was 4.64%. Given the low LVR of the lending portfolio this equity capital is considered to be at a satisfactory level to support the business and provide a buffer to investors.

Benchmark 2: Liquidity

NBFISI **does** comply with ASIC’s benchmark with regards to liquidity.

ASIC’s benchmark is that all issuers should:

(a) have cash flow estimates for the next three months; and

(b) ensure that at all times they have cash or cash equivalents sufficient to meet their projected cash needs over the next three months.

All issuers should also disclose whether they would have cash on hand or cash equivalents sufficient to meet their projected cash needs if:

(a) the percentage of note funds to be rolled over during the next three months were 20% less than the percentage that was rolled over in the past three months; or

(b) for note funds that are held on an “at call” basis – the amount of note funds retained during the next three months were 20% less than the amount that was retained during the past three months.

Explanation – Liquidity is an important measure of the short-term financial health of an issuer or business. If the issuer has insufficient cash or liquid assets, it might be unable to meet its short-term obligations (e.g.: to run the business properly, pay interest, or pay investors their money back at the end of the term).

The Company believes that its approach to liquidity and assumptions in calculating cash on hand or cash equivalents is sufficient to meet its projected cash needs if:

(a) The percentage of NBFISI Note funds to be rolled over during the next three months were 20% less than the percentage rolled over in the past three months; or

(b) For NBFISI Note funds that are held on an "at call" basis, the amount of NBFISI Note funds retained during the next three months were 20% less than the amount that was retained during the past three months.

When applying the above "liquidity stress test" based on the rollover rate, the Company would still have sufficient cash levels to meet its projected cash needs. In maintaining this liquidity level, the Company does not rely on any increase in the total level of NBFISI Notes on issue.

The calculation for the Company's projected cash needs is prepared on a quarterly basis and more often if required to assess the Company's financial resources.

Liquidity is the amount of cash or receivables that the Company possesses to ensure it can readily meet any withdrawal of Note funds or fund the mortgage operations of the Company. As at 30 June 2021 the Company held liquidity of $4,455,546 which represented 69.15% of Notes issued. Liquid funds will vary over time. The Company targets a minimum of 12% liquidity and in the event that the Company's liquidity nears 12% the Company will stop lending in order to increase its liquidity level. The experience of the Company has been that 12% liquidity is sufficient to cover the ongoing cash needs of the Company without relying on any increase in the level of NBFISI Notes on issue.

At 30 June 2021, the Company was experiencing 94% rollover of maturing Notes for the preceding 3 months. The rollover of maturing Notes for the quarter ending 30 June 2019 was 85%, and for the quarter ending 31 December 2019 was 85%

The Company reviews cash flows on a 3-monthly basis and monitors its financial resources (new Note holders, loan repayments and loan advances) on a day-to-day basis to ensure compliance with its targeted liquidity policy of 12%.

If the Company experiences a 20% decrease in retaining maturing Notes being rolled over in the next 3 months, the Company would have sufficient cash levels to meet its projected cash needs.

Benchmark 3: Rollovers

NBFISI **does** comply with ASIC's benchmark with regards to Rollovers

ASIC's benchmark is that note issuers disclose their approach to rollovers, including whether the 'default' is that Secured Note investments with them are automatically rolled over upon maturity. The Company's policy is that approximately 30 days prior to the maturity date of a 'Fixed Term' investment the Company will write to the Secured Note holder advising of the rates and terms available upon which funds may be reinvested for a further period. This pre- maturity letter will also state that the Company's current Prospectus, together with any relevant ongoing disclosure documents, will be available from the Company's website www.nbfisecuredinvestments.com and that investors who do not have access to the website may request a hard copy of these documents, free of charge, by directly contacting the Company's offices. If written instructions are not received by the Company 10 business days before its maturity, the 'Fixed Term' investment shall, upon maturity, be reinvested for a similar term at the rate as at the date of maturity. A 'Certificate of Investment' will be forwarded to the client confirming the reinvestment.

Benchmark 4: Debt Maturity

NBFISI **does** comply with ASIC's benchmark with regards to Debt Maturity.

ASIC states that all issuers should disclose:

(a) an analysis of the maturity profile of interest-bearing liabilities (including notes on issue) by term and value; and

(b) the interest rates or average interest rates applicable to their debts.

This benchmark assists investors to understand how the business is funded in terms of the nature, timing and costs of the issuer's debt obligations. As at 30 June 2021 the total value of notes on issue was $6,443,082 with a maturity analysis of:

Term	Amount	Number	Percent
Due before 30/09/21	$819,620	4	12.72%
Due between 01/10/21 and 31/12/21	$175,192	5	2.72%
Due between 01/01/22 and 31/03/22	$803,722	3	12.47%
Due between 01/04/22 and 30/06/22	$2,099,940	16	32.59%
Due after 01/07/2022	$2,544,608	19	39.49%
Total	**$6,443,082**	**47**	**100%**

The Company reserves the right to redeem any NBFISI Notes early, by giving 30 days' notice to the holder and redemption may be with or without a premium.

The average interest rate applicable to the above funds as at 30 June 2021 was 6.30%.

Benchmark 5: Loan Portfolio

NBFISI **does** comply with ASIC's benchmark with regards to Loan portfolio diversification and security

ASIC's benchmark is that Secured Notes issuers who lend on funds should disclose the current nature of their loan portfolio and their policies in relation to these matters.

ASI's loan portfolio at 30 June 2021 was as follows:

(a) The Company had 14 loans totalling $2,043,643

(b) The Company's mortgage documents provide for its loans to be called up on at 30 days' notice. With the exception of one loan with a remaining term of four years, all loans have been written with renewable maturity dates of between one to three years.

(c) The weighted average interest rate charged on loans at 30 June 2021 was 8.20% and ranged from 7% to 12.25%.

Mortgage loans by purpose and location as at 30 June 2021:

Loan Purpose	Loan Amounts	No. of Loans	Percent
Rural	$882,535.90	5	43.18%
Commercial	$1,161,107.39	9	56.82%
Development	$0	0	0%
Total	**$2,043,643.29**	**16**	**100%**
Security Location	Loan Amounts	No. of Loans	Percent
NSW	$1,627,365.66	12	79.63%
QLD	$0.00	0	0%
VIC	$416,277.63	2	20.37%
Total	**$2,043,643.29**	**14**	**100%**

(d) As at 30 June 2021 there were Nil loans in arrears for greater than 30 days.

(e) All loans are secured by a registered mortgage over real property and water licenses; where appropriate. When considered necessary by the Company, additional security in the form of personal property security and 2nd mortgages over real property may also be taken to ensure that the risk of recovering funds is minimised.

(f) The 10 largest loans totalled $1,949,549 equal to 95.40% of total loans by dollar value and 71.43% of loans bynumber. The largest individual loan is $520,538 and accounts for 25.47% of the loan book.

(g) No loans are subject of legal proceedings for cost recovery.

Generally speaking, a large number of loans in a diverse or less concentrated portfolio will reduce the risk exposure to any single adverse event. For further information with regards to the above, together with details relating to the intended nature of the Company's loan portfolio and the lending policies the Company has adopted to manage and control risk are contained in Section 7.7 'Security and Risk Assessment' and Section 7.8 'Permitted Investments' of this Prospectus.

Benchmark 6: Related Party Transactions

NBFISI **does** comply with ASICs benchmark with regards to related party transactions

ASIC's benchmark is that Secured Note issuers who on-lend funds should disclose their approach to related party transactions, including how many loans they have made to related parties and the value of those loans, and what assessment and approval process they follow with related party loans.

The Company does not lend funds to related parties and has not made any loans to related parties of the Company as of the date of this Prospectus.

On occasion, the Company and entities related to the company may choose to invest surplus funds with entities for which the Trustee may also provide trustee services.

Benchmark 7: Valuations

NBFISI **does** comply with ASIC's benchmark with regards to valuations.

ASIC's benchmark is that Secured Note issuers who lend monies for property related transactions, should take the following approach to valuations:

(a) properties (i.e. real estate) should be valued on an 'as is' and (for development property) 'as if complete' basis;

(b) development properties should be revalued at least every 12 months unless the funds are retained by the issuer and only released in stages to cover project completion costs;

(c) issuers should have a clear policy on how often they obtain valuations including how a recent valuation has to be when they make a new loan;

(d) issuers should establish a panel of valuers and ensure that no one valuer conducts more than one third of the issuers valuation work; and

(e) appointment of valuers should be with the Trustee's approval.

Issuers should also include information about the valuation of a particular property in the issuer's prospectus where:

(a) the property accounts for 5% or more of the total value of property assets of the issuer; or

(b) a loan secured against the property accounts for 5% or more of the total value of the issuers' loan book.

Information about valuations assists investors to assess risks associated with lending policy. Details of the nature of the Company's loan portfolio, together with the lending policies the Company has adopted to manage, and control risk are contained in Section 7.7 'Security and Risk Assessment' and Section 7.8 'Permitted Investments' of this Prospectus.

The Trust Deed allows the Company to rely on a valuation from an 'approved valuer' which may include an independent and duly qualified valuer approved by the Trustee or a Valuer General or corresponding official (a municipal valuer) when approving mortgage finance. The Company may lend up to 70% of a municipal valuation where the property is known to a Director, or where it is supported by an arm's length purchase. In these circumstances the Company may lend up to 70% of the municipal valuation or purchase price, whichever is the lesser. The Company acknowledges that every loan approval is different, so a decision should be made in relation to each loan on its merits, and its valuation requirements at the approval stage based on the Directors' experience, with input from consultants if considered necessary.

When approving a mortgage loan, the Company reserves the right to obtain on any future dates an up to date valuation of the property or properties offered as security at the borrower's expense. The Company may exercise this option at its discretion during the term of a loan.

In relation to the benchmark set out in paragraph (d), the Company has established a panel of valuers, however, the Company will generally instruct a valuer local to the area in which the secured property is located, thus utilising the valuer's local knowledge expertise. Accordingly, as the Company has historically lent predominantly in regional areas and with limited local valuers available, it is possible that in the future more than one third of the property valuations may be conducted by the one valuer, but at this stage the Company meets the requirements of no one valuer conducting more than one third of valuations.

At 30 June 2021, the Company had 7 loans that accounted for 5% or more of the total value of its loan book and these loans collectively total $1,675,272. The Company has sworn valuations for a total of $5,064,000 for security for these 7 loans, as valued by 7 different valuers, (refer to table below "valuations for loans greater than 5% of the loan book"). These valuations were by summation and direct comparison. The appointment of independent and qualified valuers to the NBFISI panel of valuers has been approved by the Trustee.

The Company also owns one real property at 52-70 Church Street, Forbes. This has been valued at $660,000 in September 2016.

VALUATIONS FOR LOANS GREATER THAN 5 % OF LOAN BOOK			
Loan Amount	% of Loan Book	Property Value $	Date of Valuation
$150,735	7.38	220.000	October 2017
$183,888	9.00	729,000	January 2010
$520,538	25.47	2,500,000	May 2017
$123,360	6.04	500,000	December 2017
$154,363	7.55	320,000	November 2017
$430,372	21.06	620,000	January 2016
$112,016	5.48	485,000	July 2016

Benchmark 8: lending principles – loan to valuation ratios

NBFISI **does** comply with ASIC's benchmark with regards to lending principles – loan to valuation ratios.

The loan-to-valuation ratio (LVR) is the value of the loan expressed as a percentage of the property value, for example if the loan is for $80,000 and the value of the property is $100,000 then the LVR is 80%.

ASIC's benchmark is that Note issuers who on-lend funds in relation to property related activities, should maintain the following loan-to-valuation ratios:

(a) where the loan relates to property development – 70% on the basis of the latest 'as if complete' valuation; and (as previously disclosed, NBFISI does not make loans related to property development)

(b) in all other cases – 80% on the basis of the latest market valuation.

Where the loan relates to property development by a second person (even if related to the issuer), issuers should ensure that funds raised by the issue of Secured Notes are only provided to the developer in stages, based on external evidence of the progress of the development.

A higher loan-to-valuation ratio indicates a potentially higher level of risk of a loss in the event of default by a borrower which could result from a downturn in property markets. It is a measure of how aggressive a company's lending policies are. The Company's LVR's are limited to a maximum of 80% for all loans and 70% for the "on completion" value of development loans, (unless lenders mortgage insurance is obtained); which it considers to be a prudent level. The current loan-to-value ratio of the loan book at 30 June 2021 was 43.70% for all loans. Notwithstanding the Company's policy as to development loans, as at 30 June 2021, the company did not have any development loans.

Details of the nature of the Company's loan portfolio, and also the lending policies the Company adopts to manage and control risk, are contained in the discussion on Benchmark 5 and Section 7.8 'Permitted Investments' of this Prospectus.

7. Details of the Issue

Secured Notes are documents issued by the Company to acknowledge its indebtedness to investors in respect of money deposited with or lent to the Company.

This Prospectus offers to the public for subscription Secured Notes of $1.00 each. Investment terms may be made for 'Fixed Terms' that vary from 12 months to 36 months at the rates of interest detailed in the current Interest Rate Card accompanying this Prospectus. Applicants are advised to confirm the interest rate and investment term with the Company prior to completing the Investment Application Form to ensure that the Interest Rate Card and Investment Application Form are current. There is no minimum amount or maximum amount to be raised by this Prospectus. Subscriptions for Secured Notes may only proceed on the Investment Application Form accompanying this Prospectus. **No Notes will be issued on the basis of this Prospectus after the expiry date specified on page 2.**

7.1 Purpose of this Prospectus

The Company seeks to raise additional funds from investors through the issue of Secured Notes. This will provide for the expansion of the Company's principal activities of lending money on the security of registered mortgages over titles to real properties and investment in other investments permitted by the Trust Deed dated 12 December 2006, as amended from time to time. The parties to that Trust Deed from 14 February 2017 are the Company and Melbourne Securities Corporations Limited (the "Trustee") as trustee for the Note holders (the "Trust Deed"). The permitted investments of the Company are set out below and in Section 7.8.

The Trust Deed provides that the permitted investments for funds deposited with the Company depend upon the level of the Company's assets and liabilities.

Investments under the Trust Deed are not restricted if at the time an investment of money deposited with the Company in respect of Notes is proposed to be made, the level of the Company's secured and unsecured liabilities does not exceed 93% of its total tangible assets calculated in accordance with generally accepted accounting principles. The Company's liabilities as at 30 June 2021 (based on audited figures) did exceed 93% of total tangible assets.

At any time when the Company's secured and unsecured liabilities exceed 93%, the Company may invest money deposited with the Company in respect of issued Notes in a limited range of authorised investments (these are described in Section 7.8). The Company can retain any investment it has made or renewed at a time when it satisfies the capital adequacy ratio even though the capital adequacy ratio may subsequently be exceeded, and the investment is not an authorised investment as described in Section 7.8. However, given the nature of the Company's business model of investing in first ranking mortgaged loans the Company does not consider its business operations will be adversely affected by its liabilities exceeding the 93% threshold.

Joint 1st mortgages are permitted to be made by the Company with other persons where each party's interests as 1st mortgagee is as a tenant in common and if the borrower defaults, the Company may exercise the power of sale conferred by the mortgage on behalf of all the parties.

The Company must be named as mortgagee in any mortgage or joint mortgage.

Irrespective of whether the Company's investment ability is limited to investment in a range of authorised investments or is unrestricted, the Company will continue to maintain its predominant business of the provision of finance to the public on the security of registered mortgages over real property.

As disclosed at Sections 3 and 5.2 of this Prospectus, the Company has been engaged to manage loans applied for, and granted to CEP Energy Pty Ltd. Although the Directors consider that this is an excellent opportunity to add incremental long-term income to the Company and which will supplement the Company's lending business, the Directors consider the Company's lending business will continue to be the predominant business of the Company in the near term.

7.2 How to Invest

To invest in Secured Notes, you must complete the Investment Application Form accompanying this Prospectus and, together with your cheque, lodge it at one of the Company's offices listed on page 5 of this Prospectus. Instructions can be found on the Investment Application Form.

Unless the Company otherwise agrees, a minimum initial investment of $5,000.00 is applicable.

Subsequent investments may be for any amount. The Company may vary the products and minimum investment amounts from time to time. The Company reserves the right to accept or reject applications.

Joint Secured Note holders must indicate on the Investment Application Form whether the authority to operate the investment requires all or any one or more of the Secured Note holders to sign any written request to the Company. If no election is made, all joint Secured Note holders must sign all notices, requests or communications to the Company. All joint Secured Note holders must sign any documents relating to the transfer of Secured Notes or an application for replacement of a Certificate of Secured Notes. The Company will acknowledge allotment of NBFISI Notes as soon as reasonably practicable and, in any event, within 21 days of receipt of application monies by forwarding to you a 'Certificate of Secured Notes' for the 'Fixed Term' investments. An investor already holding Secured Notes in a 'Fixed Term' investment may request the Company to issue additional Secured Notes with a maturity date which is the same as the Secured Notes already held by the investor in thatinvestment.

The Company, in its absolute discretion, may accept the request and issue the additional Secured Notes for the remaining period of that existing 'Fixed Term' investment. In that event, the interest rate for the additional Secured Notes may differ to the interest rate applicable in the existing Secured Notes. An investment receipt will be issued acknowledging the additional allotment of Secured Notes.

7.3 Payment of Interest

The Company issues Secured Notes with varying investment periods and interest rates. Secured Notes for a 'Fixed Term' provide a fixed rate of interest for the period of the investment. Current interest rates and investment terms for Secured Notes are set out on the Interest Rate Card accompanying this Prospectus. Please confirm with the Company's registered office the interest rate and the investment period before you complete the Investment Application Form, to ensure that the terms and interest rates shown on the Interest Rate Card are current.

Interest accrues daily on all Secured Notes from the date the Company receives your application monies, except if received after 4.00pm in which event interest will accrue from the next business day that is not a Saturday or Sunday or proclaimed bank holiday in the State Office in which the office where the application is lodged is located.

Interest on 'Fixed Term' investments is payable at maturity, except for twelve, twenty-four and thirty-six-month investments which pay interest monthly, quarterly, half yearly, yearly or on maturity in arrears from the date of investment as requested.

Interest may be added to the 'Fixed Term' investment or transferred directly to another financial institution in accordance with your payment instructions.

The method of payment should be indicated by you on the Investment Application Form. Interest is automatically reinvested if no election is made. The Company will issue a Certificate of Secured Notes allotted recording the terms and conditions of each reinvestment.

Interest on existing 31-day access accounts is calculated on the last day of the month and is credited to that investment. The interest rates on existing 31-day access investments may be varied without notice. Holders of 'Fixed Term' investments may vary their payment instructions from time to time by written request to the Company.

All interest payable on Secured Notes is secured under the Trust Deed. For further details refer to Section 10.1.

7.4 Variation of Interest Rates and Investment Terms Offered

During the currency of this Prospectus, the Company reserves the right to vary any of the interest rates or investment terms offered from time to time. A variation in interest rate or investment term will not affect Secured Notes of a 'Fixed Term' investment already issued.

Where we receive your Investment Application Form and it does not specify an interest rate or term or specifies an interest rate which is not the current interest rate (i.e. the interest rate on the day the Investment Application form is received) for investments of the amount and the term specified in your Investment Application Form, the Company will at its option either: -

(a) Repay the money received from you; or

(b) Give you:

    (i) a notice that informs you of the error and your rights to be repaid or to have the Secured Notes issued at the correct rate or term in accordance with ASIC Corporation (Debenture Prospectuses) Instrument 2016/75; and

    (ii) 1 month to withdraw your Investment Application Form and be repaid; or

(c) Issue the Secured Notes to you at the current interest rate and give you;

    (i) the notice referred to in (b) (i) above; and

    (ii) 1 month to withdraw your Investment Application Form and be repaid.

When the interest rate specified on your Investment Application Form is higher than the current interest rate, the Company may elect to issue the Secured Notes to you at the higher interest rate.

7.5 Repayment of Principal and Interest

A 'Fixed Term' investment, together with interest accrued, will be repaid in part or in full at its maturity date upon receipt of a written signed withdrawal request from the Secured Notes holders. Prior to the maturity date of a 'Fixed Term' investment, the Company will notify the Secured Notes holder in writing, of the rates and terms upon which funds may be reinvested for a further period. This pre- maturity letter will also state that the Company's current Prospectus document, together with any relevant ongoing disclosure documents, will be available from the Company website www.nbfisecuredinvestments.com. Investors who do not have access to the website may request a hard copy of these documents, free of charge, by contacting the Company directly through the contact details shown in the Corporate Directory at the front of this Prospectus. If written instructions are not received for a renewal of a 'Fixed Term' investment 10 days before its maturity date by the Company, the 'Fixed Term' investment shall, upon maturity, be reinvested, in the absolute discretion of ASI, for a similar term at the current rate of interest payable at the time applicable to that term. A 'Certificate of Investment' will be forwarded confirming the reinvestment.

Payments are forwarded to the address of the Secured Notes holder in the Company register. For joint Secured Notes holders, payment is forwarded to the address of the 1st named holder. The Company should be notified of any change to the address of the Secured Notes holder. Payments are forwarded to the address of the Secured Notes holder identified in the Company register. For joint Secured Notes holders, payment is forwarded to the address of the first named holder. The Company should be notified of any change to the address of the Secured Notes holder.

All requests should be signed in accordance with the authority to operate the investment indicated on the Investment Application Form.

The Company reserves the right to redeem early any Secured Notes by giving 30 days written notice to the holder and redemption may be with or without a premium.

7.6 Withdrawal before Maturity

The Company will consider requests by Secured Notes holders who, through unforeseen and exceptional circumstances or hardship, wish to withdraw the whole or part of a 'Fixed Term' investment before its specified maturity. Withdrawal requests to 31 days' notice accounts will require at least 31 days' notice to be given to the Company.

In line with the Banking Exemption No. 2 of 2018, the Company may, upon written request from a retail investor at any time, pay to the investor some or all of the funds invested in Secured Notes, provided that the Company is satisfied that the investor has demonstrated that he or she is subject to exceptional circumstances that may lead to hardship and that it is appropriate to release the funds.

In the event of the death of a sole Secured Notes holder, the Company will pay to the Secured Notes holder's legal personal representative the whole or any part of the amount invested, subject to any legal requirements. In the event of death of a joint Secured Notes holder, the interest of the deceased joint Secured Notes holder will revert to the surviving joint Secured Notes holder or surviving joint Secured Notes holders.

The Company will consider early withdrawals from a "Fixed Term" investment, or exemptions to the 31 days' notice (for 31 days' notice accounts), only in cases of hardship and compassionate grounds as per the Company's Hardship Policy. In all circumstances, early repayment shall be at the absolute discretion of the Company and will only be permitted on the proviso that redemption does not materially impact the Company's liquidity position, or its capacity to meet near term obligations. Early redemptions will be subject to an adjustment of the rate of interest by 1%pa from the date of investment. Should insufficient interest have accrued at the date of redemption, this amount will be deducted from the principal investment sum. All withdrawal requests should be signed by the Secured Notes holder/s (or their legal personal representative/s) in accordance with the authority to operate the investment indicated on the Investment Application Form.

7.7 Security and Risk Assessment

Repayment of all monies that have been or may be invested with or lent to the Company for investment in Secured Notes is secured by a 1st ranking registered fixed and floating charge to the Trustee for the benefit of Note holders as security for the repayment of capital and interest by the Company.

The assets that constitute the security for the charge given in favour of the Trustee is sufficient and is reasonably likely to be sufficient to meet the liability for repayment of all such monies (including investor's principal and interest) and all other liabilities ranking equally with, or in priority to the liabilities that have been or may be incurred.

The Trustee has a duty to exercise reasonable diligence to ascertain whether or not the property of the Company and any guarantor that is or should be available (whether by way of security or otherwise) will be sufficient to repay the amount deposited or lent when it becomes due and to ascertain whether or not the Company has committed any breach of the terms of the Trust Deed (further details are contained in Section 10.1 of this Prospectus) or of Chapter 2L of the Corporations Act 2001 (Cth). Neither the Trustee, its associates or related companies nor any of their respective officers, employees or agents nor the Directors or other officers or employees of the Company guarantee the obligations of the Company. The Trustee will exercise reasonable diligence to ascertain from the Directors Certificate, Directors Report or accounts made available to it under the Trust Deed, whether or not the Company or any guarantor has committed any breach of any obligations or provisions related to any Security Stock contained or imposed by the Trust Deed (further details are contained in Section 9.1 of this Prospectus).

The risk to you of any loss of capital or interest depends on the financial performance of the Company.

An assessment of the risks associated with an investment in Secured Notes should include consideration of the Company's assets (including mortgage securities), economic factors which may affect the ability of the Company's borrowers to meet loan commitments and the Company's financial performance. The financial performance of the Company will be affected by many factors, including fluctuations in market interest rates, government policy and the composition of the Company's investment and mortgage portfolio. Market interest rates may be influenced by government policies and general economic conditions. The investments of the Company are predominantly registered mortgages, and therefore investment performance and the prospects of the Company will be dependent on, amongst other things, prevailing mortgage interest rates, economic conditions and the interest rates applicable to the Company's loan portfolio. Interest rates paid by the Company are determined by the market conditions as a whole.

7.7.1 Inherent Key Risks and Their Management

Investors should be aware that an investment in Secured Notes is subject to a number of general and specific risks. Specific risks may be mitigated by safeguards, but General risks, (including regulatory, economic, political, social, and taxation risks) may be outside of the Company's control.

Specific risks include:

(A) **Performance risks** - This is the risk of a loss to investors and depends upon the financial performance and future certainty of the Company and its ability to meet its commitments to you. The Company posted a profit of $126,903 for the half year ended 31 December 2020, (compared with a loss of $8959 for the half year ended 31 December 2019) and a profit of $350,995 for the year ended 30 June 2021. Please refer to the financial accounts in Section 7 of this Prospectus.

(B) **Loan default risk** - An inherent performance risk is that of a loan going into default, and the Company not receiving interest from the borrower for an extended period of time. The Company could be exposed to the risk of a reduction in property valuations if there was a significant decline in Australian property values. The Company believes it has appropriate policies to manage and control the level of risk as detailed in the Sections 5 and 7 of this Prospectus.

The average loan size to any one borrower at 30 June 2021 was $145,975. The Company believes that its equity capital is sufficient to carry an average loan to its recovery stage, should there be a default. However, for as long as the Company has a relatively low level of Secured Notes on issue, any loans it makes will represent a significant percentage of its loan book and accordingly represent a greater concentration of lending risk than would be the case with a larger loan portfolio. ASIC identified that a main cause of companies failing was predominantly lending directly or indirectly to related corporations for risky developments. The Company has made no loans to related parties and currently has no exposure to development loans. It is the Company's intention not to advance more than 10% of its loan portfolio for development loans.

Due to the nature of the Company's business of providing finance in rural areas there is a risk that borrowers may have difficulty in meeting their obligations due to a variety of factors such as adverse climatic conditions for farmers, bad management practices or the death of a borrower to name a few. There is a risk in these circumstances that loans may fall into arrears by more than 90 days which may require the Company to commence recovery proceedings.

7.7.2 Lending policies

The Directors of the Company have adopted the following lending policies to manage and control the Company's level of risk:

- All loan applications must be approved by a majority of Directors.
- When assessing a loan application for approval, a complete application by the borrower is reviewed and an assessment is made of the borrower's financial capability to meet repayment requirements and the adequacy of security to be provided by the borrower.
- All loans require the security of a registered mortgage over real property, and for rural properties a mortgage over real property and where available a mortgage over a Water Share Entitlement. The Water Share entitlement which is the subject of the Mortgage of Water Share security for the loan specifies an entitlement, access license, share or unit (by whatever named called) of the landowner or title holder of the real property which is the subject of the mortgage of real property for that loan.

A second mortgage will only be considered if the aggregated amount of the first and second mortgages does not exceed 80% of the value of the property concerned. All mortgages are registered.

- No funds are advanced without either

  (i) a valuation report by a qualified valuer approved by the Trustee which indicates that the proposed loan does not exceed 80% of the value of the security offered unless the Company has the benefit of mortgage insurance: or

  (ii) a municipal valuation which indicates that the proposed loan does not exceed 70% of the value of the security.

- While the Company currently has no development loans, when considering an application for a property development loan, the market value of the development on completion would be used to calculate the loan to valuation ratio, in accordance with the Company's lending practice. The market value would be assessed by a qualified valuer approved by the Trustee.

- Loans relating to property development will be made on a progressive basis. The Company will restrict draw down of the loan based on the cost to complete the development, as assessed by an approved valuer or quantity surveyor approved by the Company, to ensure that the Company retains sufficient funds to complete the development without exceeding the Company's lending policies.

- The Company may approve a loan on the basis that interest will be capitalized to the loan balance each month and the clearance of the debt pending the sale of all or part of the security held. The Company requires that the aggregate of the loan and capitalized interest must not at any time exceed 70% of the value of the security for a development loan and 80% for a non- development loan.
- Where appropriate, the Company carries out credit checks or other independent enquiries in respect of loan applicants.

- The maximum loan amount to any one borrower (or that borrower's associates as defined in the Corporations Act 2001 (Cth) is ten percent of the total funds invested in Secured Notes at the time of the loan advance.

- The internal procedures of the Company include monthly monitoring of any default by the borrower in payment of principal and interest.

- Loans can be approved conditional upon the Company receiving a satisfactory valuation.

7.8 Permitted Investments

The Trust Deed provides that the permitted investments will depend upon the level of the Company's assets and liabilities, except that the Company must at all times maintain seven and a half per cent of the principal moneys invested in, or deposited with, any of the following:

(a) A bank

(b) A subsidiary of a bank

(c) Bank accepted or endorsed bills of exchange

(d) An Australian Authorised Deposit-taking Institution (ADI),

(e) A cash management trust or a cash common fund within the meaning of Part VII of the Trustee Companies Act 1984 of the State of Victoria or a corresponding State or Territory law,

(f) Bonds, stocks or other securities issued by, or guaranteed by, the government of the Commonwealth or of a State or Territory,

(g) A member of the Provisional Finance Group Inc. which holds an Australian Financial Services License.

Save for this restriction, the permitted investments are not otherwise restricted under the Trust Deed if, at the time an investment of monies invested with the Company in respect of Secured Notes is proposed to be made, the level of the Company's total external liabilities does not exceed 93% of its total tangible assets calculated in accordance with generally accepted accounting principles. (the 'capital adequacy ratio').

The Company can retain any investment it has made or renewed at a time when it satisfies the capital adequacy ratio even though the capital adequacy ratio may subsequently be exceeded, and the investment is not an authorised or permitted investment.

When the capital adequacy ratio is not met, the authorised or permitted investments for funds invested with the Company will be as follows:

1. Loans on mortgage of real property where:

(a) the Company or a guaranteeing subsidiary is named as mortgagee in the mortgage; and

(b) the amount advanced under the mortgage and any prior or equal ranking security in aggregate is no more than 80% of the value of the secured property as certified by an approved valuer; unless lenders insurance is in place and then the LVR may be greater than 80% under clause 11.2(a)(i)(b); and

(c) the total value of all such loans made by the Company to any one person and that person's associates shall not exceed ten percent (10%) of the principal monies at the time the loan (or any subsequent loan) is advanced by the Company to that person or the person's associates.

2. Loans on mortgage of real property and mortgage of water share/license where:

(a) the water share which is the subject of the mortgage of water share for the loan specifies an entitlement, access license, share or unit (by whatever name called) of the landowner or title holder of the mortgage of real property for that loan; and

(b) the Company or a guaranteeing subsidiary shall be named as mortgagee in the mortgage of real property and mortgagee in the mortgage of water share/license; and

(c) the amount advanced under the mortgage of real property and mortgage of water share/license and any prior mortgage on the security of any real property and mortgage of water share/license shall not exceed 80% of the aggregate value of the real property and the water share as certified by an approved valuer and/or shall not exceed 80% of the aggregate value of the real property and the water share as respectively certified by an approved valuer and approved water broker unless the Company has the benefit of insurance of the amount of the loan which exceeds 80% of the aggregate value of the real property and water share/license; and

(d) the total value of all such loans made by the Company to any one person or that person's associates (as defined in the Corporations Act 2001 (Cth) shall not exceed 10% of the monies invested with the Company in respect of issued Secured Notes at the time the loan (or any subsequent loan) is advanced by the Company to that person or the person's associates.

3. Investment in real property provided that no more than 10% of the monies invested with the Company in respect of issued Secured Notes is invested in real property;

4. Monies on deposit with, or invested with, one or more of the following:

(a) a bank

(b) a subsidiary of a bank

(c) bank accepted or endorsed bills of exchange;

(d) an Authorised Deposit Taking Institution;

(e) a cash management trust or a cash common fund within the meaning of Part VII of the Trustee Companies Act 1984 (Victoria) or a corresponding State or Territory law;

(f) bonds, stocks, or other securities issued by, or guaranteed by, the Government of the Commonwealth or of a State or Territory or local government authority of Australia;

(g) any authority under the Water Act 1989 or any License under the Water Industry Act 1994 (Victoria) and the Water Management Act 2000 NSW);

(h) a member of the Provisional Finance Group Inc. which holds an Australian Financial Services License;

(i) a public authority.

5. Deposit with, loan to, or purchase of, bills of exchange, promissory notes, certificates of deposit or other negotiable instruments which are accepted, drawn or endorsed by a Public Authority at the time of the deposit, loan or purchase;

6. A loan to any person where:

(a) the Company has security rights or a right of contractual set-off on such terms and conditions acceptable to the Company over Secured Notes issued by the Company for an amount of not less than 100% of the amount advanced under any such loan; and

(b) if the borrower is not the person providing the Secured Notes as security, a holder of the Secured Notes must also guarantee and indemnify the Company or a guarantor in respect of the obligations and liabilities of the borrower under such loan on such terms acceptable to the Company before any such loan is made.

7. Any investment in a person which has:

(a) a credit rating issued by Standard & Poor's (Australia) Pty Limited and its affiliates of 'AA' or higher; or

(b) an equivalent credit rating issued by a ratings agency approved by the Trustee.

8. Any investment in securities which have:

(a) a credit rating issued by Standard & Poor's (Australia) Pty Limited and its affiliates of 'AA' or higher for long term securities or 'A1+' or higher for short term securities; or

(b) an equivalent credit rating issued by a ratings agency approved by the Trustee.

9. Any investment in which a Trustee may invest trust funds under Part 1 of the Trustee Act 1958 (Victoria) provided that no more than 10% of the monies invested with the Company in respect of issued Secured Notes is invested in such investments.

Irrespective of whether the Company's investment ability is limited to investment in a range of authorised or permitted investments or is unrestricted, the Company's present intention is to continue to maintain its predominant business of the provision of finance to the public on the security of registered mortgages over real property and water share/licenses in Australia with the money advanced not exceeding 80% of the 'as is value' of the security property.

Subject to prior written notification of the Trustee, joint mortgages are permitted to be made by the Company with other persons where each party's interest as mortgagee is as a tenant in common and if the borrower defaults any party may exercise the power of sale conferred by the mortgage on behalf of all the parties. The Company must be named as mortgagee in any mortgage or joint mortgage. For any such investment that constitutes an investment in a managed investment scheme, the scheme is to be registered if it is required by law to be registered.

7.9 Fees and Brokerage

No entry or exit fees apply to an investment in Secured Notes pursuant to this Prospectus. The Company may elect to pay fixed brokerage and/or trail commissions to Australian Financial Services Licensees, their authorised representatives or other persons permitted by law on applications received from them. If so, the maximum rate for fixed brokerage will be up to 1 percent of the amount subscribed for Secured Notes and the maximum trail commission will be up to one (1) percent per annum of the amount subscribed. No brokerage or trailing commission is payable by the Secured Note holder/s.

Federal and State government taxes payable on investments and withdrawals are passed on to the Secured Notes holders.

8. Financial information for year ended 30 June 2020

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2020

	Note	2020 $	2019 $
Interest received	4	**171,014**	110,487
Other income	4	**162,088**	4,927
Occupancy costs		**-**	(8,250)
Administrative expenses		**(39,881)**	(17,703)
Impairment Investment Property	11(a)	**(66,801)**	-
Amortisation and Depreciation		**(153,753)**	-
Other expenses		**(302,928)**	(229,728)
Loss before income tax		**(230,261)**	(140,267)
Income tax expense		**-**	-
Loss from continuing operations		**(230,261)**	(140,267)
Loss for the year		**(230,261)**	(140,267)
Total comprehensive income for the year		**(230,261)**	(140,267)

Statement of Financial Position

As at 30 June 2020

	Note	2020 $	2019 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	**2,749,311**	898,665
Trade and other receivables	8	**132,404**	18,676
Loans and advances	9	**2,961,643**	5,124,092
TOTAL CURRENT ASSETS		**5,843,358**	6,041,433
NON-CURRENT ASSETS			
Property, plant and equipment	10	**49,285**	7,648
Investment properties	11	**560,558**	627,359
Intangible assets	12	**27,500**	-
Other assets		**5,170**	27,000
TOTAL NON-CURRENT ASSETS		**642,513**	662,007
TOTAL ASSETS		**6,485,871**	6,703,440
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	**47,545**	39,966
Borrowings	14	**6,134,975**	6,369,862
TOTAL CURRENT LIABILITIES		**6,182,520**	6,409,828
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		**6,182,520**	6,409,828
NET ASSETS		**303,351**	293,612
EQUITY			
Issued capital		**1,261,000**	1,021,000
Retained earnings		**(957,649)**	(727,388)
		303,351	293,612
TOTAL EQUITY		**303,351**	293,612

Statement of Changes in Equity

For the Year Ended 30 June 2020

2020

	Ordinary Shares $	Redeemable Preference Shares $	Retained Earnings $	Total $
Balance at 1 July 2019	**456,000**	**565,000**	**(727,388)**	**293,612**
Loss attributable to entity	**-**	**-**	**(230,261)**	**(230,261)**
Contribution of equity, net of transaction costs	**240,000**	**-**	**-**	**240,000**
Balance at 30 June 2020	**696,000**	**565,000**	**(957,649)**	**303,351**

2019

	Ordinary Shares $	Redeemable Preference Shares $	Retained Earnings $	Total $
Balance at 1 July 2018	456,000	565,000	(586,496)	434,504
Loss attributable to 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

Statement of Cash Flows

For the Year Ended 30 June 2020

	Note	2020 $	2019 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**162,088**	4,927
Payments to suppliers and employees		**(386,940)**	(255,682)
Interest received		**498,221**	387,096
Interest paid		**(327,433)**	(296,042)
Net cash provided by/(used in) operating activities		**54,064**	(159,701)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		**(73,927)**	(7,648)
Payment of financial assets		**977,402**	(150,000)
Net cash provided by/(used in) investing activities		**903,475**	(157,648)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issue of shares		**240,000**	-
Proceeds from borrowings		**761,235**	323,067
Net cash provided by/(used in) financing activities		**1,001,235**	323,067
Net increase/(decrease) in cash and cash equivalents held		**1,850,646**	5,718
Cash and cash equivalents at beginning of year		**898,665**	892,947
Cash and cash equivalents at end of financial year	7	**2,749,311**	898,665

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.

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

The financial report was authorised for issue by the Directors on 04 September 2020.

Comparatives are consistent with prior years, 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 - Reduced Disclosure Requirements 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 year 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.

(b) Revenue and other income

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

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer

2. Identify the performance obligations

3. Determine the transaction price

4. Allocate the transaction price to the performance obligations

5. Recognise revenue as and when control of the performance obligations is transferred

2 Summary of Significant Accounting Policies

(b) Revenue and other income

Revenue from contracts with customers

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

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

- Debenture Interest
- Late fees

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.

2 Summary of Significant Accounting Policies

(d) Property, plant and equipment

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
Motor Vehicles	33.3%
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.

(e) Investment property

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

(f) Financial instruments

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 incomeand 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.

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

2 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

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:

- 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

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.

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.

2 Summary of Significant Accounting Policies

(f) Financial instruments

Impairment of Financial Assets Loans and Advances

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

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 comprises 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 are 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 30 June 2020 the net assets of the company were $303,352. Included in the net assets are liabilities with respect to debentures of $6,134,975. At balance date the company’s total assets were $6,485,871. Including cash and cash equivalents of $2,749,311.

(i) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2020, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

2 Summary of Significant Accounting Policies

(j) 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 (i.e. the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

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 inflows, 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 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 cashflows. 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 cashflows 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 cashflows 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 cashflows. 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 cashflows 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, periodical independent valuations from 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.

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Critical Accounting Estimates and Judgments

Recoverable amount of financial and non-financial assets

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

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 Revenue and Other Income

	2020	2019
	$	$
Other Contractual Income		
- CEP Fee income	**106,300**	4,927
- Interest penalty	**55,788**	-
- Interest received	**171,014**	110,487
	333,102	115,414

5 Major Expenses for the Year

The result for the year includes the following specific expenses:

	2020	2019
	$	$
Expenses:		
Insurance	**89,153**	16,464
Legal Expenses	**113,248**	29,592
Trustee Fees	**71,501**	60,500
Advertising	**13,653**	-
ASIC Fees	**13,938**	5,312

Notes to the Financial Statements
For the Year Ended 30 June 2020

6 Income Tax Expense

(a) The major components of tax expense (income) comprise:

(b) Reconciliation of income tax to accounting profit:

	2020	2019
	$	$
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2019: 30%)	**(69,078)**	(42,080)
Add:		
Tax effect of:		
- non-deductible expenses	**220,554**	29,914
	151,476	(12,166)
Less:		
Tax effect of:		
- Deductible Depreciation	**32,290**	29,914
Income tax expense	**119,186**	(42,080)

Income tax expense, deferred tax assets and liabilities have not been recorded as the Directors feel that tax losses will not be utilised in the foreseeable future.

7 Cash and Cash Equivalents

	2020	2019
	$	$
Cash at bank and in hand	**251,994**	264,108
Other cash and cash equivalents	**2,497,317**	634,557
	2,749,311	898,665

8 Trade and other receivables

	2020	2019
	$	$
CURRENT		
Trade receivables	**1,257**	-
Accrued Interest Loans	**9,721**	14,421
Accrued Interest Investments	**121,426**	4,255
Total current trade and other receivables	**132,404**	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

Notes to the Financial Statements

For the Year Ended 30 June 2020

8 Trade and other receivables

statements.

9 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	-	-	-	-	2,961,643	2,961,643
Provision for Impairment	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Subtotal	-	-	-	-	2,961,643	2,961,643
Provision for Impairment	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
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.

	2020	2019
	$	$
CURRENT		
Loans to NBFI	**-**	437,231
Loans control accounts	**2,961,643**	4,686,861
	2,961,643	5,124,092

10 Property, plant and equipment

PLANT AND EQUIPMENT

	2020	2019
Motor vehicles		
At cost	**73,927**	-
Accumulated depreciation	**(24,642)**	-
Total motor vehicles	**49,285**	-

Notes to the Financial Statements
For the Year Ended 30 June 2020

10 Property, plant and equipment

Office equipment		
At cost	**65,461**	65,461
Accumulated depreciation	**(65,461)**	(57,813)
Total office equipment	**-**	7,648
Total property, plant and equipment	**49,285**	7,648

(a) Movements in Carrying Amounts

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

	Motor Vehicles	Office Equipment	Total
	$	$	$
Year ended 30 June 2020			
Balance at the beginning of year	**-**	**7,648**	**7,648**
Additions	**73,927**	**-**	**73,927**
Depreciation expense	**(24,642)**	**(7,648)**	**(32,290)**
Balance at the end of the year	**49,285**	**-**	**49,285**

11 Investment Properties

(a) Valuation

The valuation of investment properties is based upon independent valuations conducted by Saunders and Staniforth during the 2015 year.

No independent revaluation was completed during the 2019 year Directors have reviewed the value of the current investment property and feel that due to recent droughts, bush fires and the selling of another property at less than valued in 2015 it is necessary to impair the value of the investment property by $66,801. The Directors consider that the current value to be reflective of the market value at this time.

Investment property

- 52-70 Church Street Forbes

	2020	2019
	$	$
At fair value		
Owned Property		
Balance at beginning of year	**627,359**	627,359
Impairment of Investment	**(66,801)**	-
Total Investment Properties	**560,558**	627,359

Notes to the Financial Statements
For the Year Ended 30 June 2020

12 Intangible Assets

Access		
Computer software	**93,315**	-
Accumulated amortisation and impairment	**(65,815)**	-
Total Intangibles	**27,500**	-

13 Trade and Other Payables

	2020	2019
	$	$
Current		
Trade payables	**-**	27,000
Sundry payables and accrued expenses	**14,915**	9,392
Provision for tax	**3,775**	3,574
Other payables	**28,855**	-
	47,545	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.

14 Borrowings

(a) Borrowings liquidity

The liquidity of the company is reviewed on a monthly basis via management reporting. The company does 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.

	2020	Total
	$	$
Value of Securities maturing within 12 months	**3,897,892**	3,897,892
Value of Securities maturing beyond 12 months	**2,237,083**	2,237,083
Total	**6,134,975**	6,134,975

	2020	2019
	$	$
CURRENT		
Unsecured liabilities:		
Depositors Loan Account	**6,134,975**	6,369,862
Total current borrowings	**6,134,975**	6,369,862

15 Financial Risk Management

	2020	2019
	$	$
Financial assets		
Held at amortised cost		
Cash and cash equivalents	**2,749,311**	898,665
Trade and other receivables	**3,094,047**	5,142,767
Financial liabilities		
Financial liabilities at amortised cost	**6,182,519**	6,409,828
Total financial liabilities	**6,182,519**	6,409,828

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 an 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 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.

The following table details the Company's trade and loan 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.

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

15 Financial Risk Management

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 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.

	2020	2019
	$	$
Fixed rate instruments		
Borrowings	**6,134,975**	6,369,862
Redeemable preference shares	**565,000**	565,000
	6,699,975	6,934,862

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible change in interest rates of +1.00% and -1.00% (2019: +1.00%/-1.00%), with effect from the beginning of the year. These changes are considered to be reasonably possible based on observation of current market conditions and economist reports.

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

	2020		2019	
	+1.00%	**-1.00%**	**+1.00%**	**-1.00%**
	$	**$**	**$**	**$**
Interest bearing financial assets	**57,109**	**(57,109)**	51,240	(51,240)
Interest bearing financial liabilities	**(61,349)**	**61,349**	(63,698)	63,698
Cashflow sensitivity (net)	**(4,240)**	**4,240**	(12,458)	12,458

16 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of Anglesey Secured Investments Ltd during the year 2019 ASI paid for the General Managers wages, 2020 the parent company NBFI took responsibility for the employee wages and on costs:

	2020	2019
	$	$
Short-term employee benefits	-	52,882

17 Fair Value Measurement

The Company measures the following assets and liabilities at fair value on a recurring basis:

- Investment property

Fair value hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the company:

	Level 1	**Level 2**	**Level 3**	**Total**
30 June 2020	**$**	**$**	**$**	**$**
Recurring fair value measurements				
Investment property	**-**	**-**	**560,558**	**560,558**

	Level 1	**Level 2**	**Level 3**	**Total**
30 June 2019	**$**	**$**	**$**	**$**
Recurring fair value measurements				
Investment property	-	-	627,359	627,359

Level 2 measurements

No investments in the measurement tier

Level 3 measurements

Investment properties valued at market value, last independent valuation October 2015. Property valued by directors 2020.

18 Issued Capital

(a)

Issued Capital

	2020	2019
	$	$
Fully paid ordinary shares	**696,000**	456,000
Fully paid preference shares	**565,000**	565,000
	1,261,000	1,021,000

The company's key objectives in terms of its capital are as follows;

- to maintain a sufficient level of capital to provide a buffer against losses arising from unanticipated events and to safeguard its ability to continue as a going concern; and

- to optimise the level and use of its capital resources to that it can provide returns to the company shareholders and benefits for other stakeholders.

In order to maintain or adjust its capital structure the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Under ASIC's Regulatory Guide 69 issuers of unsecured notes should maintain a minimum equity ratio, calculated as equity/ (total liabilities+equity) of 8% where only a minor part of the companies activity is property development or lending for property development.

As at 30 June 2020 the company's equity ratio was 4.67% (2019:4.4%)

19 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2020 (30 June 2019:None).

20 Events Occurring After the Reporting Date

The financial report was authorised for issue on 4 September 2020 by the board of directors.

No matters or circumstances have arisen since the end of the financial year 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 years.

21 Covid-19

During the 2019/2020 financial year the industry was directly affected by the required distancing requirements. The organisation has place Covid-19 safe policies in place. It is not felt that this has caused a going concern issue. Management will continue to review the financial position of the organisation to assist in lowering any effect the virus may cause.

22 Statutory Information

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

Anglesey Secured Investments Ltd
Level 24 Tower 2
101 Grafton Road
Bondi Junction NSW 2022

Notes to the Financial Statements
For the Year Ended 30 June 2020

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 25, are in accordance with the *Corporations Act 2001* and:

    a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and

    b. give a true and fair view of the financial position as at 30 June 2020 and of the performance for the year 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 .... Director ....

Dated 4th September 2020

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

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

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Bondi Junction NSW 1355

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Anglesey Secured Investments Ltd

Independent Audit Report to the members of Anglesey Secured Investments Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Anglesey Secured Investments Ltd (the Company), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year 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 30 June 2020 and of its financial performance for the year ended; and

(ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the 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 - Reduced Disclosure Requirements 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.

Independent Audit Report to the members of Anglesey Secured Investments Ltd

Auditor's Responsibilities for the Audit of the Financial Report

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

Raul
Valois, CA
Partner
Rosenfeld Kant and Co

Bondi Junction

Dated this ....7th........... day of …….September………2020

9. Financial information for year ended 30 June 2021

Statement of Profit or Loss and Other Comprehensive Income

	Note	2021 $	2020 $
Interest received		**(2,199)**	171,014
Other income	4	**683,639**	162,088
Administrative expenses		**(39,333)**	(39,881)
Impairment Investment Property		**-**	(66,801)
Amortisation		**(25,896)**	(153,753)
Other expenses		**(265,216)**	(302,928)
Profit before income tax		**350,995**	(230,261)
Income tax expense		-	-
Profit from continuing operations		**350,995**	(230,261)
Profit for the year		**350,995**	(230,261)
Other comprehensive income, net of income tax			
Total comprehensive income for the year		**350,995**	(230,261)

For the Period Ended 30 June 2021

The accompanying notes form part of these financial statements.

Statement of Financial Position
As at 30 June 2021

	Note	2021 $	2020 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	**4,455,723**	2,749,311
Trade and other receivables	7	**279,521**	132,404
Loans and advances	8	**2,043,643**	2,961,643
TOTAL CURRENT ASSETS		**6,778,887**	5,843,358
NON-CURRENT ASSETS			
Property, plant and equipment	9	**24,643**	49,285
Investment properties	10	**560,558**	560,558
Intangible assets	11	**22,028**	27,500
Other assets			
TOTAL NON-CURRENT ASSETS			
TOTAL ASSETS		**7,386,116**	6,485,871
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	**18,511**	47,545
Borrowings	13	**6,443,259**	6,134,975
TOTAL CURRENT LIABILITIES		**6,461,770**	6,182,520
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		**6,461,770**	6,182,520
NET ASSETS		**924,346**	303,351
EQUITY	14	**1,531,000**	1,261,000
Issued capital			
Retained earnings		**(606,654)**	(957,649)
		924,346	303,351
TOTAL EQUITY		**924,346**	303,351
		-	5,170
		607,229	642,513

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Period Ended 30 June 2021

2021

	Ordinary Shares	Convertible Preference Shares	Retained Earnings	Total
	$	$	$	$
Balance at 1 July 2020	**696,000**	**565,000**	**(957,649)**	**303,351**
Profit attributable to entity	**-**	**-**	**350,995**	**350,995**
Transfer prior year revaluation increment to asset realisation on sale of freehold property	**270,000**	**-**	**-**	**270,000**
Balance at 30 June 2021	**966,000**	**565,000**	**(606,654)**	**924,346**

2020

	Ordinary Shares	Convertible Preference Shares	Retained Earnings	Total
	$	$	$	$
Balance at 1 July 2019	456,000	565,000	(727,388)	293,612
Loss attributable to entity	-	-	(230,261)	(230,261)
Capital	240,000	-	-	240,000
Balance at 30 June 2020	696,000	565,000	(957,649)	303,351

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Period Ended 30 June 2021

	Note	2021 $	2020 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**406,977**	162,088
Payments to suppliers and employees		**(474,388)**	(386,940)
Interest received		**670,000**	498,221
Interest paid		**(392,461)**	(327,433)
Net cash provided by/(used in) operating activities		**210,128**	(54,064)
CASH FLOWS FROM INVESTING ACTIVITIES:		**-**	(73,927)
Purchase of property, plant and equipment			
Payment of financial assets		**918,000**	977,402
Net cash provided by/(used in) investing activities		**918,000**	903,475
CASH FLOWS FROM FINANCING ACTIVITIES:		**270,000**	240,000
Proceeds from issue of shares			
Proceeds from borrowings		**308,284**	761,235
Net cash provided by/(used in) financing activities		**578,284**	1,001,235
Net increase/(decrease) in cash and cash equivalents held		**1,706,412**	1,850,646
Cash and cash equivalents at beginning of year		**2,749,311**	898,665
Cash and cash equivalents at end of financial year	6	**4,455,723**	2,749,311

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Period Ended 30 June 2021

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

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

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

Comparatives are consistent with prior years, 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 - Reduced Disclosure Requirements and the *Corporations Act 2001.*

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Specific revenue streams

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

Revenue recognition

Revenue from contracts with customers

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

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

Rendering of services
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Debenture Interest and Late fees are the specific revenue streams

Other income

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

(b) 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 year 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.

(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) Goods and services tax (GST)

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

Entity is not registered for GST and the majority of the income is interest based.

(e) 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
Motor Vehicles	33.3%
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.

(f) Investment property

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

(g) Financial instruments

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 assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL

- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

Equity instruments

The Company has a number of strategic investments in listed and unlisted entities over which are they do not have significant influence nor control. The Company has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss (refer to hedging accounting policy for derivatives designated as hedging instruments.)

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables and contract assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

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 lease liabilities.

(h) Intangible assets

Software

Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and three years.

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

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

(i) Cash and cash equivalents

Cash and cash equivalents comprises 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.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

(j) 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 asset and settlements 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 30 June 2021 the net assets of the company were $924,346. Included in the net assets are liabilities with respect to debentures of $6,443,259. At balance date the company's total assets were $7,386,116 including cash and cash equivalents of $4,455,723.

(k) 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.

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. Nonsignificant 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.

With respect to cash flow projections for plant and equipment based in Australia, growth rates of -% have been factored into valuation models for the next five years on the basis of management’s expectations around the Company’s continued ability to capture market share from competitors. Cash flow growth rates of -% subsequent to this period have been used as this reflects historical industry averages. Cash flow projections used for non-monetary assets outside of Australia have been based on growth rates of -%. The rates used incorporate allowance for inflation. Pre-tax discount rates of -% have been used in all models.

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.

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 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 cashflows. 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 cashflows 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 cashflows 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.

Key estimates - Impairment

The company assesses impairment at each reporting date by evaluating conditions specific to the Company 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 assessing recoverable amounts.

Notes to the Financial Statements

For the Period Ended 30 June 2021

4 Revenue and Other Income

	2021	2020
	$	$
Revenue		
- Interest	**(2,199)**	171,014
- CEP Fee income	**670,000**	106,300
- Interest penalty	**13,639**	55,788
	681,440	333,102

Result for the Year

The result for the year includes the following specific expenses:

	2021	2020
	$	$
Other expenses:		
Advertising	**2,249**	13,653
ASIC Fees	**15,392**	13,938
Computer Software	**10,035**	8,985
Insurance	**151,691**	89,153
Trustee Fees	**66,000**	71,501

5 Income Tax Expense

(a) Reconciliation of income tax to accounting profit:

	2021	2020
	$	$
Prima facie tax payable on profit from ordinary activities before income tax at 26.5 % (2020: 27.5%)	**93,014**	(69,078)
Add:		
Tax effect of:		
- non-deductible depreciation and amortisation	**25,896**	220,554
	118,910	151,476
Less:		
Tax effect of:		
- Depreciation	**25,896**	32,290
Income tax expense	**93,014**	119,186

The increase in the weighted average effective tax rate for 2021 is a result of [enter details here].

(b) Income tax relating to each component of other comprehensive income:

(c) Amounts recognised directly in equity

Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited or credited to equity.

6 Cash and Cash Equivalents

	2021 $	2020 $
Cash at bank and in hand	**446,928**	251,994
Other cash and cash equivalents	**4,008,795**	2,497,317
	4,455,723	2,749,311

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

		2021 $	2020 $
Cash and cash equivalents		**4,455,723**	2,749,311
Bank overdrafts	13	**(177)**	-
Balance as per statement of cash flows		**4,455,546**	2,749,311

7 Trade and Other Receivables

	2021 $	2020 $
CURRENT		
Trade receivables	**-**	1,257
Accrued Interest Loans	**3,892**	9,721
Accrued Interest Investments	**275,629**	121,426
Total current trade and other receivables	**279,521**	132,404

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.

Notes to the Financial Statements

For the Period Ended 30 June 2021

8 Loans and Advances

CURRENT

	2021 $	2020 $
Loans control accounts	**2,043,643**	2,961,643
	2,043,643	2,961,643

(a) Loan Analysis and Impairment

	< 30 Days $	31-60 $	61-90 $	> 90 Days $	Within Terms $	Total $
2021						
Loans Secured by mortgage	-	-	-	-	2,043,643	2,043,643
Total	**-**	**-**	**-**	**-**	**2,043,643**	**2,043,643**

9 Property, plant and equipment

	2021 $	2020 $
Motor vehicles		
At cost	**73,927**	73,927
Accumulated depreciation	**(49,284)**	(24,642)
Total motor vehicles	**24,643**	49,285
Office equipment		
At cost	**65,461**	65,461
Accumulated depreciation	**(65,461)**	(65,461)
Total office equipment	**-**	-
Total plant and equipment	**24,643**	49,285
Total property, plant and equipment	**24,643**	49,285

(a) Movements in Carrying Amounts

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

	Motor Vehicles $	Office Equipment $	Total $
Year ended 30 June 2021			
Balance at the beginning of year	**49,285**	**-**	**49,285**
Depreciation expense	**(24,642)**	**-**	**(24,642)**
Balance at the end of the year	**24,643**	**-**	**24,643**

Notes to the Financial Statements
For the Period Ended 30 June 2021

10 Investment Properties

	2021	2020
	$	$
At fair value		
Owned Property		
Balance at beginning of year	**560,558**	627,359
Fair value adjustments	**-**	(66,801)
Balance at end of year	**560,558**	560,558
Total Investment Properties	**560,558**	560,558

Investment property includes properties that are held as right to use assets, as well as properties that are owned by the Company.

No independent valuation was completed during the 2021 year.

The directors have reviewed the value of the current investment property and the state of the real estate market generally and feel that it is not necessary to impair the value of the investment property. The directors consider that the current value to be reflective of the market value at the time of signing 2021.

Investment property

- 52-70 Church Street Forbes

11 Intangible Assets

	2021	2020
	$	$
Computer software		
Cost	**93,393**	93,315
Accumulated amortisation and impairment	**(71,365)**	(65,815)
Total Intangible assets	**22,028**	27,500

(a) Movements in carrying amounts of intangible assets

	Computer software	Total
	$	$
Year ended 30 June 2021		
Balance at the beginning of the year	**93,393**	**93,393**
Amortisation	**(71,365)**	**(71,365)**
Closing value at 30 June 2021	**22,028**	**22,028**

Notes to the Financial Statements

For the Period Ended 30 June 2021

12 Trade and Other Payables

	Note	2021 $	2020 $
CURRENT			
Sundry payables and accrued expenses		**18,511**	14,915
Provision for tax		**-**	3,775
Other payables		**-**	28,855
		18,511	47,545

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.

13 Borrowings

	2021 $	2020 $
Unsecured liabilities:		
Depositors Loan Account	**6,443,082**	6,134,975
ANZ	**177**	-
Total current borrowings	**6,443,259**	6,134,975
Total borrowings	**6,443,259**	6,134,975

Summary of borrowings

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

	2021 $	2020 $
Value of Securities maturing within 12 months		
	3,898,474	3,897,892
Value of Securities maturing within 12 months	**2,544,608**	2,237,083
ANZ	**177**	-
	6,443,259	6,134,975

14 Issued Capital

	2021 $	2020 $
Ordinary shares	**966,000**	696,000
Preference Type A shares	**565,000**	565,000
Total	**1,531,000**	1,261,000

15 Financial Risk Management

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

	2021	2020
	$	$
Financial assets		
Held at amortised cost		
Cash and cash equivalents	**4,455,723**	2,749,311
Trade and other receivables	**2,323,164**	3,094,047
Total financial assets	**6,778,887**	5,843,358
Financial liabilities		
Financial liabilities at cost	**6,461,770**	6,182,519
Total financial liabilities	**6,461,770**	6,182,519

Objectives, policies and processes

The Board of Directors have overall responsibility for the establishment of NBFI Secured Investments Ltd's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, liquidity risk, credit risk and the use of derivatives.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and NBFI Secured Investments Ltd's activities.

The day-to-day risk management is carried out by NBFI Secured Investments Ltd's finance function under policies and objectives which have been approved by the Board of Directors. The Chief Financial Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and foreign exchange rate risk and assessment of market forecasts for interest rate and foreign exchange movements.

The Board of Directors receives monthly reports which provide details of the effectiveness of the processes and policies in place.

Mitigation strategies for specific risks faced are described below:

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 NBFI 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 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.

(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.

Sensitivity analysis

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible change in interest rates of +1.00% and -1.00% (2020: +1.00%/-1.00%), with effect from the beginning of the year. These changes are considered to be reasonably possible based on observation of current market conditions and economist reports.

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

(ii) Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held being available-for-sale or fair value through profit and loss.

Such risk is managed through diversification of investments across industries and geographic locations.

16 Fair Value Measurement

The Company measures the following assets and liabilities at fair value on a recurring basis:

- Investment property

17 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2021 (30 June 2020:None).

18 Related Parties

(a) The Company's main related parties are as follows:

The ultimate parent entity, which exercises control over the Company, is NBFI Holdings which is incorporated in Australian and owns 100% of NBFI Secured Investments Ltd.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

19 Events Occurring After the Reporting Date

The financial report was authorised for issue on 13 August 2021 by the board of directors.

No matters or circumstances have arisen since the end of the financial year 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 years.

20 Statutory Information

The registered office of the company is:

NBFI Secured Investments Ltd
Lvl 24 Tower 2
101 Grafton Street
Bondi Junction NSW 2022

The principal place of business is:

NBFI Secured Investments Ltd
Lvl 1
274-290 Victoria Street
Darlinghurst NSW 2010

NBFI Secured Investments Ltd

ABN 91111 607 606

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 24, are in accordance with the *Corporations Act 2001* and:

   a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and

   b. give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year 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 .... Director ....

23/08/2021
Dated

Independent Audit Report to the members of NBFI Secured Investments Ltd

Report on the Audit of the Financial Report Opinion
I have audited the financial report of NBFI Secured Investments Ltd (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In my 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 30 June 2021 and of its financial performance for the year ended; and

(ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001.*

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am 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 (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 - Reduced Disclosure Requirements 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.

Auditor's Responsibilities for the Audit of the Financial Report

My 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 my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

I also provide the directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Chartered Accountant

Raul Valois CA Location Bondi Junction
Dated 26th day of August 2021

Liability limited by a scheme approved under Professional Standards Legislation.

10. General Information

10.1 Secured Note Trust Deed

By a Trust Deed dated 12 December 2006, as amended from time to time, the Company created a charge in favour of the Trustee for Secured Noteholders. Investors may inspect a copy of the Trust Deed at the registered office of the Company at Level 24 Tower 2 101 Grafton Street BONDI JUNCTION NSW 2022 or Level 1, 274-290 Victoria Street DARLINGHURST NSW 2010 during normal business hours. A copy of the Trust Deed may also be obtained free of charge by telephoning (02) 9167-0909 or writing to the Company's registered office.

The parties to the Trust Deed are the Company and as from 14 February 2017, Melbourne Securities Corporation Ltd ("Trustee"), Sandhurst Trustees retired from this role on the same date.

The principal place of business of the Trustee is: Level 2, 395 Collins Street,
Melbourne, Victoria 3000.

The Company is not permitted under the Trust Deed to allow any secured borrowings of the Company and any subsidiaries to rank for repayment ahead of Secured Notes secured under the Trust Deed, except in the case where the Company acquires a subsidiary which has a pre-existing liability and in that case the aggregate of the subsidiary's prior liabilities must be less than 10% of the Company's assets and the subsidiary must not incur any further prior liabilities and the prior liability must be discharged no later than the date or dates fixed for such a discharge.

The Trust Deed provides that, for the benefit of Secured Noteholders, the following is held in trust:

(a) the right to enforce the Company's duty to repay;

(b) any charges or security for repayment; and

(c) the right to enforce any other duties that the Company (and any guarantor) has under the terms of the Secured Notes or the provisions of the Trust Deed or the Corporations Act

Security

The Company has granted a General Security Agreement to the Trustee on behalf of investors which is registered on the Personal Property Security Register. The security has been granted over all the assets of the Company.

The Company covenants that it will cause any wholly owned subsidiary (subject to exceptions) to become a guarantor under the Deed. At the date of this Prospectus the Company has no subsidiaries.

Borrowing Limitations

The Company's power to borrow is limited under Clause 8 of the Trust Deed. The Company covenants with the Trustee that it will not (except as permitted by the Trust Deed), at any time, issue any stock and the Company and its subsidiaries will not give or suffer to exist any encumbrance over their property or assets:

(a) unless the Company has total tangible assets, which exceed total external liabilities by at least $500,000.00; or

(b) if (a) does not apply, unless the Company has total tangible assets which exceed total external liabilities:

(i) by at least $50,000.00 up to $250,000.00 and the total external liabilities do not exceed 97% of total tangible assets; or

(ii) by at least $250,000.00 up to $500,000.00 and the total external liabilities do not exceed 98% of total tangible assets.

The amount sought through this issue of Secured Notes will be in compliance with the limitations contained in the Trust Deed.

Interest

Interest will continue to accrue to the date of redemption of Secured Notes. Where the Company fails to redeem Secured Notes on the due date and a demand is made by the Trustee or a representative of the Noteholders who provide the required evidence of their ownership, interest will accrue daily until actual repayment of the Secured Notes. All interest so accrued is secured under the terms of the Trust Deed.

Security Notes

Security Notes may be issued by the Company to any bank or other person (or to an agent of such Bank or person) by way of security for any present or future, fixed or contingent liability ("Security Notes").

Security Notes shall be deemed to be issued fully paid unless otherwise specified on the certificate and shall rank equally in all respects with all other Secured Notes. Security Notes may be issued on terms that they are payable on demand. They shall not be transferred without the consent of the Trustee and shall only carry interest on such terms and conditions determined by the Trustee. Where the Trustee serves on the Company a notice that an event of default specified under the Trust Deed has occurred, the holders of Security Notes shall be entitled to payment equally with other Secured Noteholders of:

(a) the lesser of:

(i) the nominal value of the Security Notes; and

(ii) the aggregate of Actual Security Moneys and any Contingent Security Moneys which have become owing; and

(b) interest payable on the Security Notes calculated on the date of redemption on the lesser of:

(i) the nominal value of the Security Notes; and

(ii) the Actual Security Moneys. In this

Section:

” Actual Security Moneys” means in relation to any Security Notes at any date all sums of money owing at that date (whether then due and payable or not) by the Company in respect of that Security Notes including any premium payable and all interest accrued on such moneys to that date.

” Contingent Security Moneys” means on any date all contingent liabilities and all moneys which are not owing at that date but which may thereafter become owing by the Company in relation to Security Notes, excluding any interest which accrues after that date on any Actual Security Moneys as at that date in relation to the Security Notes.

Amendment of the Trust Deed

The Trustee may concur with the Company in making any alteration, modification or addition to the Trust Deed if:

(a) in the opinion of the Trustee: it is made to correct a manifest error or is of a formal, technical or administrative nature only; it is necessary, expedient or required to enable any Secured Notes to be listed for quotation on any stock exchange or to enable the issue of Secured Notes expressed to be instruments payable to bearer; it is necessary, expedient or required to comply with any law or amendment to the Corporations Act 2001 (Cth); or it is not prejudicial to the interests of the Secured Noteholders;

(b) the alteration, modification or addition is approved or sanctioned by extraordinary resolution of the Secured Noteholders in accordance with the Trust Deed;

(c) the Company serves on all Secured Noteholders prior to any amendment a copy of the amending deed, together with a circular which explains the terms and effects of the proposed amendment and an offer to Secured Noteholders to redeem their Secured Notes by payment by cheque in accordance with the Trust Deed;

(d) the proposed amendment takes effect prior to redemption of any Secured Notes issued on the terms and conditions of the Trust Deed and the Noteholders have been offered additional security which, in the bona fide opinion of the Directors properly compensates such Noteholders for any derogation of their rights consequent upon making such an amendment to the Trust Deed, a Directors’ certificate is provided to that effect to the Trustee and the amendment is approved by extraordinary resolution of NBFISI Noteholders; or

(e) the proposed amendment takes effect only after the redemption of all Secured Notes issued on the terms and conditions of the Trust Deed prior to the date of operation of such amendment and all Secured Notes outstanding as at the date of the proposed amendment comes into force were issued subject to the terms and conditions of the Trust Deed as amended.

No Director of the Company, or a firm of which the Director is a partner, has an interest in the promotion of the Company or any property proposed to be acquired by the Company in connection with its formation or promotion that existed when the Prospectus was lodged or existed within two years before the lodgement of the Prospectus, except the interests held directly or indirectly as set out below:

Directors’ Shareholdings

The Company is wholly owned by NBFI Holdings Pty Ltd

NBFI HOLDINGS PTY LTD	Ordinary Shares	696,000
NBFI HOLDINGS PTY LTD	Cumulative Preference Shares	140,000
NBFI HOLDINGS PTY LTD	Redeemable Preference Shares	425,000

The table below sets out information about shareholders in NBFI Holdings Pty Ltd and each Director's interest in NBFI Holdings Pty Ltd.

Meadsview Pty Ltd (in which Director Dr Henry Pinskier has a relevant interest)	Ordinary Shares	350
Geoffsue Investments Pty Ltd (in which Director Geoffrey John Wensley has a relevant interest)	Ordinary Shares	50
WTF Advisory Pty Ltd (in which Director Peter David Wright has a relevant interest)	Ordinary Shares	500
Craig Stephen Hitchings	Ordinary Shares	100

Where a Director has a beneficial interest in an Adviser, the Adviser will remain eligible to receive brokerage which the Company may pay calculated on the amount subscribed at the rates disclosed in Section 7.9 of this Prospectus. No Director had such an interest when the Prospectus was lodged.

No amounts have been paid or agreed to be paid in cash or shares or otherwise:

(a) To any Director or firm of which the Director is involved to induce the Director to become or qualify as a Director or otherwise for services rendered by the Director or the firm in connection with the promotion of the Company or for Directors' fees; except that Directors have been and continue to be entitled to receive Directors' fees (currently not exceeding $30,000.00 per annum each) and all Directors continue to be entitled to receive salaries and other entitlements as employees of the Company without specific provision being made for services rendered in connection with the promotion of the Company.

10.3 Consents and Responsibility Statements

The Trustee has given and not withdrawn its consent to be named as the Trustee in this Prospectus. Neither the Trustee nor any of its related parties have authorised or caused the issue of this Prospectus. Neither the Trustee nor any member of the Trustee or their related parties make any representations as to the truth or accuracy of the contents of this Prospectus other than the parts which refer directly to the Trustee, or which refer to the provisions of the Trust Deed. Moreover, they do not make any representations regarding or accept any responsibility for any statements or omissions in or from any other parts of this Prospectus.

Rosenfeld Kant & Co has given and not withdrawn its written consent to the inclusion of its Auditor's Reports in Section 8 in the form and context in which they are included. Rosenfeld Kant & Co has not been involved in the preparation of any other part of this Prospectus and has not authorised or caused the issue of any other part of this Prospectus and specifically disclaims liability to any person in respect of statements included elsewhere in this Prospectus.

Register of NBFISI Noteholders

The Company maintains a register of NBFISI Noteholders at its registered office. During normal business hours of the Company, NBFISI Noteholders have a right and other person have a limited right, to inspect the register or request the Company to provide a copy of the register or part of the register. Information in relation to an NBFISI Noteholder will continue to be included in the register, even if that NBFISI Noteholder ceases to hold NBFISI Notes.

11. Complaints Resolution

The Company's policy is to handle complaints by holders of NBFISI Notes ("NBFISI Noteholders") promptly and fairly. NBFISI Noteholders who have a complaint concerning a decision by the Company in relation to their NBFISI Notes, may lodge a complaint with the Company in person, by telephone or in writing to the Company's registered office at: Suite 103, Level 1 274-290 Victoria Street DARLINGHURST NSW 2010.

We will acknowledge receipt of your complaint within 7 business days and advise you of our decision on your complaint within 45 business days. If you feel we have not satisfactorily resolved your complaint, you may refer your complaint to an independent and external complaints handling body called Australian Financial Complaints Authority ("AFCA"). Details of how to access this service are available at the Company's registered office or contact AFCA directly at:

G.P.O. Box 3, Melbourne 3001, or phone 1800 931 678 (9am - 5pm AEST)

12. Privacy Policy

Protecting your privacy is important to us. We take reasonable care to ensure that our record of your personal information is accurate, protected from misuse and treated confidentiality in accordance with the Privacy Act 1988 (Cth) and the Australian Privacy Principles contained in the Privacy Act.

The Company will collect, hold and use your personal information to facilitate the issue of NBFISI Notes to you, service your needs as a Note holder, facilitate distribution payments, communicate with you, provide facilities requested and carry out appropriate administration. The Company may also use your personal information to market to your other financial products and services offered by it.

Your personal information may also be used from time to time and disclosed for purposes relating to your investment to the Company's agents and service providers it may engage in connection with the ordinary conduct of its operations, persons inspecting the Note register, print service providers, mail houses, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, legal and accounting firms, auditors, other advisers for the purpose of advising on the Notes or as otherwise required under the Privacy Act.

The Australian taxation legislation and the Corporations Act require personal information about Applicants, including name, address and details about Secured Notes, to be included on the Note register. Personal information held on the Note register must be accessible to the public under the Corporations Act and will continue to be included on the Note register where you cease to be a Note holder.

If you do not consent to these uses or disclosures, you should not complete the Application Form, which accompanies this Prospectus. Without your personal information the Company may be unable to process of accept your application for NBFISI Notes or to operate or administer your investment.

You may request access to, correction of and an update to the personal information that the Company holds about you by contacting the Company by writing to the Privacy Officer at the Company's principal business office at:
Suite 103, Level 1 274-290 Victoria Street
DARLINGHURST NSW 2010

You will generally be provided access to your personal information, subject to some exceptions permitted by law. You may be required to pay a reasonable fee to the Company to gain access to your personal information. Please contact the Company if you wish to lodge a complaint about the management of your personal information or obtain further information about the Company's privacy practices. You should notify the Company of any changes to your personal information that we hold about you including your name, address and other contact details.

13. Anti-Money Laundering and Counter-Terrorism Financing

You must not knowingly do anything to put the Company in breach of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, rules and other subordinate instruments (AML/CTF Laws). You undertake to notify the Company if you are aware of anything that would put the Company in breach of AML/CTF Laws.

If requested, you must provide additional information and assistance and comply with all reasonable requests to facilitate the Company's compliance with AML/CTF Laws in Australia or an equivalent law in an overseas jurisdiction.

You undertake that you are not aware and have no reason to suspect that:

1 the money used to fund the investment is derived from or related to money laundering, terrorism financing or similar activities (Illegal Activities); and

2 proceeds of investment made in connection with this product will fund Illegal Activities.

The Company is subject to AML/CTF Laws. In making an application pursuant to this Prospectus you consent to the Company disclosing in connection with AML/CTF Laws any of your Personal Information as defined in the Privacy Act 1988 (Cth) the Company has.

In certain circumstances the Company may be obliged to freeze or block an account where it is used in connection with Illegal Activities or suspected Illegal Activities. Freezing or blocking can arise as a result of the account monitoring that is required by AML/CTF Laws. If this occurs, the Company is not liable to you for any consequences or losses whatsoever and you agree to indemnify the Company if the Company is found liable to a third party in connection with the freezing or blocking of your account.

The Company retains the right not to provide services to any applicant that the Company decides, in its sole discretion, that it does not wish to supply.

14. COVID 19

NBFISI is fully aware that we are in a unique and interesting time with the rapidly changing and challenging issues surrounding businesses in relation to **COVID 19**. NBFISI is aware of the impact of the current environment and potential impact on the business and its clients.

Although the impact of COVID -19 is perhaps too early to ascertain, the board is closely monitoring the Investment and Loan portfolios and adopting and implementing procedures to deal with the current external environment on a case by case basis.

15. Director's Statement & Consent

The Directors report that for the period ended 30 June 2021, to the date of this Prospectus they have not become aware of any circumstances which have or will materially affect the trading and profitability of the Company or the value of its assets and liabilities, otherwise than as disclosed in this Prospectus.

The Directors reasonably believe and are of the view that having regard to the Company's past performance and current market activities, the Company will continue to trade successfully in the coming year.

The Directors of the Company are of the opinion that the Company will be in a position to meet, as they fall due, interest and principal repayments on Secured Notes issued under this Prospectus.

If you do not understand any of the material in this Prospectus, the Directors urge you to consult your financial or other professional adviser.

Each Director of the Company has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Peter D Wright

Chairman

16. Completing Your Investment Form

To complete the Application Form that is attached to this Prospectus please:

- use Black or Blue pen
- use CAPITAL LETTERS and mark your options with an X
- list your full name, address and other contact details
- in the case of a Company, list the full Company name including its ACN/ABN
- if you are investing in the name of a trust, ensure that the investment is in the name of the trustee

TAX FILE NUMBER

- you are not required to provide your tax file number ('TFN'), but if you choose not to or provide a valid exemption, the Company is required to withhold tax from income distributions at the highest marginal tax rate plus Medicare Levy. For more information about TFNs please contact your nearest tax office.

INTEREST RATES

- interest rates are set out in the interest rate card provided with this Prospectus
- please phone the Company on 02 9167 0909 or go to www.nbfisecuredinvestments.com to confirm the interest rate applicable for the term you wish to invest for

TERM

- 12 months, 24 months or 36 months.

INTEREST PAYMENTS

Please complete one of the payment options:

- provide your banking details for payment of interest into your nominated account; or select the compound interest option to have interest added to your investment

TRANSFER OF FUNDS

- contact the Company on 02 9167 0909 for Direct Credit transfer details: or
- make your cheque payable to NBFISI , crossed "Not Negotiable", and attach it to your application

COMPLETED APPLICATION FORM

Please post your completed application form, supporting documentation and your cheque (if applicable) to:

NBFI Secured Investments
Suite 103, Level 1 274-290 Victoria Street
DARLINGHURST NSW 2010

Or, you may deliver it to the Company's office at:

Suite 103, Level 1 274-290 Victoria Street
DARLINGHURST NSW 2010

NEED ASSISTANCE?

If you have any questions concerning completion of the application, please do not hesitate to phone NBFISI on 02 9167 0909 between 9.00am and 5.00pm, Monday to Friday.

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