NBFI Secured Investments Ltd

ABN 91 111 607 606

Financial Statements

For the Year Ended 30 June 2024

NBFI Secured Investments Ltd

ABN 91 111 607 606

Contents

For the Year Ended 30 June 2024

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Directors' Report

30 June 2024

The directors present their report on NBFI Secured Investments Ltd for the financial year ended 30 June 2024.

1. General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Henry Pinskier
Peter David Wright
Geoffrey John Wensley
Cragi Stephens Hitchings

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activity of NBFI Secured Investments Ltd during the financial year was the sale and investment of debentures.

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

2. Operating results and review of operations for the year

Operating results

The profit of the Company after providing for income tax amounted to $ 286,450 (2023: $ 531,457).

3. Other items

Significant changes in state of affairs

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

Matters or circumstances arising after the end of the year

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

Future developments and results

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

Environmental matters

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

Directors' Report
30 June 2024

Indemnification and insurance of officers and auditors

All Directors of NBFI Investments Ltd are covered by PI to the value of $2.5 Million.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2024 has been received and can be found on page 3 of the financial report.

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

Director: .... Director: C S Hitchings ....

Dated this 19th .... day of September 2024

ROSENFELD KANT
BUSINESS ACCOUNTANTS

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NBFI Secured Investments Ltd

ABN 91 111 607 606

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

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024, there have been:

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

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

Raul Valois, FCA RCA 4307
Partner

Dated: 23rd September 2024
Sydney

NBFI Secured Investments Ltd

ABN 91 111 607 606

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2024

	Note	2024 $	2023 $
Finance income		**183,050**	141,882
Other income	4	**1,168,090**	834,400
Administrative expenses		**(199,800)**	24,013
Other expenses		**(397,092)**	(3,199)
Finance expenses		**(467,798)**	(465,639)
Profit before income tax		**286,450**	531,457
Income tax expense	6	**-**	-
Profit from continuing operations		**286,450**	531,457
Profit for the year		**286,450**	531,457
Other comprehensive income, net of income tax			
Total comprehensive income for the year		**286,450**	531,457

The accompanying notes form part of these financial statements.

NBFI Secured Investments Ltd

ABN 91 111 607 606

Statement of Financial Position

As At 30 June 2024

	Note	2024 $	2023 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	**5,503,758**	7,203,820
Trade and other receivables	8	**738,662**	598,807
Other financial assets	9	**871,329**	999,943
TOTAL CURRENT ASSETS		**7,113,749**	8,802,570
NON-CURRENT ASSETS			
Investment properties	11	**-**	606,905
Intangible assets	12	**122,007**	25,400
TOTAL NON-CURRENT ASSETS		**122,007**	632,305
TOTAL ASSETS		**7,235,756**	9,434,875
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	**171,470**	22,345
Borrowings	14	**4,970,986**	7,605,680
TOTAL CURRENT LIABILITIES		**5,142,456**	7,628,025
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		**5,142,456**	7,628,025
NET ASSETS		**2,093,300**	1,806,850
EQUITY			
Issued capital	15	**1,531,000**	1,531,000
Retained earnings		**562,300**	275,850
		2,093,300	1,806,850
TOTAL EQUITY		**2,093,300**	1,806,850

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2024

2024

	Ordinary Shares	Convertible Preference Shares	Retained Earnings	Total
	$	$	$	$
Balance at 1 July 2023	**966,000**	**565,000**	**275,850**	**1,806,850**
Profit attributable to the entity	**-**	**-**	**286,450**	**286,450**
Balance at 30 June 2024	**966,000**	**565,000**	**562,300**	**2,093,300**

2023

	Ordinary Shares	Convertible Preference Shares	Retained Earnings	Total
	$	$	$	$
Balance at 1 July 2022	966,000	565,000	(255,607)	1,275,393
Profit attributable to the entity	-	-	531,457	531,457
Balance at 30 June 2023	966,000	565,000	275,850	1,806,850

The accompanying notes form part of these financial statements.

NBFI Secured Investments Ltd

ABN 91 111 607 606

Statement of Cash Flows

For the Year Ended 30 June 2024

	Note	2024 $	2023 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**259,941**	299,034
Payments to suppliers and employees		**(364,037)**	(345,750)
Interest received		**1,028,235**	834,400
Interest paid		**(467,798)**	(465,639)
Net cash provided by/(used in) operating activities		**456,341**	322,045
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of investment		**606,905**	-
Payment for intangible asset		**-**	(12,927)
Dispersments of financial assets		**(128,614)**	(40,520)
Net cash provided by/(used in) investing activities		**478,291**	(53,447)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		**(2,634,694)**	131,972
Net cash provided by/(used in) financing activities		**(2,634,694)**	131,972
Net increase/(decrease) in cash and cash equivalents held		**(1,700,062)**	400,570
Cash and cash equivalents at beginning of year		**7,203,820**	6,803,250
Cash and cash equivalents at end of financial year	7	**5,503,758**	7,203,820

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2024

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.

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 - Simplified Disclosures and the *Corporations Act 2001*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

During the 2024 year it was noted that the Grossed up income values were being calculated by the Mission to overstate income as well as expenses. We have adjusted the values to better represent the true value of the income and expenses. This has had no affect on the profit.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

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.

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.

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).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(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 asset's 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 held at cost which includes expenditure that is directly attributable to the acquisition of the investment property.

(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

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.)

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 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.

(j) Leases

The Company has chosen not to apply AASB 16 to leases of intangible assets.

(k) Going concern

The financial reports has been prepared on a going concern bases that considers that continuity of normal operation activiteis and the reaslisationof assets and settle ment of liabilities in the normaloperating actvities and teh realisatio of asset and settlements of liabilities in the normal couse of business.

The company'smain actvity is to accept deposits of moines via debentures from in vetor and then onlend the funds invested on the security of registered mortgages over real property in Australia.

At 30 June 2024 the net assets of the company were 2,093,300. Included in the net assets are liabilities with respect to debentures of $4,970,986. At balance date the company's Total Assets were $7,235,756 including casha nd cash eqeuivalents of $5,503,758.

(l) 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 cash flows, 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 by placing non-significant receivables in portfolios of similar risk profiles, based on objective evidence from historical experience adjuster for any effect of conditions existing at each balance date.

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

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 judgments - 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.

4 Other Revenue and Income

	2024	2023
	$	$
Other Income		
- CEP Fee Income	**1,168,090**	834,400
- Interest	**183,050**	141,882
	1,351,140	976,282

5 Result for the Year

The result for the year includes the following specific expenses:

	2024	2023
	$	$
Other expenses:		
Advertising	**3,121**	-
ASIC fees	**9,477**	-
Computer Software	**15,265**	-
Insurance	**148,311**	133,579
Trustee fees	**73,877**	-

6 Income Tax Expense

(a) Reconciliation of income tax to accounting profit:

	2024	2023
	$	$
Prima facie tax payable on profit from ordinary activities before income tax at 25 (2023: 25)	**71,613**	132,864
Add:		
Tax effect of:		
	71,613	132,864
Less:		
Tax effect of:		
Income tax expense	**71,613**	132,864

(b) Income tax relating to this and past years have not been allocated to the profit or loss, due to large losses from prior years.

7 Cash and Cash Equivalents

	2024	2023
	$	$
Cash at bank and in hand	**1,016**	261,047
Short-term deposits	**5,302,742**	6,942,773
Other cash and cash equivalents	**200,000**	-
	5,503,758	7,203,820

8 Trade and Other Receivables

	2024	2023
	$	$
CURRENT		
GST receivable	**-**	14,771
Other receivables	**738,662**	584,036
Total current trade and other receivables	**738,662**	598,807

9 Loans and Advances

	2024	2023
	$	$
CURRENT		
Loans Control account	**871,329**	999,943
Total	**871,329**	999,943

Notes to the Financial Statements

For the Year Ended 30 June 2024

10 Property, Plant and Equipment

PLANT AND EQUIPMENT

Motor vehicles		
At cost	**73,927**	73,927
Accumulated depreciation	**(73,927)**	(73,927)
Total motor vehicles	**-**	-
Office equipment		
At cost	**65,461**	65,461
Accumulated depreciation	**(65,461)**	(65,461)
Total office equipment	**-**	-

(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 2024			
Balance at the beginning of year	**73,927**	**65,461**	**139,388**
Depreciation Accumulated	**(73,927)**	**(65,461)**	**(139,388)**
Balance at the end of the year	**-**	**-**	**-**

11 Investment Properties

	2024	2023
	$	$
At cost value		
Owned Property		
Balance at beginning of the period	-	606,905
Balance at end of the period	-	606,905
Total Investment Properties	-	606,905

Investment property includes properties that are hold as assets.

The property was sold during the 2024 Financial year. The entity has no further rights or responsiblities regarding the church street property.

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

Notes to the Financial Statements

For the Year Ended 30 June 2024

12 Intangible Assets

Computer software		
Cost	**122,007**	114,020
Accumulated amortisation and impairment	**-**	(88,620)
Net carrying value	**122,007**	25,400
Total Intangible assets	**122,007**	25,400
Total Intangible assets	**122,007**	25,400

13 Trade and Other Payables

	Note	2024 $	2023 $
CURRENT			
GST payable		**152,870**	-
Sundry payables and accrued expenses		**1,760**	2,452
Accrued expense Interest		**16,840**	19,893
		171,470	22,345

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

	2024 $	2023 $
CURRENT		
ANZ	**-**	177
unsecured liabilities:		
Depositors Loan Account	**4,970,986**	7,605,503
Total current borrowings	**4,970,986**	7,605,680
Total borrowings	**4,970,986**	7,605,680

15 Issued Capital

	2024 $	2023 $
(2023:) Ordinary shares	**966,000**	966,000
(2023:) Preference shares	**565,000**	565,000
Total	**1,531,000**	1,531,000

16 Financial Risk Management

	2024	2023
	$	$
Financial assets		
Held at amortised cost		
Cash and cash equivalents	**5,503,758**	7,203,820
Trade and other receivables	**738,662**	598,807
Fair value through Other Comprehensive Income (OCI)		
Total financial assets	**6,242,420**	7,802,627
Financial liabilities		
Financial liabilities measured at amortised cost	**5,142,456**	7,628,025
Financial liabilities at fair value		
Total financial liabilities	**5,142,456**	7,628,025

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 receive monthly reports which provide details of the effectiveness of the processes and policies in place.

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

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

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

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

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

(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.

(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.

17 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2024 (30 June 2023: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 Limited which is incorporated in Australia and owns 100% of NBFI Secured Investments Ltd.

19 Events Occurring After the Reporting Date

The financial report was authorised for issue on 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 and principal place of business of the company is:

NBFI Secured Investments Ltd

NBFI Secured Investments Ltd

ABN 91 111 607 606

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 20, are in accordance with the *Corporations Act 2001* and:

    a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and

    b. give a true and fair view of the financial position as at 30 June 2024 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 C S Hitchings ....

Dated 19th September 2024

ROSENFELD KANT
BUSINESS ACCOUNTANTS

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NBFI Secured Investments Ltd

Independent Audit Report to the members of NBFI Secured Investments Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of NBFI Secured Investments Ltd (the Company), which comprises the statement of financial position as at 30 June 2024, 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 2024 and of its financial performance for the year ended; and

(ii) complying with Australian Accounting Standards - Simplified Disclosures 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 (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

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 - Simplified Disclosures 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.

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NBFI Secured Investments Ltd

Independent Audit Report to the members of NBFI 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, FCA RCA 4307
Partner

Dated: 23rd September 2024
Sydney