NBFI Secured Investments Ltd

ABN 91 111 607 606

Financial Statements

For the Period Ended 31 December 2022

NBFI Secured Investments Ltd

ABN 91 111 607 606

Contents

For the Period Ended 31 December 2022

	Page
Financial Statements	
Directors' Report	1
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	3
Statement of Profit or Loss and Other Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Directors' Declaration	20
Accountants' Report	21

NBFI Secured Investments Ltd

ABN 91 111 607 606

Directors' Report

For the Period Ended 31 December 2022

The directors present their report on NBFI Secured Investments Ltd for the financial year ended 31 December 2022.

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
Craig Stephen Hitchings

Principal activities

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

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 before providing for income tax amounted to $ 358,165 (2022: $ 351,047).

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
For the Period Ended 31 December 2022

Company secretary

Geoffrey John Wensley held the position of Company secretary at the end of the financial year:

Indemnification and insurance of officers and auditors

All Directors of NBFI Investment 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 31 December 2022 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 Hitchings ....

Dated this 8th day of March 2023

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

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

PO Box 86
Bondi Junction NSW 1355

Phone: +61 2 9375 1200
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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 2023, there have been:

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

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

Chartered Accountant

Raul Valois CA

Bondi Junction

Dated this 09th day of March 2023

NBFI Secured Investments Ltd

ABN 91 111 607 606

Statement of Profit or Loss and Other Comprehensive Income

For the Period Ended 31 December 2022

	31 December 2022 $	30 June 2022 $
Interest received	**156,379**	218,647
Other income	**525,355**	975,000
Administrative expenses	**(6,536)**	(97,644)
Other expenses	**(83,473)**	(403,325)
Finance expenses	**(233,560)**	(341,631)
Profit before income tax	**358,165**	351,047
Income tax expense	**-**	-
Profit from continuing operations	**358,165**	351,047
Profit for the year	**358,165**	351,047
Other comprehensive income, net of income tax		
Total comprehensive income for the year	**358,165**	351,047

The accompanying notes form part of these financial statements.

NBFI Secured Investments Ltd

ABN 91 111 607 606

Statement of Financial Position

As At 31 December 2022

	Note	31 December 2022 $	30 June 2022 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	**6,841,952**	6,803,250
Trade and other receivables	5	**505,296**	333,070
Loans and advances	6	**971,011**	1,040,461
TOTAL CURRENT ASSETS		**8,318,259**	8,176,781
NON-CURRENT ASSETS			
Investment properties	8	**606,905**	594,716
Intangible assets	9	**14,855**	12,473
TOTAL NON-CURRENT ASSETS		**621,760**	607,189
TOTAL ASSETS		**8,940,019**	8,783,970
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	**34,372**	35,046
Borrowings	11	**4,010,140**	4,109,070
TOTAL CURRENT LIABILITIES		**4,044,512**	4,144,116
NON-CURRENT LIABILITIES			
Borrowings	11	**3,261,949**	3,364,461
TOTAL NON-CURRENT LIABILITIES		**3,261,949**	3,364,461
TOTAL LIABILITIES		**7,306,461**	7,508,577
NET ASSETS		**1,633,558**	1,275,393
EQUITY			
Issued capital	12	**1,531,000**	1,531,000
Retained earnings		**102,558**	(255,607)
		1,633,558	1,275,393
TOTAL EQUITY		**1,633,558**	1,275,393

The accompanying notes form part of these financial statements.

NBFI Secured Investments Ltd

ABN 91 111 607 606

Statement of Changes in Equity

For the Period Ended 31 December 2022

	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 entity	**-**	**-**	**358,165**	**358,165**
Balance at 31 December 2022	**966,000**	**565,000**	**102,558**	**1,633,558**

	Ordinary Shares	Convertible Preference Shares	Retained Earnings	Total
	$	$	$	$
Balance at 1 July 2021	966,000	565,000	(606,654)	924,346
Profit attributable to entity	-	-	351,047	351,047
Balance at 30 June 2022	966,000	565,000	(255,607)	1,275,393

The accompanying notes form part of these financial statements.

NBFI Secured Investments Ltd

ABN 91 111 607 606

Statement of Cash Flows

For the Period Ended 31 December 2022

	Note	31 December 2022 $	30 June 2022 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**-**	975,000
Payments to suppliers and employees		**(179,412)**	(497,034)
Interest received		**68,495**	218,647
Interest paid		**(123,929)**	(341,631)
Net cash provided by/(used in) operating activities		**(234,846)**	354,982
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payment for Financial Assets		**104,708**	962,273
Net cash provided by/(used in) investing activities		**104,708**	962,273
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		**(347,215)**	1,030,272
Net cash provided by/(used in) financing activities		**(347,215)**	1,030,272
Net increase/(decrease) in cash and cash equivalents held		**(477,353)**	2,347,527
Cash and cash equivalents at beginning of year		**6,803,250**	4,455,723
Cash and cash equivalents at end of financial year	4(a)	**6,325,897**	6,803,250

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Period Ended 31 December 2022

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 - Reduced Disclosure Requirements and the *Corporations Act 2001.*

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.

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 of the 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

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.

The Company's financial assets measured at FVTPL comprise derivatives Bonds and Term deposits in the statement of financial position.

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 activites and the realisation of assets and settle ment of liabilities in the normal operating activies and the realsiation 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 31 December 2022 the net assets of the company were 1,633,558. Included in the net assets are liabilites with respect to debentures of $7,271,911 At balance date the company's total assets were $8,940,019 including cash and cash equivalents of $6,841,952.

(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 - 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.

4 Cash and Cash Equivalents

	31 December 2022 $	30 June 2022 $
Cash at bank and in hand	**213**	128,934
Other cash and cash equivalents	**6,441,739**	6,399,316
CEP Deposits	**400,000**	275,000
	6,841,952	6,803,250

(a) 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:

	31 December 2022 $	30 June 2022 $
Cash and cash equivalents	**6,327,891**	6,803,250
Balance as per statement of cash flows	**6,327,891**	6,803,250

Notes to the Financial Statements
For the Period Ended 31 December 2022

5 Trade and Other Receivables

	31 December 2022 $	30 June 2022 $
CURRENT		
Accrued Interest Loans	**(2,271)**	-
Accrued Interest Investments	**507,567**	333,070
Total current trade and other receivables	**505,296**	333,070

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

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

6 Loans and Advances

	31 December 2022 $	30 June 2022 $
CURRENT		
Loans control accounts	**971,011**	1,040,461
	971,011	1,040,461

7 Property, plant and equipment

	31 December 2022 $	30 June 2022 $
Motor vehicles		
At cost	**73,927**	73,927
Accumulated depreciation	**(73,927)**	(73,927)
Office equipment		
At cost	**65,461**	65,461
Accumulated depreciation	**(65,461)**	(65,461)
Total office equipment	**-**	-

Notes to the Financial Statements

For the Period Ended 31 December 2022

8 Investment Properties

	31 December 2022 $	30 June 2022 $
At fair value		
Owned Property		
Balance at beginning of year	**606,905**	594,716
Balance at end of year	**606,905**	594,716
Total Investment Properties	**606,905**	594,716

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 2023 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.

Investment property

- 52-70 Church Street Forbes

9 Intangible Assets

	31 December 2022 $	30 June 2022 $
Computer software		
Cost	**103,475**	101,093
Accumulated amortisation and impairment	**(88,620)**	(88,620)
Total Intangible assets	**14,855**	12,473

10 Trade and Other Payables

	31 December 2022 $	30 June 2022 $
CURRENT		
GST payable	**4,001**	12,990
Accrued interest	**33,412**	20,544
Provision for tax	**3,039**	-
Other payables	**(2)**	1,512
	34,372	35,046

Notes to the Financial Statements
For the Period Ended 31 December 2022

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.

11 Borrowings

	31 December 2022 $	30 June 2022 $
Unsecured liabilities:		
Depositors Loan Account	**4,009,963**	4,108,893
ANZ	**177**	177
Total current borrowings	**4,010,140**	4,109,070

	31 December 2022 $	30 June 2022 $
NON-CURRENT		
Secured liabilities:		
Depositors Loans Account	**3,261,949**	3,364,461
Total non-current borrowings	**3,261,949**	3,364,461
Total borrowings	**7,272,089**	7,473,531

Summary of borrowings

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

	31 December 2022 $	30 June 2022 $
Value of Securities maturing within 12 months	**4,009,963**	4,108,893
Value of Securities maturing beyond12 months	**3,261,949**	3,364,461
ANZ	**177**	177
	7,272,089	7,473,531

12 Issued Capital

	31 December 2022 $	30 June 2022 $
Ordinary shares	**966,000**	966,000
Preference Type A shares	**565,000**	565,000
Total	**1,531,000**	1,531,000

13 Fair Value Measurement

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

- Investment property

14 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2022 (30 June 2022:None).

15 Related Parties

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.

16 Events Occurring After the Reporting Date

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.

17 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:
Lvl 1 274-290 Victoria Street
Darlinghurst NSW 2010

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 19, 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 31 December 2022 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 Hitchings ....

Dated 8 March 2023

Rosenfeld Kant & Co
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Accountants' 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 31 December 2022, 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 31 December 2022 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

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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.

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Chartered Accountant

Raul Valois CA

Location Bondi Junction

Dated this 09th day of March 2023