

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899
ANNUAL FINANCIAL REPORT
30 JUNE 2024

This is annexure A of 20 pages referred to in form FS70 "Profit and loss statement and balance sheet"



Director

12/9/24

Date

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED

ABN 39 089 507 899

DIRECTORS' REPORT

The Directors present their report together with the financial report of First Mortgage Managed Investments Limited ("the Company") for the year ended 30 June 2024 and the auditor's report contained therein.

Directors

The directors of the Company at any time during or since the end of the financial year are:

Mr Michael Henry Boyce Appointed 15 September 1999

Ms Karen Joan Scott Appointed 15 September 1999

Ms Megan Kay Boyce Appointed 3 March 2014

The Company's registered office and principal place of business is 11 West Street, Burleigh Heads, Queensland.

Company Secretary

Mr Michael Boyce was appointed the position of Company Secretary in 1999.

Officers who were previously partners of the audit firm

There were no officers of the Company during the financial year who were previously partners of the current audit firm, KPMG, at a time when KPMG undertook an audit of the Company.

Directors' meetings

The number of directors' meetings (including meetings of committees of directors) and number of meetings attended by each of the directors of the Company during the financial year are:

Michael Henry Boyce

Directors' meetings attended 15 of 15

Karen Joan Scott

Directors' meetings attended 15 of 15

Megan Kay Boyce

Directors meetings attended: 15 of 15

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899
DIRECTORS' REPORT

Directors' interests

The relevant interest of each director in the share capital of the Company at the date of this report is as follows:

Michael Henry Boyce

Interest in shares 1 share held indirectly

Karen Joan Scott

Interest in shares None

Megan Kay Boyce

Interest in shares None

Principal activities

The Company is the Responsible Entity of First Mortgage Investments ("the Scheme"), which invests in registered first mortgages. The Company has assigned the management and associated risks and rewards of the mortgage business and fundraising activities to First Mortgage Investments Pty Ltd. The principal activity of the Company is to hold assets to meet the net tangible asset requirements under its Australia Financial Services Licence which is met by way of a bank guarantee by this related party.

There have been no significant changes in the nature of these activities during the financial year.

Operating and financial review

The financial year ended 30 June 2024 resulted in a net profit/(loss) of \$nil (2023: \$nil).

Other than being party to a bank guarantee provided by First Mortgage Investments Pty Ltd the Company remained dormant for the 2024 financial year.

The Company has no employees.

Dividends

No dividends have been declared or paid during the year and subsequent to year end.

Likely developments

The Company will continue to be the responsible entity of the Scheme and comply with the net tangible asset requirements under its Australian Financial Services Licence.

Events subsequent to balance date

There has not arisen in the interval between the end of the financial year and the date of this report, any other item, transaction or event of a material nature, likely, in the opinion of the Company, to effect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

DIRECTORS' REPORT

Share options

No options to acquire shares in the Company have been granted during the financial year and there were no options outstanding at the end of the financial year.

Indemnification and insurance of officers and auditors

Indemnification

During the financial year, the Company has not indemnified or made a relevant agreement for indemnifying against a liability, any person who is or has been an officer of the Company, or an auditor of the Company.

Insurance premiums

During the financial year, an entity associated with the Company, First Mortgage Investments Pty Ltd, has paid premiums in respect of the directors or executive officers' liability and legal expenses insurance contracts for the year ended 30 June 2024. This entity has paid or agreed to pay in respect of the Company, premiums in respect of such insurance contracts for the year ended 30 June 2024. Such insurance contracts insure against certain liability (subject to specific exclusions) for persons who are or have been the directors or executive officers of the Company.

Details of the nature of the liabilities covered or the amount of the premium paid has not been included as such disclosure is prohibited under the terms of the contracts.

Lead auditor's independence declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 4 and forms part of the Directors' report for the year ended 30 June 2024.

Signed in accordance with a resolution of the Directors of First Mortgage Managed Investments Limited.



Karen Scott
Director

Burleigh Heads
Date: 12th September 2024



Lead Auditor's Independence Declaration under Section 307C of the Corporation Act 2001

To: the directors of First Mortgage Managed Investments Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial 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.

KPMG

KPMG

Adam Twemlow
Partner

Brisbane
12th September 2024

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Note	2024 \$	2023 \$
Current assets			
Cash and cash equivalents	9(a)	<u>1</u>	<u>1</u>
Total current assets		<u>1</u>	<u>1</u>
Non-current assets		<u>-</u>	<u>-</u>
Total non-current assets		<u>-</u>	<u>-</u>
Total assets		<u>1</u>	<u>1</u>
Current liabilities		<u>-</u>	<u>-</u>
Total current liabilities		<u>-</u>	<u>-</u>
Net assets		<u>1</u>	<u>1</u>
Equity			
Issued capital	7	1	1
Retained profits		<u>-</u>	<u>-</u>
Total equity		<u>1</u>	<u>1</u>

The accompanying notes are an integral part of these financial statements

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Revenue from rendering of services	5	-	-
Interest income	5	<u>-</u>	<u>-</u>
Total revenue		<u>-</u>	<u>-</u>
Expenses from ordinary activities			
Directors fees		-	-
Other		<u>-</u>	<u>-</u>
Profit/(loss) before tax		<u>-</u>	<u>-</u>
Income tax (expense)/benefit	8	<u>-</u>	<u>-</u>
Net profit/(loss) after tax		<u>-</u>	<u>-</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income		<u><u>-</u></u>	<u><u>-</u></u>

The accompanying notes are an integral part of these financial statements

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2024

	Issued capital	Retained earnings	Total equity
Opening balance 1 July 2023	1	-	1
Total comprehensive income for period			
Profit/(loss) for the period	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income	-	-	-
Transactions with owners recorded directly in equity	-	-	-
Balance at 30 June 2024	1	-	1

FOR THE YEAR ENDED 30 JUNE 2023

	Issued capital	Retained earnings	Total equity
Opening balance 1 July 2022	1	-	1
Total comprehensive income for period			
Profit/(loss) for the period	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income	-	-	-
Transactions with owners recorded directly in equity	-	-	-
Balance at 30 June 2023	1	-	1

The accompanying notes are an integral part of these financial statements

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Net Cash flows from operating activities	9(b)	<u>-</u>	<u>-</u>
Net Cash flows from investing activities		<u>-</u>	<u>-</u>
Net Cash flows from financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		-	-
Cash and cash equivalents at 1 July		<u>1</u>	<u>1</u>
Cash and cash equivalents at 30 June	9(a)	<u><u>1</u></u>	<u><u>1</u></u>

The accompanying notes are an integral part of these financial statements

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

1. REPORTING ENTITY

First Mortgage Managed Investments Limited (the “Company” or “the Responsible Entity”) is a company domiciled in Australia. The Company is the responsible entity of First Mortgage Investments (“the Scheme”) and is principally involved in holding assets to meet the net tangible asset requirements under its Australia Financial Services Licence. The principal place of business of both the Company and Scheme is 11 West St, Burleigh Heads, QLD 4220.

2. BASIS OF PREPARATION

(a) Statement of Compliance

The financial report is a general purpose report which has been prepared in accordance with Australian Accounting Standards (“AASBs”) adopted by the Australian Accounting Standards Board (“AASB”) and the *Corporations Act 2001*. The financial report complies with International Financial Reporting Standards (“IFRS s”) and interpretations adopted by the International Accounting Standards Board (“IASB”).

The financial statements were approved by the Board of Directors on 9th September 2024.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Company’s functional currency.

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period on which the estimate is revised and in any future periods affected.

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

3. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Taxation

Income tax expense comprises current and deferred tax. Current and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss
- temporary differences related to investments in subsidiaries and associates and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income tax expenses that arise from the distribution of cash dividends are recognised at the same time that the liability to pay the related dividend is recognised. The Company does not distribute non-cash assets as dividends to its shareholders.

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

3. MATERIAL ACCOUNTING POLICIES (CONT)

(b) Revenue from contracts with customers

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST). Revenue from services rendered is recognised in profit or loss as the performance obligations under contracts with customers are met.

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

(d) Share capital

Ordinary shares

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit.

(e) Goods and services tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST receivable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

(f) Changes in significant accounting policies

All new accounting policies were adopted and there was no material impact.

(g) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods after 1 July 2023, and have not been applied in preparing these financial statements. The Company does not plan to adopt these standards early and the extent of the impact has not been determined.

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

4. FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks from their use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

This note presents information about the Company's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout this financial report.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board is also responsible for monitoring risk policies.

The Board's role is to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through their training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables.

Trade and other receivables

Historically the Company has no significant trade receivables.

Cash and cash equivalents

Historically the Company has no significant cash and cash equivalents.

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

4. FINANCIAL RISK MANAGEMENT (CONT)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal conditions.

At 30 June 2024 and 30 June 2023 the Company has no loans and borrowings.

Market risk

Market risk is the risk that changes in market prices, such interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising returns.

At 30 June 2024 and 30 June 2023 the Company has no exposure to market prices.

Capital management

The Board's policy is to maintain an appropriate capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the capital by complying with the imposed external requirements of their Australian Financial Services Licence. Their financial requirements include:

- Being able to pay all its debts as and when they become due and payable;
- Maintaining assets that exceed total liabilities, or adjusted assets that exceed adjusted liabilities on a current balance sheet; and
- Holding Net Tangible Assets greater of 0.5% of the value of assets held by the Scheme, 10% of revenues earned by the Company and \$150,000. Assets excluded from the Net Tangible Asset calculation include, receivables that have an enforceable right of set off, assets encumbered by a liability and assets that are used as security against a liability. The Company has a bank guarantee in its favour for \$700,000 (2023: \$700,000). This bank guarantee enables it to comply with the Net Tangible Asset requirement of its Australian Financial Services Licence. This bank guarantee is provided by First Mortgage Investments Pty Ltd, a related party of the Company.

There were no changes in the Company's approach to capital management during the year.

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

4. FINANCIAL RISK MANAGEMENT (CONT)

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and for external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from the Company's operations as a Responsible Entity.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to directors.

	2024	2023
	\$	\$
5. REVENUE FROM CONTRACTS WITH CUSTOMERS		
Revenue from rendering of services	-	-
Total revenue	<u>-</u>	<u>-</u>

6. AUDITORS REMUNERATION

	2024	2023
	\$	\$
Audit fees and other fees paid by a related entity of the Company on behalf of the Company:		
Audit services		
Audit and review of the financial report	6,200	5,700
Other regulatory audit services	<u>4,500</u>	<u>4,200</u>
	<u>10,700</u>	<u>9,900</u>
Other services:		
Taxation services	<u>5,200</u>	<u>4,950</u>

The audit fees have been paid by First Mortgage Investments Pty Ltd, for which no reimbursement from the Company has been sought.

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

7. CONTRIBUTED EQUITY

Share capital	2024	2023
1 (2020: 1) fully paid ordinary shares	1	1

The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Dividends

No Dividends have been paid or declared by the Company in the current or prior period.

8. TAXATION

	2024	2023
	\$	\$
(a) Current tax expense/(benefit)		
Current year tax expense	-	-
Adjustment for under /over provision	-	-
(b) Numerical reconciliation between tax expense and pre-tax profit		
Profit/(loss) before tax	-	-
Prima facie income tax using the domestic corporation tax rate of 25% (2023: 25%)	-	-
De-recognition of deferred tax asset	-	-
Adjustment for under/over provision	-	-
Income tax expense/(benefit)	-	-

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

9a. CASH AND CASH EQUIVALENTS

	2024	2023
	\$	\$
Cash balances	1	1
	<u> </u>	<u> </u>

9b. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

Profit/(loss) from ordinary activities after income tax	-	-
<i>Changes in assets and liabilities during the financial year:</i>		
Nil	<u> </u>	<u> </u>
Net cash provided by operating activities	<u> </u>	<u> </u>

10. RELATED PARTIES

Key management personnel

The names of the persons who were key management personnel of the company during the financial year are as follows:

Name	Period of directorship
Mr Michael Henry Boyce	Appointed 15 September 1999
Ms Karen Joan Scott	Appointed 15 September 1999
Ms Megan Kay Boyce	Appointed 3 March 2014

Directors' fees were paid by First Mortgage Investments Pty Ltd on behalf of the Company.
There are no transactions with key management personnel, other than as set out in this note.

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED

ABN 39 089 507 899

DIRECTORS' REPORT

The Directors present their report together with the financial report of First Mortgage Managed Investments Limited ("the Company") for the year ended 30 June 2024 and the auditor's report contained therein.

Directors

The directors of the Company at any time during or since the end of the financial year are:

Mr Michael Henry Boyce Appointed 15 September 1999

Ms Karen Joan Scott Appointed 15 September 1999

Ms Megan Kay Boyce Appointed 3 March 2014

The Company's registered office and principal place of business is 11 West Street, Burleigh Heads, Queensland.

Company Secretary

Mr Michael Boyce was appointed the position of Company Secretary in 1999.

Officers who were previously partners of the audit firm

There were no officers of the Company during the financial year who were previously partners of the current audit firm, KPMG, at a time when KPMG undertook an audit of the Company.

Directors' meetings

The number of directors' meetings (including meetings of committees of directors) and number of meetings attended by each of the directors of the Company during the financial year are:

Michael Henry Boyce

Directors' meetings attended 15 of 15

Karen Joan Scott

Directors' meetings attended 15 of 15

Megan Kay Boyce

Directors meetings attended: 15 of 15

DIRECTORS' REPORT

Share options

No options to acquire shares in the Company have been granted during the financial year and there were no options outstanding at the end of the financial year.

Indemnification and insurance of officers and auditors

Indemnification

During the financial year, the Company has not indemnified or made a relevant agreement for indemnifying against a liability, any person who is or has been an officer of the Company, or an auditor of the Company.

Insurance premiums

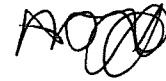
During the financial year, an entity associated with the Company, First Mortgage Investments Pty Ltd, has paid premiums in respect of the directors or executive officers' liability and legal expenses insurance contracts for the year ended 30 June 2024. This entity has paid or agreed to pay in respect of the Company, premiums in respect of such insurance contracts for the year ended 30 June 2024. Such insurance contracts insure against certain liability (subject to specific exclusions) for persons who are or have been the directors or executive officers of the Company.

Details of the nature of the liabilities covered or the amount of the premium paid has not been included as such disclosure is prohibited under the terms of the contracts.

Lead auditor's independence declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 4 and forms part of the Directors' report for the year ended 30 June 2024.

Signed in accordance with a resolution of the Directors of First Mortgage Managed Investments Limited.



Karen Scott
Director

Burleigh Heads
Date: 12th September 2024

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Note	2024 \$	2023 \$
Current assets			
Cash and cash equivalents	9(a)	<u>1</u>	<u>1</u>
Total current assets		<u>1</u>	<u>1</u>
Non-current assets		<u>-</u>	<u>-</u>
Total non-current assets		<u>-</u>	<u>-</u>
Total assets		<u>1</u>	<u>1</u>
Current liabilities		<u>-</u>	<u>-</u>
Total current liabilities		<u>-</u>	<u>-</u>
Net assets		<u>1</u>	<u>1</u>
Equity			
Issued capital	7	1	1
Retained profits		<u>-</u>	<u>-</u>
Total equity		<u>1</u>	<u>1</u>

The accompanying notes are an integral part of these financial statements

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2024

	Issued capital	Retained earnings	Total equity
Opening balance 1 July 2023	1	-	1
Total comprehensive income for period	-	-	-
Profit/(loss) for the period	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income	-	-	-
Transactions with owners recorded directly in equity	-	-	-
Balance at 30 June 2024	1	-	1

FOR THE YEAR ENDED 30 JUNE 2023

	Issued capital	Retained earnings	Total equity
Opening balance 1 July 2022	1	-	1
Total comprehensive income for period	-	-	-
Profit/(loss) for the period	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income	-	-	-
Transactions with owners recorded directly in equity	-	-	-
Balance at 30 June 2023	1	-	1

The accompanying notes are an integral part of these financial statements

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

1. REPORTING ENTITY

First Mortgage Managed Investments Limited (the “Company” or “the Responsible Entity”) is a company domiciled in Australia. The Company is the responsible entity of First Mortgage Investments (“the Scheme”) and is principally involved in holding assets to meet the net tangible asset requirements under its Australia Financial Services Licence. The principal place of business of both the Company and Scheme is 11 West St, Burleigh Heads, QLD 4220.

2. BASIS OF PREPARATION

(a) Statement of Compliance

The financial report is a general purpose report which has been prepared in accordance with Australian Accounting Standards (“AASBs”) adopted by the Australian Accounting Standards Board (“AASB”) and the *Corporations Act 2001*. The financial report complies with International Financial Reporting Standards (“IFRS s”) and interpretations adopted by the International Accounting Standards Board (“IASB”).

The financial statements were approved by the Board of Directors on 9th September 2024.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Company’s functional currency.

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period on which the estimate is revised and in any future periods affected.

3. MATERIAL ACCOUNTING POLICIES (CONT)

- (b) *Revenue from contracts with customers*
Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST). Revenue from services rendered is recognised in profit or loss as the performance obligations under contracts with customers are met.
- (c) *Cash and cash equivalents*
Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.
- (d) *Share capital*
Ordinary shares
Ordinary shares are classified as equity.
Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit.

(e) *Goods and services tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).
Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST receivable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

(f) *Changes in significant accounting policies*

All new accounting policies were adopted and there was no material impact.

(g) *New standards and interpretations not yet adopted*

A number of new standards, amendments to standards and interpretations are effective for annual periods after 1 July 2023, and have not been applied in preparing these financial statements. The Company does not plan to adopt these standards early and the extent of the impact has not been determined.

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

4. FINANCIAL RISK MANAGEMENT (CONT)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal conditions.

At 30 June 2024 and 30 June 2023 the Company has no loans and borrowings.

Market risk

Market risk is the risk that changes in market prices, such interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising returns.

At 30 June 2024 and 30 June 2023 the Company has no exposure to market prices.

Capital management

The Board's policy is to maintain an appropriate capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the capital by complying with the imposed external requirements of their Australian Financial Services Licence. Their financial requirements include:

- Being able to pay all its debts as and when they become due and payable;
- Maintaining assets that exceed total liabilities, or adjusted assets that exceed adjusted liabilities on a current balance sheet; and
- Holding Net Tangible Assets greater of 0.5% of the value of assets held by the Scheme, 10% of revenues earned by the Company and \$150,000. Assets excluded from the Net Tangible Asset calculation include, receivables that have an enforceable right of set off, assets encumbered by a liability and assets that are used as security against a liability. The Company has a bank guarantee in its favour for \$700,000 (2023: \$700,000). This bank guarantee enables it to comply with the Net Tangible Asset requirement of its Australian Financial Services Licence. This bank guarantee is provided by First Mortgage Investments Pty Ltd, a related party of the Company.

There were no changes in the Company's approach to capital management during the year.

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

7. CONTRIBUTED EQUITY

	2024	2023
Share capital	1	1
1 (2020: 1) fully paid ordinary shares		

The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Dividends

No Dividends have been paid or declared by the Company in the current or prior period.

8. TAXATION

	2024	2023
(a) Current tax expense/(benefit)	-	-
Current year tax expense		
Adjustment for under /over provision	-	-
(b) Numerical reconciliation between tax expense and pre-tax profit	-	-
Profit/(loss) before tax		
Prima facie income tax using the domestic corporation tax rate of 25% (2023: 25%)	-	-
De-recognition of deferred tax asset	-	-
Adjustment for under/over provision	-	-
Income tax expense/(benefit)	-	-

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

10. RELATED PARTIES (CONT)

Related party transactions

The Company is Responsible Entity for First Mortgage Investments (“the Scheme”).

Investing activities

Details of investments in the Scheme by the Company or its related parties are set out below:

Entity	Value of investment at 1 July \$	Value of investment at year end \$	Interest held in scheme at year end	Amount invested during the year \$	Amounts withdrawn during the year \$	Distributions paid \$
30 JUNE 2024						
First Mortgage Investments Pty Ltd	28,201,000	35,173,500	27.97%	17,261,500	(10,289,000)	2,209,353
Other director related entities – associates of Michael Boyce and Megan Boyce	7,527,600	8,945,100	7.11%	1,561,500	(144,000)	570,556
Other director related entities – associates of Karen Scott	978,000	1,539,000	1.22%	381,000	-	94,257
30 June 2023						
First Mortgage Investments Pty Ltd	5,155,000	28,201,000	24.21%	31,689,500	(8,643,500)	1,180,079
Other director related entities – associates of Michael Boyce and Megan Boyce	5,996,600	7,527,600	6.46%	1,531,000	-	463,132
Other director related entities – associates of Karen Scott	868,000	978,000	0.84%	110,000	-	63,845

These investments are on normal terms and conditions as provided to other investors.

11. FINANCIAL INSTRUMENTS

Credit risk

Exposure to credit risk

The carrying amount of the Company’s financial assets represents the maximum credit exposure. The maximum exposure to credit risk at reporting date was:

	2024 \$	2023 \$
Cash and cash equivalents	1	1

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

11. FINANCIAL INSTRUMENTS (CONT)

Based on history and due to no trade receivable balance at 30 June 2024 and 30 June 2023, no expected credit loss allowance is necessary.

Liquidity risk

The Company has no financial liabilities at 30 June 2024 and 30 June 2023.

Market risk

Currency risk

The Company has no exposure to currency risk as all transactions occur within Australia.

Interest rate risk

The Company has no exposure to interest rate risk as there are no interest bearing assets or liabilities at year end or at 30 June 2024.

12. DIVIDEND FRANKING ACCOUNT

	2024	2023
	\$	\$
30% franking credits available to shareholders of First Mortgage Managed Investments Limited for subsequent financial years	<u>2,324</u>	<u>2,324</u>

The above available amounts are based on the balance of the dividend franking account at year-end adjusted for:

- a) franking credits that will arise from the payment of the amount of the provision for income tax
- b) franking debits that will arise from the payment of dividends recognised as a liability at the year-end
- c) franking credits that the entity may be prevented from distributing in subsequent years.

The ability to utilise the franking credits is dependent upon there being sufficient net assets available to declare dividends.

FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

13. CONTINGENCIES

The Company is a holder of an Australian Financial Services Licence and acts as Responsible Entity of First Mortgage Investments. Under the Australian Financial Services Licence the Company has various obligations and conditions to be complied with under these arrangements.

In the ordinary course of business the Company, as Responsible Entity for First Mortgage Investments, will be subject to legal proceedings from time to time. The Directors consider each matter and will only make disclosure of such matters when it is considered more than remote that any potential future outflow will eventuate.

First Mortgage Investments Pty Ltd has indemnified the Company in relation to any liabilities arising from its operation as Responsible Entity of First Mortgage Investments, including government changes and taxes.

14. BANK GUARANTEES

	2024	2023
	\$	\$
Bank guarantee provided by First Mortgage Investments Pty Ltd in relation to the Australian Financial Services Licence	700,000	700,000

15. EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen in the interval between the end of the financial year and the date of this report, any other item, transaction or event of a material nature, likely, in the opinion of the Company, to effect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

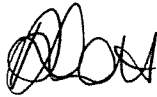
FIRST MORTGAGE MANAGED INVESTMENTS LIMITED
ABN 39 089 507 899

DIRECTORS' DECLARATION

In the opinion of the Directors of First Mortgage Managed Investments Limited ("the Company"):

- (a) the financial statements and notes, set out on page 5 to 19, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position of the Company as at 30 June 2024 and of its performance, as represented by the results of its operations and its cash flows for the financial year ended on that date, and
 - (ii) complying with Australian Accounting Standards and Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (c) the directors draw attention to Note 2(a) to the financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors.



Karen Scott
Director

Gold Coast

12th September 2024



Independent Auditor's Report

To the shareholder of First Mortgage Managed Investments Limited

Opinion

We have audited the **Financial Report** of First Mortgage Managed Investments Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the Company's financial position as at 30 June 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Statement of financial position as at 30 June 2024
- Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended
- Notes, including material accounting policies
- Directors' Declaration.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 *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 fulfilled our other ethical responsibilities in accordance with these requirements.

Other Information

Other Information is financial and non-financial information in First Mortgage Managed Investments Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Company, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Company, and that is free from material misstatement, whether due to fraud or error
- assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they 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

Our objective is:

- 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. They 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.



A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our Auditor's Report.

A handwritten version of the KPMG logo, with the letters 'KPMG' written in a stylized, cursive script.

KPMG

A handwritten signature in black ink, appearing to be 'Adam Twemlow', written over a horizontal line.

Adam Twemlow

Partner

Brisbane

12th September 2024