

# Central Victorian Investments Ltd

ABN 35 058 071 631

## Financial Statements

For the Year Ended 30 June 2024

## Directors' report

### For the Year Ended 30 June 2024

The directors present their report, together with the financial statements, on Central Victorian Investments Ltd ("CVI") for the year ended 30 June 2024.

#### Directors

The following persons were directors of CVI during the whole of the financial year and up to the date of this report, unless otherwise stated:

David Peter Draper  
Francis Damien Frawley  
Mark Andrew Harrison Bain  
Peter John Catramados  
Dominic Peter Dunne

#### Company Secretary

Brendan Gillett held the position of company secretary at the end of the financial year. He has been the company secretary since 2005. Prior to this role, Brendan was employed in the Business and Finance Sector from 1983 to 1999 and was a Business Development Manager from 1999 until being appointed by CVI.

#### Principal activities

The principal activity of CVI during the financial year was to act as an investment company.

CVI's business model is to raise funds from investors through the issue of secured notes to provide for CVI's principal activity, which is to lend these funds on the security of registered first mortgages over titles to real property principally in Victoria, and to invest in other investments as permitted by the trust deed. CVI's profits are derived primarily from the difference between its average interest rate on mortgage loans and investments of liquid funds and the average rate of interest paid to our secured note holders. Secured note holders do not participate in profits CVI, but receive a rate of return on their investments.

There has been no significant change in the nature of CVI's activities during the financial year.

#### Operating results

The profit of CVI after providing for income tax amounted to \$3,494,406 (2023: \$3,145,199).

#### Dividends paid or recommended

Dividends paid or declared since the start of the financial year in relation to ordinary share dividends amounted to \$1,417,346 (2023: \$587,156).

#### Review of operations

Overall, Central Victorian Investments Ltd has had a very profitable year.

The liquidity position remains within the board's targeted range as at 30 June 2024, with depositor funds increasing by 3.75% over the prior year balance being offset by a 12.84% increase in loans under management. We will continue to attempt to find more quality lending opportunities to maintain the liquidity position of the company. The directors do not expect any losses on loans and are expecting continued profitability.

#### Significant changes in the state of affairs

There were no significant changes in the state of affairs of CVI during the financial year.

#### Matters subsequent to the end of the financial year

Details are included in note 25 of the financial statements.

#### Likely developments and expected results of operations

There are no specific likely developments in the operations of CVI other than the continued diligent efforts to promote the business.

### **Environmental regulation**

CVI's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory of Australia.

### **Shares**

There were no unissued ordinary shares of CVI under option outstanding at the date of this report.

### **Shares issued on the exercise of options**

There were no ordinary shares issued on the exercise of options during the period ended 30 June 2024 and up to the date of this report.

### **Information on directors**

David Peter Draper	First appointed as a director in 2015. Managing Director of Draper's Civil Contracting Pty Ltd since 1989. Directorships held in numerous Commercial, Industrial and Residential Property Businesses. Ownership interest of 21,070 shares in Central Victorian Investments Ltd.
Francis Damien Frawley	First appointed as a director in 1993. A practicing solicitor. Special Counsel of Nevett Wilkinson Frawley. Life governor of Child & Family Services Inc. Ownership interest of 20,038 shares in Central Victorian Investments Ltd.
Mark Andrew Harrison Bain	First appointed as a director in 2019. Bachelor of Arts. Mark also has a background and interests in the property development business and directorships in this space. Manager of a local retail business for last 26 years. Ownership interest of 2,500 shares in Central Victorian Investments Ltd.
Peter John Catramados	First appointed as a director in 2015. A Fellow of the Mortgage and Finance Association of Australia (MFAA). Past Victorian State President of the MFAA and National Director and current member of the MFAA Disciplinary Tribunal. Ownership interest of 20,448 shares in Central Victorian Investments Ltd.
Dominic Peter Dunne	First appointed as a director in 2020. Dominic is a CPA, with extensive tax and business services experience. He has also spent time working on the other side on both family businesses and listed multi-national companies. Dominic is also a Xero Certified Consultant. Ownership interest of 3,083 shares in CVI.

### **Meetings of directors**

During the financial year, 11 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Number eligible to attend	Number Attended
David Peter Draper	11	10
Francis Damien Frawley	11	11
Mark Andrew Harrison Bain	11	10
Peter John Catramados	11	9
Dominic Dunne	11	7

**Directors' report**  
**For the Year Ended 30 June 2024**

**Indemnity and insurance of officers**

CVI has indemnified the directors of the company for costs incurred, in their capacity as a director, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, CVI paid a premium in respect of a contract to insure the directors of the company against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

**Indemnity and insurance of auditor**

CVI has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, CVI has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

**Proceedings on behalf of the company**

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of CVI, or to intervene in any proceedings to which CVI is a party for the purpose of taking responsibility on behalf of CVI for all or part of those proceedings.

**Rounding of amounts**

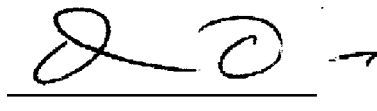
CVI is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off to the nearest dollar.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors

  
Francis Damien Frawley  
Dominic Peter Dunne

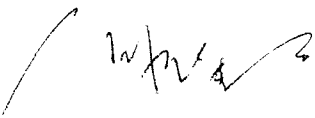
Dated this 12th day of August 2024

## Auditor Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Central Victorian Investments Ltd

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

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

*CountPro Audit Pty Ltd*  
CountPro Audit Pty Ltd



William Ko  
Director

Signed at Ballarat, 9<sup>th</sup> August 2024

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## Statement of profit or loss and other comprehensive income

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Administration fees		31,038	30,525
Application fees		468,904	401,159
Interest		12,789,311	9,688,137
Rental income		117,580	112,421
<b>Total revenue</b>		<b>13,406,833</b>	<b>10,232,242</b>
Accounting fees		25,000	16,008
Advertising & promotions		80,696	52,188
Annual leave		11,488	(3,161)
Audit fees		35,000	34,008
Bank fees and charges		21,749	14,126
Cleaning		5,228	4,661
Commission		109,955	106,482
Computer expenses		49,176	45,508
Depreciation		28,924	24,582
Fringe benefits tax		6,071	2,917
Heat, light, power & utilities		3,846	5,664
Insurance		139,484	139,979
Interest		7,196,522	4,699,012
Investment consulting		21,780	21,780
Land tax		7,098	5,039
Legal fees		17,882	8,800
Licence & registration fees		7,264	6,801
Long service leave		-	11,652
Motor vehicle expenses		13,504	9,131
Office repairs		8,990	37,093
Postage		9,264	8,100
Printing and stationery		7,722	7,730
Sponsorships		13,025	15,262
Subscriptions		15,871	9,899
Sundry expenses		391	1,980
Superannuation – Staff		51,764	39,860
Superannuation – Directors		18,755	14,963
Telephone		5,380	6,086
Travel & conference expenses		29,554	35,238
Trustee fees		183,024	178,871
Valuation fees		2,200	525
Wages – Staff		494,147	402,142
Wages – Directors		170,500	142,500
<b>Total expenses</b>		<b>8,791,254</b>	<b>6,105,426</b>
<b>Operating profit before income tax expense</b>		<b>4,615,579</b>	<b>4,126,816</b>
Net gain on revaluation of investment property		50,000	-
Legal recovery from CDO's previously written off as a bad debt		-	71,630
<b>Profit before income tax expense</b>		<b>4,665,579</b>	<b>4,198,446</b>
Income Tax Expense	17	(1,171,173)	(1,053,247)
<b>Profit after income tax expense for the period</b>		<b>3,494,406</b>	<b>3,145,199</b>
<b>Other comprehensive income, net of income tax</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Net loss on revaluation of land and buildings, net of tax		(16,542)	-
<b>Total comprehensive income for the year</b>		<b>3,477,864</b>	<b>3,145,199</b>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

## Statement of Financial Position

As at 30 June 2024

	Note	2024 \$	2023 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	2	11,692,928	16,915,996
Receivables	3	592,006	518,550
Financial assets	4	14,010,000	16,010,000
Loans secured by mortgage	5	129,341,145	114,620,672
Other assets	6	110,346	98,052
<b>Total current assets</b>		<b>155,746,425</b>	<b>148,163,270</b>
<b>Non-current assets</b>			
Property, plant and equipment	7	1,387,327	1,380,643
Investment property	8	1,150,000	1,100,000
Deferred tax assets	18	36,832	34,905
Intangible assets	9	100,000	100,000
<b>Total non-current assets</b>		<b>2,674,159</b>	<b>2,615,548</b>
<b>Total assets</b>		<b>158,420,584</b>	<b>150,778,818</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	10	2,049,610	1,562,243
Debentures	11	124,938,623	118,586,551
Provisions	12	97,464	85,549
Tax liabilities	18	271,596	288,301
<b>Total current liabilities</b>		<b>127,357,293</b>	<b>120,522,644</b>
<b>Non-current liabilities</b>			
Debentures	11	15,794,411	17,054,370
Provisions	12	11,627	12,055
Deferred tax liabilities	18	259,138	252,152
<b>Total non-current liabilities</b>		<b>16,065,176</b>	<b>17,318,577</b>
<b>Total liabilities</b>		<b>143,422,469</b>	<b>137,841,221</b>
<b>Net assets</b>		<b>14,998,115</b>	<b>12,937,597</b>
<b>Equity</b>			
Issued capital	13	2,711,196	2,711,196
Reserve	14	787,015	803,557
Retained earnings		11,499,904	9,422,844
<b>Total equity</b>		<b>14,998,115</b>	<b>12,937,597</b>

The above statement of financial position should be read in conjunction with the accompanying notes.



## Statement of changes in equity

For the year ended 30 June 2024

		Ordinary Shares \$	Retained Earnings \$	Asset Revaluation Reserve \$	Total \$
2024	Note				
Balance at 1 July 2023		2,711,196	9,422,844	803,557	12,937,597
Profit after income tax		-	3,494,406	-	3,494,406
Shares issued during the year	13	-	-	-	-
Effect on revaluation reserve from property valuation		-	-	(16,542)	(16,542)
Dividends paid	19	-	(1,417,346)	-	(1,417,346)
Balance at 30 June 2024		<u>2,711,196</u>	<u>11,499,904</u>	<u>787,015</u>	<u>14,998,115</u>

		Ordinary Shares \$	Retained Earnings \$	Asset Revaluation Reserve \$	Total \$
2023	Note				
Balance at 1 July 2022		2,711,196	6,864,801	803,557	10,379,554
Profit after income tax		-	3,145,199	-	3,145,199
Shares issued during the year	13	-	-	-	-
Effect on revaluation reserve from property valuation		-	-	-	-
Dividends paid	19	-	(587,156)	-	(587,156)
Balance at 30 June 2023		<u>2,711,196</u>	<u>9,422,844</u>	<u>803,557</u>	<u>12,937,597</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

## Statement of cash flows

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
<b>Cash flows from operating activities</b>			
Interest and fees received		13,333,377	10,074,305
Interest paid		(6,699,534)	(3,886,812)
Payments to suppliers and employees		(1,576,236)	(1,370,211)
Income tax paid		(1,177,306)	(942,690)
<b>Net cash provided by operating activities</b>	24	<u>3,880,301</u>	<u>3,874,592</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(57,663)	(9,818)
Net movement in secured loans		(14,720,473)	(17,200,107)
Payments for deposits with more than 3 months to maturity		(2,000,000)	-
<b>Net cash used in investing activities</b>		<u>(16,778,136)</u>	<u>(17,209,925)</u>
<b>Cash flows from financing activities</b>			
Dividends paid		(1,417,346)	(587,156)
Net movement in deposits		5,092,113	20,555,508
<b>Net cash provided by financing activities</b>		<u>3,674,767</u>	<u>19,968,352</u>
Net increase/(decrease) in cash and cash equivalents held		(9,223,068)	6,633,019
Cash and cash equivalents at beginning of year		32,925,996	26,292,977
<b>Cash and cash equivalents at the end of the financial year</b>	2	<u>23,702,928</u>	<u>32,925,996</u>

*The above statement of cash flows should be read in conjunction with the accompanying notes.*

## Notes to the Financial Statements

For the Year Ended 30 June 2024

This financial report covers the financial statements and notes of Central Victorian Investments Ltd. Central Victorian Investments Ltd is a for-profit Company domiciled in Australia. The financial statements were authorised for issue by the Board of Directors on 12 August 2024.

### Note 1: Summary of Material Accounting Policies

#### Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

The financial statements, except cash flow information, 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.

The amounts presented in the financial statements have been presented in Australian dollars and rounded to the nearest dollar.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Income tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated 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 enacted or substantively enacted at the end of the reporting year. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2024**

**(b) Cash and cash equivalents and short-term investments**

Cash and cash equivalents include cash on hand and deposits held at call with banks.

For the purpose of the statement of cash flows, cash and cash equivalents also includes other short-term highly liquid investments with original maturities of three months or less which are convertible to a known amount of cash and subject to an insignificant risk of change in value. Short term highly liquid investments are disclosed as part of investments in the statement of financial position and are further detailed in Note 4.

**(c) Loans secured by mortgage**

All loans secured by mortgage are recorded under current receivables, as they have been advanced on the basis that they are recoverable in full within 90 days of service by the mortgagee of written demand.

This was previously 30 days, however, the board has resolved to offer a 90 day call to borrowers as 30 days is not possible in the current climate.

**(d) Provision for doubtful loans**

The company has assessed loans in arrears and no specific provision was deemed to be necessary.

**Notes to the Financial Statements  
For the Year Ended 30 June 2024**

**(e) Financial instruments**

*Classification*

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

- amortised cost

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

*Amortised cost*

Assets measured at amortised cost are financial assets where:

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

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

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

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

*Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis.

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.

*Impairment on non-financial assets*

Impairment of trade receivables and contract assets have been determined using the simplified approach which uses an estimation of lifetime expected credit losses. As a result, no provision has been made.

**Notes to the Financial Statements  
For the Year Ended 30 June 2024**

**(f) Property, Plant and Equipment**

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

*Property*

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers.

All freehold land and buildings are recognised in the statement of financial position under property, plant and equipment as the land buildings are integral to the ongoing operations of the company. Periodically rental income is earned from leasing part of the Company's land and buildings but this rental income is considered incidental to the primary strategic purpose of retaining the asset.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against this reserve directly in equity; all other decreases are charged to the statement of comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

*Plant and equipment*

Plant and equipment are measured on the cost basis. Cost includes expenditure that is directly attributable to the asset.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows, which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

*Depreciation*

The depreciable amount of all fixed assets including buildings, but excluding freehold land, is depreciated on a diminishing value or straight-line basis over the asset's useful life to the Company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets which are consistent with the prior year are:

Buildings	2.5% straight-line
Computer Software	25-50% diminishing value and straight-line
Plant and Equipment	10-66.7% diminishing value and straight-line

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**(g) Investment Property**

Investment property is held to generate long-term rental yields and capital growth. Investment property is carried at fair value, as determined by independent valuers. Changes to fair value are recorded in the statement of comprehensive income as other income/expenses.

**(h) Intangible assets – goodwill**

Under AASB 3: *Business Combinations*, goodwill is capitalised to the balance sheet and subjected to an annual impairment test. Amortisation of goodwill is prohibited. There was no impairment of goodwill in the years ended 30 June 2024 or 30 June 2023.

**(i) Trade and other payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2024**

**(j) Employee benefits**

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting year. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

Contributions are made by the Company to an employee superannuation fund and are charged as expenses when incurred.

**(k) Revenue and other income**

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of Central Victorian Investments Ltd's activities as discussed below:

- Loan interest is calculated and accrued on the daily balance outstanding and is charged in arrears to a member's account on the last day of each month.
- Interest on Investments is recognised on a proportional basis taking into account interest rates applicable to financial assets.
- Rental income is recognised in accordance with the lease agreement.
- Administration fees are recognised on a six monthly basis in arrears.
- Application fees are recognised on establishment of the loan.

**(l) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

**(m) Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

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

As a financial institution, CVI is input taxed on all revenue except for revenue from commissions, rents and some fees. An input taxed supply is not subject to GST collection and similarly the GST paid on related or apportioned purchases cannot be recovered. As some income is charged GST, the GST on purchases are generally recovered on a proportionate basis. In addition certain prescribed purchases are subject to reduced input tax credits ('RITC'), of which 75% of the GST paid is recoverable.

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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**Notes to the Financial Statements  
For the Year Ended 30 June 2024**

**(o) Critical accounting estimates and judgments**

Management has been involved in the development, selection and disclosure of the Company's critical accounting policies and estimates and the application of these policies and estimates. In particular, information about areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 5 - Loans Secured by Mortgage - provision for estimated credit losses assessment
- Note 7 - Property, Plant and Equipment - fair value assessment
- Note 8 - Investment Property
- Note 9 - Intangible Asset - fair value assessment - recoverable amount

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

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.

**(p) Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**(q) New accounting standards and interpretations not yet mandatory or early adopted**

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.



Notes to the financial statements  
30 June 2024

**Note 2: Cash and cash equivalents**

*Current*

Cash at bank and in hand

2024  
\$

2023  
\$

11,692,928

16,915,996

*Reconciliation to cash and cash equivalents at the end of the financial year*

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

Cash and cash equivalents

11,692,928

16,915,996

Short term deposits held with banks/ADIs with less than 3 months to maturity

12,010,000

16,010,000

**Balance as per statement of cash flows**

23,702,928

32,925,996

**Note 3: Receivables**

*Current*

Accrued interest on investments

75,257

86,875

Accrued interest on loans

516,749

431,675

592,006

518,550

**Note 4: Financial assets**

*Current*

Investments

14,010,000

16,010,000

**Note 5: Loans Secured by Mortgage**

*Current*

Loans secured by mortgage

129,341,145

114,620,672

Less: provision for expected credit losses

-

-

129,341,145

114,620,672

An analysis on the loans 'past due but not impaired' can be found in Note 16(a) under the heading Credit Risk Exposures.

The loans above can be divided into the following segments:

Residential

77,332,556

73,938,943

Rural

7,390,582

5,117,980

Commercial

11,733,413

4,642,326

Subdivisional land

3,395,698

5,084,859

Industrial

9,720,903

6,416,983

Specialised accommodation

1,260,943

6,274,506

Construction/Development

18,507,050

13,145,075

129,341,145

114,620,672

CVI holds security over the loans to the value of \$319,877,410 (2023: \$288,735,858).

**Note 6: Other Assets**

*Current*

Prepayments

110,346

98,052

Notes to the financial statements  
30 June 2024

	2024 \$	2023 \$
<b>Note 7: Property, plant and equipment</b>		
<i>Non-current</i>		
<b>LAND AND BUILDINGS</b>		
Freehold land		
At fair value (valuation: 6 April 2022)	-	850,000
At fair value (valuation: 30 June 2024)	<b>850,000</b>	-
	<b>850,000</b>	850,000
Buildings		
At fair value (valuation: 6 April 2022)	-	500,000
At fair value (valuation: 30 June 2024)	<b>450,000</b>	-
Less: accumulated depreciation	-	(15,445)
<b>Total buildings</b>	<b>450,000</b>	484,555
<b>Total land and buildings</b>	<b>1,300,000</b>	1,334,555
<b>PLANT AND EQUIPMENT</b>		
Plant and equipment - at cost	<b>403,265</b>	345,602
Less: accumulated depreciation	<b>(315,938)</b>	(299,514)
<b>Total plant and equipment</b>	<b>87,327</b>	46,088
<b>Total property, plant and equipment</b>	<b>1,387,327</b>	1,380,643

*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:

	Land \$	Buildings \$	Plant and equipment \$	Total \$
<b>2024</b>				
Balance at the beginning of year	850,000	484,555	46,088	1,380,643
Additions	-	-	57,663	57,663
Revaluation decrement	-	(22,055)	-	(22,055)
Depreciation expense	-	(12,500)	(16,424)	(28,924)
Balance at the end of year	<b>850,000</b>	<b>450,000</b>	<b>87,327</b>	<b>1,387,327</b>
<b>2023</b>				
Balance at the beginning of year	850,000	497,055	48,352	1,395,407
Additions	-	-	9,818	9,818
Depreciation expense	-	(12,500)	(12,082)	(24,582)
Balances at the end of the year	<b>850,000</b>	<b>484,555</b>	<b>46,088</b>	<b>1,380,643</b>

*Historical cost*

If land and buildings were stated under the historical cost convention, the amounts would be as follows:

	2024 \$	2023 \$
Land at cost	<b>250,000</b>	250,000
Buildings at cost	<b>266,215</b>	266,215
Less: Accumulated depreciation	<b>(131,329)</b>	(126,005)
<b>Net Book Value</b>	<b>384,886</b>	390,210

The revaluation of freehold land and buildings was based on the assessment of their current market value and the asset's highest and best use. The independent revaluation was carried out by Mr Darren Evans, Director, AAPI Member No: 62322, CPV & Mr Peter Murphy, Director, AAPI Member No: 62963, CPV, on 30 June 2024 and applied effective 30 June 2024.

Notes to the financial statements  
30 June 2024

	2024 \$	2023 \$
<b>Note 8: Investment Property</b>		
<i>Non-current</i>		
Balance at beginning of year	1,100,000	1,100,000
Fair value adjustments	50,000	-
Balance at end of year	<u>1,150,000</u>	<u>1,100,000</u>

The revaluation of investment property was based on the assessment of their current market value and the asset's highest and best use. The independent revaluation was carried out by Mr Darren Evans, Director, AAPI Member No: 62322, CPV & Mr Peter Murphy, Director, AAPI Member No: 62963, CPV, on 30 June 2024 and applied effective 30 June 2024.

**Note 9: Intangible Assets**

*Non-current*

Goodwill - contributory mortgage practice	<u>100,000</u>	<u>100,000</u>
-------------------------------------------	----------------	----------------

Goodwill is allocated to cash-generating units which are based on CVI's loan and depositor segments. The recoverable amount of the cash-generating unit is determined based on value-in-use calculations.

**Note 10: Trade and Other Payables**

*Current*

*Unsecured liabilities*

Accrued interest on deposits	2,010,247	1,513,259
Sundry payables and accrued expenses	39,363	48,984
	<u>2,049,610</u>	<u>1,562,243</u>

**Note 11: Debentures**

*Current*

Not longer than 3 months	19,918,005	19,435,325
Longer than 3 and not longer than 12 months	105,020,618	99,151,226
	<u>124,938,623</u>	<u>118,586,551</u>

*Non-current*

Longer than 12 and not longer than 24 months	15,794,411	17,054,370
	<u>140,733,034</u>	<u>135,640,921</u>

**Note 12: Provisions**

*Current*

Provision for annual leave	34,507	23,020
Provision for long service leave	62,957	62,529
	<u>97,464</u>	<u>85,549</u>

*Non-current*

Provision for long service leave	11,627	12,055
	<u>109,091</u>	<u>97,604</u>

**Note 13: Issued Capital**

Ordinary – fully paid	<u>2,711,196</u>	<u>2,711,196</u>
-----------------------	------------------	------------------

	No.	No.
At the beginning of the reporting period	110,692	110,692
Shares issued during the year	-	-
At the end of the reporting period	<u>110,692</u>	<u>110,692</u>

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the company. On a show of hands at meetings of the company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

**Notes to the financial statements**  
**30 June 2024**

**Capital Management**

Management controls the capital of the group in order to maintain a compliant debt to equity ratio, provide the shareholders with adequate returns and to ensure that the company can fund its operations and continue as a going concern. The company's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

The entity needs to meet certain capital requirements imposed by its Trustee. These capital requirements have been met for the year ended 30 June 2024. Management effectively manages the company's capital by assessing the company's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of depositor and loan levels and distributions to shareholders.

There have been no changes in the strategy adopted by management to control the capital of the company since the prior year. The trust deed requires the entity to maintain a tangible net asset value of \$500,000. The calculation of the tangible net asset value is as follows:

	2024 \$	2023 \$
Total net assets per financial statements	14,998,115	12,937,597
<b>Exclude:</b>		
Deferred tax asset	36,832	34,905
Deferred tax liability	(259,138)	(252,152)
Goodwill	100,000	100,000
<b>Total tangible net assets</b>	<u>14,875,809</u>	<u>13,054,844</u>

**Note 14: Reserves**

*Asset Revaluation Reserve*

The asset revaluation reserve accounts for the unrealised gains on assets due to revaluation to fair value.

**Note 15: Capital Commitments & Contingencies**

*Contingent Assets & Liabilities*

In the opinion of the directors, CVI did not have any contingencies at 30 June 2024 (30 June 2023: nil).

Capital Commitments committed at the reporting date but not recognised as liabilities, payable:

- Not later than one year	-	56,073
	<u>-</u>	<u>56,073</u>

Capital commitments in the prior year relate to a purchase of a motor vehicle.

**Note 16: Financial Risk Management**

The main risks CVI is exposed to is through its financial instruments. These include are credit risk, liquidity risk and market risk in relation to interest rate risk.

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable, loans and debentures.

The totals for each category of financial instruments held by the company are as follows:

Financial assets	Note		
Cash and cash equivalents	2	11,692,928	16,915,996
Financial assets	4	14,010,000	16,010,000
Loans secured by mortgage	5	129,341,145	114,620,672
<b>Total financial assets</b>		<u>155,044,073</u>	<u>147,546,668</u>
<b>Financial liabilities</b>			
Debentures	11	140,733,034	135,640,921
<b>Total financial liabilities</b>		<u>140,733,034</u>	<u>135,640,921</u>

**Notes to the financial statements**  
**30 June 2024**

Cash and cash equivalents and financial assets are held with major Australian owned banks, which are regulated by the Australian Prudential Regulation Authority. Bankruptcy or insolvency by those banks may cause the company's rights with respect to the cash held by those banks to be delayed or limited.

**Financial risk management policies**

The directors' overall risk management strategy seeks to assist the company in meeting its financial targets whilst minimising potential adverse effects on financial performance. The General Manager has primary responsibility for the development of relevant policies and procedures to mitigate the risk exposure of the company. Risk management policies are reviewed by the directors on a regular basis. These include credit risk policies and cash flow requirements.

**(a) Credit risk**

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the company. The company has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the company.

*Credit risk exposures*

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the company.

Credit risk associated with loans secured by mortgage is considered low as the company holds first mortgage security to minimise the risk of a borrower failing to discharge its obligations or commitments to the company. The company's outstanding loans are regularly reviewed to ensure compliance with required payments and conditions.

The following table details the company's loans secured by mortgage exposure to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the company and the customer or counterparty to the transaction. Loans secured by mortgage that are past due are assessed for impairment by ascertaining the solvency of the counterparty to the transaction and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the company.

The total value of mortgage loans at the balance date in arrears but not impaired was \$554,036 (2023: \$210,461) the ageing of which is set out in the table below.

	2024 Loan amounts \$	2023 Loan amounts \$	2024 Repayments in arrears \$	2023 Repayments in arrears \$
<b>Composition of loans in arrears but not impaired</b>				
Greater than 30 days but less than 60 days	-	-	-	-
Greater than 60 days but less than 90 days	-	-	-	-
Greater than 90 days	-	200,000	-	10,461
	-	200,000	-	10,461

The loan in arrears at 30 June 2023 was fully recovered by way of sale on 7<sup>th</sup> April 2024. The capital improved value of the security settled for \$850,000.

The Company holds cash and cash equivalent assets and deposits with other financial institutions. The Company manages the risk of default by other financial institutions by only investing with organisations that have maintained a high credit rating.

The Company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Company.

**Notes to the financial statements**  
**30 June 2024**

**(b) 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 both normal and stressed conditions without incurring unacceptable losses or risking damage to the company's reputation.

The company is exposed to the liquidity risk of meeting at call debenture holders withdrawals at any time. The company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate liquid investments are held.

**(c) Net Fair Values**

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying values. No financial assets or financial liabilities are readily traded on organised markets in standardised form other than listed investments.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements. Fair values are in line with carrying values.

**(d) Interest rate risk**

The company's exposure to interest rate risk, which is the risk that a financial instrument value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates of classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Maturing within 1 Year		Maturing 1 to 5 Years		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial assets</b>										
Cash and cash equivalents	3.60%	3.50%	11,692,928	16,915,996	-	-	-	-	11,692,928	16,915,996
Short-term deposits	4.67%	4.09%	-	-	14,010,000	16,010,000	-	-	14,010,000	16,010,000
Loans secured by mortgage	9.59%	9.20%	129,341,145	114,620,672	-	-	-	-	129,341,145	114,620,672
<b>Total financial assets</b>			<b>141,034,073</b>	<b>131,536,668</b>	<b>14,010,000</b>	<b>16,010,000</b>	<b>-</b>	<b>-</b>	<b>155,044,073</b>	<b>147,546,668</b>
<b>Financial liabilities</b>										
Debentures	5.60%	4.55%	-	-	124,938,623	118,586,551	15,794,411	17,054,370	140,733,034	135,640,921
<b>Total financial liabilities</b>			<b>-</b>	<b>-</b>	<b>124,938,623</b>	<b>118,586,551</b>	<b>15,794,411</b>	<b>17,054,370</b>	<b>140,733,034</b>	<b>135,640,921</b>

**2024**  
**\$**                      **2023**  
**\$**

**Note 17: Income tax expense**

(a) *The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:*

Prima facie tax payable on profit from ordinary activities before income tax at 25% (2023: 25%)	<b>1,166,395</b>	1,049,612
Tax effect of:		
- non-deductible depreciation	<b>4,778</b>	3,635
<b>Income tax expense</b>	<b>1,171,173</b>	1,053,247

(b) *Tax effect relating to each component of other comprehensive income:*

Notes to the financial statements  
30 June 2024

	2024			2023		
	Before-tax amount \$	Tax (Expense) benefit \$	Net-of-tax amount \$	Before-tax amount \$	Tax (Expense) benefit \$	Net-of-tax amount \$
Gain/(loss) on land and buildings revaluation	(22,055)	5,513	(16,542)	-	-	-

	2024 \$	2023 \$
(c) <i>The components of tax expense comprise:</i>		
<i>Current Tax Expense</i>		
Current period tax liability	1,160,600	1,054,547
<i>Deferred Tax Expense</i>		
Net movement in deferred tax asset	(1,927)	(1,300)
Net movement in deferred tax liability	12,500	-
<b>Total income tax expense</b>	<b>1,171,173</b>	<b>1,053,247</b>

**Note 18: Tax**

(a) <i>Current tax liability</i>		
Income Tax Payable	271,596	288,301
(b) <i>Recognised deferred tax assets</i>		
Expenses not tax deductible until paid	27,273	24,401
Temporary timing differences	9,559	10,504
	<b>36,832</b>	<b>34,905</b>
(c) <i>Recognised deferred tax liabilities</i>		
Deferred tax liability - asset revaluation	259,138	252,152

**Note 19: Dividends and Franking Account Balance**

The following dividends were declared and paid:

Interim franked ordinary dividend of 0.88 (2023: nil) dollars per share	100,426	-
Interim franked ordinary dividend of 6.77 (2023: 2.65) dollars per share	746,612	293,578
Final franked ordinary dividend of 5.15 (2023: 2.65) dollars per share	570,308	293,578
	<b>1,417,346</b>	<b>587,156</b>

Franked dividends declared or paid during the year were franked at the tax rate of 25% (2023: 25%).

The ability to use the franking credits is dependent upon the entity's future ability to declare dividends.

**Franking account**

The franking credits available for subsequent financial years at a tax rate of 25% (2023: 25%)

<b>4,033,521</b>	<b>3,328,665</b>
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**Notes to the financial statements**  
**30 June 2024**

**20. Interests of Key Management Personnel**

The key management personnel of CVI is comprised of the company Directors and the General Manager, Brendan Gillett. The total of remuneration paid to key management personnel of CVI during the year, which represents the fixed salary of the General Manager, the Directors wages, and the related statutory superannuation charge, is as follows:

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Short-term employee benefits	<b>335,500</b>	282,500
Post-employment benefits	<b>46,905</b>	49,663
	<b><u>382,405</u></b>	<b><u>332,163</u></b>

**Note 21: Related Party Transactions**

- (i) As detailed in the current Prospectus in Section 5.7 'Security and Risk Assessment', the Company does not permit loans to Directors, Managers, Secretaries or Shareholders of the Company. Any loans made to staff members would be made on ordinary arms length terms. There were no loans made to staff members or outstanding from staff members for the years ended 30 June 2024 and 30 June 2023.
- (ii) The Directors, Staff and many direct family members connected to each, are investors / debenture holders in the Company, with such investments being made on a normal, arms length basis. For this reason it is not considered necessary to divulge total amounts held on these investments as it would potentially breach the privacy of the individuals concerned.
- (iii) During the year rental income of \$76,636 (2023: \$72,208) was received from Nevett Wilkinson Frawley, a firm of solicitors of which one of the current directors of the company is Special Counsel of the firm. The rent was charged at commercial rates for the use of office space in Ballarat.

**Note 22: Auditor's Remuneration**

*Remuneration of the auditor of the company for:*

Auditing and reviewing the financial statements and prospectus - Countpro Audit Pty Ltd	<b><u>35,350</u></b>	<b><u>34,100</u></b>
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**Note 23: Fair Value Measurement**

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

- Property, plant and equipment
- Investment property

*Fair value hierarchy*

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

**Level 1:** Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** Unobservable inputs for the asset or liability.



**Notes to the financial statements**  
**30 June 2024**

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

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>2024</b>				
Property, plant and equipment - land and buildings	-	1,300,000	-	1,300,000
Investment property	-	1,150,000	-	1,150,000
	-	2,450,000	-	2,450,000
<b>2023</b>				
Property, plant and equipment - land and buildings	-	1,350,000	-	1,350,000
Investment property	-	1,100,000	-	1,100,000
	-	2,450,000	-	2,450,000

**Level 2 measurements**

The revaluation of freehold land and buildings and investment property was based on the assessment of their current market value and the asset's highest and best use. The independent revaluation was carried out by Mr Darren Evans, Director, AAPI Member No: 62322, CPV & Mr Peter Murphy, Director, AAPI Member No: 62963, CPV, on 30 June 2024 and applied effective 30 June 2024.

**Highest and best use**

The current use of each asset measured at fair value is considered to be its highest and best use.

	2024 \$	2023 \$
<b>Note 24: Cash flow information</b>		
<i>Reconciliation of net income to net cash provided by operating activities:</i>		
Profit for the year	3,494,406	3,145,199
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	28,924	24,582
- gain on revaluation of investment property	(50,000)	-
Changes in assets and liabilities:		
- (increase)/decrease in receivables	(73,456)	(229,565)
- (increase) in other assets	(12,294)	(2,714)
- decrease/(increase) in deferred tax assets	(1,927)	(1,300)
- increase/(decrease) in trade and other payables	487,367	818,041
- increase/(decrease) in tax liabilities	(11,192)	111,857
- increase in deferred tax liabilities	6,986	-
- increase in employee benefits	11,487	8,492
<b>Cashflow from operations</b>	<b>3,880,301</b>	<b>3,874,592</b>

**Note 25: Events after the reporting period**

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the entity's operations, the results of those operations, or the entity's state of affairs in future financial years.

**Note 26: Company details**

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

Central Victorian Investments Ltd  
41 Lydiard Street South  
Ballarat Vic 3350

**Directors' declaration**

**30 June 2024**

In the directors' opinion:

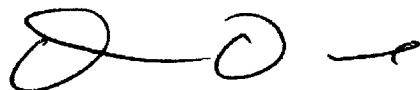
- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the directors



Francis Damien Frawley  
Director



Dominic Peter Dunne  
Director

Dated this 12th day of August 2024

## **Independent Auditor's Report**

### **To the Directors of Central Victorian Investments Ltd**

#### ***Opinion***

We have audited the financial report of Central Victorian 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, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material 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 and the *Corporations Regulations 2001*.

#### ***Basis for Opinion***

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

#### ***Responsibilities of Management and the Directors for the Financial Report***

Management of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is 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 has no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

#### ***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.

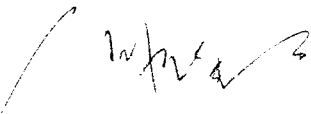
**Independent Auditor's Report****To the Directors of Central Victorian Investments Ltd**

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 management.
- Conclude on the appropriateness of management's 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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.

We 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 we identify during our audit.

*CountPro Audit Pty Ltd*  
CountPro Audit Pty Ltd



William Ko  
Director

Signed at Ballarat, 13<sup>th</sup> August 2024