

Bayside Invest Limited

ABN 96 662 899 434

**Financial Report for the
Year Ended 30 June 2024**

BAYSIDE INVEST LIMITED

ACN 662 899 434

DIRECTORS' REPORT

The Directors present their report together with the financial statements of Bayside Invest Limited ("the Company"), for the financial year ended 30 June 2024 and the auditor's report thereon.

Directors

The names of the directors in office at any time during or since the end of the period are:

- Mr John B Gorman - appointed 5th October 2022
- Mr Ross A Mulquiney - appointed 5th October 2022
- Mr Nicholas L Mulquiney - appointed 5th October 2022
- Mr Robert B Pearson - appointed 5th October 2022
- Mr Kevin J Wheatley - appointed 5th October 2022

Secretary

Mr Matthew S Denny - appointed 5th October 2022

Operating results

The loss of the company for the period after providing for income tax amounted to (\$97,288)

Significant changes in state of affairs

The Company was incorporated on the 5th October 2022.

Principal activities

The principal activities of the company during the period were mortgage lending, property and general investment.

No significant change in the nature of this activity occurred during the period.

Matters or circumstances arising after end of the period

No matters or circumstances have arisen since the end of the period which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future periods.

Future developments and results

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

Dividends paid or declared

Dividends paid or declared since the start of the year are as follows:

- (a) Fully franked dividends of \$0 were paid during the period (2023: \$0).
- (b) There were no fully franked dividends declared on 30 June 2024 for payment during a later period.

Share options

No options over issued shares or interests in the company were granted during or since the end of the period and there were no options outstanding at the date of this report.

Indemnification and insurance of Officers and auditors

The Company has not given any indemnities to Directors, Officers or Auditors.

The Company has arranged Directors' and Officers' Liability insurance coverage, against legal costs imposed on Directors and Officers, in a manner that complies with the *Corporations Act 2001*.

BAYSIDE INVEST LIMITED

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DIRECTORS' REPORT (Continued)

Proceedings on behalf of company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the period.

Information on directors

John B Gorman LL.B. was appointed a director of the company on 5th October 2022. John is a former partner in the legal firm of Hargraves Solicitors and now is a employee of the same firm. John is a past president of PROVIC. John has extensive experience in legal, mortgage and property issues. John is actively involved in the management of the company

Ross A Mulquiney LL.B. was appointed a director of the company on 5th October 2022. Ross is the owner of the legal firm Hargraves Solicitors and has extensive experience in legal, mortgage and property issues. Ross is actively involved in the management of the company

Nicholas L Mulquiney BE (Hons), BA, MBA was appointed a director of the company on 5th October 2022. Nicholas has extensive finance and construction experience in mortgage and property issues. Nicholas is actively involved in the management of the company

Kevin Wheatley was appointed a director of the company on 5th October 2022. Kevin has extensive finance and construction experience in mortgage and property issues. Kevin is actively involved in the management of the company

Robert Pearson was appointed a director of the company on 5th October 2022. Robert has extensive finance and construction experience in mortgage and property issues. Robert is actively involved in the management of the company

All directors have extensive experience in mortgage and property issues and are all actively involved in the management of the company. Directors meetings are held on a monthly basis.

Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 3 and forms part of the Directors' report for the financial year ended 30 June 2024.

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

Director


Mr R A Mulquiney

.....
Mr J B Gorman

Dated this 19th September 2024.

AUDITORS INDEPENDENCE DECLARATION

As lead auditor for the audit of Bayside Invest Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been:

- (a) No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (b) No contraventions of any applicable code of professional conduct in relation to the audit.

JOHN L BUSH & CAMPBELL
Chartered Accountants

Peter King
Partner

19 September 2024
Wagga Wagga

BAYSIDE INVEST LIMITED

ACN 662 899 434

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

	NOTE	2024 \$	2023 \$
Interest revenue	2	5,112	480
Interest expense		<u>-</u>	<u>-</u>
Net interest revenue		5,112	480
Non-interest revenue	2	-	-
Other expenses	3	<u>(102,400)</u>	<u>(170,577)</u>
Profit/(Loss) before income tax		(97,288)	(170,097)
Income tax expense		<u>-</u>	<u>-</u>
Profit/(Loss) for the period		<u><u>(97,288)</u></u>	<u><u>(170,097)</u></u>

To be read in conjunction with the accompanying notes

BAYSIDE INVEST LIMITED

ACN 662 899 434

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024**

	NOTE	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	531,038	184,504
Trade and other receivables	5	707	75
Other Assets		1,125	-
TOTAL CURRENT ASSETS		<u>532,871</u>	<u>184,579</u>
TOTAL NON CURRENT ASSETS		-	-
TOTAL ASSETS		<u>532,871</u>	<u>184,579</u>
LIABILITIES			
CURRENT LIABILITIES			
Interest-bearing liabilities		203	-
Trade and other payables	6	20,052	4,675
TOTAL CURRENT LIABILITIES		<u>20,255</u>	<u>4,675</u>
TOTAL NON CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		<u>20,255</u>	<u>4,675</u>
NET ASSETS		<u>512,616</u>	<u>179,904</u>
EQUITY			
Issued capital	7	780,001	350,001
Retained earnings	8	(267,385)	(170,097)
TOTAL EQUITY		<u>512,616</u>	<u>179,904</u>

To be read in conjunction with the accompanying notes

BAYSIDE INVEST LIMITED

ACN 662 899 434

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED
30 JUNE 2024**

	Note	Issued Capital	Retained Earnings	Total
Opening balance at 1 July 2022		-	-	-
Profit attributable to members		-	(97,288)	(97,288)
Subtotal		-	(97,288)	(97,288)
Share Issues/(redemptions)		350,001	-	350,001
Closing balance at 30 June 2023		350,001	(97,288)	252,713
Opening balance at 1 July 2023		350,001	(170,097)	179,904
Profit attributable to members		-	(97,288)	(97,288)
Subtotal		350,001	(267,385)	82,616
Share Issues/(redemptions)		430,000	-	430,000
Closing balance at 30 June 2024		780,001	(267,385)	512,616

To be read in conjunction with the accompanying notes

BAYSIDE INVEST LIMITED

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**CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED
30 JUNE 2024**

	NOTE	2024 \$	2023 \$
Cash Flow From Operating Activities			
Interest received		4,480	405
Interest paid		(3)	0
Net (increase)/decrease in loans and advances		203	
Payments to suppliers and employees		<u>(88,146)</u>	<u>(165,902)</u>
Net cash provided by/(or used in) operating activities	10	<u>(83,466)</u>	<u>(165,497)</u>
Cash Flow From Investing Activities			
Proceeds from sale of investment property		-	-
Payments for property, plant & equipment		<u>-</u>	<u>-</u>
Net cash (used in)/from investing activities		<u>-</u>	<u>-</u>
Cash Flow From Financing Activities			
Proceeds from shares issued		430,000	350,001
Net cash provided by/(or used in) financing activities		<u>430,000</u>	<u>350,001</u>
Net (decrease)/increase in cash held		346,534	184,504
Cash at the beginning of the period		<u>184,504</u>	-
Cash at the end of the period	4	<u><u>531,038</u></u>	<u><u>184,504</u></u>

To be read in conjunction with the accompanying notes

BAYSIDE INVEST LIMITED

ACN 662 899 434

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30 JUNE 2024**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report covers the financial statements of Bayside Invest Limited. (the Company). Bayside Invest Limited is a company limited by shares, incorporated and domiciled in Australia. The financial statements were authorised for and issued by the board of directors on 19 September 2024.

(a) Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The financial statements are presented in Australian dollars.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB.

Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The preparation of financial statements in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of Australian Accounting Standards that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 1(i).

(b) Income recognition

Interest revenue

Interest income arising from financial assets held at amortised cost is recognised using the effective interest method.

All revenue is stated net of the amount of goods and services tax (GST).

BAYSIDE INVEST LIMITED

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30 JUNE 2024**

(c) Income tax

The charge for current income tax expense is based on the profit for the period adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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 is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the Profit or Loss except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by law.

Current and deferred tax balances are recognised in the profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In that case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(d) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than three months and net of bank overdrafts.

Interest-bearing deposits held by the Company in other financial institutions are financial assets with fixed or determinable payments that are held within a business model whose objective is to hold assets to collect contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. Such assets are recognised initially at cost plus any directly attributable transaction costs.

Subsequent to initial recognition they are measured at amortised cost using the effective interest rate method, less any expected credit losses / impairment losses.

(e) Trade and Other Payables

Trade and other payables are stated at their amortised cost. Trade payables are non-interest bearing and are normally settled in accordance with supplier terms.

BAYSIDE INVEST LIMITED

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30 JUNE 2024**

(f) Share Capital

(i) Dividends

Dividends are recognised as a liability in the period in which they are declared.

(ii) Transaction costs

Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit.

(g) Going Concern

The financial report has been prepared on a going concern basis that considers the continuity of normal operating activities and the realisation of assets and settlement of liabilities in the normal course of business.

The Company's main activities are to sell notes to investors and then on lend the funds invested on the security of registered mortgages over real property in Australia.

(h) 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. 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.

As an entity involved in financial supplies, the Company 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 apportioned purchases cannot be recovered.

(i) New or amended accounting standards adopted

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

(j) New Accounting Standard – Issued Not Yet Effective

The Company has reviewed the impact of recent pronouncements and changes to Australian Accounting Standards and have determined that these pronouncements will not have a material effect on the financial position or performance of the Company in the future.

BAYSIDE INVEST LIMITED

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30 JUNE 2024**

	2024	2023
	\$	\$
NOTE 2: INTEREST AND OTHER REVENUE		
<u>Interest Revenue</u>		
Investment securities, cash and liquid assets	5,112	480
	<u>5,112</u>	<u>480</u>
<u>Other Revenue</u>		
Total Interest and Other Revenue	<u>5,112</u>	<u>480</u>
NOTE 3: OTHER EXPENSES		
Remuneration of auditors	6,765	7,183
Other expenses	95,635	163,394
Total Other Expenses	<u>102,400</u>	<u>170,577</u>
NOTE 4: CASH AND CASH EQUIVALENTS		
Cash at Bank	531,038	184,504
	<u>531,038</u>	<u>-</u>
NOTE 5: TRADE AND OTHER RECEIVABLES		
Accrued income	707	75
Total trade and other receivables	<u>707</u>	<u>-</u>
NOTE 6: TRADE AND OTHER PAYABLES		
CURRENT		
Accrued expenses	4,675	4,675
Creditors	15,377	-
Total trade and other payables	<u>20,052</u>	<u>4,675</u>
NOTE 7: ISSUED CAPITAL		
Ordinary shares	50,001	50,001
Cumulative redeemable preference shares	730,000	300,000
	<u>780,001</u>	<u>350,001</u>

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.

The holders of cumulative redeemable preference shares and employee share are entitled to receive non-cumulative dividends from time to time but attract no voting rights or capital entitlements upon winding up of the Company beyond the preferred face value of the shares.

Dividends

No Fully franked dividends of were paid during the period (2023: \$0).

Dividend franking account

No Franking credits are available to shareholders of the Company for subsequent financial years (2023: \$0). The ability to utilise franking credits is dependent upon there being sufficient available profits to declare dividends.

BAYSIDE INVEST LIMITED

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30 JUNE 2024**

	2024	2023
	\$	\$
NOTE 8: RETAINED EARNINGS		
Retained earnings at the beginning of the period	(170,097)	(170,097)
Net profit attributable to members of the company	(97,288)	-
Retained earnings at the end of the period	<u>(267,385)</u>	<u>(170,097)</u>

NOTE 9: AUDITORS REMUNERATION

Remuneration of the auditor of the company for auditing or reviewing the financial report and other services

	<u>6,765</u>	<u>7,183</u>
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NOTE 10: CASH FLOW INFORMATION

**Reconciliation of Cash Flow from Operations with
Profit after Income Tax**

Profit after income tax	(97,288)	(170,097)
Changes in assets and liabilities		
(Increase)/decrease in accrued interest receivable	(632)	(75)
Increase/(decrease) in debentures	203	
Increase/(decrease) in payables and accruals	14,251	4,675
Cash flows from operations	<u>(83,466)</u>	<u>(165,497)</u>

BAYSIDE INVEST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30 JUNE 2024

2024	2023
\$	\$

NOTE 11: KEY MANAGEMENT PERSONNEL DISCLOSURE

The following were key management personnel of the Company at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period:

John Brian Gorman - Director
Ross Anthony Mulquiney - Director
Nicholas Lindsay Mulquiney - Director
Robert B Pearson - Director
Kevin J Wheatley - Director
Matthew Scott Denny - Secretary

Short term employee benefits include (where applicable) wages, salaries, paid annual leave, paid sick leave, bonuses and the value of fringe benefits received but excludes out of pocket expense reimbursements. Share based payments include dividends paid in line with Employment.

Loans to key management personnel and other related parties

The Company does not permit loans to key management personnel.

NOTE 12: CAPITAL RISK MANAGEMENT

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

- to maintain a sufficient level of capital to provide a buffer against losses arising from unanticipated events and to safeguard its ability to continue as a going concern; and
- to optimise the level and use of its capital resources so that it can provide returns to the Company shareholders and benefits for other stakeholders.

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

BAYSIDE INVEST LIMITED

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30 JUNE 2024**

2024	2023
\$	\$

NOTE 13: SUBSEQUENT EVENTS

There has not arisen, in the interval between the end of the financial year and the date of this report, any item, transaction or event of a material and unusual nature likely to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent periods.

NOTE 14: CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The Company had no Contingent Liabilities and Capital Commitments as at the 30th June 2024 or as at the date per the Directors Report being the 20th September 2024.

NOTE 15: SEGMENT REPORTING

Bayside Invest Limited operates predominantly in the debenture issuing (unlisted, unrated mortgage financing) finance industry within Australia. Customers and clients are predominantly based in regional areas of New South Wales, Victoria and South Australia.

NOTE 16: COMPANY DETAILS

The registered office of the company is:

Bayside Invest Limited
18 Orr Street
Yarrawonga Vic 3730

BAYSIDE INVEST LIMITED


ACN 662 899 434

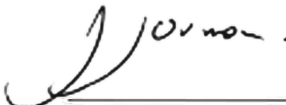
DIRECTORS' DECLARATION

The directors of the Company declare that:

- 1 The financial statements and notes, as set out on pages 4 to 14 are in accordance with the Corporations Act 2001; and
 - (a) comply with the Accounting Standards which as stated in accounting policy note 1 to the financial statements constitutes compliance with International Financial Reporting Standards; and
 - (b) give a true and fair view of the financial position as at 30 June 2024 of the company and of its performance for the year ended on that date
- 2 In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director 
Mr R A Mulquiney


Mr J B Gorman

Dated this 19th September 2024.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF:
BAYSIDE INVEST LIMITED**

Opinion

We have audited the accompanying financial report of Bayside Invest Limited, which comprises the Statement of Financial Position as at 30 June 2024, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the Directors' Declaration.

In our opinion, the financial report of Bayside Invest Limited 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 their performance for the year ended on that date; 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* section of our report. We are independent of the Company in accordance with 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 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.

Directors' Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the Directors determine 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, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

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.

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/Home.aspx>. This description forms part of our auditor's report.

JOHN L BUSH & CAMPBELL
Chartered Accountants

Peter King
Partner
ASIC Registration No: 210345
Wagga Wagga
19 September 2024