

APPENDIX 2A - NSX Preliminary Final Report

Company details

Name of entity: **Australia & International Holdings Limited**
 ABN: 98 009 706 414
 Reporting period: **For the year ended 30 June 2021**
 Previous reporting period: For the year ended 30 June 2020

Results for announcement to the market**Revenues**

Revenue	30-Jun-21	30-Jun-20	% Change	
Revenues from ordinary activities	\$180,038	\$197,045	Down	8.63%

Profit	30-Jun-21	30-Jun-20	% Change	
Profit from ordinary activities after tax attributable to the owners of Australia & International Holdings Limited	\$106,422	\$117,177	Down	9.18%
Profit for the half-year attributable to the owners of Australia & International Holdings Limited	\$106,422	\$117,177	Down	9.18%

Dividends

2020 Final dividend	¢
Amount per security	4.500 cents
Franked amount per security	4.500 cents
Date paid	28 October 2020
2021 Interim dividend	¢
Amount per security	4.500 cents
Franked amount per security	4.500 cents
Date paid	12 April 2021

Comments

The profit for the company after providing for income tax amounted to \$106,422 (30 June 2020: \$117,177). Revenue from ordinary activities for the financial year ended 30 June 2021 was \$180,038, which was \$17,007 or 8.63% lower than the prior comparable period. This was attributable to lower distributions received and receivable from the Burrell investment trusts. Expenses of \$60,550 in 2021 were \$136 or 0.2% higher than the previous year. Tax expense in 2021 was \$13,066 compared to \$19,454 for the previous year. The net effect of these movements resulted in the profit being \$10,755 or 9.2% lower than the previous comparable period. The expense to average investments ratio was 1.20% (30 June 2020: 1.27%).

Australia & International Holdings Limited

Income statement

	2021	2020
	\$	\$
Revenue	180,038	197,045
Expenses, excluding finance costs	(60,550)	(60,414)
Finance costs	-	-
Share of net profits(losses) of associates and joint ventures	-	-
Profit(loss) before income tax (expense)/benefit	<u>119,488</u>	<u>136,631</u>
Income tax (expense)/benefit	(13,066)	(19,454)
Profit(loss) from continuing operations	106,422	117,177
Profit(loss) attributable to minority interests	-	-
Profit(loss) attributable to members of the parent	<u>106,422</u>	<u>117,177</u>
	Cents	Cents
Basic earnings per share	6.65 ¢	7.47 ¢
Diluted earnings per share	6.65 ¢	7.47 ¢
Dividends per security	9 ¢	12.5 ¢

Comparison of half-year profits

	2021	2020
	\$	\$
Profit(loss) after tax attributable to members for the 1st half-year	35,699	85,717
Profit(loss) after tax attributable to members for the 2nd half-year	70,723	31,460
	<u>106,422</u>	<u>117,177</u>

Australia & International Holdings Limited

Balance sheet

	2021	2020
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	9,104	66,677
Trade and other receivables	101,476	56,448
Total current assets	<u>110,580</u>	<u>123,125</u>
Non-current assets		
Available-for-sale financial assets	5,713,862	4,373,076
Deferred tax	-	-
Total non-current assets	<u>5,713,862</u>	<u>4,373,076</u>
Total assets	<u>5,824,442</u>	<u>4,496,201</u>
Liabilities		
Current liabilities		
Trade and other payables	6,316	2,350
Income tax payable	12,011	17,931
Total current liabilities	<u>18,327</u>	<u>20,281</u>
Non-current liabilities		
Deferred tax	529,489	188,792
Total non-current liabilities	<u>529,489</u>	<u>188,792</u>
Total liabilities	<u>547,816</u>	<u>209,073</u>
Net assets	<u>5,276,626</u>	<u>4,287,128</u>
Equity		
Issued capital	4,004,020	3,771,194
Reserves	902,784	107,384
Retained profits	369,822	408,550
Total equity	<u>5,276,626</u>	<u>4,287,128</u>
Parent interest	5,276,626	4,287,128
Minority interest	-	-
Total equity	<u>5,276,626</u>	<u>4,287,128</u>

Australia & International Holdings Limited

Statement of changes in equity

	Contributed equity \$	Reserves \$	Retained profits \$	Total equity \$
Balance at 2 July 2019	3,753,651	700,683	487,214	4,941,548
Profit after income tax (expense)/benefit for the financial year	-	-	117,177	117,177
Other comprehensive income for the financial year, net of tax	-	(593,299)	-	(593,299)
Total comprehensive income for the financial year	-	(593,299)	117,177	(476,122)
Transactions with owners in their capacity as owners:	-	-	-	-
Contributions of equity, net of transaction costs	17,543	-	-	17,543
Dividends paid	-	-	(195,841)	(195,841)
Balance at 30 June 2020	<u>3,771,194</u>	<u>107,384</u>	<u>408,550</u>	<u>4,287,128</u>
Balance at 1 July 2020	3,771,194	107,384	408,550	4,287,128
Profit after income tax (expense)/benefit for the financial year	-	-	106,422	106,422
Other comprehensive income for the financial year, net of tax	-	795,400	-	795,400
Total comprehensive income for the financial year	-	795,400	106,422	901,822
Transactions with owners in their capacity as owners:	-	-	-	-
Contributions of equity, net of transaction costs	232,826	-	-	232,826
Dividends paid	-	-	(145,150)	(145,150)
Balance at 30 June 2021	<u>4,004,020</u>	<u>902,784</u>	<u>369,822</u>	<u>5,276,626</u>

Australia & International Holdings Limited

Statement of cash flows

	2021 \$	2020 \$
Cash flows from operating activities		
Payments to suppliers (inclusive of GST)	(56,585)	(60,413)
Dividends received	12,941	22,490
Interest received	142	388
Trust distributions received from related parties	121,928	299,523
Other revenue	-	-
Income taxes (paid)/refunded	(18,986)	(372)
Net cash from/(used in) operating activities	<u>59,440</u>	<u>261,616</u>
Cash flows from investing activities		
Payments for investments	(224,580)	(70,041)
Proceeds from sale of investments	19,892	-
Net cash from/(used in) investing activities	<u>(204,688)</u>	<u>(70,041)</u>
Cash flows from financing activities		
Proceeds from the issue of shares	232,825	17,543
Dividends paid	(145,150)	(195,841)
Net cash used in financing activities	<u>87,675</u>	<u>(178,298)</u>
Net increase/(decrease) in cash and cash equivalents	(57,573)	13,277
Cash and cash equivalents at the beginning of the financial year	<u>66,677</u>	<u>53,400</u>
Cash and cash equivalents at the end of the financial year	<u><u>9,104</u></u>	<u><u>66,677</u></u>

Reconciliation of profit after income tax to net cash from operating activities

	2021 \$	2020 \$
Profit after income tax expense for the year	106,422	117,177
Adjustments for:		
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(45,027)	125,357
Decrease/(increase) in deferred tax assets	-	1,151
Increase/(decrease) in provision for income tax	(5,920)	17,931
Increase/(decrease) in other operating liabilities	3,965	-
Net cash from/(used in) operating activities	<u><u>59,440</u></u>	<u><u>261,616</u></u>

Australia & International Holdings Limited

Notes to the financial statements

Details of revenues and expenses

	2021	2020
	\$	\$
Revenue		
Dividends	12,941	22,490
Interest	142	388
Trust distributions from related parties	166,955	174,167
Other revenue	-	-
Total revenue	<u>180,038</u>	<u>197,045</u>
Expenses		
Accounting and audit fees	(13,948)	(13,860)
Legal expenses	(5,263)	(6,010)
Listing fees	(10,562)	(9,988)
Managed portfolio service fees	(4,109)	(3,682)
Secretarial expenses	(11,165)	(11,077)
Stock exchange fees	(14,497)	(15,335)
Other expenses	(1,006)	(462)
Total expenses	<u>(60,550)</u>	<u>(60,414)</u>
Profit(loss) before tax	119,488	136,631
Income tax (expense)/benefit	<u>(13,066)</u>	<u>(19,454)</u>
Profit(loss) after tax	<u>106,422</u>	<u>117,177</u>

Ratios

	2021	2020
	%	%
Profit before tax/Revenue	<u>66.37%</u>	<u>69.34%</u>
Profit after tax/Equity interests	<u>2.02%</u>	<u>2.73%</u>

Earnings per security

	2021	2020
	\$	\$
Profit after tax attributable to the members	<u>106,422</u>	<u>117,177</u>
	#	#
Weighted average number of shares used in the calculation of basic earnings per share	1,600,809	1,569,215
Weighted average number of shares used in the calculation of diluted earnings per share	<u>1,600,809</u>	<u>1,569,215</u>
	c	c
Basic earnings per share (cents)	6.65	7.47
Diluted earnings per share (cents)	<u>6.65</u>	<u>7.47</u>

Australia & International Holdings Limited

Dividend information

	30-Jun-21	30-Jun-20
Final dividend paid (\$)	70,720	101,672
Year ended	30/06/20	30/06/19
Final dividend (cps)	4.50 c	6.50 c
Franking %	100%	100%
Date paid	28/10/20	11/10/19
Interim dividend paid (\$)	74,431	94,169
Half-year ended	31/12/20	31/12/19
Final dividend (cps)	4.50 c	6.00 c
Franking %	100%	100%
Date paid	12/04/21	8/04/20

No final dividend for the current financial year has yet been declared.

Dividend reinvestment plan

The Company has a dividend reinvestment plan (DRP) under which shareholders have the option of electing to have their dividend payment reinvested in new ordinary shares. Pricing of the new DRP shares is based on the most recent Net Asset Value per share calculated at the time from the management accounts of the Company.

Exploration and evaluation expenditure capitalised

N/A

Development Properties

N/A

Discontinued Operations

N/A

Australia & International Holdings Limited

Movements in Equity

Ordinary securities

	Number Issued #	Number listed #	Paid up value ¢	30-Jun-21 \$	30-Jun-20 \$
Balance at start of period	1,573,234	1,573,234	240	3,771,194	3,753,651
Increases through issues	83,963	83,963	277	232,826	17,543
Decreases through returns of capital, buybacks, etc.	-	-	-	-	-
Balance at end of period	1,657,197	1,657,197	242	4,004,020	3,771,194
Total Securities	1,657,197	1,657,197	242	4,004,020	3,771,194

Reserves

	30-Jun-21 \$	30-Jun-20 \$
Balance at start of period	107,384	700,683
Transfers to/from reserves	795,400	(593,299)
Total for the period	795,400	(593,299)
Balance at end of period	902,784	107,384
Total reserves	902,784	107,384

Retained earnings

	30-Jun-21 \$	30-Jun-20 \$
Balance at start of period	408,550	487,214
Profit for the period	106,422	117,177
Total for the period	106,422	117,177
Dividends	(145,150)	(195,841)
Balance at end of period	369,822	408,550
Total retained earnings	369,822	408,550

Details of aggregate share of profits (losses) of associates and joint venture entities

N/A

Control gained over entities having material effect

N/A

Loss of control over entities having material effect

N/A

Australia & International Holdings Limited

Material interests in entities that are not controlled entities

Name of associate/joint venture	Reporting entity's percentage holding		Contribution to profit/(loss) (where material)	
	Current period	Previous corresponding period	Current period	Previous corresponding period
	%	%	\$	\$
Equity accounted associated entities				
Total	0.00%	0.00%	-	-
Other material interests				
Burrell Australian Equities Trust	41.59%	39.84%	151,204	134,799
Burrell World Equities Trust	23.63%	22.28%	7,781	32,613
Burrell Smallcaps Midcaps and Resources Trust	26.42%	25.58%	7,970	6,755
Total			166,955	174,167

Australia & International Holdings Limited

Reports for industry and geographical segments

The Company is predominantly invested in the Burrell Australian Equities Trust, the Burrell World Equities Trust and the Burrell Smallcaps Midcaps and Resources Trust who in turn invest the majority of their funds for the medium to long-term in companies listed on the Australian and international stock exchanges and selected managed funds. The Company's allocation of investments and the performance of these investments are in line with the investment portfolios of the three trusts and it follows that an appropriate categorisation of segments for reporting purposes is into Australian long-term shares, Australian small-mid cap shares, and overseas long-term shares. The Australian large-cap portfolio is made up of blue chip and quality shares in the ASX All Ordinaries Index, the Australian small-mid cap portfolio comprises Australian smallcap, midcap and resources stocks, and the overseas portfolio consists of shareholdings in stocks traded on stock exchanges with similar corporate governance regimes as Australia. This portfolio is primarily made up of shares in companies operating in the USA, UK, Europe and Asia.

	Australian Large- cap Long-Term Shares	Australian Small- Mid-cap Shares	Overseas Long- Term Shares	Intersegment eliminations/ unallocated	Total
30 June 2021	\$	\$	\$	\$	\$
Revenue					
Dividend income	12,941	-	-	-	12,941
Interest revenue	142	-	-	-	142
Trust distributions from related parties	151,204	7,970	7,781	-	166,955
Other trust income	-	-	-	-	-
Other income	-	-	-	-	-
Total revenue	164,287	7,970	7,781	-	180,038
Segment result	164,287	7,970	7,781	(60,550)	119,488
Net gain/(loss) on disposal of financial assets	-	-	-	-	-
Profit/(loss) before income tax benefit	164,287	7,970	7,781	(60,550)	119,488
Income tax expense					(13,066)
Profit after income tax benefit					106,422
Assets					
Segment assets	3,843,798	632,472	1,339,068	9,104	5,824,442
Total assets					5,824,442
Liabilities					
Segment liabilities	403,830	(3,926)	129,585	18,327	547,816
Total liabilities					547,816

Australia & International Holdings Limited

30 June 2020	Australian Large- cap Long-Term Shares \$	Australian Small- Mid-cap Shares \$	Overseas Long- Term Shares \$	Intersegment eliminations/ unallocated \$	Total \$
Revenue					
Dividend income	22,490	-	-	-	22,490
Interest revenue	388	-	-	-	388
Trust distributions from related	134,799	6,755	32,613	-	174,167
Other trust income	-	-	-	-	-
Other income	-	-	-	-	-
Total revenue	157,677	6,755	32,613	-	197,045
Segment result	157,677	6,755	32,613	(60,414)	136,631
Net gain/(loss) on disposal of financial assets	-	-	-	-	-
Profit/(loss) before income tax	157,677	6,755	32,613	(60,414)	136,631
Income tax expense					(19,454)
Profit after income tax benefit					117,177
Assets					
Segment assets	2,862,345	436,044	1,131,135	66,677	4,496,201
Total assets					4,496,201
Liabilities					
Segment liabilities	164,155	(54,660)	79,297	20,281	209,073
Total liabilities					209,073
<hr/>					
NTA Backing					
				30-Jun-21	30-Jun-20
				¢	¢
Net tangible asset backing per ordinary security:				318	273
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Non-cash financing and investing activities					N/A
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International Financial Reporting Standards					N/A
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Australia & International Holdings Limited

Basis of accounts preparation

Description of events having a material effect Nil
Details of other factors affecting results Nil

Franking credits available

	30-Jun-21	30-Jun-20
	\$	\$
Franking credits available for subsequent financial years based on a tax rate of 30%	24,815	32,445

Changes in accounting policies	N/A
Revisions of estimates	N/A
Changes in contingent liabilities and assets	N/A
Unusual items	N/A
Effect of changes in the composition of the entity during the period	N/A

Annual meeting

The annual general meeting of will be held at the offices of Burrell Stockbroking & Superannuation:

Place	Level 5, 24 Little Edward Street, Spring Hill, QLD
Date	Wednesday 17 November 2021
Time	12:00PM
Approximate date the annual report will be available	Monday 18 October 2021

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting policies and accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange.
- 2 This statement, and the financial statements under the *Corporations Act*, use the same accounting policies.
- 3 This statement gives a true and fair view of the matters disclosed.
- 4 This statement is based on financial statements, which have been audited.
- 5 If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/~~will follow immediately they are available.~~ (delete one).
- 6 The issuer does not have a formally constituted audit committee.

Signed:



Name: Ian F Davey
Title: Company Secretary
Date: 8 September 2021

Australia and International Holdings Limited

ABN 98 009 706 414

Financial Statements - 30 June 2021

Australia and International Holdings Limited
Corporate Directory
30 June 2021

Directors	Roger J Burrell Christopher T Burrell Gregory J Vickery (Appointed: 18 November 2020) Frank J Finn Bernard C E Rowley (Retired: 18 November 2020)
Company secretary	Ian F Davey
Notice of annual general meeting	The annual general meeting of Australia and International Holdings Limited will be held at the offices of Burrell Stockbroking & Superannuation: Level 4, 24 Little Edward Street Spring Hill QLD 4000, Wednesday 17 November 2021 12:00PM
Registered office	Level 4, 24 Little Edward Street Spring Hill QLD 4000 Phone: 61 7 3006 7200 Fax: 61 7 3839 6964
Principal place of business	Level 4, 24 Little Edward Street Spring Hill QLD 4000
Share register	Newcastle Capital Markets Registries Pty Limited 10 Murray Street Hamilton NSW 2303 Telephone: 61 2 4920 2877 Facsimile: 61 2 4920 2878
Auditor	PKF Brisbane Audit Level 6, 10 Eagle Street Brisbane QLD 4000
Bankers	DDH Graham Limited 18th Floor, 344 Queen Street Brisbane QLD 4000
Stock exchange listing	Australia & International Holdings Limited shares are listed on the National Securities Exchange (NSX code: AID)
Website	http://www.burrell.com.au

Australia & International Holdings Limited
Directors' Report
30 June 2021

The directors present their report, together with the financial statements of Australia and International Holdings Limited ('the Company') for the financial year ended 30 June 2021.

Directors

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

Roger J Burrell
 Christopher T Burrell
 Gregory J Vickery (Appointed: 18 November 2020)
 Frank J Finn
 Bernard C E Rowley (Retired: 18 November 2020)

Company Secretary

Ian F Davey

Principal Activities

The Company's principal activity during the financial year consisted of long-term investing in publicly listed Australian and overseas companies and managed funds.

Dividends

Dividends paid or provided for during the financial year were as follows:

Final dividend	30-Jun-21	30-Jun-20
	\$	\$
Final dividend paid	<u>70,720</u>	<u>101,672</u>
Year ended	30/06/2020	30/06/2019
Cents per share	4.5 ¢	6.5 ¢
Franking %	100%	100%
Date paid	28/10/2020	11/10/2019
 Interim dividend	 30-Jun-21	 30-Jun-20
	\$	\$
Interim dividend paid	<u>74,431</u>	<u>94,169</u>
Half-year ended	31/12/2020	31/12/2019
Cents per share	4.5 ¢	6 ¢
Franking %	100%	100%
Date paid	12/04/2021	8/04/2020
 Review of operations	 30-Jun-21	 30-Jun-20
Net profit for the Company for the financial year after providing for income tax	<u>106,422</u>	<u>117,177</u>

Overview

The Company provides investors with a medium to long-term investment vehicle with exposure to Australian and overseas listed equity investments and managed funds. The primary objective is to provide returns from dividends and capital growth.

Australia & International Holdings Limited

Directors' Report

30 June 2021

COVID-19 Pandemic

The recovery and performance of the Australian domestic market has continued throughout the year as previous COVID "winners" were sold off and funds reinvested into beaten down value names. Growth sectors of technology & healthcare gave way to outperformance in Banks, Mining & Materials & specific AREITS. Current high valuations have seen it appropriate for fund managers to invest with a regard to specific company and industry fundamentals and exercise caution. Inflationary pressures continue to drive market movements as investors try to determine possible reserve bank tapering & interest rate hikes timelines going forward. As well as this, a significant increase in corporate activity via M&A and divestments have taken place driving specific names higher and creating further market value.

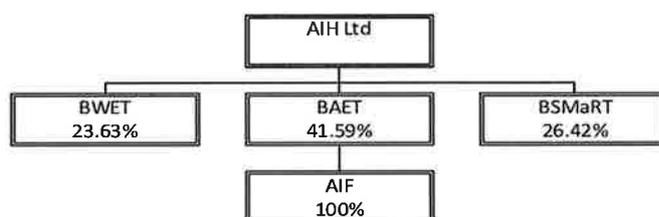
On the world front, markets have continued to trek higher amidst the current low interest rate environment, government COVID relief programs, corporate activity and reopening themes. Valuations are now at all-time highs in most of the major markets as a result especially the US. The high valuations are a cause for concern in terms of managing risks in international portfolios as any earnings miss along with potential central bank tapering and interest rate increases to stave off inflation have the potential to adversely affect hot markets. The delta variant of COVID along with inflationary pressures in supply chains are key risks that have been taken into account when setting the strategic weightings of the portfolio.

Structure

The Company is structured in order to provide investors with the opportunity to invest in a vehicle that holds positions in a strategically balanced and well-diversified set of investment portfolios. The majority of shareholder funds are invested over the medium to long term period in both Australian and international companies and managed funds. This is facilitated through the Company's investments in the Burrell Australian Equities Trust ("BAET"), the Burrell World Equities Trust ("BWET"), and the Burrell Smallcaps Midcaps and Resources Trust ("BSMaRT").

BAET, BWET and BSMaRT are all managed investment schemes. BAET invests in listed Australian equities and managed funds. BWET invests in listed international equities and managed funds, and may use foreign exchange hedging instruments to hedge its exposure to fluctuations in foreign currencies. BSMaRT holds investments in the small cap, mid cap and resources sectors of the Australian equities market.

As at 30 June 2021 approximately 89% of AIH's investment portfolio comprised of investments in BAET, BWET and BSMaRT in the percentages of 55%, 23% and 11% respectively. This was achieved through the following ownership structure, whereby AIH owned 41.59% of the units on issue in BAET, 23.63% of the units on issue in BWET and 26.42% of the units on issue in BSMaRT.



Australia & International Holdings Limited

Directors' Report

30 June 2021

Performance Outcomes

Net Return

The post-tax and pre-tax net returns to shareholders are shown in the following table. These 'net returns' are not directly comparable to publicly reported share price or accumulation indices because they are after costs have been deducted for managing and administering the portfolios and the Company. In the case of the post-tax returns, it is also after an allowance for tax at the rate of 30% has been deducted from operating profits and on the increases in value of the investment portfolios. Further, the return shareholders in AIH received from dividends are mostly franked. As such we look at the 'gross returns' from the individual investment portfolios.

Net returns to shareholders for the financial year ended:	30-Jun-21	30-Jun-20
	%	%
Post-tax return	19.78	-9.65
Pre-tax return	25.96	-13.52

Gross Returns

For comparative purposes the international portfolio is benchmarked against the "MSCI" World (excluding Australia) Accumulation Index in local currency; and, the Australian long-term portfolio against the ASX All Ordinaries Accumulation Index. The trading portfolio is more difficult to benchmark because it includes a mix of mid-cap shares and some overweight positions in blue-chip shares. However, we feel that the return from this portfolio is related to the performance of the Australian long-term portfolio.

The performances of the individual portfolios the Company invested in for the financial year ended 30 June 2021 and the comparative period are as follows:

	30-Jun-21	30-Jun-20
	%	%
Burrell Australian Equities Trust (excl. AIF)	35.2	-13.7
Burrell Australian Equities Trust (incl. AIF)	36.5	-12.1
Burrell World Equities Trust	17.6	-1.6
Burrell Small-cap, Mid-cap and Resources Trust	49.1	-26.2
Australian All Ordinaries Accumulation Index	30.2	-7.2
Australian Small Ordinaries Accumulation Index	33.2	-5.7
MSCI World Index ex Australia (in Australian dollar terms)	26.2	2.9

The Company looks through to the investment portfolios of BAET, BWET and BSMaRT to see its investments by industry sector:

	30-Jun-21	30-Jun-20
	%	%
Energy	9.4	6.7
Materials	12.8	12.8
Industrials	5.3	5.0
Consumer discretionary	4.7	6.2
Consumer staples	2.5	2.5
Financials	35.4	37.6
Real estate investment trusts	2.1	2.0
Managed funds and LICs	8.6	8.0
Exchange traded funds	0.9	2.9
Others – Health care, Information technology, Telecomms and Utilities	18.3	16.3

Australia & International Holdings Limited
Directors' Report
30 June 2021

The Company's investments on a look-through basis by geographic area are:

	30-Jun-21	30-Jun-20
	%	%
Australia & New Zealand	77.2	77.5
Americas	4.7	7.6
United Kingdom	0.0	0.7
Europe excl. United Kingdom	2.0	2.6
Asia Pacific excl. Australia	1.8	1.2
Global	14.3	10.4

Securities representing 5% or more of the combined investments and trading portfolio as at 30 June 2021 are:

	30-Jun-21	30-Jun-20
	% of portfolio	% of portfolio
Commonwealth Bank of Australia	11.4	9.9

Net Asset Value per Share

	30-Jun-21	30-Jun-20
Net asset value per share for the Company	\$3.18	\$2.73

Earnings per Share

	30-Jun-21	30-Jun-20
Earnings per share based on the net operating result (cents)	6.65 ¢	7.47 ¢

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as vaccination rates, maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the company.

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Australia & International Holdings Limited
Directors' Report
30 June 2021

Information on directors

Name: **Roger J Burrell**

Title: Chairman

Qualifications: B. Com, L.L.B., F Fin, F.A.I.C.D., Dip Fin, Dip FMBM.

Experience and expertise: Roger has been a Director since 1987. He is also a Director of Access Funds Management Ltd, Principal of his own legal firm and of AFM Property Services, Chair of Multiple Sclerosis Society of Queensland (MSQ), and Legal Consultant to QM Properties Group. Roger is also a former Partner at national law firm Clayton Utz, (1987 – 2000) and former Partner (2000 – 2006) and Consultant (2006 – 2011) at Phillips Fox (subsequently DLA Piper/ DLA Phillips Fox).

Other current directorships: Burrell Stockbroking Pty Ltd and related entities

Former directorships (in the last 3 years): Multiple Sclerosis Australia

Interests in shares: 84,008 beneficially held Fully Paid Ordinary Shares.

Interests in options: None.

Name: **Christopher T Burrell**

Title: Director

Qualifications: M.F.M, B. Com (Hons), L.L.B. (Hons), F.C.A., SF Fin, M.S.A.A.

Experience and expertise: Chris has been a Director since 1983. He was the Company's Chairman from 1983 to 2002. He has held the position of Managing Director of Burrell Stockbroking Pty Ltd since 1997. He was a Partner at Coopers and Lybrand, Chartered Accountants, for 15 years; a previous Director of Queensland electricity retailer, Ergon; a former member of the Industrial Research & Development Committee within the Commonwealth Department of Industry, Science and Resources; and a former State Councillor for the Securities Institute of Australia.

Other current directorships: Director of Burrell Stockbroking Pty Ltd and Director of The Donald and Joan Wilson Foundation.

Former directorships (in the last 3 years): None.

Interests in shares: 302,247 beneficially and 165,388 non-beneficially held Fully Paid Ordinary Shares.

Interests in options: None.

Australia & International Holdings Limited

Directors' Report

30 June 2021

Name:	Gregory J Vickery (Appointed: 18 November 2020)
Title:	Director
Qualifications:	AO, F.A.I.C.D
Experience and expertise:	Greg has been a Director since 2020. He is a Senior Consultant at Norton Rose Fulbright, a global law firm, and was previously a Partner of the same firm for 40 years. He is a company and resources lawyer with a special interest and experience in corporate governance. He was for 10 years on the influential Federal Government Body CAMAC, which advised Treasury on the regulation of Companies and Markets.
Other current directorships:	Burrell Stockbroking Pty Ltd and related entities; Blue Economy CRC Ltd
Former directorships (in the last 3 years):	None.
Interests in units:	None.
Interests in options:	None.
Name:	Frank J Finn
Title:	Director
Qualifications:	B. Com (Hons), M.B.A. PhD, F.C.P.A.
Experience and expertise:	Frank has been a Director since 1996. He was Professor of Finance, Director of Studies at the Faculty of Business, Economics & Law of University of Queensland. He was also at various times Dean of the Faculty of Commerce and Economics and Head of the School of Commerce.
Other current directorships:	None.
Former directorships (in the last 3 years):	None.
Interests in shares:	37,465 beneficially held Fully Paid Ordinary Shares.
Interests in options:	None.
Name:	Bernard C E Rowley (Retired: 18 November 2020)
Title:	Chairman
Qualifications:	Fellow of the Institute of Actuaries of Australia, Fellow of the Australian Institute of Company Directors.
Experience and expertise:	Bernard has been a Director since 1998 and Chairman since 2002. He was previously the Chief Executive Officer of Suncorp Insurance & Finance for the years 1986 to 1996.
Other current directorships:	None.
Former directorships (in the last 3 years):	Chairman of Cuna Mutual Life, Chairman of Cuna Mutual Group, Director of River City Motorway Group and Director of Australian Shale and Oil Resources Company.
Interests in shares:	32,421 Fully Paid Ordinary Shares, Non-beneficially held.
Interests in options:	None.

Australia & International Holdings Limited

Directors' Report

30 June 2021

Company Secretary

Ian Davey, (BBus, CPA), has been a Company Secretary of the Company since 2000 and is also a Director of Burrell Stockbroking Pty Ltd. Prior to joining the Company, he was the Financial Controller of James Engineering Pty Ltd (1985 – 2000).

Meetings of directors

The number of meetings of the company's Board of Directors held during the year ended 30 June 2021, and the number of meetings attended by each director was:

	Full Board	
	Held	Attended
Bernard C Rowley	2	1
Christopher T Burrell	4	3
Roger J Burrell	4	4
Frank J Finn	4	2
Gregory J Vickery	2	2

Retirement, election and continuation in office of directors

Mr. Gregory J Vickery and Mr. Roger J Burrell are the Directors retiring by rotation. Both Gregory Vickery and Roger Burrell, being eligible, offer themselves for re-election.

Remuneration report (audited)

No remuneration was paid to the Directors during the year ended 30 June 2021. No other management or staff is employed by the Company.

Director's shareholdings

The number of shares in the Company held during the financial year by each director of the entity, including their personally related parties, is set out below:

	Balance at the start of the year	Additions	Disposals	Balance at the end of the year
Mr C T Burrell	295,367	6,880	-	302,247
Mr C T Burrell (non-beneficial owner)	150,000	15,388	-	165,388
Mr R J Burrell	80,008	4,000	-	84,008
Prof F J Finn	35,681	1,784	-	37,465
Mr B C E Rowley (non-beneficial owner)	32,421	-	-	32,421
	<u>593,477</u>	<u>28,052</u>	<u>-</u>	<u>621,529</u>

Transactions relating to dividends, rights issues and subscriptions for new ordinary shares were on the same terms and conditions that applied to other shareholders.

Other transactions with Directors and Director-related entities

Mr C T Burrell, Mr G J Vickery and Mr R J Burrell are Directors of Burrell Stockbroking Pty Ltd. This company provides stockbroking and secretarial, portfolio administration and management services to the Company. An amount of \$4,395 in brokerage was paid by the Company to Burrell Stockbroking Pty Ltd during the year, and an amount of \$18,057 was paid in respect of the other services. Mr C T Burrell, Mr G J Vickery and Mr R J Burrell are Directors of Burrell & Co Holdings Pty Ltd. This company provides clearing and settlement services to the Company. There were no fees or charges paid by the Company to Burrell & Co Holdings Pty Ltd during the year.

Other details relating to Directors are set out at Note 23. Related Parties, in the Notes to and forming part of the Financial Statements for the year ended 30 June 2021.

Australia & International Holdings Limited

Directors' Report

30 June 2021

Remuneration report (audited) (continued)

Except as otherwise disclosed, no Director of the Company has received, or has become entitled to receive, a benefit because of a contract that the directors, or a firm of which the director is a member, or an entity in which the Director has a substantial financial interest, has made (during the year ended 30 June 2021 or at any other time) with the Company; or an entity that the Company controlled, or a body corporate that was related to the Company, when the contract was made or when the Director received, or became entitled to receive, the benefit.

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2021.

Options

There were no options issued to directors and other key management personnel as part of compensation during the year ended 30 June 2021.

There were no options granted to or exercised by directors and other key management personnel as part of compensation during the year ended 30 June 2021.

This concludes the remuneration report, which has been audited.

Indemnity and insurance of officers

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

Indemnity and insurance of auditor

The company 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, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related party.

Proceedings of 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 the company, or to 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 part of those proceedings.

Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former audit partners of PKF Brisbane Audit

There are no officers of the company who are former audit partners of PKF Brisbane Audit.

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 on page 10.

Auditor

PKF Brisbane Audit continues in office in accordance with section 327 of the Corporations Act 2001.

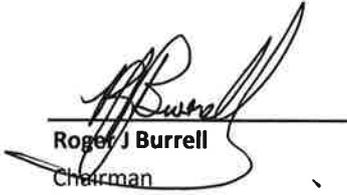
Australia & International Holdings Limited

Directors' Report

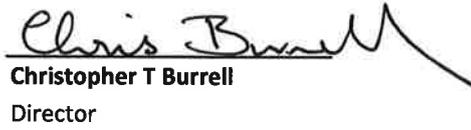
30 June 2021

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



Roger J Burrell
Chairman



Christopher T Burrell
Director

8 September 2021
Brisbane

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF AUSTRALIA & INTERNATIONAL HOLDINGS LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.



PKF BRISBANE AUDIT



Liam Murphy
PARTNER

Brisbane
8 SEPTEMBER 2021

Australia and International Holdings Limited
Financial report
30 June 2021

Corporate Governance Statement

The Board of Australia & International Holdings Limited is committed to high levels of accountability and integrity and adheres to the following principles of corporate governance:

- The adoption of transparent structures and operations;
- The application of robust risk management and internal structures; and
- Board accountability to shareholders and interested parties.

Structure of the Board

The Board is structured to maintain an appropriate balance of independent directors and to support a suitable degree of separation from the management of the Company. The Board currently consists of four directors, with two directors being fully independent.

Details of the qualifications and experience of the directors are included in the Directors' Report attached to the Financial Statements.

Roles, Responsibilities and Functioning of the Board

The main functions and responsibilities of the Board are:

- Oversight of the Company;
- Setting the investment strategy for the portfolios;
- Ensuring the systems are in place to ensure risks are controlled and internal and external compliance and legal obligations are met;
- Approving and monitoring financial and other reporting.

The structure of the Board is to set to maintain a number of independent directors so as to maintain an appropriate degree of separation from the management of the Company. The size and nature of the Company does not warrant the establishment of a nomination committee, however, the Board seeks to maintain a balanced mix of investment, finance, business and legal skills in its composition. Further, the size and nature of the Company does not warrant the establishment of an audit or compliance committee. As the Directors have not to this date sought any remuneration for their services to shareholders, there has not been any need to establish a remuneration committee.

Risk Management

The Board is responsible for identifying and managing risks to the Company and these are set out in the Notes to the financial statements. Some risks are reduced by having appropriate controls and policies and procedures in place with audit review. Investment risk is reduced by the setting of an appropriate investment strategy with guidelines and benchmarks for the investment manager to follow with regular Board review.

Australia and International Holdings Limited
Financial report
30 June 2021

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General information

The financial report covers Australia and International Holdings Limited as an individual entity. The financial report is presented in Australian dollars, which is Australia and International Holdings Limited's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

Australia and International Holdings Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 4, 24 Little Edward Street
Brisbane QLD 4000

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial report.

The financial report was authorised for issue, in accordance with a resolution of directors, on 8 September 2021. The directors have the power to amend and reissue the financial report.

Australia and International Holdings Limited
Statement of profit or loss and other comprehensive income
For the financial year ended 30 June 2021

	Note	2021	2020
		\$	\$
Revenue	4	180,038	197,045
Expenses			
Accounting and audit fees		(13,948)	(13,860)
Legal expenses		(5,263)	(6,010)
Listing fees		(10,562)	(9,988)
Managed portfolio service fees		(4,109)	(3,682)
Secretarial expenses		(11,165)	(11,077)
Stock exchange fees		(14,497)	(15,335)
Other expenses		<u>(1,006)</u>	<u>(462)</u>
Profit before income tax (expense)/benefit		<u>119,488</u>	<u>136,631</u>
Income tax (expense)/benefit	5	<u>(13,066)</u>	<u>(19,454)</u>
Profit after income tax (expense)/benefit for the financial year attributable to the owners of Australia and International Holdings Limited	15	106,422	117,177
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Unrealised changes in the value of equity investments at fair value		794,962	(593,299)
Realised net fair value gain(loss) on equity investments at fair value		<u>438</u>	<u>-</u>
Other comprehensive income for the financial year, net of tax		<u>795,400</u>	<u>(593,299)</u>
Total comprehensive income for the financial year attributable to the owners of Australia and International Holdings Limited		<u>901,822</u>	<u>(476,122)</u>
		Cents	Cents
Basic earnings per share	22	6.65 ¢	7.47 ¢
Diluted earnings per share	22	6.65 ¢	7.47 ¢

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

Australia and International Holdings Limited
Statement of financial position
As at 30 June 2021

	Note	2021 \$	2020 \$
Assets			
Current assets			
Cash and cash equivalents	6	9,104	66,677
Trade and other receivables	7	<u>101,476</u>	<u>56,448</u>
Total current assets		<u>110,580</u>	<u>123,125</u>
Non-current assets			
Financial assets	8	5,713,862	4,373,076
Deferred tax asset	9	-	-
Total non-current assets		<u>5,713,862</u>	<u>4,373,076</u>
Total assets		<u>5,824,442</u>	<u>4,496,201</u>
Liabilities			
Current liabilities			
Trade and other payables	10	6,316	2,350
Income tax	11	<u>12,011</u>	<u>17,931</u>
Total current liabilities		<u>18,327</u>	<u>20,281</u>
Non-current liabilities			
Deferred tax liability	12	<u>529,489</u>	<u>188,792</u>
Total non-current liabilities		<u>529,489</u>	<u>188,792</u>
Total liabilities		<u>547,816</u>	<u>209,073</u>
Net assets		<u>5,276,626</u>	<u>4,287,128</u>
Equity			
Issued capital	13	4,004,020	3,771,194
Reserves	14	902,784	107,384
Retained profits	15	<u>369,822</u>	<u>408,550</u>
Total equity		<u>5,276,626</u>	<u>4,287,128</u>

Australia and International Holdings Limited
Statement of changes in equity
For the financial year ended 30 June 2021

	Note	Contributed equity \$	Reserves \$	Retained profits \$	Total equity \$
Balance at 1 July 2019		3,753,651	700,683	487,214	4,941,548
Profit after income tax (expense)/benefit for the financial year		-	-	117,177	117,177
Other comprehensive income for the financial year, net of tax		-	(593,299)	-	(593,299)
Total comprehensive income for the financial year		-	(593,299)	117,177	(476,122)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs	13	17,543	-	-	17,543
Dividends paid	16	-	-	(195,841)	(195,841)
Balance at 30 June 2020		<u>3,771,194</u>	<u>107,384</u>	<u>408,550</u>	<u>4,287,128</u>

	Note	Contributed equity \$	Reserves \$	Retained profits \$	Total equity \$
Balance at 1 July 2020		3,771,194	107,384	408,550	4,287,128
Profit after income tax (expense)/benefit for the financial year		-	-	106,422	106,422
Other comprehensive income for the financial year, net of tax		-	795,400	-	795,400
Total comprehensive income for the financial year		-	795,400	106,422	901,822
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs	13	232,826	-	-	232,826
Dividends paid	16	-	-	(145,150)	(145,150)
Balance at 30 June 2021		<u>4,004,020</u>	<u>902,784</u>	<u>369,822</u>	<u>5,276,626</u>

Australia and International Holdings Limited
Statement of cash flows
For the financial year ended 30 June 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Payments to suppliers (inclusive of GST)		(56,585)	(60,413)
Dividends received		12,941	22,490
Interest received		142	388
Trust distributions received from related parties		121,928	299,523
Income taxes (paid)/refunded		<u>(18,986)</u>	<u>(372)</u>
Net cash from/(used in) operating activities	21	<u>59,440</u>	<u>261,616</u>
Cash flows from investing activities			
Payments for investments		(224,580)	(70,041)
Proceeds from sale of investments		<u>19,892</u>	<u>-</u>
Net cash from/(used in) investing activities		<u>(204,688)</u>	<u>(70,041)</u>
Cash flows from financing activities			
Proceeds from the issue of shares	13	232,825	17,543
Dividends paid	16	<u>(145,150)</u>	<u>(195,841)</u>
Net cash provided by/(used in) financing activities		<u>87,675</u>	<u>(178,298)</u>
Net increase/(decrease) in cash and cash equivalents		(57,573)	13,277
Cash and cash equivalents at the beginning of the financial year		<u>66,677</u>	<u>53,400</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>9,104</u></u>	<u><u>66,677</u></u>

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

Australia and International Holdings Ltd
Notes to the financial statements
30 June 2021

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements for Australia and International Holdings Limited ('the Company') are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations 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.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

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 ("IFRS") as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'), being the Board of Directors. The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Revenue recognition

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer.

Revenue from passive dividends and interest is recognised as it is received. Revenue from trust income is recognised when it is declared and is due and receivable.

Revenue from the sale of investments is recognised from the date of contract, and is the difference between the sale price, less selling costs, and the purchase price, or if revalued, the revalued amount.

Australia and International Holdings Ltd
Notes to the financial statements
30 June 2021

Note 1. Significant accounting policies (continued)

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

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 entity's which intend to settle simultaneously.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance.

Other receivables are recognised at amortised cost, less any provision for impairment.

Australia and International Holdings Ltd

Notes to the financial statements

30 June 2021

Note 1. Significant accounting policies (continued)

Investments in Associates

AASB 128 – Investments in Associates

This accounting standard applies in accounting for investments in entities where the investor has significant influence, which is presumed if the investor holds 20% or more of the voting power of the investee, unless it can be shown otherwise. Investments in associates are normally accounted for in the financial statements by applying the equity method of accounting whereby the investment is recognised at cost and adjusted for thereafter for the post acquisition change in the Company's share of the net assets of the associate entity.

Investments in the Trusts

At the end of the financial year, the company held investments in the Burrell Australian Equities Trust, the Burrell World Equities Trust and the Burrell Smallcaps Midcaps and Resources Trust ("the Trusts") representing 41.59%, 23.63% and 26.42% respectively of the units on issue of each trust. This would normally mean that the investments by the company in these entities be accounted for by adopting the AASB 128 *Investments in Associates* Accounting Standard. However, the directors have considered the nature of the company's investment in the Trusts and determined the company does not have significant influence. Accordingly, the company, as an investor, has adopted the accounting treatment under AASB 9 and recorded the investments as 'financial assets at fair value through other comprehensive income'. This has been done because all three trusts are investment vehicles which invest in the shares of listed companies and managed funds and these assets held by the trusts are accounted for as 'financial assets at fair value through other comprehensive income' assets. Therefore, the Company has 'looked through' to the nature of its underlying assets and applied the same accounting treatment to maintain consistency and avoid confusion to the readers of these financial statements. It should be noted that the affect on the net assets of the company under equity accounting and the current treatment is the same.

Investments in other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the company intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Australia and International Holdings Ltd
Notes to the financial statements
30 June 2021

Note 1. Significant accounting policies (continued)

Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Provisions

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

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 interests. 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 are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the company, on or before the end of the financial year but not distributed at the reporting date.

Australia and International Holdings Ltd
Notes to the financial statements
30 June 2021

Note 1. Significant accounting policies (continued)

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Australia & International Holdings Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Australla and International Holdings Ltd
Notes to the financial statements
30 June 2021

Note 1. Significant accounting policies (continued)

New Accounting Standards for Application in Future Periods

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2021. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Fair value measurement hierarchy

The company is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) 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; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

Australia and International Holdings Ltd
Notes to the financial statements
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Note 3. Operating segments

As previously noted, the Company is predominantly invested in the Burrell Australian Equities Trust, the Burrell World Equities Trust and the Burrell Smallcaps Midcaps and Resources Trust who in turn invest the majority of their funds for the medium to long-term in companies listed on the Australian and international stock exchanges and selected managed funds. The Company's allocation of investments and the performance of these investments are in line with the investment portfolios of the three trusts and it follows that an appropriate categorisation of segments for reporting purposes is into Australian long-term shares, Australian small-mid cap shares, and overseas long-term shares. The Australian large-cap portfolio is made up of blue chip and quality shares in the ASX All Ordinaries Index, the Australian small-mid cap portfolio comprises Australian smallcap, midcap and resources stocks, and the overseas portfolio consists of shareholdings in stocks traded on stock exchanges with similar corporate governance regimes as Australia. This portfolio is primarily made up of shares in companies operating in the USA, UK, Europe and Asia.

Operating segment information

	Australian Large-cap Long-Term Shares \$	Australian Small-Mid- cap Shares \$	Overseas Long-Term Shares \$	Intersegment eliminations/ unallocated \$	Total \$
30 June 2021					
Revenue					
Dividend income	12,941	-	-	-	12,941
Interest revenue	142	-	-	-	142
Trust distributions from related parties	151,204	7,970	7,781	-	166,955
Other trust income	-	-	-	-	-
Other revenue	-	-	-	-	-
Total revenue	<u>164,287</u>	<u>7,970</u>	<u>7,781</u>	<u>-</u>	<u>180,038</u>
Segment result	<u>164,287</u>	<u>7,970</u>	<u>7,781</u>	<u>(60,550)</u>	<u>119,624</u>
Profit/(loss) before income tax	<u>164,287</u>	<u>7,970</u>	<u>7,781</u>	<u>(60,550)</u>	<u>119,488</u>
Income tax expense					<u>(13,066)</u>
Profit after income tax					<u>106,422</u>
Assets					
Segment assets	<u>3,843,798</u>	<u>632,472</u>	<u>1,339,068</u>	<u>9,104</u>	<u>5,824,442</u>
Total assets					<u>5,824,442</u>
Liabilities					
Segment liabilities	<u>403,830</u>	<u>(3,926)</u>	<u>129,585</u>	<u>18,327</u>	<u>547,816</u>
Total liabilities					<u>547,816</u>

Australia and International Holdings Ltd
Notes to the financial statements
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Note 3. Operating segments (continued)

	Australian Large-cap Long-Term Shares \$	Australian Small-Mid- cap Shares \$	Overseas Long-Term Shares \$	Intersegment eliminations/ unallocated \$	Total \$
30 June 2020					
Revenue					
Dividend income	22,490	-	-	-	22,490
Interest revenue	388	-	-	-	388
Trust distributions from related parties	134,799	6,755	32,613	-	174,167
Other trust income	-	-	-	-	-
Other income	-	-	-	-	-
Total revenue	<u>157,677</u>	<u>6,755</u>	<u>32,613</u>	<u>-</u>	<u>197,045</u>
Segment result	<u>157,677</u>	<u>6,755</u>	<u>32,613</u>	<u>(60,414)</u>	<u>136,631</u>
Profit/(loss) before income tax	<u>157,677</u>	<u>6,755</u>	<u>32,613</u>	<u>(60,414)</u>	<u>136,631</u>
Income tax expense					(19,454)
Profit after income tax					<u>117,177</u>
Assets					
Segment assets	<u>2,862,345</u>	<u>436,044</u>	<u>1,131,135</u>	<u>66,677</u>	<u>4,496,201</u>
Total assets					<u>4,496,201</u>
Liabilities					
Segment liabilities	<u>164,155</u>	<u>(54,660)</u>	<u>79,297</u>	<u>20,281</u>	<u>209,073</u>
Total liabilities					<u>209,073</u>

Note 4. Revenue

	2021 \$	2020 \$
<i>Sales revenue</i>		
Dividends	12,941	22,490
Interest	142	388
Trust distributions from related parties	<u>166,955</u>	<u>174,167</u>
Revenue	<u>180,038</u>	<u>197,045</u>

Australia and International Holdings Ltd
Notes to the financial statements
30 June 2021

Note 5. Income tax expense

	Note	2021 \$	2020 \$
<i>Income tax expense</i>			
Current tax		12,011	18,303
Deferred tax - origination and reversal of temporary differences		-	1,823
Adjustment recognised for prior periods		1,055	(672)
		<u>13,066</u>	<u>19,454</u>
Aggregate income tax expense/(benefit)			
Deferred tax included in income tax expense/(benefit) comprises:			
Decrease/(increase) in deferred tax assets	9	<u>-</u>	<u>1,823</u>
<i>Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate</i>			
Profit before income tax (expense)/benefit		<u>119,488</u>	<u>136,631</u>
Tax at the statutory tax rate of 30%		35,846	40,989
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:			
Entertainment expenses		171	-
Tax effect of timing differences not taken up as deferred tax items		(542)	19,378
Tax offsets		<u>(23,464)</u>	<u>(40,241)</u>
		12,011	20,126
Adjustment recognised for prior periods		<u>1,055</u>	<u>(672)</u>
Income tax expense/(benefit)		<u>13,066</u>	<u>19,454</u>
<i>Amounts charged/(credited) directly to equity</i>			
Deferred tax liabilities	12	<u>340,698</u>	<u>(254,271)</u>
Note 6. Current assets - cash and cash equivalents			
		2021	2020
		\$	\$
Cash and cash equivalents		<u>9,104</u>	<u>66,677</u>
Note 7. Current assets - trade and other receivables			
		2021	2020
		\$	\$
Distributions receivable from related parties		<u>101,476</u>	<u>56,448</u>

Australia and International Holdings Ltd
Notes to the financial statements
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Note 8. Non-current assets - financial assets

	Note	2021 \$	2020 \$
Equity investments at fair value	18	<u>5,713,862</u>	<u>4,373,076</u>
		<u>5,713,862</u>	<u>4,373,076</u>

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous period are set out below:

Opening fair value		4,373,076	5,150,604
Additions		224,581	70,041
Disposals		(19,454)	-
Revaluation increments/(decrements)		<u>1,135,659</u>	<u>(847,569)</u>
Closing fair value		<u>5,713,862</u>	<u>4,373,076</u>

Refer to Note 17 for further information on financial instruments.

Note 9. Non-current assets - deferred tax

	Note	2021 \$	2020 \$
<i>Deferred tax asset comprises temporary differences attributable to:</i>			
Amounts recognised in profit or loss:			
Timing differences on revenue recognition and tax losses from excess franking credits			
		<u>-</u>	<u>-</u>
Deferred tax asset		<u>-</u>	<u>-</u>
<i>Movements</i>			
Opening balance		-	1,151
Credited/(charged) to profit or loss	5	-	(1,823)
Prior year adjustment		-	672
Closing balance		<u>-</u>	<u>-</u>

Note 10. Current liabilities - trade and other payables

	2021 \$	2020 \$
Trade payables	<u>6,316</u>	<u>2,350</u>

Note 11. Current liabilities - income tax

	2021 \$	2020 \$
Provision for income tax	<u>12,011</u>	<u>17,931</u>

Australia and International Holdings Ltd
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Note 12. Non-current liabilities - deferred tax

	Note	2021 \$	2020 \$
<i>Deferred tax liability comprises temporary differences attributable to:</i>			
Amounts recognised in equity:			
Revaluation of available-for-sale financial assets		529,489	188,792
Deferred tax liability		<u>529,489</u>	<u>188,792</u>
<i>Movements</i>			
Opening balance		188,792	443,063
Credited/(charged) to equity	5	340,698	(254,271)
Prior year adjustment		-	-
Closing balance		<u>529,490</u>	<u>188,792</u>

Note 13. Equity - issued capital

	2021 Shares	2020 Shares	2021 \$	2020 \$
Ordinary shares - fully paid	<u>1,657,197</u>	<u>1,573,234</u>	<u>4,004,020</u>	<u>3,771,194</u>

Movements in ordinary share capital

	Date	No. of shares	Issue price	\$
Balance	30 Jun 2019	1,565,873		3,753,651
Dividend reinvestment plan	11 Oct 2019	3,400	\$3.15	10,695
DRP cost	31 Dec 2019			(1,643)
Dividend reinvestment plan	8 Apr 2020	3,961	\$2.56	10,135
DRP cost	30 Jun 2020			<u>(1,644)</u>
Balance	30 Jun 2020	1,573,234		3,771,194
Dividend reinvestment plan	28 Oct 2020	2,633	\$2.87	7,552
DRP cost	31 Oct 2020			(1,643)
Rights & entitlement issue	5 Mar 2021	78,800	\$2.80	220,722
Dividend reinvestment plan	12 Apr 2021	2,530	\$3.10	7,838
DRP cost	30 Apr 2021			<u>(1,643)</u>
Balance	30 Jun 2021	<u>1,657,197</u>		<u>4,004,020</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management

The company's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the 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.

The capital risk management policy remains unchanged from the 30 June 2020 Annual Report.

Australia and International Holdings Ltd
Notes to the financial statements
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Note 14. Equity - Reserves

	2021	2020
	\$	\$
Fair value of equity investments revaluation reserve	902,346	107,384
Fair value of equity investments realised gains(losses) reserve	<u>438</u>	<u>-</u>
	<u><u>902,784</u></u>	<u><u>107,384</u></u>

Movements in reserves

	Note	Revaluation reserve	Realised gains (losses) reserve \$	Total reserves \$
Balance at 1 July 2019		700,683	-	700,683
Revaluation - gross		(847,570)	-	(847,570)
Deferred tax	5	<u>254,271</u>	<u>-</u>	<u>254,271</u>
Balance at 30 June 2020		107,384	-	107,384
Revaluation - gross		1,135,659	-	1,135,659
Deferred tax	5	<u>(340,698)</u>	<u>-</u>	<u>(340,698)</u>
Realised gains and losses		<u>-</u>	<u>438</u>	<u>438</u>
Balance at 30 June 2021		<u><u>902,346</u></u>	<u><u>438</u></u>	<u><u>902,784</u></u>

Fair value of equity investments revaluation reserve

The reserve is used to recognise increments and decrements in the fair value of equity investment financial assets

Fair value of equity investments realised gains(losses) reserve

The reserve is used to recognise realised gains and losses on the disposal of fair value equity investment financial assets

Note 15. Equity - retained profits

	Note	2021	2020
		\$	\$
Retained profits at the beginning of the financial year		408,550	487,214
Profit after income tax (expense)/benefit for the year		106,422	117,177
Dividends paid	16	<u>(145,150)</u>	<u>(195,841)</u>
Retained profits at the end of the financial year		<u><u>369,822</u></u>	<u><u>408,550</u></u>

Australia and International Holdings Ltd
Notes to the financial statements
30 June 2021

Note 16. Equity - dividends

Dividends

Final dividend

	2021	2020
	\$	\$
Final dividend paid	<u>70,720</u>	<u>101,672</u>
Year ended	30/06/2020	30/06/2019
Cents per share	4.5 ¢	6.5 ¢
Franking %	100%	100%
Date paid	28/10/2020	11/10/2019

Interim dividend

	2021	2020
	\$	\$
Interim dividend paid	<u>74,431</u>	<u>94,169</u>
Half-year ended	31/12/2020	31/12/2019
Cents per share	4.5 ¢	6 ¢
Franking %	100%	100%
Date paid	12/04/2021	8/04/2020
Total dividends paid or payable	<u>145,151</u>	<u>195,841</u>

Franking credits

	2021	2020
	\$	\$
Franking credits available for subsequent financial years based on a tax rate of 30%	<u>24,815</u>	<u>32,445</u>

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for: franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date;

- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date;
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date; and
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

Australia and International Holdings Ltd

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Note 17. Financial instruments

Financial risk management objectives

The company's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company.

Market risk

Foreign currency risk

The company holds units in a trust that invests in Internationally listed shares and managed funds. The values of these holdings are converted from foreign currency to domestic currency at balance date, and as such the company is exposed to foreign currency risk through foreign exchange rate fluctuations. Under certain conditions the trust uses exchange traded options and foreign currency denominated currency accounts to hedge against adverse exchange rate movements.

Foreign exchange risk arises from recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency.

Changes in Value

Market risk cannot be diversified away, but it can be reduced by investing across a broad range of industry sectors and countries. The proportions of the portfolios invested across these two categories are shown in the Directors' Report.

The Company holds units in a trust which through a sub-entity uses ASX exchange traded options to enhance income by taking a premium on options positions sold. The value of options will fluctuate according to price and volatility changes in the underlying securities over which they are written. Options values will also vary with changes to interest rates and company dividends. Further, they will decrease with the passage of time.

Price risk

The company is not exposed to any significant price risk.

Interest rate risk

The economic entity is exposed to interest rate risk on its cash holdings, which are generally subject to floating interest rates. The effective weighted average interest rate that applied to cash balances over the financial year was 0.38% (2020: 0.65%).

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company minimises credit risk by undertaking transactions with recognised financial intermediaries with acceptable credit ratings determined by a recognised ratings agency.

Note 17. Financial instruments (continued)

Liquidity risk

Vigilant liquidity risk management requires the company to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The company manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Note 18. Fair Value measurement

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

- financial assets at fair value through other comprehensive income.

The company does not subsequently measure any liabilities at fair value on a non-recurring basis.

a. Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

The company's financial assets that are measured using a Level 2 valuation comprise unlisted unit trusts. The unit prices used in determining the fair value of the company's investment in those trusts is determined based on the fair value (market value or Level 1 methodology) of the underlying assets in the trusts that are entirely held in listed securities. The company does not have any financial assets at fair value measured at Level 3.

Australla and International Holdings Ltd
Notes to the financial statements
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Note 18. Fair Value measurement (continued)

The following tables provide the fair values of the company's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

		30 June 2021			
Note	Level 1	Level 2	Level 3	Total	
	\$	\$	\$	\$	
Recurring fair value measurements					
<i>Financial assets</i>					
at fair value through other comprehensive income					
	514,608	-	-	514,608	
	-	5,199,254	-	5,199,254	
Total financial assets recognised at fair value on a recurring basis					
8	514,608	5,199,254	-	5,713,862	
		30 June 2020			
Note	Level 1	Level 2	Level 3	Total	
	\$	\$	\$	\$	
Recurring fair value measurements					
<i>Financial assets</i>					
Available-for-sale financial assets:					
	357,706	-	-	357,706	
	-	4,015,370	-	4,015,370	
Total financial assets recognised at fair value on a recurring basis					
8	357,706	4,015,370	-	4,373,076	

b. **Valuation Techniques and Inputs Used to Measure Level 2 Fair Values**

Description	Valuation Technique(s)	Inputs Used	Fair Value at 30 June 2021 \$
<i>Financial assets</i>			
Shares in unlisted unit trusts - related parties	Market approach using unit prices determined by underlying fair value of listed assets	Fair value of trust's listed investments	5,199,254

Note 19. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by PKF Brisbane Audit, the auditor of the company:

	2021 \$	2020 \$
<i>Audit services - PKF Brisbane Audit</i>		
Audit of financial statements	16,000	15,900
	<u>16,000</u>	<u>15,900</u>

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Note 20. Events after the reporting period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and has become a significant matter around the globe. Management is monitoring these development and any potential future impact on the financial position and performance of the company. However, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 21. Reconciliation of profit after income tax to cash from/(used in) operating activities

	2021	2020
	\$	\$
Profit after income tax expense for the year	106,422	117,177
Adjustments for:		
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(45,027)	125,357
Decrease/(increase) in deferred tax assets	-	1,151
Increase/(decrease) in provision for income tax	(5,920)	17,931
Increase/(decrease) in other operating liabilities	3,965	-
Net cash from/(used in) operating activities	<u>59,440</u>	<u>261,616</u>

Note 22. Earnings per share

	2021	2020
	\$	\$
Profit after income tax attributable to the owners of Australia and International Holdings Limited	<u>106,422</u>	<u>117,177</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>1,600,809</u>	<u>1,569,215</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>1,600,809</u>	<u>1,569,215</u>
	Cents	Cents
Basic earnings per share	6.65 ¢	7.47 ¢
Diluted earnings per share	6.65 ¢	7.47 ¢

Australia and International Holdings Ltd
Notes to the financial statements
30 June 2021

Note 23. Related Parties

Investments in related trusts

	2021	2020
	\$	\$
Investments - Non-current		
Investment in the Burrell Australian Equities Trust	3,232,610	2,475,303
Investment in the Burrell World Equities Trust	1,334,172	1,110,400
Investment in the Burrell Smallcap, Midcap and Resources Trust	<u>632,472</u>	<u>429,667</u>
Total	<u><u>5,199,254</u></u>	<u><u>4,015,370</u></u>

Distributions from related trusts

Distributions received or due and receivable by the Company from:

	2021	2020
	\$	\$
The Burrell Australian Equities Trust	151,204	134,799
The Burrell World Equities Trust	7,781	32,613
The Burrell Smallcap, Midcap and Resources Trust	<u>7,970</u>	<u>6,755</u>
	<u><u>166,955</u></u>	<u><u>174,167</u></u>

Other transactions with Directors

Mr C T Burrell, Mr G J Vickery and Mr R J Burrell are Directors of Burrell Stockbroking Pty Ltd. This company provides stockbroking and secretarial, portfolio administration and management services to the Company. An amount of \$4,395 in brokerage was paid by the Company to Burrell Stockbroking Pty Ltd during the year, and an amount of \$18,057 was paid in respect of the other services. Mr C T Burrell, Mr G J Vickery and Mr R J Burrell are Directors of Burrell & Co Holdings Pty Ltd. This company provides clearing and settlement services to the Company. There were no fees or charges paid by the Company to Burrell & Co Holdings Pty Ltd during the year.

Australia and International Holdings Limited
Directors' declaration

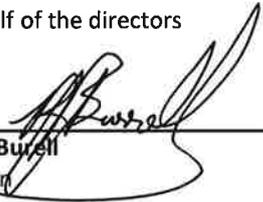
In the directors' opinion:

1. the attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards as described in note 1 to the financial statements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
2. the attached financial statements and notes thereto comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
3. the attached financial statements and notes thereto give a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
4. 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 has been made after receiving the declarations required to be made to the Directors by the Managing Director and the Chief Financial Officer regarding the financial statements in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2021. The declarations received were that, in the opinion of the Managing Director and the Chief Financial Officer to the best of their knowledge, the financial records of the Company have been properly maintained, that the financial statements comply with accounting standards and that they give a true and fair view.

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

On behalf of the directors



Roger J Burrell
Chairman



Christopher T Burrell
Director

Brisbane
8 September 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AUSTRALIA & INTERNATIONAL HOLDINGS LIMITED

Report on the Financial Report

Opinion

We have audited the accompanying financial report of Australia & International Holdings Limited (the company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion the financial report of Australia & International Holdings Limited is in accordance with the *Corporations Act 2001*, including:

- a) Giving a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the year ended on that date; and
- b) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the Auditor's Responsibility section of our report.

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

Independence

We are independent of the entity 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 also fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Accounting treatment of investments in Burrell Australian Equities Trust, Burrell World Equities Trust and Burrell Smallcaps Midcaps and Resources Trust

Why significant

As at 30 June 2021 the carrying value of the investments in Burrell Australian Equities Trust, Burrell World Equities Trust and Burrell Smallcaps Midcaps and Resources Trust (“the Trusts”) was \$5,199,254 (2020: \$4,015,370), as disclosed in Notes 8 & 18 representing 89.26% of total assets at that date.

The company accounted for the investment in the Trusts on a ‘look-through’ basis and recognised these investments in accordance with AASB 9 *Financial Instruments* as financial assets through other comprehensive income with the unrealised and realised gains and losses recorded in the reserves in equity.

How our audit addressed the key audit matter

Our work included, but was not limited to, the following procedures:

- to assess whether the company has control or significant influence over the investments in the Trusts:
 - obtaining the position paper prepared by management and assessing whether the assumptions used by management are still appropriate.
 - assessing whether the company’s accounting treatment complies with AASB 9; and
 - assessing the appropriateness of the related disclosures in Notes 1, 8 and 18.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the entity’s Annual Report, but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors’ Responsibilities 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 control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the Directors also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the Directors are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using a going concern basis of accounting unless the Directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. 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, individual or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control.

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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 entity to cease to continue as a going concern.

We 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 obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Australia & International Holdings Limited for the year ended 30 June 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



PKF BRISBANE AUDIT



LIAM MURPHY
PARTNER

BRISBANE
8 SEPTEMBER 2021

Australia and International Holdings Limited
Shareholder information
8 September 2021

The shareholder information set out below was applicable as at 8 September 2021

Distribution of equitable securities

Analysis of the number of equitable security holders by size of holdings:

	Number of holders of ordinary shares	Number of ordinary shares held	% of total shares held
1 to 1,000	19	3,994	0.2%
1,001 to 5,000	38	117,705	7.1%
5,001 to 10,000	44	311,984	18.8%
10,001 to 100,000	27	755,879	45.6%
100,001 and over	3	467,635	28.2%
	<u>131</u>	<u>1,657,197</u>	<u>100.0%</u>
Holdings of less than a marketable parcel	<u>12</u>	<u>879</u>	<u>0.1%</u>

Equity security holders

Twenty largest quoted equity security holders

The name of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary Shares	
	Number held	% of total shares held
CTBFam Pty Ltd	165,388	10.0%
Mr Christopher Thomas Burrell	157,766	9.5%
CTBFam Pty Ltd <Secret Super Fund>	144,481	8.7%
Sajrej Pty Ltd	87,399	5.3%
RJB Superannuation Pty Ltd <The RJ Burrell Superannuation Fund>	61,300	3.7%
Ms Marian Micalizzi	59,876	3.6%
Mr Jason Edward Leggatt	47,578	2.9%
Donna Irwin	47,352	2.9%
Wanstead Investment Company	45,000	2.7%
Prof. Francis James Finn	37,465	2.3%
Mrs Rosemary Josephine Burt	37,211	2.2%
JNBFam Pty Ltd	35,958	2.2%
Rowley Pty Ltd <Rowley Superannuation Fund>	32,421	2.0%
Sheford Investments Pty Ltd	30,940	1.9%
Mr Roger Burrell	22,708	1.4%
Mrs Laurel A Yesberg & Mr Dean R Yesberg <Laurel Yesberg Super A/c>	21,172	1.3%
Mr Anthony Meale Killer & Mrs Sandra Marie Killer <The Killer Super Fund>	18,000	1.1%
Dr Roger J Hartigan <Hartigan Fund A/c>	18,000	1.1%
Mr Peter MacDonald Byers and Mrs Pamela Anne Byers	17,455	1.1%
Mr Roger John Burrell & Mr Christopher Thomas Burrell <STUD TTF>	16,069	1.0%
	<u>1,103,539</u>	<u>66.6%</u>

Unquoted equity securities

There are no unquoted equity securities on issue.

Australia and International Holdings Limited
Shareholder information
8 September 2021

Substantial shareholders

Substantial shareholders in the company are set out below:

	Ordinary Shares	
	Number held	% of total shares held
CTBFam Pty Ltd	165,388	10.0%
Mr Christopher Thomas Burrell	157,766	9.5%
CTBFam Pty Ltd <Secret Super Fund>	144,481	8.7%
Sajrej Pty Ltd	87,399	5.3%

Voting rights

The voting rights attached to the ordinary shares of the Company are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Australia and International Holdings Limited
Five year summary of performance
30 June 2021

	2021	2020	2019	2018	2017
	\$	\$	\$	\$	\$
Profit and Loss					
Revenue from operating activities	180,038	197,045	322,191	379,625	165,986
Total expenses	<u>(60,550)</u>	<u>(60,414)</u>	<u>(60,185)</u>	<u>(57,328)</u>	<u>(53,224)</u>
Profit from ordinary activities before income tax expense	119,488	136,631	262,006	322,297	112,762
Income tax benefit/(expense)	<u>(13,066)</u>	<u>(19,454)</u>	<u>(3,081)</u>	<u>(34,058)</u>	<u>5,495</u>
Net profit/(loss) after tax	<u>106,422</u>	<u>117,177</u>	<u>258,925</u>	<u>288,239</u>	<u>118,257</u>
Net profit/(loss) attributable to the owners of Australia & International Holdings Limited	<u><u>106,422</u></u>	<u><u>117,177</u></u>	<u><u>258,925</u></u>	<u><u>288,239</u></u>	<u><u>118,257</u></u>
Balance Sheet					
Current assets	110,580	123,125	235,204	238,511	69,461
Non-current assets	5,713,862	4,373,076	5,151,755	4,959,417	4,798,292
Total assets	<u>5,824,442</u>	<u>4,496,201</u>	<u>5,386,959</u>	<u>5,197,928</u>	<u>4,867,753</u>
Current liabilities	18,327	20,281	2,349	2,705	0
Non-current liabilities	529,489	188,792	443,062	413,457	351,652
Total liabilities	<u>547,816</u>	<u>209,073</u>	<u>445,411</u>	<u>416,162</u>	<u>351,652</u>
Shareholders' funds	<u><u>5,276,626</u></u>	<u><u>4,287,128</u></u>	<u><u>4,941,548</u></u>	<u><u>4,781,766</u></u>	<u><u>4,516,101</u></u>
Earnings per share	6.65 ¢	7.47 ¢	16.57 ¢	18.53 ¢	7.8 ¢
Dividends per share	9 ¢	12.5 ¢	12 ¢	12 ¢	12 ¢
Net asset value per share	318 ¢	274 ¢	316 ¢	307 ¢	291 ¢
Price earnings ratio (x)	47.83	36.56	19.07	16.57	37.31