

CORPORATE DIRECTORY

Registered Office and Principal Place of Business:

Level 9
406 Collins Street
Melbourne Victoria

Directors:

Benjamin Genser - Chairman
David H.A. Craig – Managing Director
Chris Baring-Gould – Non-Executive Director

Secretary:

Cathy W Lin

Auditors:

SHEPARD WEBSTER & O'NEILL AUDIT PTY LTD
Level 1 / 434 Nepean Highway
FRANKSTON VIC 3199

Share registry:

Computershare Investor Services Pty Ltd
Yarra Falls
452 Johnston Street
Abbotsford Vic 3067

Stock exchange listing:

Authorised Investment Fund Limited ordinary shares are listed
on the Australian Securities Exchange
(code: AIY)

CORPORATE GOVERNANCE STATEMENT

The Board is ultimately responsible for all matters relating to the running of the Company.

The Board's role is to govern the Company rather than to manage it. In governing the Company, the Directors must act in the best interests of the Company as a whole. It is the role of senior management to manage the Company in accordance with the direction and delegations of the Board and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

The Board has the final responsibility for the successful operations of the Company. In general, it is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. It is required to do all things that may be necessary to be done in order to carry out the objectives of the Company. In carrying out its governance role, the main task of the Board is to drive the performance of the Company. The Board must also ensure that the Company complies with all of its contractual, statutory and any other legal obligations, including the requirements of any regulatory body.

Without intending to limit this general role of the Board, the principal functions and responsibilities of the Board include the following:

- Providing leadership to the company by:
 - Guiding the development of an appropriate culture and values for the company through the establishment and review of Codes of Conduct, rules and procedures to enforce ethical behaviour and provide guidance on appropriate work methods;
 - Always acting in a manner consistent with the Company's culture and Code of Conduct;
- Overseeing the development and implementation of an appropriate strategy by:
 - Working with the senior management team to ensure that an appropriate strategic direction and array of goals are in place;
 - Regularly reviewing and amending or updating the Company's strategic direction and goals;
 - Ensuring that an appropriate set of internal controls are implemented and reviewed regularly;
 - Overseeing planning activities including the development and approval of strategic plans, annual corporate budgets and long-term budgets including operating budgets, capital expenditure budgets and cash flow budgets.
 - Reviewing the progress and performance of the Company in meeting these plans and corporate objectives, including reporting the outcome of such reviews on at least an annual basis.
- Ensuring corporate accountability to the shareholders primarily through adopting an effective shareholder communications strategy, encouraging effective participation at general meetings and, through the Chairman, being the key interface between the Company and its shareholders;
- Overseeing the control and accountability systems that ensure the Company is progressing towards the goals set by the Board and in line with the Company's purpose, the agreed corporate strategy, legislative requirements and community expectations;
 - Ensuring robust and effective risk management, compliance and control systems (including legal compliance) are in place and operating effectively;
- Ensuring appropriate human resource systems (including OH&S systems) are in place to ensure the well-being and effective contribution of all employees.

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- Making all decisions outside the scope of these delegated powers including:
 - Approving all operational expenditures more than 10% outside the approved budget;
 - Approving the details of all items of capital expenditure and
 - Approving all mergers, acquisitions or property disposals and
 - Approving and monitoring the progress of major capital expenditure, capital management and acquisitions and divestitures.

The detail of some Board functions may be handled through Board Committees. However, the Board as a whole is responsible for determining the extent of powers residing in each Committee and is ultimately responsible for accepting, modifying or rejecting Committee recommendations.

Directors' Authorities and Delegations

Directors are responsible for any delegations of their responsibilities with regard to corporate operations. As such, they decide as a Board what Company matters are delegated to either specific Directors or management. In addition, they outline what controls are in place to oversee the operation of these delegated powers.

As a consequence, individual Directors have no individual authority to participate in the day-to-day management of the Company including making any representations or agreements with member companies, suppliers, customers, employees or other parties or organisations.

The exception to this principle occurs where the Board through resolution explicitly delegates an authority to a Director individually. Additionally, it is recognised that all Executive Directors will carry significant delegated authority by virtue of their management position as outlined in a relevant Board resolution.

Similarly, Committees and their members require specific delegations from the Board as a whole and these will be contained in each Committee's respective Terms of Reference.

General Delegations

In general, the Board delegates all powers and authorities required to effectively and efficiently carry out the Company's business. Listed below are the exceptions to these delegations, whereby the Board or appropriate Committee reserves the powers as indicated.

Decisions Requiring Board Approval

The following decisions must be referred to the Board for approval:

- Acquiring or selling shares of the Company;
- Acquiring, selling or otherwise disposing of property;
- Founding, acquiring or selling subsidiaries of or any company within the Company, participating in other companies or dissolving or selling the Company's participation in other companies (including project joint ventures);
- Acquiring or selling patent rights, rights in registered trademarks, licences or other intellectual property rights of the Company;
- Founding, dissolving or relocating branch offices or other offices, plants and facilities;
- Starting new business activities, terminating existing business activities or initiating major changes to the field of the Company's business activities;
- Approving and/or altering the annual business plan (including financial planning) for the Company or any part of the Company;
- Taking or granting loans including, without limitation, the placing of credit orders, issuing of promissory notes or loans against IOUs;
- Granting securities of any type;

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- Granting loans to Company officers or employees and taking over guarantees for the Company's officers and employees;
- Determining the balance sheet strategy for the Company or any part of the Company;
- Entering into agreements for recurring, voluntary, or additional social benefits, superannuation agreements or agreements for general wage and salary increases;
- Determining the total amount of bonuses and gratuities for Company officers and employees;
- Determining the appointment, termination, prolongation of employment or amendment to conditions of employment of members of the Board of Directors; and
- Granting or revoking a power of attorney or limited authority to sign and/or act on behalf of the Company.

The composition of the Board is reviewed and considered at least annually at a meeting of all directors. Shareholder approval is required on the composition of the Board. Directors are elected by shareholders and remain accountable to them. The Board will meet formally on a regular basis.

The board presently comprises two non-executive directors and an executive director.

The company policy regarding the terms and conditions for remuneration relating to the appointment and retirement of Board members are approved at a meeting of all directors following professional advice. The directors of the Company, meeting as a Board, determine the fees of directors within the aggregate limit established by shareholders in general meeting.

The remuneration and terms and conditions of executive officers are reviewed and approved by the directors after seeking professional advice.

Non-executive members have the right to seek independent professional advice in the furtherance of their duties as Directors at the company's expense. The Chairman's approval of such expenditure is required.

Where any director has an interest of any kind in relation to any matter dealt with at a board or committee meeting that director abstains from participation in the decision process.

Directors and officers must inform the Chairman, in advance, of any proposed dealing in Authorised Investment Fund Limited securities, refrain from buying or selling in the period of five days before, the day of, and the day after announcements and observe all legal requirements relating to dealing in securities. Directors and officers are prohibited from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the security's prices.

Communications to Shareholders

The board of directors aims to ensure that the shareholders, on behalf of whom they act, are informed of all information necessary to assess the performance of the directors. Information is communicated to shareholders through:

- The Annual Report which is distributed to all shareholders
- The Annual General Meeting and other meetings so called to obtain approval for board action as appropriate;
- The appointment of a contact for shareholder liaison to respond to telephone and written shareholder inquiries.

Evaluation of the performance of senior executives, the board, its committees and individual directors

The Chairman reviews the performance of the senior executives by way of formal and informal discussions as appropriate throughout the year. The performance of the senior executives was reviewed during the financial year in accordance with this process.

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A review of the performance of the Board and its Committees during the financial year, is conducted by the Chairman through formal and informal discussions. Significant issues that are identified or changes recommended are actioned by the Board.

Given the current size of the Board, there are no formal performance reviews of individual directors.

Keeping the market informed

The company has documented policies for communications and continuous disclosure procedures and practices.

The board specifically addresses the issue of price sensitive information at each of its board meetings.

The Company Secretary is responsible for the communication of administrative matters to the ASX.

Audit Committee

At the date of this report the Company has an Audit Committee consisting of the following directors and officeholders:

Benjamin W Genser	- Audit Committee Chairman
Chris Baring-Gould	- Non-Executive Director

The Audit Committee does not have a formal charter but its objectives to assist the Board in fulfilling its statutory responsibilities in relation to financial reporting, risk management and internal control include:

- Assessing the risk and control environment – review accounting policies, internal controls, practices and disclosures to assist the board in making informed decisions
- Overseeing the financial reporting to ensure it is appropriate and of a high quality prior to recommending adoption of the financial statements by the board for release to the ASX and shareholders
- Evaluating the audit process, particularly the scope, effectiveness and outcome

Committee members are financially literate, that is, have the ability to read and understand financial reports including the statements of financial performance, financial position and cash flow.

The Audit Committee meets at least each half year to coincide with the production of published financial statements and the assessment of external audit reports. The external auditor and the Managing Director are invited to Audit Committee meetings. The committee members consult directly with the external auditor as required. This consultation may be independent of management in order to provide an opportunity for the auditor to discuss any contentious issue or raise concerns.

Risk Management

The Board as a whole considers the major risks affecting the business. The Company has developed a risk management system to evaluate and control risks effectively to ensure opportunities are not lost, competitive advantage is enhanced, and management time is not spent reacting to issue or events. It is not intended to eliminate risk. This risk management system encompasses all financial operational and compliance controls and risk management and is subject to regular review.

Major business risks have been identified as quality of due diligence of investment opportunities, actions by competitors, environment regulation and government policy changes. Procedures have been developed to minimise the effect of these risks wherever possible.

Financial controls and procedures are clearly defined with the operating and capital budgets used as key controls for business operations. The Board considers regular reports comparing actual results against the budgets set by the Board.

The Managing Director provided a written statement to the Board, that in his opinion:

- the statement given in accordance with Section 295A of the Corporations Act is founded on a sound system of risk management and internal control; and
- the company's risk management and internal compliance and control framework is operating effectively in all material respects in relation to financial reporting risks.

CORPORATE GOVERNANCE STATEMENT

ASX Corporate Governance Council Guidelines

The Board has not adopted the following ASX Corporate Governance Council recommendations:

Recommendation 1.1 Formalise and disclose the functions reserved to the board and those delegated to management.

The board has formalised a statement of issues reserved for the board and this statement is reproduced in this Corporate Governance Report.

Recommendation 2.1 A majority of the board should be independent directors

While the Board strongly endorses the position that boards need to exercise independence of judgment, it also recognises that the need for independence is to be balanced with the need for skills, commitment and a workable board size. Whilst the board consists of three directors, Mr. Craig and Mr Genser are substantial shareholders and therefore cannot be regarded as independent directors.

The board believes that it consists of members with the skills, experience and character required to discharge its duties and that any greater emphasis on independence at this point in time would be at the expense of the Board's effectiveness.

Recommendation 2.4 The Board should establish a nomination committee

The Board considers that the selection and appointment of Directors is such an important task that it should be the responsibility of the entire Board to consider the nomination process. As the board consists of only three directors this is considered best practice at this stage in the company's development.

Recommendation 3.1 Establish a Code of Conduct to guide Directors, the Managing Director, and any other key executives as to the practices necessary to maintain confidence in the Company's integrity and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

Due to the size of the company and the resources available to it, the board does not consider that a formal code of conduct for Directors, the Managing Director and the Company Secretary is appropriate. Rather it is agreed that all officers of the company will act ethically and in the best interests of the company.

Recommendation 3.2 Establish a policy concerning gender diversity

Due to the size of the company, the board does not consider that a gender diversity policy is practicable. Rather it is agreed that there should be no impediments to gender diversity.

Recommendation 4.3 Structure the Audit Committee so that it consists of only non-executive directors, an independent chairperson, who is not chairperson of the board, at least two members.

Increasing the size of the committee to three members, who are also not the chairperson of the Board, is not possible given the composition of the board. The Audit Committee mainly consists of non-executive directors.

Recommendation 8.2 The Board should establish a Remuneration Committee

The board considers that due to its small size all members should be involved in determining remuneration levels, it has not established a separate remuneration committee.

DIRECTORS' REPORT

The directors present their report on the company and its controlled entities for the financial year ended 30 June 2018.

Directors

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

Mr. Benjamin Genser (Chairman)
Mr. David H.A. Craig
Mr. Chris Baring-Gould

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

Ms. Cathy W Lin *C.A B & .Com (Auckland University)*

Principal Activities

The Company is registered under the Pooled Development Funds Act 1992 (Cth) ("PDF Act"). The principal activities of the Company during the financial year were the provision of passive equity capital to certain eligible small and medium-sized Australian companies in accordance with the provisions of the PDF Act. There has been no significant change in the nature of these activities during the financial year.

Operating Results

The consolidated loss of the company after providing for income tax amounted to \$531,411 (2017 Loss of \$1,935,847).

Dividends Paid or Recommended

No dividends were paid or recommended during the financial year (2017: nil).

Review of Operations

The review of operations is included in the attached Chairman's letter.

Financial Position

The net assets of the company have increased by \$8,848,588 at 30 June 2018 to \$8,885,203. This has largely resulted from the acquisition of shares in a number of new investee companies in FY 2018. These new acquisitions are % holding of equity in each of the following companies:

- (14%) Box Digital Media Pty Ltd for \$1,200,000
- (22%) Asian Integrated Media Pty Ltd for \$5,500,000
- (10%) Strike Marketing Pty Ltd for \$100,000
- (20%) AENEA (Aust) Pty Ltd for \$2,000,000

The acquisition of shares in these new investee companies has been achieved through the AIY placement of shares.

As at balance date, the Directors have fair valued its investee companies, taking into account factors such as current financial performance, and future prospects for earnings, profitability and growth. As a result of this assessment, the Directors have:

- Maintained fair value of Asian Integrated Media and
- AENEA, Box Digital Media and Strike Marketing at acquisition cost

Subsequent to balance date, the increased share price of the company has provided support for the Directors' fair value assessment of its investee companies.

Other than the above new acquisitions, there were no other significant changes in the state of affairs of the economic entities during the financial year ended 30 June 2018.

DIRECTORS' REPORT

After Balance Date Events

The Company announced a capital raising via a Rights Issue Prospectus lodged with the ASX on 5th June 2018, to raise working capital for itself and also for business development needs of its investee companies.

A supplementary prospectus was lodged with the ASX on 17th August 2018, advising the market of the following:

- Extension of the Rights issue offer to 18th September 2018,
- Additional disclosure of a new circumstance regarding Box Digital Media's dispute with a third party.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

As per the Supplementary Prospectus dated 17 August 2018, the Company will advise the ASX of under-subscriptions (if any) on 21st September 2018.

Future Developments, Prospects and Business Strategies

To further improve the company's profit and maximise returns to shareholders, the Directors intend to continue the company's current strategy of investing in small to medium-sized eligible Australian companies that show promising prospects of growth, in accordance with the provisions of the PDF Act. This will assist in the achievement of the company's long-term financial goals.

Meetings of Directors

During the financial year 9 meetings of directors (including committees) were held. Attendances were

	<u>Directors' Meetings</u>			<u>Audit Committee Meetings</u>	
	Number eligible to attend	Number attended		Number eligible to attend	Number attended
Mr.B.Genser	9	9		2	2
Mr. D.H.A. Craig	9	9		-	-
Mr. C.Baring-Gould	9	9		2	2

DIRECTORS' REPORT**Information on Directors****Benjamin Genser**

Chairman (non-executive)
 Qualifications: Bachelor of Architecture
 Experience: Managing Director of the Belgrave Group of companies.
 Special responsibilities: Chairman of Board Audit Committee
 Directorships held in other listed entities: Nil

David H.A. Craig

Managing Director (executive)
 Qualifications: Bachelor of Economics
 Experience: Director since March 1998,
 Chairman of Consolidated Financial Services Limited Group, Chairman of Endless Solar Corporation Limited.
 Special responsibilities: Nil
 Directorships held in other listed entities: Director of Endless Solar Corporation Ltd

Chris Baring-Gould

Director (non-executive)
 Qualifications: BBusAcc, MBA, CPA
 Experience: Over 25 years' experience in financial and accounting in large international fund companies, including JB Were, and Chief Financial Officer of Anglicare Victoria. Independent member of the Funds-in-Court Audit Committee (Victoria Supreme Court) and board member of Spectrum Victoria
 Special responsibilities: Member of Board Audit Committee
 Directorships held in other Listed entities: Director of Endless Solar Corporation Ltd

Directors' Interest in Authorised Investment Fund Ltd**1. Benjamin Genser – Chairman(non-executive)****Details of relevant interests:**

Holder of relevant interest	Registered holder of securities	Nature of relevant interest (7)	Class and number of securities
Benjamin William Genser	BWE Investments Pty Ltd	Deemed relevant interest under s608(3)(b) of the Corporations Act (2001) (Act) by way of controlling interest in BWG Investments Pty Ltd,	ORD 17,540,235
Benjamin William Genser	Belgrave Environmental Sustainable Technologies Pty Ltd	Deemed relevant interest under s608(3)(b) of the Corporations Act (2001) (Act) by way of controlling interest in BWG Investments Pty Ltd, which controls Belgrave Environmental Sustainable Technologies Pty Ltd Technologies Pty Ltd	ORD 6,000,000

Details of voting power:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
ORDINARY	ORD 23,540,235	23,540,235	11.2%

DIRECTORS' REPORT**2. David Craig – Managing Director****Details of relevant interests:**

Holder of relevant interest	Registered holder of securities	Nature of relevant interest (7)	Class and number of securities
David H A Craig	David H A Craig	Direct holding as per s608(1)(a) of the Act	ORD 3,634,653
David H A Craig	Endless Solar Corporation Ltd	Having voting power above 20% in Endless Solar Corporation thereby having relevant interest deemed under s608(3)(a) of the ACT	ORD 10,156,999
David H A Craig	Harvard Nominees Pty Ltd	Having control of Harvard Nominees Pty Ltd thereby having relevant interest deemed under s608(3)(a) of the ACT	ORD 7,930,000
David H A Craig	Plumber Federation Ltd/ Australian Turntable Holdings Limited	Having voting power above 20% in Endless Solar Corporation, which control Plumber Federation Ltd thereby having relevant interest deemed under s608(3)(a) of the ACT	ORD 6,000,000
David H A Craig	Regent Fine Wines Pty Ltd	Having control of Regent Fine Wines Pty Ltd thereby having relevant interest deemed under s608(3)(a) of the ACT	ORD 10,816,863
David H A Craig	Consolidated Financial Service Ltd	Having control of Consolidated Financial Service Ltd thereby having relevant interest deemed under s608(3)(a) of the ACT	ORD 1,733,332
David H A Craig	Collins Court Corporation Ltd	Having voting power above 20% in Collins Court Corporation Ltd, which control Plumber Federation Ltd thereby having relevant interest deemed under s608(3)(a) of the ACT	ORD 949,999
David H A Craig	Heritage Partners Investments Pty Ltd	Having voting power above 20% in Heritage Partners Investment Pty Ltd, which control Plumber Federation Ltd thereby having relevant interest deemed under s608(3)(a) of the ACT	ORD 99,999

Details of voting power:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
ORDINARY	ORD 41,321,845	41,321,845	19.67%

3. Chris Baring-Gould – Non-Executive Director**Details of relevant interests:**

Holder of relevant interest	Registered holder of securities	Nature of relevant interest (7)	Class and number of securities
Chris Baring-Gould	Koay Baring-Gould Super Fund	Deemed relevant interest under s608(3)(b) of the Corporations Act (2001) (Act) by way of controlling interest in Koay Baring Gould Super Fund	ORD 12,528,652

Details of voting power:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
ORDINARY	ORD 12,528,652	12,528,652	4.55%

DIRECTORS' REPORT**Environmental Issues**

The company is not subject to significant environmental regulation under the law of the Commonwealth and State.

Indemnifying Officers or Auditor

During the financial year, the company paid a premium in respect of a contract insuring the directors of the company, the company secretary and all executive officers of the company against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director, secretary or officer of the company, other than conduct involving a willful breach of duty in relation to the company to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits the disclosure of the premium amount.

Apart from the insurance premium noted above, no indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is an officer or auditor of the company.

Options

At the date of this report, the unissued ordinary shares of Authorised Investment Fund Limited under option are as follows:

Grant Date	Date of expiry	Exercise Price	No. under option
30 Aug 2016	30 Aug 2018	\$0.03	666,667
27 Feb 2015	30 June 2019	\$0.055	600,000
01 Jan 2018	22 December 2022	\$0.05	9,000,000
Total			10,266,667

Proceedings on Behalf of Company

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

The company was not a party to any such proceedings during the year.

Non-Audit Services

There were no Non-Audit Services were provided by the Company's external auditors during the financial year.

Auditor

Ms Margaret Salter F.C.A resigned as Auditor in February 2018 and subsequently Shepard Webster & O'Neill Audit Pty Ltd, was appointed as Auditor in accordance with section 324AA of the Corporations Act 2001.

Auditors Independence Declaration

The auditor's independence declaration for the year ended 30 June 2018 has been received and can be found on page 37 of the director's report.

Remuneration Report

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of Authorised Investment Fund Limited's key management personnel for the financial year ended 30 June 2018. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the consolidated entity. The prescribed details for each person covered by this report are detailed below under the following headings:

- key management personnel
- remuneration policy
- relationship between the remuneration policy and company performance
- remuneration of key management personnel
- key terms of employment contracts.

DIRECTORS' REPORT

Key management personnel

Name	Position
Mr. B. Genser	Chairman – Non-Executive
Mr. D.H.A. Craig	Managing Director – Executive,
Mr. Chris Baring-Gould	Director – Non- Executive
Ms. Cathy Lin	Company Secretary

Remuneration Policy

The remuneration policy of Authorised Investment Fund Limited has been designed to align director objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based upon key performance areas affecting the company's financial results. The board of Authorised Investment Fund Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the company, as well as create goal congruence between director and shareholders.

The board's policy for determining the nature and amount of remuneration for board members of the company is as follows:

- The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed and approved by the board.
- All executives receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, options and performance incentives.
- The board reviews executive packages annually by reference to the company's performance, executive performance and comparable information from industry sectors.

The performance of executives is measured against criteria agreed annually with each executive and is based predominantly on the forecast growth of the company's profits and shareholders' value. The board may, however, exercise its discretion in relation to approving incentives, bonuses and options. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Executives are also entitled to participate in the employee share and option arrangements.

Where applicable, executive directors and executives receive a superannuation guarantee contribution required by the government, which is currently 9.5%, and do not receive any other retirement benefits. Some individuals, however, have chosen to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to directors and executives is valued at the cost to the company and expensed. Shares given to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director or executive. Options are valued using the Black-Scholes methodology.

The board policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The remuneration committee determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive directors are not linked to the performance of the company. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the company and are able to participate in the employee option plan.

Company performance, shareholder wealth and director and executive remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. There have been two methods applied in achieving this aim, the first being a performance based bonus based on key performance indicators, and the second being the issue of options to the majority of directors and executives to encourage the alignment of personal and shareholder interests. The company believes this policy will be effective in increasing shareholder wealth in future years.

DIRECTORS' REPORT

Details of Remuneration for the Year Ended 30 June 2018

The remuneration for each director and executive officers of the consolidated entity receiving the highest remuneration during the year was:

	Short-term Benefits		Post Employment	Share based Payments	Total	Performance related %
	Salary & fees \$	Super. Contribution \$	Super. \$	\$		
Mr. B. Genser	-	-	-	60,000	60,000	-
Mr. D.H.A.Craig	-	-	-	60,000	60,000	-
Mr C.J. Baring-Gould	-	-	-	30,000	30,000	-
Ms C Lin	-	-	-	30,000	30,000	-
Total				180,000	180,000	

Key management personnel equity holdings (include shareholding through related parties)

	Balance 01/07/17	Received as compensation	Option Exercised	Net change*	Balance 30/06/18
Mr.B.Genser	14,540,235	9,000,000	-	9,000,000	23,540,235
Mr.D.H.A.Craig	38,321,845	3,000,000	-	3,000,000	41,321,845
Mr C. J. Baring-Gould	11,028,652	1,500,000	-	1,500,000	12,528,652
Ms C. Lin	3,200,000	1,500,000	-	1,500,000	4,700,000

Shares issued as Part of Remuneration for the Year Ended 30 June 2018

There were 9 million shares issued to directors and executives as part of their remuneration during 2018.

Employment Contracts of Directors and Senior Executive

The directors and executives do not have formalised contracts of employment.

A Directors appointment may be terminated in accordance with the Corporations Act and the Constitution of the Company, and their office will be ipso facto vacated in the circumstances specified in the Corporations Act and the Constitution of the Company. A director may terminate their appointment by giving 3 months' notice in writing to the Company. The Company will pay the Director, by way of remuneration for his services, directors' fees in accordance with the Constitution of the Company.

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



Mr. David Craig
Managing Director

Dated: 31 August 2018

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
Revenue from continuing operations			
Revenue from ordinary activities			
Income	4	-	44,467
		-	44,467
Administration and other expenses		(764,373)	(270,574)
Investment fair value adjustment	5,6	232,962	(1,727,740)
(Loss) before income tax expense		(531,411)	(1,953,847)
Income tax (expense)/benefit	7	-	-
Net (loss)		(531,411)	(1,953,847)
Other comprehensive income/(loss) for the year		-	-
Total comprehensive income/(loss) for the year		(531,411)	(1,953,847)
Earnings per share:			
Basic earnings profit(loss) per share (cents per share)	9	(0.226)	(1.32)
Diluted earnings profit(loss) per share (cents per share)	9	(0.226)	(1.32)
There were no discontinued operations during the year.			
Dividends per share		Nil	Nil

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
Current Assets			
Cash and cash equivalents	12	103,209	10,211
Other current assets		-	38,709
Prepayments		-	7,012
Total current Assets		103,209	55,932
Non-current Assets			
Financial assets	14	9,129,454	96,492
Total non-current Assets		9,129,454	96,492
Total Assets		9,232,663	152,424
Current Liabilities			
Trade and other payables		347,460	115,809
Total Current Liabilities		374,460	115,809
Non-current Liabilities		-	-
Total non-current Liabilities		-	-
Total Liabilities		347,360	115,809
Net Assets		8,885,203	36,615
Equity			
Issued capital	17	20,057,348	10,677,348
Accumulated Losses		(11,172,145)	(10,640,734)
Total Equity		8,885,203	36,615

The accompanying notes form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018**

	ISSUED CAPITAL \$	ACCUMULATED LOSSES \$	TOTAL \$
Balance at 1 July 2016	10,512,348	(8,686,887)	1,825,462
Shares issued during the year	165,000		165,000
Profit/(Loss) for the year		<u>(1,953,847)</u>	<u>(1,953,847)</u>
Balance at 30 June 2017	10,677,348	(10,640,734)	36,615
Shares issued during the year	9,380,000		9,380,000
Profit/(Loss) for the year		<u>(531,411)</u>	<u>(531,411)</u>
Balance at 30 June 2018	20,057,348	(11,172,145)	8,885,203

The accompanying notes form part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018**

	NOTE	2018 \$	2017 \$
Cash Flows from Operating Activities			
Cash receipts in the course of operations		-	93,700
Cash payments in the course of operations		92,998	(83,608)
Interest received		-	-
Net cash used in operating activities	18	<u>92,998</u>	<u>10,092</u>
Cash Flows from Investing Activities			
Payments for investments		-	-
Net cash used in investing activities		<u>-</u>	<u>-</u>
Cash Flows from Financing Activities			
Proceeds from issue of shares		-	-
Net cash provided by financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash		92,998	10,092
Cash at the beginning of the year		<u>10,211</u>	<u>119</u>
Cash at the end of the year	12	<u>103,209</u>	<u>10,211</u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. GENERAL INFORMATION

Authorised Investment Fund Limited is a listed public company, incorporated and domiciled in Australia.
The address of its registered office and principal place of business is:
Level 9, 406 Collins Street, Melbourne VIC 3000 Australia

The principal activities of the company during the financial year were the provision of passive equity capital to certain eligible small and medium-sized Australian companies in accordance with the provisions of the Pooled Development Funds Act 1992 (Commonwealth).

2. APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

A number of new and revised standards became effective for the first time to annual periods beginning on or after 1 July 2017. Information on the more significant standard(s) is presented below.

AASB 2016-1 Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses

AASB 2016-1 amends AASB 112 Income Taxes to clarify how to account for deferred tax assets related to debt instruments measured at fair value, particularly where changes in the market interest rate decrease the fair value of a debt instrument below cost.

AASB 2016-1 is applicable to annual reporting periods beginning on or after 1 January 2017.

AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107

AASB 2016-2 amends AASB 107 Statement of Cash Flows to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

AASB 2016-2 is applicable to annual reporting periods beginning on or after 1 January 2017.

AASB 2016-4 Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash Generating Specialised Assets of Not-for-Profit Entities

This Standard amends AASB 136 Impairment of Assets to:

- remove references to depreciated replacement cost as a measure of value in use for not-for-profit entities; and
- clarify that the recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement, with the consequence that:

AASB 136 does not apply to such assets that are regularly revalued to fair value under the revaluation model in AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets; and

AASB 136 applies to such assets accounted for under the cost model in AASB 116 and AASB 138

AASB 2016-4 is applicable to annual reporting periods beginning on or after 1 January 2017.

The adoption of these standards has not had a material impact on the company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

2 APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS (continued)

At the date of authorisation of the financial statements, the company has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

Standard/amendment	Effective for annual reporting periods beginning on or after
AASB 9 Financial Instruments	1 January 2018
AASB 15 Revenue from Contracts with Customers	1 January 2018
AASB 16 Leases	1 January 2019

The directors do not anticipate that the application of the new standards will have a material impact on the Company's financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

These financial statements are general purpose financial statements that have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretation, and comply with other requirements of the law.

For the purposes of preparing the financial statements, the Company is a for-profit entity. Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the company complies with International Financial Reporting Standards ('IFRS').

This financial report has been authorised to issue per the director's declaration.

(b) Basis of Preparation

The financial statements have been prepared on the basis of historical cost, except for financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars, unless otherwise noted. Fair value is 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of AASB 2, leasing transactions that are within the scope of AASB 117, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 2 or value in use in AASB 136.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

The principal accounting policies are set out below.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Basis of not Consolidating

The controlled entities disclosed at Note 16 have not been consolidated as they were dormant throughout the current and prior financial periods.

(d) Going Concern

The directors have prepared a cash flow which indicates that the company has sufficient funds to continue in the foreseeable future. These assumptions are based on certain economic and operating assumptions about future events and actions that have not yet occurred, and may not necessarily occur. Directors are confident that if necessary they will be able to raise sufficient capital to enable the continuation of operations until investment returns reach a volume to ensure a return to profitability and positive cash flows.

(e) Income Tax

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

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

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

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

The Company is a registered Pooled Development Fund ("PDF"), and as such is entitled to certain tax concessions. With the exception of these tax concessions, PDF's are taxed in the same way as other companies. The taxable income of a PDF is to be divided into two components and taxed at different rates. The two components of a PDF's taxable income are as follows:

- (i) the small and medium enterprises income component (taxed at 15%), and
- (ii) the unregulated investment component (taxed at 25%).

Whilst PDF's are taxed at either 15% or 25%, depending on the composition of their taxable income, any franked dividends paid by a PDF are franked at the prevailing general corporate tax rate, currently 27.5%.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the company's intention to hold these investments to maturity. Any held-to-maturity investments held by the company are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the company assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

(g) Impairment of Assets

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. This reversal of impairment loss is in line with the requirement of AASB 136 para 109.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Investments in Associates

Investments in associate companies are recognised in the financial statements by applying the equity method of accounting. The equity method of accounting recognised company's share of post-acquisition reserves of its associates.

(i) Equity-settled compensation

The company operates a share-based compensation plans comprising a share option arrangement. The bonus element over the exercise price of the employee services rendered in exchange for the grant of shares and options is recognised as an expense in the income statement. The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares of the options granted.

(j) Cash and Cash Equivalents

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

(k) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

(l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

(m) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(n) Comparative Figures

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(o) Critical accounting judgements, estimates and assumptions**

In the application of the Company's accounting policies, management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Company. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgements, estimates and assumptions. Significant judgements, estimates and assumptions made by the management in the preparation of these financial statements are outlined below:

Valuation of investments

The fair values of the unlisted securities not traded in an active market are determined in accordance with directors' valuations which are based on their experience in the industry.

The directors have used assumptions, such as estimated cash flows, project business growth plans and other market data available in determining their valuation of the unlisted investments. Should these assumptions change in subsequent periods the fair value may be impacted and accounted for through the profit and loss. The directors have used a number of different valuation tools together to determine the fair value of the investee companies, including projected discounted cashflows and multiples of projected revenues and profits.

4. Income	2018	2017
	\$	\$
Interest received	-	-
Other Income	-	44,467
	<hr/>	<hr/>
Total Income	-	44,467

5. Profit/(Loss) from Ordinary Activities

Profit/(Loss) from ordinary activities before related income tax expense has been determined after charging (crediting) the following items:

Rental expense on operating leases	42,30	7,920
Directors and officer's fee	180,000	-
Investment Promotion & Marketing Fees	390,000	-

The payments to Directors and officer were the 9,000,000 ordinary shares issued to directors and company secretary at the cost of \$0.02 per shares in lieu of cash payments to directors and secretarial fees for their services. These payments were approved and granted by shareholders in the 2017 AGM on 30th November 2017.

Investment Promotion & Marketing Fees relate to overseas roadshows with prospective buyers and customers. Included in this amount is \$180,000 of costs incurred by a director on the roadshow promotions. This amount includes \$210,000 incurred by a director which was satisfied by an issue of shares.

6. Individually Significant Items of Expense

Impairment of investment	232,962	(1,727,740)
	<hr/>	<hr/>
Total	232,962	(1,727,740)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

7. INCOME TAX

(a) Income Tax Expense

	2018	2017
	\$	\$
The prima facie tax expense (benefit) on the loss from ordinary activities before income tax at PDF (Pooled Development Fund) rate of 25%	(132,853)	(488,462)
<i>Add (less) tax effect of:</i>		
- non-deductible expenses	-	-
- Future income tax benefits not brought to account	191,094	56,527
- Write-back for impairment/valuation of investments	(58,241)	431,935
Income tax expense	-	-

(b) Deferred tax assets not brought to account

Deferred tax assets not brought to account, the deductible temporary differences of which will only be realised if the conditions of deductibility set out in Note 1 occur:

- Timing differences @ 25%	(58,241)	431,935
- Tax losses- income @ 25%	1,236,808	1,103,955
- Tax losses – capital @ 25%	50,291	50,291
	1,228,858	1,166,846

The deferred tax assets will only be obtained if:

- (i) The company derives future assessable income of a nature and an amount sufficient to enable the asset to be realised:
- (ii) The company continues to comply with the conditions for deductibility imposed by the law; and
- (iii) No changes in legislation adversely affect the relevant company in realising the asset.

8. DIVIDENDS

(a) No dividends were paid or declared during the financial year or during the comparative financial year.

- -

(b) Balance of franking account at year end adjusted for franking credits arising from payment of provision for income tax and dividends recognised as receivables, franking debits arising from payment of proposed dividends and franking credits that may be prevented from distribution in subsequent financial years.

118,582

118,582

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

9. Earnings per Share

		2018	2017
		¢ per share	¢ per share
Basic earnings per share	(a)	(0.226)¢	(1.32)¢
Diluted earnings per share		(0.226)¢	(1.32)¢

(a) Basic earnings per share

Earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	2018	2017
	\$	\$
Earnings	(531,411)	(1,953,847)

	Company shares	
	2018	2017
	No.	No.
Weighted average number of ordinary shares	234,858,819	147,730,052

10. KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personnel

Name	Position
Mr. B. Genser	Chairman – Non-Executive
Mr. D.H.A. Craig	Managing Director – Executive,
Mr. Chris Baring-Gould	Director – Non- Executive
Ms. Cathy Lin	Company Secretary

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2018	2017
	\$	\$
Share-based payments	180,000	165,000
Total payments	180,000	165,000

	Short-term Benefits		Post Employment	Share based Payments	Total	Performance related
	Salary & fees	Super. Contribution	Super.			
	\$	\$	\$	\$	\$	%
Mr. B. Genser	-	-	-	60,000	60,000	-
Mr. D.H.A.Craig	-	-	-	60,000	60,000	-
Mr C.J. Baring-Gould	-	-	-	30,000	30,000	-
Ms C Lin	-	-	-	30,000	30,000	-
Total				180,000	180,000	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018****11. AUDITORS' REMUNERATION**

Remuneration of the auditor of the parent entity for:

- auditing or reviewing the accounts	22,360	14,463
- other services	-	-
	<u>22,360</u>	<u>14,463</u>

12. CASH AND CASH EQUIVALENTS

Cash at bank and on hand	<u>103,209</u>	<u>10,211</u>
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13. ASSOCIATED COMPANIES

Details of associates and joint venture entities

Name of associate or joint venture entity:	Reporting entity Percentage holding:		Contribution to net profit from ordinary activities during the period:	
	2018 %	2017 %	2018 \$	2017 \$
Pizzey WIF Pty Ltd	30.0%	30.0%	-	-
			<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

14. FINANCIAL ASSETS

	2018 \$	2017 \$
Financial assets at fair value	9,129,454	96,492
<u>(a) Financial assets at Fair Value:</u>		
<u>Listed investment</u>		
- Endless Solar Corporation Ltd	201,600	50,400
<u>Unlisted investments</u>		
- shares in Speedpanel Australia Ltd	-	-
- shares in Plumbers Federation Ltd	119,490	45,090
- shares in Collins Court Corporation Ltd	8,362	1,000
- shares in Wine Development Fund PL	2	2
- shares in Box Digital Media Pty Ltd	1,200,000	
- shares in Asian Integrated Media Pty Ltd	5,500,000	-
- shares in Strike Marketing Pty Ltd	100,000	-
- shares in AENEA (Aust) Pty Ltd	2,000,000	-
	<u>8,927,854</u>	<u>46,092</u>
	<u>9,129,454</u>	<u>96,492</u>

Financial assets at fair value comprise investments in the ordinary issued capital of various entities. Consistent with Australian Accounting Standard AASB 139 *Financial Instruments: Recognition and Measurement*, upon initial recognition it was designated by the entity as at fair value through profit or loss. There are no fixed returns or fixed maturity date attached to these investments.

Listed financial assets at fair value are based on Level 1 and 2 inputs to the fair value measurements as described below. Unlisted financial assets are based on Level 2 and 3 inputs to the fair value measurements which are described as follows:

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018****14. FINANCIAL ASSETS (continued)**

	2018 \$	2017 \$
(b) Shares in other corporations include:		
Shareholding in Speedpanels Australia Ltd, a manufacturer of fire and acoustic rated walls. Percentage owned 0% (2017 11%)		
Investment at valuation.	1,632,250	1,632,250
Less: fair value adjustment	(1,632,250)	(1,632,250)
	<hr/>	<hr/>
	-	-

Speedpanels Australia Ltd was placed into
administration in March 2017.

Shareholding in Collins Court Corporation
Limited, an investment company.
Percentage owned 25% (2017 25%)

Investment at cost	1,000	1,000
Fair value adjustment	7,362	-
	<hr/>	<hr/>
	8,362	1,000

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

14. FINANCIAL ASSETS (continued)

	2018 \$	2017 \$
Shareholding in Endless Solar Corporation Limited, a solar energy products company Percentage owned 9% (2017: 9%)		
Investment at cost	449,333	449,333
Less: fair value adjustment	<u>(247,733)</u>	<u>(398,933)</u>
	<u>201,600</u>	<u>50,400</u>
Shareholding in Plumbers Federation Limited, a funding company		
Percentage owned 40% (2017:40%)		
Investment at cost	240,180	240,180
Less: fair value adjustment	<u>(120,690)</u>	<u>(195,090)</u>
	<u>119,490</u>	<u>45,090</u>
Shareholding in Box Digital Media Pty Ltd, a publishing company		
Percentage owned 14% (2017: 0%)		
Investment at cost	1,200,000	-
Less: fair value adjustment	<u>-</u>	<u>-</u>
	<u>1,200,000</u>	<u>-</u>
Shareholding in Asian Integrated Media Pty Ltd, a digital media company		
Percentage owned 22% (2017: 0%)		
Investment at cost	5,500,000	-
Less: fair value adjustment	<u>-</u>	<u>-</u>
	<u>5,500,000</u>	<u>-</u>
Shareholding in Strike Marketing Pty Ltd, a marketing company		
Percentage owned 10% (2017: 20%) Investment at cost	100,000	-
Less: fair value adjustment	<u>-</u>	<u>-</u>
	<u>100,000</u>	<u>-</u>
Shareholding in AENEA (Aust) Pty Ltd, a cosmetics wellbeing company		
Percentage owned 20% (2017 0%) Investment at cost	2,000,000	-
Less: fair value adjustment	<u>-</u>	<u>-</u>
	<u>2,000,000</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018****15. OPERATING LEASE COMMITMENT**

The company has entered into a sub-lease agreement in relation to its office premises.

Expected minimum lease commitment are as follow:

	2018	2017
	\$	\$
Not less than 1 year	72,000	14,400
Later than 1 year, not later than 2 years	54,000	-
Later than 2 years	-	39,600
	126,000	54,000

16. CONTROLLED ENTITIESControlled Entities Not Consolidated

Country of Incorporation		Percentage Owned (%)	
		2018	2017
<i>Parent Entity:</i>			
Authorised Investment Fund Ltd	Australia	-	-
<i>Subsidiaries of Authorised Investment Fund Ltd:</i>			
Wine Development Pty Ltd	Australia	100	100
Yarra Valley Corporation Pty Ltd	Australia	100	100
Skypac International Pty Ltd	Australia	100	100

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
17. ISSUED CAPITAL		
275,460,645 (2017: 147,127,312) fully paid ordinary shares	20,057,348	10,677,348

(a) Ordinary shares

	2018	2017
	Number	Number
At the beginning of the reporting period	147,127,312	141,627,312
Shares issued during the year to directors and officers	15,000,000	5,500,000
Shares issued during the year - others	113,333,333	-
At reporting date	275,460,645	147,127,312

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

(b) Options

At the date of this report, the unissued ordinary shares of Authorised Investment Fund Limited under option are as follows:

Grant Date	Date of expiry	Exercise Price	No. under option
30 Aug 2016	30 Aug 2018	\$0.03	666,667
27 Feb 2015	30 June 2019	\$0.055	600,000
01 Jan 2018	22 December 2022	\$0.05	9,000,000
			10,266,667

For information relating to the Authorised Investment Fund Limited employee option plan, including details of options issued, exercised and lapsed during the financial year and the options outstanding at year-end, refer to Note 10 Share-based Payments. For information relating to share options issued to key management personnel during the financial year, refer to Note 10 Share-based Payments.

18. NOTE TO THE STATEMENT OF CASH FLOW	2018	2017
	\$	\$
Reconciliation of Cash Flow from ordinary activities after related income tax:		
Profit/(loss) from ordinary activities after related income tax	(531,411)	(1,953,847)
Depreciation of property, plant and equipment	-	-
Impairment of financial assets	(232,962)	1,727,740
Arm's length exchange of agreed value between Authorised Investment Fund Limited and its investee companies	580,000	-
- (increase) / decrease in other receivables and prepayments	45,721	(26,088)
- increase / (decrease) in trade and other payables	231,650	97,287
- Share issued in lieu of consulting fees	-	165,000
Net cash from operating activities	92,998	10,092

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

19. CONTINGENT LIABILITIES

There were no contingent liabilities outstanding against the Company at the end of the current or previous financial year.

20. SEGMENT INFORMATION

The Company operates as a registered Pooled Development Fund under the Pooled Development Funds Act 1992 (Cth) ("PDF Act"), solely within Australia.

The principal activity of the Company during the financial year ended 30 June 2018, was the provision of passive equity capital to certain eligible small or medium-sized Australian companies in accordance with the provisions of the PDF Act.

21. RELATED PARTY TRANSACTIONS

	2018 \$	2017 \$
Rent Paid	43,200	7,920
Loans from related parties	191,646	63,655
Interest Received	-	-

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

For other related party transactions, refer to Note 5, 10 and 17. Also refer to the Directors' Report for share interest of Directors.

22. FINANCIAL INSTRUMENTS**22.1 Capital management**

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from 2016.

The capital structure of Company consists of net assets and has no debt. The Company is not subject to any externally imposed capital requirements.

22.2 Categories of financial instruments

	CARRYING AMOUNT 2018	2017
Financial assets	\$	\$
	103,209	10,211
Cash and cash equivalents	-	38,709
Trade and other receivable	-	7,012
Other Current assets	9,129,454	96,492
Available for sales investment assets	<u>9,232,663</u>	<u>152,424</u>
Total Financial assets	<u>9,232,663</u>	<u>152,424</u>
Financial liabilities		
Trade and other payables	<u>347,460</u>	<u>115,809</u>
Total Financial liabilities	<u>347,460</u>	<u>115,809</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

22.3 Financial risk management objectives

The Company's Corporate function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risks relating to the operations of the Company. These risks include market risk, credit risk and liquidity risk.

22.4 Market risk

The Company's activities do not expose it to the financial risks of changes in foreign currency exchange rates.

22.5 Interest rate risk management

The Company is not exposed to interest rate risk because it does not borrow funds.

22.6 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss of the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and its own trading records to rate its major customers. The Company exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

Receivables consist of a related company balance across geographical areas.

22.7 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

22.8 Fair value of financial instruments

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

22.8.1 Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

Financial assets / financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	30/06/18	30/06/17		
Listed Investment (see note 14)	201,600	50,400	Level 1	Quoted prices on the National Stock Exchange of Australia.
Unlisted investment - Speedpanel		-	Level 3	The fair value is based on letter from SPA dated 21 st March 2017 to advise SPA has been placed in voluntary administration. There is no change in the company's voluntary administration situation at balance date.
- Other	8,927,854	46,092	Level 3	<p>As at balance date, the Directors have fair valued its investee companies, taking into account their:</p> <ul style="list-style-type: none"> • Business value - factors such as current financial performance, future prospects for earnings, profitability and growth from signed contracts and the deal pipeline containing potential deals under various stages of negotiation. • Investment Value - the market value of investee companies' holdings of Authorised Investment Fund Limited shares. <p>For new investee companies acquired during FY 2018, Asian Integrated Media, AENEA, Box Digital Media and Strike Marketing, the Directors have maintained their fair value at acquisition costs. These companies have only been in the Company's portfolio for less than six months at balance date.</p> <p>For old investee companies, fair value included the market values of their holdings in Authorised Investment Fund Limited.</p> <p>See table below for more details of valuation techniques and inputs used for valuation purposes.</p>

Level 3 Valuation Techniques

Forecasted Price/Earnings

Forecasted Price/EBITDA

Discounted Cash Flow

Trailing Revenues multiple

Key inputs

Forward earnings

Forward EBITDA

Future cash flows

Previous year's revenues

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

22.8.2 The only financial liabilities subsequently measured at fair value on level 3 fair value measurement represent contingent consideration relating to acquisitions. No gain or loss for the year relating to this contingent consideration has been recognised in profit or loss.

23. EVENTS SUBSEQUENT TO BALANCE DATE

The Company announced a capital raising via a Rights Issue Prospectus lodged with the ASX on 5th June 2018, to raise working capital for itself and also for business development needs of its investee companies.

A supplementary prospectus was lodged with the ASX on 17th August 2018, advising the market of the following:

- Extension of the Rights issue offer to 18th September 2018,
- Additional disclosure of a new circumstance regarding Box Digital Media's dispute with a third party.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

As per the Supplementary Prospectus dated 17 August 2018, the Company will advise the ASX of under-subscriptions (if any) on 21st September 2018.

DIRECTORS' DECLARATION

The directors of Authorised Investment Fund Limited declare that:

1. the financial statements and notes, as set out on pages 14 to 35 are in accordance with the Corporations Act 2001 including:
 - (a) complying with Accounting Standards in Australia and the *Corporations Regulations 2001*; and
 - (b) give a true and fair view of the financial position as at 30 June 2018 and performance for the financial year ended on that date;
2. the Managing Director and Chief Financial Officer have declared that:
 - (a) the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - (b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - (c) the financial statements and notes for the financial year give a true and fair view.
3. in the directors opinion there are reasonable grounds to believe that the company will be able to pay its debts as an when they become due and payable.

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



David Craig
Director

Dated: 31 August 2018



Cathy Lin
Chief Financial Officer

Dated: 31 August 2018

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Authorised Investment Fund Limited,

In accordance with section 307C of the Corporations Act 2001, we are pleased to provide the following declaration of independence.

As lead auditor for the audit of the financial statements of Authorised Investment Fund Limited for the financial year ended 30 June 2018, we declare that, to the best of our knowledge and belief, there have been no contraventions of:

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

Dated at Frankston on the 31st of August 2018



SHEPARD WEBSTER & O'NEILL AUDIT PTY LTD

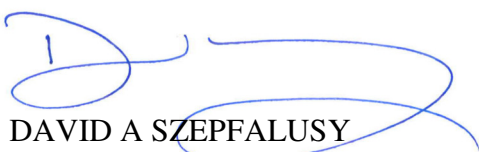
Certified Practising Accountant

Authorised Audit Company No 415478

434 Nepean Highway Frankston 3199, PO Box 309 Frankston Victoria 3199

Telephone (03) 9781 2633 – Fax (03) 9781 3073

Email – szepfalusy@shepard.com.au



DAVID A SZEPPFALUSY
DIRECTOR

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUTHORISED INVESTMENT FUND LIMITED
A.B.N 51 068 793 322**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Authorised Investment Fund Limited (the "Company"), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' declaration.

In our opinion:

the accompanying financial report of Authorised Investment Fund Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

Basis for Opinion

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTHORISED INVESTMENT FUND LIMITED A.B.N 51 068 793 322

Other Matter

The financial report of Authorised Investment Fund Limited for the year ended 30 June 2018 was audited by another auditor who expressed an unmodified opinion on that financial report on the 28th of August 2017.

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 for the year ended 30 June 2018. These matters were addressed in the context of our audit of the financial report, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
<p>Refer to Notes 14 and 22</p> <p>The Company is a Pooled Development Fund with investments in companies involved in information technology, building products, solar tech, and pharmaceuticals industries.</p> <p>The Company invests in a portfolio of Companies, both listed and unlisted. As at 30 June 2018, the Company's investment portfolio consisted of:</p> <ul style="list-style-type: none"> • 1 Listed Company • 7 Unlisted Companies <p>These investments are carried at a fair value totalling \$9,129,455.</p> <p>It is further noted, that the investments have not yet advanced to a stage where they are able to generate revenue. As such, the organisation relies on capital raisings to support its current operations.</p> <p>The valuation of these assets requires significant management judgement on the future projected revenues of the investment entities.</p>	<p>Our procedures include, but were not limited to:</p> <ul style="list-style-type: none"> • For Listed investments, agreed market prices used to value investments to independent market pricing sources; • For Unlisted investments: Obtaining an understanding of the processes undertaken by management to determine the fair value of investments; • For Unlisted investments: Assessing and challenging management's valuation methodology and assumptions applied; • For Unlisted investments: Evaluating & Discussing factors such as; current financial performance, future prospects for earnings, profitability and growth from signed contracts and the deal pipeline containing potential deals under various stages of negotiation. • We also assessed the appropriateness of the disclosures in note 14 and 22 to the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUTHORISED INVESTMENT FUND LIMITED
A.B.N 51 068 793 322**

Information Other than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2018, 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 accordingly 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.

Responsibilities of the Directors for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUTHORISED INVESTMENT FUND LIMITED
A.B.N 51 068 793 322**

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Company 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUTHORISED INVESTMENT FUND LIMITED
A.B.N 51 068 793 322**

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 the 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 on the Remuneration Report

We have audited the remuneration report included in pages 11 to 13 of the Directors' report for the year ended 30 June 2018.

In our opinion, the remuneration report of Authorised Investment Fund Limited, for the year ended 30 June 2018, complies with s 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.

Dated at Frankston on the 31st of August 2018



SHEPARD WEBSTER & O'NEILL AUDIT PTY LTD

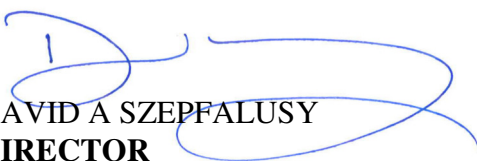
Certified Practising Accountant

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**DAVID A SZEPPFALUSY
DIRECTOR**

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SHAREHOLDER INFORMATION

The shareholder information set out below was applicable at 30 June 2018

Class of Equity Securities Issued by the Company

Total number of fully paid ordinary shares, issued by the Company 275,470,645

A. Distribution of Ordinary Shares

(i) Analysis of number of shareholders, by size of holding		
1	-	1,000
		29
1,001	-	5,000
		145
5,001	-	10,000
		145
10,001	-	100,000
		198
100,001	-	and over
		<u>127</u>
Total number of shareholders		<u>644</u>

(ii) Number of shareholders		
holdings less than a		Nil
marketable parcel.		

B. Voting Rights

The voting rights attaching to the Company's fully paid ordinary shares are set out below:
On a show of hands, every member present in person, or by proxy, shall have one vote, and upon a poll each share shall have one vote.

C. Substantial Shareholders

The names of the substantial shareholders listed in the holding company's register as at 30 June 2018 are:

	Holding	%
Asian Integrated Media Pty Ltd	55,000,000	19.97
Box Digital Media Pty Ltd	40,000,000	14.52
BWG Investments Pty Ltd	17,540,235	6.37
Koay Baring-Gould Superannuation	12,528,652	4.55

D. Twenty Largest Shareholders

The names of the Company's twenty largest shareholders (holding in one single name), and the number of fully paid ordinary shares in which they have an interest is set out below:

	Holding	%
Asian Integrated Media Pty Ltd	55,000,000	19.97
Box Digital Media Pty Ltd	40,000,000	14.52
BWG Investments Pty Ltd	17,540,235	6.37
Koay Baring Gould Superannuation	12,528,652	4.55
Regent Fine Wines Pty Ltd	10,816,863	3.93
AENEA (Aust) Pty Ltd	10,000,000	3.63
Endless Solar Corporation Limited	10,156,999	3.69
Trust Account for Ms D L Craig	9,457,025	3.63
Plumbers Federation Ltd (Australian Turntable Holdings Ltd	6,000,000	2.18
Belgrave Environment Sustainable Technology Pty Ltd	6,000,000	2.18
Just Imagine Pty Ltd	6,000,000	2.18
Harvard Nominees Pty Ltd	7,930,000	2.88
EST MR Trevor Neil Hay	4,000,143	1.45
Mr D H Craig	3,634,653	1.32
Kingsley Investments (Australia) Pty Ltd	2,666,667	0.97
MR Matthew Stuart Bracken+Mrs Eliza Joy Bracken <E & M	2,242,541	0.81
Bracken Super Fund A/C>		
Wei Hua Lin	2,200,000	0.80
Mr K L Thomas & Mrs L Thomas	2,000,000	0.73
Hollick Bros Pty Ltd	2,000,000	0.73
Strike Marketing Pty Ltd	2,000,000	0.73

SHAREHOLDER INFORMATION

E. Company Secretary

The name of the company secretary is:
Ms Cathy Lin

F. Registered Office

The address of the principal registered office in Australia is Level 9, 406 Collins St.
Melbourne. Vic 3000
Telephone (03) 9600 3242

G. Register of Securities

Register of securities is held at the following address:
Computershare Investor Services, Yarra Falls, 452 Johnston Street Abbotsford 3067

H. Stock Exchange Listing

Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the Australian Stock Exchange Limited.

I. Unquoted Securities

Options over Unissued Shares

A total of 12,666,667 unquoted options are on issue.