

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
A.B.N. 54 085 797 735**

**ANNUAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2024**

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
TABLE OF CONTENTS**

	Page
Directors' Report	1 - 2
Lead Auditor's Independence Declaration	3
Independent Auditor's Report	4 - 5
Income Statements	6
Statements of Comprehensive Income	7
Statements of Financial Position	8
Statements of Changes in Equity	9
Statements of Cash Flows	10
 Notes to the Financial Statements:	
1 Summary of Material Accounting Policies	11 - 15
2 Significant Accounting Judgements, Estimates and Assumptions	16
3 Financial Risk Management	16 - 17
4 Determination of Fair Value	17
5 Revenue and Expenses	17 - 18
6 Income Tax	18
7 Cash and Cash Equivalents	19
8 Loans and Advances	19
9 Trade and Other Receivables	19
10 Financial Assets	19
11 Investment in Controlled Entities	19
12 Deposits and Other Borrowings	20 - 21
13 Trade and Other Payables	22
14 Contributed Equity and Reserves	22
15 Reconciliation of cash flows from operating activities	22
16 Financial Instruments	23 - 27
17 Loans to Key Management Personnel and their Related Parties	28
18 Related Party Disclosure	29
19 Auditor's Remuneration	29
20 Remuneration of Directors	30
21 Financing Arrangements	30
22 Dividends	30
23 Contingent liabilities and contingent assets	31
24 Guarantees	31
25 Subsequent Events	31
 Consolidated Entity Disclosure Statement	 32
Directors' Declaration	33

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

DIRECTORS' REPORT

The Directors of Bell Potter Capital Limited (Company) present their report with the financial report on the consolidated entity consisting of the Company and its controlled entities (Group) for the financial year ended 31 December 2024.

BOARD OF DIRECTORS

At the date of this report, the Directors of the Company are:

Dean Davenport, Chairman
Arnie Selvarajah
Rowan Fell
Dean Surkitt
Lee Muco
Andrew Bell
Lewis Bell

The above Directors all held office throughout the financial year.

PRINCIPAL ACTIVITIES

The Company is a wholly-owned subsidiary of ASX-listed Bell Financial Group Limited (ACN 083 194 763) (Bell Financial Group). The Company's controlled entities are BPC Securities Pty Ltd (ACN 072 910 966) and BPC Custody Pty Ltd (ACN 006 600 746). The principal activities of the Group during the financial year were the provision of margin lending products, structured loan products, investment administration services and administration of the Bell Financial Trust. In the opinion of the Directors, there were no significant changes to the principal activities of the Group during the financial year.

REVIEW AND RESULTS OF OPERATIONS

The Group's profit before income tax for the financial year ended 31 December 2024 was \$8,592,000 (2023: \$7,805,000).
The Company's profit before income tax for the financial year ended 31 December 2024 was \$8,592,000 (2023: \$7,805,000).
The Group's profit after income tax for the financial year ended 31 December 2024 was \$6,011,000 (2023: \$5,458,000).
The Company's profit after income tax for the financial year ended 31 December 2024 was \$6,011,000 (2023: \$5,458,000).

DIVIDENDS

The dividends paid to Bell Financial Group during the year ended 31 December 2024 were as follows:

	Total \$	Fully franked	Date of payment
2024			
Interim 2024 ordinary	2,700,000	Yes	5 September 2024
Final 2023 ordinary	2,700,000	Yes	8 March 2024
2023			
Interim 2023 ordinary	2,700,000	Yes	8 September 2023
Final 2022 ordinary	3,000,000	Yes	10 March 2023

STATE OF AFFAIRS

There were no significant changes in the Group's state of affairs during the financial year ended 31 December 2024 that are not otherwise disclosed in this report.

LIKELY DEVELOPMENTS IN OPERATIONS

In respect of likely developments in the Group's operations in future financial years and the expected results of those operations, material which if included would be likely to result in unreasonable prejudice to the Group, has been omitted.

DIRECTORS' AND OFFICERS' INDEMNITY AND INSURANCE

Bell Financial Group maintains a directors' and officers' insurance policy that provides cover for the Directors, officers, company secretaries and senior executives of the Group. The insurance policy prohibits disclosure of the premium payable under the policy and the nature of the liabilities insured.

ENVIRONMENTAL REGULATION

The Group's operations are not subject to any particular and significant environmental regulation under a law of the Commonwealth or of a State or Territory.

OPTIONS

There were no options in existence over the shares of the Company or its controlled entities during the financial year and to the date of this report.

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

EVENTS AFTER THE END OF THE FINANCIAL YEAR

As at the date of this report, the Directors are not aware of any matter or circumstance that has arisen and has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group, in future financial years.

ROUNDING OF AMOUNTS

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instruments 2016/191*, amounts in this report have been rounded off to the nearest dollar, unless otherwise indicated.

LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration is set out on page 3 and forms part of the Directors' Report for the financial year ended 31 December 2024.

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



Dean Davenport
Chairman

18th February 2025



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

To the Directors of Bell Potter Capital Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Bell Potter Capital Limited for the financial year ended 31 December 2024 there have been:

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

KPMG

KPMG

A handwritten signature in blue ink that reads 'Luke Sullivan'.

Luke Sullivan

Partner

Melbourne

18 February 2025



Independent Auditor's Report

To the shareholders of Bell Potter Capital Limited

Opinion

We have audited the **Financial Report** of Bell Potter Capital Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the **Group's** financial position as at 31 December 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Statements of financial position as at 31 December 2024
- Income Statements, Statements of comprehensive income, Statements of changes in equity, and Statements of cash flows for the year then ended
- Consolidated entity disclosure statement and accompanying basis of preparation as at 31 December 2024
- Notes, including material accounting policies
- Directors' Declaration.

The **Group** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

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

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group and Company in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other Information

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

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



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

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

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/media/apzlw0y/ar3_2024.pdf. This description forms part of our Auditor's Report.

KPMG

Luke Sullivan
Partner
Melbourne
18 February 2025

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
INCOME STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	Consolidated Entity		Parent Entity	
		2024	2023	2024	2023
		\$ '000	\$ '000	\$ '000	\$ '000
Finance income	5 (a)	46,822	40,895	32,879	29,812
Finance costs	5 (b)	(22,275)	(16,398)	(15,017)	(9,663)
Total finance income		24,547	24,497	17,862	20,149
Investment losses	5 (c)	(3,334)	(3,376)	(3,334)	(3,376)
Other income	5 (d)	14	141	6,718	4,497
Total revenue		21,227	21,262	21,246	21,270
Management fees		(4,376)	(4,701)	(4,376)	(4,701)
Commission paid		(5,676)	(6,410)	(5,676)	(6,410)
System expenses		(1,058)	(1,088)	(1,058)	(1,088)
Professional expenses		(433)	(526)	(417)	(512)
Other expenses		(1,092)	(732)	(1,127)	(754)
Profit before income tax		8,592	7,805	8,592	7,805
Income tax expense	6	(2,581)	(2,347)	(2,581)	(2,347)
Profit for the year		6,011	5,458	6,011	5,458
Attributable to:					
Equity holders of the Company		6,011	5,458	6,011	5,458
Profit for the year		6,011	5,458	6,011	5,458

The notes on pages 11 to 32 are an integral part of these consolidated financial statements.

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Consolidated Entity		Parent Entity	
	2024	2023	2024	2023
	\$ '000	\$ '000	\$ '000	\$ '000
Profit for the year	6,011	5,458	6,011	5,458
Other comprehensive income				
Changes in fair value of cash flow hedge, net of tax	(165)	(386)	(154)	(291)
Other comprehensive income for the year, net of tax	<u>(165)</u>	<u>(386)</u>	<u>(154)</u>	<u>(291)</u>
Total comprehensive income for the year	<u>5,846</u>	<u>5,072</u>	<u>5,857</u>	<u>5,167</u>
Attributable to:				
Equity holders of the Company	5,846	5,072	5,857	5,167
Total comprehensive income for the year	<u>5,846</u>	<u>5,072</u>	<u>5,857</u>	<u>5,167</u>

The notes on pages 11 to 32 are an integral part of these consolidated financial statements.

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
STATEMENTS OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	Consolidated Entity		Parent Entity	
		2024	2023	2024	2023
		\$ '000	\$ '000	\$ '000	\$ '000
ASSETS					
Cash and cash equivalents	7	32,202	38,728	25,111	33,495
Loans and advances	8	587,082	546,149	333,938	306,296
Trade and other receivables	9	2,388	2,806	218,512	72,172
Financial Assets at fair value	10	3,070	3,548	3,070	3,548
Derivative assets	16	2,041	81	2,041	81
Deferred tax asset	6	1,918	1,447	1,918	1,447
Prepayments		3	34	3	34
Investment in Controlled Entities	11	-	-	20	20
TOTAL ASSETS		628,704	592,793	584,613	417,093
LIABILITIES					
Deposits and other borrowings	12	610,019	574,518	567,541	400,518
Derivative liabilities	16	176	158	106	99
Trade and other payables	13	9,029	9,036	7,416	7,336
Provisions		253	300	253	300
TOTAL LIABILITIES		619,477	584,012	575,316	408,253
NET ASSETS		9,227	8,781	9,297	8,840
EQUITY					
Contributed equity	14	3,000	3,000	3,000	3,000
Cash flow hedge reserve	14	(153)	12	(83)	71
Retained earnings	14	6,380	5,769	6,380	5,769
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		9,227	8,781	9,297	8,840

The notes on pages 11 to 32 are an integral part of these consolidated financial statements.

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Share Capital \$ '000	Cash Flow Hedge Reserve \$ '000	Retained Earnings \$ '000	Total Equity \$ '000
Consolidated Entity:				
Balance at 1 January 2023	3,000	398	6,011	9,409
Total comprehensive income				
Profit for the year	-	-	5,458	5,458
Other comprehensive income				
Changes in fair value of cash flow hedge	-	(386)	-	(386)
Total other comprehensive income	-	(386)	-	(386)
Total comprehensive income for the year	-	(386)	5,458	5,072
Transactions with owners, recorded directly in equity				
Dividends	-	-	(5,700)	(5,700)
Balance at 31 December 2023	3,000	12	5,769	8,781
Balance at 1 January 2024	3,000	12	5,769	8,781
Total comprehensive income				
Profit for the year	-	-	6,011	6,011
Other comprehensive income				
Changes in fair value of cash flow hedge	-	(165)	-	(165)
Total other comprehensive income	-	(165)	-	(165)
Total comprehensive income for the year	-	(165)	6,011	5,846
Transactions with owners, recorded directly in equity				
Dividends	-	-	(5,400)	(5,400)
Balance at 31 December 2024	3,000	(153)	6,380	9,227
Parent Entity:				
Balance at 1 January 2023	3,000	362	6,011	9,373
Total comprehensive income				
Profit for the year	-	-	5,458	5,458
Other comprehensive income				
Changes in fair value of cash flow hedge	-	(291)	-	(291)
Total other comprehensive income	-	(291)	-	(291)
Total comprehensive income for the year	-	(291)	5,458	5,167
Transactions with owners, directly in equity				
Dividends	-	-	(5,700)	(5,700)
Balance at 31 December 2023	3,000	71	5,769	8,840
Balance at 1 January 2024	3,000	71	5,769	8,840
Total comprehensive income				
Profit for the year	-	-	6,011	6,011
Other comprehensive income				
Changes in fair value of cash flow hedge	-	(154)	-	(154)
Total other comprehensive income	-	(154)	-	(154)
Total comprehensive income for the year	-	(154)	6,011	5,857
Transactions with owners, directly in equity				
Dividends	-	-	(5,400)	(5,400)
Balance at 31 December 2024	3,000	(83)	6,380	9,297

The notes on pages 11 to 32 are an integral part of these consolidated financial statements.

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Consolidated Entity		Parent Entity	
	2024	2023	2024	2023
	\$	\$ '000	\$	\$ '000
CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES				
Cash receipts in the course of operations	167,103	454	27,636	79,974
Cash payments in the course of operations	(57,042)	(131,631)	(43,720)	(81,302)
Interest received	47,639	42,095	32,787	30,883
Interest paid	(22,642)	(15,981)	(15,025)	(9,697)
Net cash flows from / (used in) operating activities	135,058	(105,063)	1,678	19,858
CASH FLOW USED IN INVESTING ACTIVITIES				
Payment for investments	(1,649)	(2,096)	(1,649)	(2,096)
Net cash flows used in investing activities	(1,649)	(2,096)	(1,649)	(2,096)
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES				
Repayment of intercompany borrowings	(3,013)	(2,411)	(3,013)	(2,411)
Drawdown / (Repayment) of borrowings	(131,522)	130,000	-	-
Dividend paid	(5,400)	(5,700)	(5,400)	(5,700)
Net cash flows from / (used in) financing activities	(139,935)	121,889	(8,413)	(8,111)
NET INCREASE / (DECREASE) IN CASH HELD	(6,526)	14,730	(8,384)	9,651
Cash and cash equivalents at 1 January	38,728	23,998	33,495	23,844
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	32,202	38,728	25,111	33,495

The notes on pages 11 to 32 are an integral part of these consolidated financial statements.

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Bell Potter Capital Limited (the "Company") is domiciled in Australia. The address of the Company's registered office is Level 29, 101 Collins Street, Melbourne, VIC. The consolidated financial statements of the Company comprise of the Company and its subsidiaries (the "Group" or "Consolidated Entity") for the year ended 31 December 2024.

Bell Potter Capital Limited is a company limited by shares, incorporated in Australia.

The principal activities of the Company are margin lending and cash deposit businesses.

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES

Set out below is a summary of material accounting policies adopted by the Company and its subsidiaries in the preparation of the consolidated financial statements.

(a) Basis of Preparation

i) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The consolidated financial report of the Group and the financial report of the Company comply with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB).

The accounting policies set out below, except as noted, have been applied consistently to all periods presented in these consolidated financial statements, and have been consistently applied by all entities within the consolidated entity.

The financial statements were authorised for issue by the Board of Directors on 18th February 2025.

ii) Basis of measurement

The consolidated financial statements have been prepared under the historical cost convention, except for financial assets and liabilities (including derivatives and loans) at fair value through the profit and loss.

iii) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency and the functional currency of the Group. Amounts in this report have been rounded off in accordance with that instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

(b) Principles of consolidation

Subsidiaries

Subsidiaries are all entities controlled by the Group. Control exists where the Group has the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commenced until the date that control ceases. All controlled entities have a 31 December balance date.

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Special purpose entities

The Group has established a special purpose entity (SPE) to manage margin lending loans. Except for residual income unit held, the Group does not have direct or indirect shareholdings in this entity. The SPE is consolidated if, based on an evaluation of the substance of its relationship with the Group and the SPE's risks and rewards, the Group concludes that it controls the SPE.

SPE's controlled by the Group were established under terms that impose strict limitations on the decision making powers of the SPE's management and that result in the Group receiving the majority of the benefits related to the SPE's operations and net assets, being exposed to risks incidental to the SPE's activities and retaining the majority of the residual or ownership risks related to the SPE or its assets.

(c) Revenue recognition

AASB 15 Revenue from Contracts with Customers

AASB 15 requires identification of discrete performance obligations within a transaction and an associated transaction price allocation to these obligations. Revenue is recognised upon satisfaction of these performance obligations, which occur when control of the goods or services are transferred to the customer.

Under AASB 15, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time – requires judgement. AASB 15 specifically excludes financial instruments recognised under AASB 9 Financial Instruments. Revenue streams for the Group are limited to fee-based revenue items such as commissions.

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(c) Revenue recognition (continued)

Revenue under AASB 15 is recognised when the Group transfers control over a service to a customer. The Group measures revenue based on the consideration specified in a contract with a customer. The following specific criteria must also be met before revenue can be recognised.

Interest

Interest income is recognised as it accrues using the effective interest rate method, in accordance with AASB 9.

(d) Statement of Cash Flows

For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise cash at bank and on hand and short-term deposits with an original maturity of 3 months or less.

(e) Income Tax

Income tax expense or revenue for the period comprises current and deferred tax. Income tax is recognised in the Income Statements except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustments to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Tax consolidation

Effective 1 January 2003, the Company elected to apply the tax consolidation legislation. All current tax amounts relating to the Group have been assumed by the head entity of the tax-consolidated group, Bell Financial Group. Deferred tax amounts in relation to temporary differences are allocated as if each entity continued to be a taxable entity in its own right.

(f) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). 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 are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statements of Financial Position.

Cash flows are included in the Statements of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities that are recoverable from, or payable to the ATO are classified as operating cash flows.

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with original maturity of less than three months. Bank overdrafts that are repayable on demand are included as a component of cash and cash equivalents for the purpose of the Statements of Cash Flows.

(h) Derivatives

Derivative financial instruments are contracts whose value is derived from one or more underlying price indices or other variables. They include swaps, forward rate agreements, options or a combination of all three.

Certain derivative instruments are held for trading for the purpose of making short-term gains such as FX swaps.

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(h) Derivatives (continued)

Derivative financial instruments are also used for hedging purposes to mitigate the Group's exposure to interest rate risk. The Group applied the hedge accounting model in AASB 9 *Financial Instruments*. Refer to Note 1n)iii for further information. Derivative financial instruments are recognised initially at fair value with gains or losses for subsequent reassessment at fair value being recognised in the Income Statements.

Where the derivative is designated effective as a hedging instrument, the timing of the recognition of any resultant gain or loss in the Income Statements is dependant on the hedging designation. FX swaps are measured at fair value with subsequent gains and losses recognised in the income statement. The Group has designated its interest rate swaps as cash flow hedges during the period. Details of these hedging instruments are outlined below:

Cash flow hedges

Changes in the fair value of cash flow hedges are recognised directly in equity to the extent that the hedges are effective. To the extent hedges are ineffective, changes in the fair value are recognised in the profit or loss. Hedge effectiveness is tested at each reporting date and is assessed against the hedge effectiveness criteria in AASB 9.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, the hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in equity remains there until the forecast transaction occurs.

(i) Trade and other receivables

Trade receivables issued are initially recognised when they are originated. A trade receivable is initially measured at the transaction price. Trade debtors to be settled within 2 trading days are carried at amortised cost. Term debtors are also carried at amortised cost. Recoverability of Trade and other receivables is assessed using the lifetime expected credit loss approach.

(j) Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Group. Trade accounts payable are normally settled within 60 days.

(k) Borrowing Costs

Borrowing costs are recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to: the gross carrying amount of the financial asset; or the amortised cost of the financial liability.

(l) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(m) Deposits and other borrowings

All deposits and borrowings are recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowings.

(n) Financial instruments

All investments are initially recognised at fair value plus directly attributable transaction costs. Subsequent to initial recognition, investments, which are classified as financial assets are measured as described below.

Fair value measurement

AASB 13 *Fair Value Measurement* establishes a single framework for measuring fair value and making disclosures about fair value measurements when such measurements are required or permitted by other AASBs. It unifies the definition of fair value as 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.

AASB 9 Financial Instruments

AASB 9 sets out requirements for recognising and measuring financial assets and financial liabilities.

i. Classification and measurement of financial assets and financial liabilities

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVTOCI) – debt investment; FVTOCI – equity investment; or fair value through profit or loss (FVTPL). The classification of financial assets under AASB 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(n) Financial instruments (continued)

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The following accounting policies apply to the subsequent measurement of financial assets held by the Group.

Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (see (ii) below). Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets at FVTPL - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Business model assessment

The Group will determine the business model at the level that reflects how groups of financial assets are managed using all relevant evidence that is available at the date of the assessment, including:

- The stated policies and objectives for the portfolio and the operation of those policies in practice;
- How the performance of the portfolio is evaluated and reported to the Group's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- How managers of the business are compensated.

Assessment whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Measurement categories of financial assets

Cash and cash equivalents, Trade and other receivables, and Loans and advances that meets SPPI are classified and measured at amortised cost. Certain Loans and advances and other financial assets do not meet SPPI and are classified and measured at FVTPL. There were no changes in classification and measurements of the Group's financial assets.

Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the Group evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, the contractual rights to cash flows from the original financial asset are deemed to have expired. The original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset are not substantially different, the Group recalculates the gross carrying amount of the financial asset and recognises the derecognition as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, the gain or loss is presented together with impairment losses.

Financial liabilities

The Group derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. A new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

ii. Impairment of financial assets

Under AASB 9, loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

For all financial assets at amortised cost, the Group measures loss allowances at an amount equal to lifetime ECLs, except for loans and advances, which are measured at 12-month ECLs where credit risk has not increased significantly since initial recognition and lifetime ECLs where credit risk has increased significantly since initial recognition.

When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes quantitative and qualitative information and analysis based on the Group's historical experience and forward-looking information.

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(n) Financial instruments (continued)

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due or the expected probability of default has increased significantly.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- The financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of impairment

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Impairment losses are presented separately in the statement of profit or loss and OCI. There were no impairment losses for the year ended 31 December 2024 (2023: Nil).

Trade and other receivables

ECLs are calculated based on actual historical credit loss experience. Exposures are segmented based on past events, current conditions and reasonable and supportable information about future events and economic conditions. There were no significant changes during the period to Group's exposure to credit risk and there was no significant impact to credit provisioning over trade and other receivables as at 31 December 2024.

Loans and advances

ECLs are calculated based on actual historical credit loss experience. Exposures are segmented based on past events, current conditions and reasonable and supportable information about future events and economic conditions. There were no significant changes during the period to Group's exposure to credit risk and there was no significant impact to credit provisioning over loans and advances as at 31 December 2024.

iii. Hedge accounting

The Group adopts the new general hedge accounting model in AASB 9. This requires the Group to ensure that hedge accounting relationships are aligned with its risk management objectives and strategy and to apply a more qualitative and forward-looking approach to assessing hedge effectiveness.

The Group only uses interest rate swaps to hedge exposure to fluctuations in interest rates.

Share capital

Ordinary shares

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

Dividends

Dividends are recognised as a liability in the period in which they are declared, being appropriately authorised and no longer at the discretion of the Company.

(o) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2024, and have not been applied in preparing these financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

The following new and amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements.

- *Non-current Liabilities with Covenants – Amendments to IAS 1*
- *Classification of Liabilities as Current or Non-current – Amendments to IAS 1*
- *Lease Liability in a Sale and Leaseback – Amendments to IFRS 16*
- *Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7*
- *Lack of Exchangeability – Amendments to IAS 21*
- *Classification and measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7*
- *Annual Improvements to IFRS Accounting Standards – Volume 11*
- *IFRS 18 Presentation and Disclosure in Financial Statements*
- *IFRS 19 Subsidiaries without Public Accountability Disclosures*
- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28*

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

In applying the Group'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 Group. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management and are reviewed on an ongoing basis. Actual results may differ from the judgements, estimates and assumptions. Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

Impairment of loans and advances

The Group assesses impairment of all loans at each reporting date by evaluating the expected credit loss on those loans. In the Director's opinion, no such impairment exists beyond that provided at 31 December 2024 (2023: Nil) (refer to note 16).

Financial assets

The fair value of options is determined using the Black Scholes option-pricing model.

Determination of fair value for loans is based on the option value used to mitigate the risk on the limited recourse margin loans and the interest rate implicit in the loan.

3 FINANCIAL RISK MANAGEMENT

The Group's principal financial instruments comprise loans and advances, derivatives, term deposits, and cash. The main risks arising from the Group's financial instruments are market risk, credit risk and liquidity risk. These are examined in more detail below.

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

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

The Board of Directors oversees how management monitors compliance with the Company's and Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company and Group. Internal Audit assists the Board of Directors in its oversight role. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures.

The risk management framework incorporates active management and monitoring of a range of risks. These include operational, information technology, cyber, market, credit, liquidity, legal, regulatory, reputation, fraud and systemic risks.

The Board of Directors recognises that cyber risk is an increasing area of concern across the financial services industry, and is committed to the ongoing development of cyber security measures through awareness training, implementation of network security measures, and preventive controls to protect our assets and networks. Cyber resilience is an integral component of effective risk management.

The main risks arising from the Company's financial instruments are market risk, liquidity risk and credit risk.

Market risk

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

Interest rate risk

Interest rate risk arises from the potential for changes in interest rates to have an adverse effect on the Group's net earnings. The Group continually monitors movements in interest rates and is in regular communication with borrowers whenever these rates change.

The Board has also approved the use of derivatives, in the form of interest rate swaps, to mitigate its exposure to interest rate risk. Changes in the fair value and effectiveness of interest rate swaps (which are a designated cash flow hedging instrument) are monitored on a six-monthly basis.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing this risk is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

3 FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk (continued)

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding requirements. The Group manages liquidity by maintaining reserves, banking facilities and reserve borrowing facilities and by continuously monitoring forecast and actual cash flows and matching up maturity profiles of financial assets and liabilities.

With respect to the maturity of financial liabilities, the Group also:

- holds financial assets for where there is a liquid market and that they are readily saleable to meet liquidity needs; and
- has committed borrowing facilities or other line of credit that it can access to meet liquidity needs.

The Group prepares rolling cash projections which assists in monitoring cash flow requirements and optimising its cash return on investments. It also has a bank facility that it is able to draw upon in order to meet both short and long-term liquidity requirements.

Credit risk

Credit risk is the risk of financial loss to the Group if a debtor or counterparty to a financial instrument fails to meet its contractual obligations.

Trade and other receivables

The credit risk for these accounts is that financial assets recognised on the Statement of Financial Position exceed their carrying amount, net of any provisions for doubtful debts. In relation to client debtor's, the Groups client risk concentration is minimised as the transactions are settled on a delivery versus payment basis with a regime of trade plus two days.

Margin lending

Exposure to credit risk is monitored by management on an ongoing basis. The Group requires collateral in respect of margin loans made in the course of business. This collateral is generally in the form of the underlying security the margin loan is used to invest in. Loan to value ratios (LVRs) are assigned to determine the amounts of lending allowed against each security. Loan balances are reviewed daily and are subject to margin calls once the geared value falls 10% lower than the loan balance. Warnings are set between 5% and 10%. The lender can also require the borrower to repay on demand part or all of the amount owing at any time, whether or not the borrower or any guarantor is in default.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group is required to comply with certain capital and liquidity requirements imposed by regulators which are monitored by the Board. The Group was in compliance with all requirements throughout the year.

4 DETERMINATION OF FAIR VALUE

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

Investments in equity

The fair values of financial assets at fair value through profit or loss are determined with reference to the quoted bid price, or if unquoted determined using a valuation model at reporting date.

Derivatives

The fair value of interest rate swaps is based on a mark-to-market model with reference to prevailing fixed and floating interest rates. These quotes are tested for reasonableness by discounting estimated future cash flows based on term to maturity of each contract and using market interest rates for a similar instrument at the measurement date.

The fair value of currency swaps is determined using quoted forward exchange rates at the reporting date and present value calculations based on high quality yield curves in the respective currencies.

Financial assets and loans at fair value through profit or loss

The fair value of options is determined using the Black Scholes option-pricing model.

Determination of fair value for loans is based on the option value used to mitigate the risk on the limited recourse margin loans and the interest rate implicit in the loan.

5 REVENUE AND EXPENSES

	Consolidated Entity		Parent Entity	
	2024	2023	2024	2023
	\$ '000	\$ '000	\$ '000	\$ '000
(a) Finance income:				
Interest income on loans and advances	45,153	39,541	25,404	26,321
Interest income on bank deposits	1,669	1,354	1,538	1,289
Seller series interest revenue	-	-	4,680	758
Subordinated note interest revenue	-	-	1,257	1,444
Total finance income	46,822	40,895	32,879	29,812

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

5 REVENUE AND EXPENSES (continued)

	Consolidated Entity		Parent Entity	
	2024 \$ '000	2023 \$ '000	2024 \$ '000	2023 \$ '000
(b) Finance costs:				
Interest expense on deposits	(14,489)	(9,174)	(14,489)	(9,174)
Bank interest expense	(108)	(64)	(59)	(59)
Interest paid to related parties	(469)	(430)	(469)	(430)
Cash advance facility fees	(7,209)	(6,730)	-	-
Total finance costs	(22,275)	(16,398)	(15,017)	(9,663)
	Consolidated Entity		Parent Entity	
	2024 \$ '000	2023 \$ '000	2024 \$ '000	2023 \$ '000
(c) Investment gains / (losses)				
Profit / (loss) on financial assets held at fair value through profit or loss - Geared equity investments ¹	(3,334)	(3,376)	(3,334)	(3,376)
	(3,334)	(3,376)	(3,334)	(3,376)

1. The fair value is based on the option value used to mitigate the risk on the limited recourse margin loans and the interest rate implicit in the loan.

	Consolidated Entity		Parent Entity	
	2024 \$ '000	2023 \$ '000	2024 \$ '000	2023 \$ '000
(d) Other income				
Service fee revenue	-	-	613	427
Residual income	-	-	6,091	3,929
Sundry income	14	141	14	141
Total other income	14	141	6,718	4,497

6 INCOME TAX

Current tax expense

Current income tax charge	3,052	2,431	3,052	2,431
---------------------------	-------	-------	-------	-------

Deferred income tax

Origination and reversal of temporary differences	(471)	(84)	(471)	(84)
Total income tax expense / (benefit)	2,581	2,347	2,581	2,347

Numerical reconciliation between tax expense and pre-tax accounting profit

Accounting profit (before income tax)	8,592	7,805	8,592	7,805
Income tax using the Company's domestic tax rate of 30% (2023: 30%)	2,578	2,342	2,578	2,342
Expenditure not allowable for income tax purposes	3	5	3	5
Income tax expense	2,581	2,347	2,581	2,347

Balance Sheet

Consolidated Entity

Deferred income tax assets / (liabilities) comprises
2023

Other	1,363	84	1,447
	1,363	84	1,447

2024

Other	1,447	471	1,918
	1,447	471	1,918

Parent Entity

Deferred income tax assets / (liabilities) comprises
2023

Other	1,363	84	1,447
	1,363	84	1,447

2024

Other	1,447	471	1,918
	1,447	471	1,918

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Consolidated Entity		Parent Entity	
	2024	2023	2024	2023
	\$ '000	\$ '000	\$ '000	\$ '000
7 CASH AND CASH EQUIVALENTS				
Cash at bank	32,202	38,728	25,111	33,495
	<u>32,202</u>	<u>38,728</u>	<u>25,111</u>	<u>33,495</u>

Cash at bank earns interest at floating rates based on daily bank deposit rates. The Company's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 16.

	Consolidated Entity		Parent Entity	
	2024	2023	2024	2023
	\$ '000	\$ '000	\$ '000	\$ '000
8 LOANS AND ADVANCES				
Margin Loans measured at amortised cost	503,670	467,379	250,526	227,526
Margin Loans measured at fair value through profit and loss	83,412	78,770	83,412	78,770
	<u>587,082</u>	<u>546,149</u>	<u>333,938</u>	<u>306,296</u>

There were no impaired, past due or renegotiated loans at 31 December 2024 (2023: Nil).

Refer to note 16 for further detail on the margin lending loans.

	Consolidated Entity		Parent Entity	
	2024	2023	2024	2023
	\$ '000	\$ '000	\$ '000	\$ '000
9 TRADE AND OTHER RECEIVABLES				
Subordinated note	-	-	31,800	24,300
Seller note	-	-	177,453	40,948
Trade receivables	2,260	2,677	2,260	2,677
Interest receivable	81	90	808	230
Residual income receivable	-	-	6,091	3,929
Service fee receivable	-	-	53	49
Sundry Debtors	47	39	47	39
Carrying amount of trade and other receivables	<u>2,388</u>	<u>2,806</u>	<u>218,512</u>	<u>72,172</u>

Trade receivables are non-interest bearing and are normally settled on 2-day term. None of the trade receivables are past due.

For further information relating to related parties refer to note 18.

	Consolidated Entity		Parent Entity	
	2024	2023	2024	2023
	\$ '000	\$ '000	\$ '000	\$ '000
10 FINANCIAL ASSETS				
Held at fair value through profit or loss				
Options held in listed corporations	3,070	3,548	3,070	3,548
	<u>3,070</u>	<u>3,548</u>	<u>3,070</u>	<u>3,548</u>

Options held as a hedge against limited recourse loans to clients under the Bell Geared Equities Investments product.

	Consolidated Entity		Parent Entity	
	2024	2023	2024	2023
	\$ '000	\$ '000	\$ '000	\$ '000
11 INVESTMENTS IN CONTROLLED ENTITIES				
Investment in Controlled Entities at cost	-	-	20	20
	<u>-</u>	<u>-</u>	<u>20</u>	<u>20</u>

12 DEPOSITS AND OTHER BORROWINGS

	Consolidated Entity		Parent Entity	
	2024	2023	2024	2023
	\$ '000	\$ '000	\$ '000	\$ '000
Deposits ¹	330	622	330	622
Subordinated Debt - Bell Financial Group Ltd	8,000	8,000	8,000	8,000
Cash advance facility (refer to Note 21) ²	42,478	174,000	-	-
Bell Financial Trust	559,211	391,896	559,211	391,896
	610,019	574,518	567,541	400,518

For further information relating to related parties refer to Note 18.

	2024	2023	2024		2023	
	Effective	Effective				
	Interest	Interest				
Consolidated:	Rate	Rate	Face Value	Carrying Amount	Face Value	Carrying Amount
Deposits	2.87%	2.19%	330	330	622	622
Subordinated Debt	5.85%	5.39%	8,000	8,000	8,000	8,000
Bell Financial Trust	2.87%	2.19%	559,211	559,211	391,896	391,896
Cash advance facility	5.03%	4.69%	42,478	42,478	174,000	174,000
			610,019	610,019	574,518	574,518
	2024	2023	2024		2023	
	Effective	Effective				
	Interest	Interest				
Parent:	Rate	Rate	Face Value	Carrying Amount	Face Value	Carrying Amount
Deposits	2.87%	2.19%	330	330	622	622
Subordinated Debt	5.85%	5.39%	8,000	8,000	8,000	8,000
Bell Financial Trust	2.87%	2.19%	559,211	559,211	391,896	391,896
			567,541	567,541	400,518	400,518

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

12 DEPOSITS AND OTHER BORROWINGS (continued)

Consolidated Entity	2024							2023						
	Liabilities				Derivatives (assets) / liabilities			Liabilities				Derivatives (assets) / liabilities		
	Cash advance facility \$ '000	Deposits \$ '000	Subordinated Debt \$ '000	Bell Financial Trust \$ '000	Interest rate swap contracts used for hedging - assets \$ '000	Interest rate swap contracts used for hedging - liabilities \$ '000	Total \$ '000	Cash advance facility \$ '000	Deposits \$ '000	Subordinated Debt \$ '000	Bell Financial Trust \$ '000	Interest rate swap contracts used for hedging - assets \$ '000	Interest rate swap contracts used for hedging - liabilities \$ '000	Total \$ '000
Balance at 1 January	174,000	622	8,000	391,896	(71)	59	574,506	44,000	844	8,000	460,590	(398)	-	513,036
Changes from financing cash flows														
Deposits / (withdrawals) from client cash balances	-	(292)	-	-	-	-	(292)	-	(222)	-	-	-	-	(222)
Drawdown / (repayment) of borrowings	(131,522)	-	-	167,315	-	-	35,793	130,000	-	-	(68,694)	-	-	61,306
Total changes from financing cash flows	(131,522)	(292)	-	167,315	-	-	35,501	130,000	(222)	-	(68,694)	-	-	61,084
Changes in fair value					71	94	165					327	59	386
Other charges														
Liability-related														
Interest expense	5,688	(33)	469	14,522	-	-	20,646	5,527	-	430	9,174	-	-	15,131
Interest paid / (payable)	(5,688)	33	(469)	(14,522)	-	-	(20,646)	(5,527)	-	(430)	(9,174)	-	-	(15,131)
Total liability-related other changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total equity related other changes							-							-
Balance at 31 December	42,478	330	8,000	559,211	-	153	610,172	174,000	622	8,000	391,896	(71)	59	574,506

Parent Entity	2024							2023						
	Liabilities				Derivatives (assets) / liabilities			Liabilities				Derivatives (assets) / liabilities		
	Cash advance facility \$ '000	Deposits \$ '000	Subordinated Debt \$ '000	Bell Financial Trust \$ '000	Interest rate swap contracts used for hedging - assets \$ '000	Interest rate swap contracts used for hedging - liabilities \$ '000	Total \$ '000	Cash advance facility \$ '000	Deposits \$ '000	Subordinated Debt \$ '000	Bell Financial Trust \$ '000	Interest rate swap contracts used for hedging - assets \$ '000	Interest rate swap contracts used for hedging - liabilities \$ '000	Total \$ '000
Balance at 1 January	-	622	8,000	391,896	(71)	-	400,447	-	844	8,000	460,590	(362)	-	469,072
Changes from financing cash flows														
Deposits / (withdrawals) from client cash balances	-	(292)	-	-	-	-	(292)	-	(222)	-	-	-	-	(222)
Drawdown / (repayment) of borrowings	-	-	-	167,315	-	-	167,315	-	-	-	(68,694)	-	-	(68,694)
Total changes from financing cash flows	-	(292)	-	167,315	-	-	167,023	-	(222)	-	(68,694)	-	-	(68,916)
Changes in fair value					71	83	154					291	-	291
Other charges														
Liability-related														
Interest expense	-	(33)	469	14,522	-	-	14,958	-	-	430	9,174	-	-	9,604
Interest paid / (payable)	-	33	(469)	(14,522)	-	-	(14,958)	-	-	(430)	(9,174)	-	-	(9,604)
Total liability-related other changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total equity related other changes							-							-
Balance at 31 December	-	330	8,000	559,211	-	83	567,624	-	622	8,000	391,896	(71)	-	400,447

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

13	TRADE AND OTHER PAYABLES	Consolidated Entity		Parent Entity	
		2024	2023	2024	2023
		\$ '000	\$ '000	\$ '000	\$ '000
	Trade payables	2,903	3,395	2,807	3,249
	Interest payable in advance	5,146	4,697	3,629	3,143
	Sundry creditors and accruals	469	472	469	472
	Due to related parties	511	472	511	472
	Carrying amount of trade and other payables	9,029	9,036	7,416	7,336

14	CONTRIBUTED EQUITY AND RESERVES	Consolidated Entity		Parent Entity	
		2024	2023	2024	2023
		\$ '000	\$ '000	\$ '000	\$ '000
	Ordinary shares				
	3,000,000 fully paid Ordinary Shares (2023: 3,000,000)	3,000	3,000	3,000	3,000
		3,000	3,000	3,000	3,000
	Cash Flow Hedge Reserve				
	At 1 January	12	398	71	362
	Cash flow hedge movement	(165)	(386)	(154)	(291)
	At 31 December	(153)	12	(83)	71
	Retained earnings				
	At 1 January	5,769	6,011	5,769	6,011
	Profit / (loss) for the year	6,011	5,458	6,011	5,458
	Dividend paid	(5,400)	(5,700)	(5,400)	(5,700)
	At 31 December	6,380	5,769	6,380	5,769

All ordinary shares rank equally with regard to the Company's residual assets.

15	RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES	Consolidated Entity		Parent Entity	
		2024	2023	2024	2023
		\$ '000	\$ '000	\$ '000	\$ '000
	Cash flows from operating activities				
	Profit after tax	6,011	5,458	6,011	5,458
	Adjustments for:				
	Net loss on investments	2,127	4,836	2,127	4,836
		8,138	10,294	8,138	10,294
	Changes in assets and liabilities:				
	(Increase) / decrease receivables	418	885	(146,340)	17,236
	(Increase) derivative asset	(2,031)	27	(2,031)	27
	(Increase) / decrease prepayments	31	(30)	31	(30)
	(Increase) / decrease loans and advances	(40,933)	(50,393)	(27,642)	58,851
	Increase deposits and other borrowings	167,023	(68,916)	167,023	(68,916)
	(Increase) deferred tax assets	(471)	(84)	(471)	(84)
	Increase payables	3,006	3,105	3,093	2,431
	Increase / (decrease) derivative liability	(76)	99	(76)	99
	Increase provisions	(47)	(50)	(47)	(50)
	Net cash flow (used) / provided in operating activities	135,058	(105,063)	1,678	19,858

Reconciliation of cash

For the purpose of the Statements of Cash Flows, cash and cash equivalents comprise the following:

Cash at bank	32,202	38,728	25,111	33,495
	32,202	38,728	25,111	33,495

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

16 FINANCIAL INSTRUMENTS

Exposure to credit, liquidity risks and interest rate risks arises in the normal course of the Company's and the Group's business.

Credit risk

Management has a process in place and the exposure to credit risk is monitored on an ongoing basis. The Group requires collateral in respect of margin loans made in the course of business within the Group. This collateral is generally in the form of the underlying security the margin loan is used to invest in. A loan to value ratio (LVR) is determined for each security with regard to market weight, index membership, liquidity, volatility, dividend yield, industry sector and advice from Bell Financial's research department. A risk analyst performs a review of the LVR and the recommendation is submitted to management. Management does not expect any counterparty to fail to meet its obligations. There are no individual loans greater than 10% of the total loans and advance balance.

Clients are provided with early warning of accounts in deficit from 5% up to 10% and clients receive a margin call if their account is in deficit by more than 10%. Margin calls are made based on the end-of-day position but can be made intraday at management's discretion. There were no impaired, past due or renegotiated loans at 31 December 2024 (2023: Nil).

	Note	Consolidated Entity		Parent Entity	
		2024 \$ '000	2023 \$ '000	2024 \$ '000	2023 \$ '000
Cash at bank	7	32,202	38,728	25,111	33,495
Subordinated note	9	-	-	31,800	24,300
Seller note	9	-	-	177,453	40,948
Trade receivables	9	2,260	2,677	2,260	2,677
Interest receivable	9	81	90	808	230
Residual income receivable	9	-	-	6,091	3,929
Service fee receivable	9	-	-	53	49
Loans and advances	8	587,082	546,149	333,938	306,296

The ageing of the Group's trade receivables at reporting date was:

**Ageing of receivables
Consolidated Entity:**

	2024		2023	
	Gross \$ '000	Impairment \$ '000	Gross \$ '000	Impairment \$ '000
Not past due	2,260	-	2,677	-
Past Due 0 - 30 Days	-	-	-	-
Past Due 31 - 120 Days	-	-	-	-
More than 1 year	-	-	-	-

**Ageing of receivables
Parent Entity:**

	2024		2023	
	Gross \$ '000	Impairment \$ '000	Gross \$ '000	Impairment \$ '000
Not past due	2,260	-	2,677	-
Past Due 0 - 30 Days	-	-	-	-
Past Due 31 - 120 Days	-	-	-	-
More than 1 year	-	-	-	-

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off. A provision for impairment of trade receivables is established based on lifetime expected credit losses. This assessment is based on past events, current conditions are reasonable and supportable information about future events and economic conditions.

Liquidity risk

The following are the contractual maturities of financial liabilities, excluding impacting of netting agreements.

	Carrying Amount \$ '000	Contracted Cash			
		flow \$ '000	6-months or less \$ '000	6- 12 months \$ '000	1 - 2 years \$ '000
Consolidated Entity 2024:					
Trade and other payables	9,029	(9,029)	(9,029)	-	-
Deposits	330	(330)	(330)	-	-
Bell Financial Trust	559,211	(559,211)	(559,211)	-	-
Cash advance facility	42,478	(42,478)	(42,478)	-	-
Subordinated Debt	8,000	(8,000)	(8,000)	-	-
Hedging derivative	153	(153)	(153)	-	-
Foreign currency swap	23	(23)	(23)	-	-
Parent Entity 2024:					
Trade and other payables	7,416	(7,416)	(7,416)	-	-
Deposits	330	(330)	(330)	-	-
Bell Financial Trust	559,211	(559,211)	(559,211)	-	-
Subordinated Debt	8,000	(8,000)	(8,000)	-	-
Hedging derivative	83	(83)	(83)	-	-
Foreign currency swap	23	(23)	(23)	-	-

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

16 FINANCIAL INSTRUMENTS (continued)

	Carrying Amount \$ '000	Contracted Cash flow \$ '000	6-months or less \$ '000	6- 12 months \$ '000	1 - 2 years \$ '000
Consolidated Entity 2023:					
Trade and other payables	9,036	(9,036)	(9,036)	-	-
Deposits	622	(622)	(622)	-	-
Bell Financial Trust	391,896	(391,896)	(391,896)	-	-
Cash advance facility	174,000	(174,000)	(174,000)	-	-
Subordinated Debt	8,000	(8,000)	(8,000)	-	-
Hedging derivative	158	(158)	(158)	-	-
Parent Entity 2023:					
Trade and other payables	7,336	(7,336)	(7,336)	-	-
Deposits	622	(622)	(622)	-	-
Bell Financial Trust	391,896	(391,896)	(391,896)	-	-
Subordinated Debt	8,000	(8,000)	(8,000)	-	-

The Group manages liquidity by maintaining reserves, banking facilities and reserve borrowing facilities and by continuously monitoring forecast and actual cash flows and matching up maturity profiles of financial assets and liabilities. Rolling cash projections are used to monitor cash flow requirements and optimise cash returns on investments. A bank facility is also available to be drawn upon in order to meet both short and long-term liquidity requirements.

Interest rate risk

The Group's investments in fixed-rate debt securities and its fixed-rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's investments in variable-rate debt securities and its variable-rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. An interest rate swap is used to hedge exposure to fluctuations in interest rates. Changes in the fair value of this derivative hedging instrument are recognised directly in equity to the extent that the hedge is effective. To the extent the hedge is ineffective, changes in the fair value are recognised in the profit and loss.

Short-term receivables and payables are not exposed to interest rate risk.

Effective interest rates

In respect of income-earning financial assets and interest-bearing financial liabilities, the following tables indicate their average effective interest rates at the reporting date and the periods in which they mature.

	Note	Average Effective Interest Rate	Total \$ '000	6-months or less \$ '000	6- 12 months \$ '000	1 - 2 years \$ '000	2 - 5 years \$ '000
Consolidated Entity 2024:							
<i>Fixed rate instruments</i>							
Loans and advances	8	8.02%	139,123	138,170	953	-	-
Cash advance facility	12	5.03%	(42,478)	(42,478)	-	-	-
			<u>96,645</u>	<u>95,692</u>	<u>953</u>	<u>-</u>	<u>-</u>
<i>Variable rate instruments</i>							
Cash and cash equivalents	7	4.35%	32,202	32,202	-	-	-
Loans and advances	8	7.82%	447,959	447,959	-	-	-
Subordinated Debt	12	5.85%	(8,000)	(8,000)	-	-	-
Deposits and other borrowings	12	2.87%	(330)	(330)	-	-	-
Bell Financial Trust	12	2.87%	(559,211)	(559,211)	-	-	-
			<u>(87,380)</u>	<u>(87,380)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Note	Average Effective Interest Rate	Total \$ '000	6-months or less \$ '000	6- 12 months \$ '000	1 - 2 years \$ '000	2 - 5 years \$ '000
Consolidated Entity 2023:							
<i>Fixed rate instruments</i>							
Loans and advances	8	7.89%	111,116	111,116	-	-	-
Cash advance facility	12	4.69%	(174,000)	(174,000)	-	-	-
			<u>(62,884)</u>	<u>(62,884)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Variable rate instruments</i>							
Cash and cash equivalents	7	3.89%	38,728	38,728	-	-	-
Loans and advances	8	8.12%	435,033	435,033	-	-	-
Subordinated Debt	12	5.39%	(8,000)	(8,000)	-	-	-
Deposits and other borrowings	12	2.19%	(622)	(622)	-	-	-
Bell Financial Trust	12	2.19%	(391,896)	(391,896)	-	-	-
			<u>73,243</u>	<u>73,243</u>	<u>-</u>	<u>-</u>	<u>-</u>

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

16 FINANCIAL INSTRUMENTS (continued)

Effective interest rates (continued)

	Note	Average Effective Interest Rate	Total \$ '000	6-months or less \$ '000	6- 12 months \$ '000	1 - 2 years \$ '000	2 - 5 years \$ '000
Parent Entity 2024:							
<i>Fixed rate instruments</i>							
Loans and advances	8	8.02%	94,669	93,716	953	-	-
			<u>94,669</u>	<u>93,716</u>	<u>953</u>	<u>-</u>	<u>-</u>
<i>Variable rate instruments</i>							
Cash and cash equivalents	7	4.35%	25,111	25,111	-	-	-
Loans and advances	8	7.82%	239,269	239,269	-	-	-
Subordinated note	9	4.40%	31,800	31,800	-	-	-
Seller note	9	4.40%	177,453	177,453	-	-	-
Subordinated Debt	12	5.85%	(8,000)	(8,000)	-	-	-
Deposits and other borrowings	12	2.87%	(330)	(330)	-	-	-
Bell Financial Trust	12	2.87%	(559,211)	(559,211)	-	-	-
			<u>(93,908)</u>	<u>(93,908)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Note	Average Effective Interest Rate	Total \$ '000	6-months or less \$ '000	6- 12 months \$ '000	1 - 2 years \$ '000	2 - 5 years \$ '000
Parent Entity 2023:							
<i>Fixed rate instruments</i>							
Loans and advances	8	7.89%	76,735	76,735	-	-	-
			<u>76,735</u>	<u>76,735</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Variable rate instruments</i>							
Cash and cash equivalents	7	3.89%	33,495	33,495	-	-	-
Loans and advances	8	8.12%	229,561	229,561	-	-	-
Subordinated note	9	3.94%	24,300	24,300	-	-	-
Seller note	9	3.94%	40,948	40,948	-	-	-
Subordinated Debt	12	5.39%	(8,000)	(8,000)	-	-	-
Deposits and other borrowings	12	2.19%	(622)	(622)	-	-	-
Bell Financial Trust	12	2.19%	(391,896)	(391,896)	-	-	-
			<u>(72,214)</u>	<u>(72,214)</u>	<u>-</u>	<u>-</u>	<u>-</u>

Sensitivity analysis

Interest rate risk

In managing interest rate risk the Group aims to reduce the impact of short-term fluctuations on the Group's earnings. Over the longer-term, however, permanent changes in interest rates will have an impact on profit or loss.

At 31 December 2024, it is estimated that a general decrease of one-percentage point in interest rates would decrease the Group's profit before income tax by approximately \$0.3 million (2023: \$0.4 million). For the Company, the impact of a one-percentage point decrease in interest rates would be a decrease to profit before income tax by approximately \$0.3 million (2023: \$0.4 million). A general increase of one-percentage point in interest rates would have an equal but opposite effect.

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

16 FINANCIAL INSTRUMENTS (continued)

Fair value of fixed loans (continued)

(a) Accounting classifications and fair values

The following table shows the carrying over amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Consolidated Entity:

31 DECEMBER 2024		CARRYING AMOUNT						FAIR VALUE				
NOTE		HELD-FOR- TRADING	DESIGNATED AT FAIR VALUE	FAIR VALUE - HEDGING INSTRUMENTS	HELD TO MATURITY	LOANS AND RECEIVABLES	OTHER FINANCIAL LIABILITIES	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Financial assets measured at fair value												
Currency swaps		-	2,041	-	-	-	-	2,041	-	2,041	-	2,041
Unlisted Options	10	-	3,070	-	-	-	-	3,070	-	-	3,070	3,070
Loans and advances	8	-	-	-	-	83,412	-	83,412	-	-	83,412	83,412
		-	5,111	-	-	83,412	-	88,523	-	2,041	86,482	88,523
Financial assets not measured at fair value												
Trade and other receivables	9	-	-	-	-	2,388	-	2,388	-	-	-	-
Cash and cash equivalents	7	-	-	-	-	32,202	-	32,202	-	-	-	-
Loans and advances	8	-	-	-	-	503,670	-	503,670	-	-	-	-
		-	-	-	-	538,260	-	538,260	-	-	-	-
Financial liabilities measured at fair value												
Interest rate swaps used for hedging	16	-	-	153	-	-	-	153	-	153	-	153
Foreign currency swap	16	-	23	-	-	-	-	23	-	23	-	23
		-	23	153	-	-	-	176	-	176	-	176
Financial liabilities not measured at fair value												
Trade payables	13	-	-	-	-	-	8,832	8,832	-	-	-	-
Deposits and borrowings	12	-	-	-	-	-	610,019	610,019	-	-	-	-
		-	-	-	-	-	618,851	618,851	-	-	-	-

31 DECEMBER 2023		CARRYING AMOUNT							FAIR VALUE			
NOTE		HELD-FOR- TRADING	DESIGNATED AT FAIR VALUE	FAIR VALUE - HEDGING INSTRUMENTS	HELD TO MATURITY	LOANS AND RECEIVABLES	OTHER FINANCIAL LIABILITIES	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3 ¹	TOTAL
Financial assets measured at fair value												
Currency swaps		-	81	-	-	-	-	81	-	81	-	81
Unlisted Options	10	-	3,548	-	-	-	-	3,548	-	-	3,548	3,548
Loans and advances	8	-	-	-	-	78,770	-	78,770	-	-	78,770	78,770
		-	3,629	-	-	78,770	-	82,399	-	81	82,318	82,399
Financial assets not measured at fair value												
Trade and other receivables	9	-	-	-	-	2,806	-	2,806	-	-	-	-
Cash and cash equivalents	7	-	-	-	-	38,728	-	38,728	-	-	-	-
Loans and advances	8	-	-	-	-	467,379	-	467,379	-	-	-	-
		-	-	-	-	508,913	-	508,913	-	-	-	-
Financial liabilities measured at fair value												
Interest rate swaps used for hedging	16	-	-	158	-	-	-	158	-	158	-	158
Foreign currency swap	16	-	-	-	-	-	-	-	-	-	-	-
		-	-	158	-	-	-	158	-	158	-	158
Financial liabilities not measured at fair value												
Trade payables	13	-	-	-	-	-	8,810	8,810	-	-	-	-
Deposits and borrowings	12	-	-	-	-	-	574,518	574,518	-	-	-	-
		-	-	-	-	-	583,328	583,328	-	-	-	-

1. Loans and advances measured at fair value increased from \$78,770,000 at 31 December 2023 to \$43,412,000 at 31 December 2024 due to net new/repaid loans of \$5,916,000 with the remaining movement due to net fair value changes.

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

16 FINANCIAL INSTRUMENTS (continued)

Fair value of fixed loans (continued)

(a) Accounting classifications and fair values (continued)

Parent Entity:

31 DECEMBER 2024		CARRYING AMOUNT							FAIR VALUE				
		NOTE	HELD-FOR-TRADING	DESIGNATED AT FAIR VALUE	FAIR VALUE - HEDGING INSTRUMENTS	HELD TO MATURITY	LOANS AND RECEIVABLES	OTHER FINANCIAL LIABILITIES	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Financial assets measured at fair value													
Currency swaps		-	2,041	-	-	-	-	2,041	-	2,041	-	2,041	
Unlisted Options	10	-	3,070	-	-	-	-	3,070	-	-	3,070	3,070	
Loans and advances	8	-	-	-	-	83,412	-	83,412	-	-	83,412	83,412	
		-	5,111	-	-	83,412	-	88,523	-	2,041	86,482	88,523	
Financial assets not measured at fair value													
Trade and other receivables	9	-	-	-	-	218,512	-	218,512	-	-	-	-	
Cash and cash equivalents	7	-	-	-	-	25,111	-	25,111	-	-	-	-	
Loans and advances	8	-	-	-	-	250,526	-	250,526	-	-	-	-	
		-	-	-	-	494,149	-	494,149	-	-	-	-	
Financial liabilities measured at fair value													
Interest rate swaps used for hedging	16	-	-	83	-	-	-	83	-	83	-	83	
Foreign currency swap	16	-	23	-	-	-	-	23	-	23	-	23	
		-	23	83	-	-	-	106	-	106	-	106	
Financial liabilities not measured at fair value													
Trade payables	13	-	-	-	-	-	7,318	7,318	-	-	-	-	
Deposits and borrowings	12	-	-	-	-	-	567,541	567,541	-	-	-	-	
		-	-	-	-	-	574,859	574,859	-	-	-	-	

31 DECEMBER 2023		NOTE	CARRYING AMOUNT							FAIR VALUE			
			HELD-FOR- TRADING	DESIGNATED AT FAIR VALUE	FAIR VALUE - HEDGING INSTRUMENTS	HELD TO MATURITY	LOANS AND RECEIVABLES	OTHER FINANCIAL LIABILITIES	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
			\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Financial assets measured at fair value													
Currency swaps			-	81	-	-	-	-	81	-	81	-	81
Unlisted Options	10		-	3,548	-	-	-	-	3,548	-	-	3,548	3,548
Loans and advances	8		-	-	-	-	78,770	-	78,770	-	-	78,770	78,770
			-	3,629	-	-	78,770	-	82,399	-	81	82,318	82,399
Financial assets not measured at fair value													
Trade and other receivables	9		-	-	-	-	72,172	-	72,172	-	-	-	-
Cash and cash equivalents	7		-	-	-	-	33,495	-	33,495	-	-	-	-
Loans and advances	8		-	-	-	-	227,526	-	227,526	-	-	-	-
			-	-	-	-	333,193	-	333,193	-	-	-	-
Financial liabilities measured at fair value													
Interest rate swaps used for hedging	16		-	-	99	-	-	-	99	-	99	-	99
Foreign currency swap	16		-	-	-	-	-	-	-	-	-	-	-
			-	-	99	-	-	-	99	-	99	-	99
Financial liabilities not measured at fair value													
Trade payables	13		-	-	-	-	-	7,256	7,256	-	-	-	-
Deposits and borrowings	12		-	-	-	-	-	400,518	400,518	-	-	-	-
			-	-	-	-	-	407,774	407,774	-	-	-	-

(b) Accounting classifications and fair values

The following shows the valuation techniques used in measuring level 1, 2 and Level 3 values, as well as the significant unobservable inputs used.

Level 2 – Interest Rate swaps – The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.

Level 2 - Currency swaps – the fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high quality yield curves in the respective currencies.

Level 3 - Loans and advances – the fair value is based on the option value used to mitigate the risk on the limited recourse margin loans and the interest rate implicit in the loan.

Carrying amounts of financial instruments are deemed to be a reasonable approximation of fair value due to their short term nature.

There were no reclassifications on the fair value levels during the years ended 31 December 2024 and 2023.

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

17 LOANS TO KEY MANAGEMENT PERSONNEL AND THEIR RELATED PARTIES

Key management personnel are defined as the Directors of the Company and their related parties.

Details regarding loans outstanding at the reporting date to key management personnel and their related parties are as follows:

	Balance 1 January 2024 \$ '000	Balance 31 December 2024 \$ '000	Interest paid and (payable) in the period \$ '000	Highest balance in period \$ '000
Andrew Bell	200	400	40	548
Lewis Bell	-	323	16	805
Dean Davenport	89	102	7	111
Rowan Fell	645	815	88	1,288
Arnie Selvarajah	71	81	6	81
Lee Muco	-	67	2	67

	Balance 1 January 2023 \$ '000	Balance 31 December 2023 \$ '000	Interest paid and (payable) in the period \$ '000	Highest balance in period \$ '000
Andrew Bell	463	200	20	576
Lewis Bell	-	-	-	39
Dean Davenport	72	89	6	89
Rowan Fell	1,006	645	60	1,334
A Selvarajah	-	71	3	71

Loans totalling \$1,788,014 (2023: \$1,003,863) were made to key management personnel and their related parties during the year. The recipients of these loans were Andrew Bell, Lewis Bell, Dean Davenport, Rowan Fell, Arnie Selvarajah and Lee Muco. The loans represent margin loans held with the Company. Interest is payable at prevailing market rates. Related parties also have deposits on normal terms and conditions.

Details regarding the aggregate of loans made, guaranteed or secured by any entity in the group to key management personnel and their related parties, and the number of individuals in each Group, are as follows:

	Opening Balance \$ '000	Closing Balance \$ '000	Interest paid and (payable) in the period \$ '000	Number of loans in Group at 31 December ¹
Total for key management personnel 2024	1,005	1,788	160	8
Total for key management personnel 2023	1,541	1,005	89	7
Total for other related parties 2024	-	-	-	-
Total for other related parties 2023	-	-	-	-
Total for key management personnel and their related parties 2024	1,005	1,788	160	8
Total for key management personnel and their related parties 2023	1,541	1,005	89	7

1. Number in Group includes KMP and other related parties with loans at any time during the year.

Interest is payable at prevailing market rates on all loans to key management persons and their related parties. These rates are available to all clients and may vary marginally depending on individual negotiations. The principal amounts are repayable per terms agreed on an individual basis. Interest received on the loans totalled \$160,251 (2023: \$88,940). No amounts have been written-down or recorded as allowances for impairment, as the balances are considered fully collectible.

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

18 RELATED PARTY DISCLOSURE

The consolidated financial statements include the financial statements of Bell Potter Capital and its controlled entities listed in the following table:

Name	Country of Incorporation	% Equity Interest		Investment	
		2024	2023	2024 \$	2023 \$
BPC Securities Pty Ltd	Australia	100%	100%	20,002	20,002
BPC Custody Pty Ltd	Australia	100%	100%	100	100
The Bell Potter Master Trust ¹	-	-	-	-	-
				<u>20,102</u>	<u>20,102</u>

¹ Bell Potter Capital Limited is the sole residual income unitholder of The Bell Potter Margin Loan Trust ("Trust"). The Company consolidates the Trust as it has the majority of risks and benefits, and ownership of the residual interest.

The following table provides the total amount of transactions which have been entered into with related parties for the relevant financial year (for information regarding outstanding balances at year end, refer to note 9 and 12).

Related Parties		Amounts owed by related parties		Amounts owed to related parties	Interest received / (paid)
		2024	2023		
		\$ '000	\$ '000	\$ '000	\$ '000
Parent Entity					
Bell Financial Group Ltd	2024	-	(8,399)	(469)	
	2023	-	(8,336)	(430)	
Bell Potter Securities Limited	2024	-	(113)	-	
	2023	-	(136)	-	
Bell Potter Margin Loan Trust	2024	210,032	-	5,937	
	2023	65,438	-	2,201	
Consolidated Entity					
Bell Financial Group Ltd	2024	-	(8,399)	(469)	
	2023	-	(8,336)	(430)	
Bell Potter Securities Limited	2024	-	(113)	-	
	2023	-	(136)	-	

The ultimate parent entity of Bell Potter Capital Limited is Bell Financial Group Ltd.

The loan made by the Company to Bell Potter Margin Loan Trust represents a subordinated note and a seller series note that attracts interest at 4.40% per annum (2023: 3.94% per annum).

The loan made from Bell Financial Group Ltd to the Company represents a subordinated loan that attracts interest at X.XX per annum (2023: 5.39% per annum).

Other related party amounts are unsecured. Interest has been waived for the financial year (2023: Nil).

There are no fixed terms for the related party loans and repayments are on call.

19 AUDITORS REMUNERATION

Amounts due to KPMG for:

Audit of the financial report

Other services

- audit required by regulators

Consolidated Entity		Parent Entity	
2024	2023	2024	2023
\$ '000	\$ '000	\$ '000	\$ '000
43	54	59	39
27	26	29	25
<u>70</u>	<u>80</u>	<u>88</u>	<u>64</u>

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

20 REMUNERATION OF DIRECTORS

(a) The directors of Bell Potter Capital Limited during the financial year and to the date of this report were:

Name:	Position:	Date Appointed:
D A Davenport	Chairman	November 2007
Arnie Selvarajah	Director	November 2023
R Fell	Director	November 2007
D Surkitt	Director	November 2023
L Muco	Director	November 2023
A G Bell	Director	July 2001
L M Bell	Director	July 2001

	2024 \$ '000	2023 \$ '000
(b) Compensation of key management personnel		
Short-term employee benefits	848	803
Other long-term employee benefits	-	-
Post employment benefits	29	28
	877	831

Key management personnel compensation disclosed above has been determined based on management's allocation of work effort across each of the Bell Financial Group entities.

	Consolidated Entity		Parent Entity	
	2024 \$ '000	2023 \$ '000	2024 \$ '000	2023 \$ '000
21 FINANCING ARRANGEMENTS				
The Company has access to the following lines of credit:				
Cash advance facility	150,000	250,000	-	-
Indemnity/Guarantee facility	1,000	1,000	-	-
Subordinated Debt facility	15,000	15,000	15,000	15,000
Facilities utilised at balance date:				
Cash advance facility	42,478	174,000	-	-
Indemnity/Guarantee facility	1,000	1,000	-	-
Subordinated Debt facility	8,000	8,000	8,000	8,000

22 DIVIDENDS

Declared and paid during the year	Cents per Share	Total Amount \$ '000	Franked / Unfranked	Date of Payment
2024				
Company				
2024 Interim Dividend	0.90	2,700	Fully Franked	5 September 2024
2024 Final Dividend	-	-		
2023				
Company				
2023 Interim Dividend	0.90	2,700	Fully Franked	8 September 2023
2023 Final Dividend	0.90	2,700	Fully Franked	8 March 2024

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

23 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

In the event that any contingent liabilities result in a loss, Bell Financial Group Limited has agreed to indemnify the Group.

Contingent liabilities of the Company exist in relation to claims and/or possible claims including regulatory matters which, at the date of signing these accounts, have not been resolved. An assessment of the likely loss to the Company has been made in respect of the identified claims, on a claim by claim basis, and specific provision has been made where appropriate. The Company does not consider that the outcome of any other current proceedings, either individually or in aggregate, is likely to materially affect its operations or financial position.

At 31 December 2024, Bell Potter Capital Limited had no other significant contingent liabilities or assets.

24 GUARANTEES

The Group has provided financial guarantees in the ordinary course of business which amount to \$1,000,000 (2023: \$1,000,000) and are not recorded in the Statement of Financial Position as at 31 December 2024.

25 SUBSEQUENT EVENTS

There were no significant events from 31 December 2024 to the date of this report.

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
CONSOLIDATED ENTITY DISCLOSURE STATEMENT**

Consolidated Entity Disclosure Statement as at 31 December 2024

The consolidated entity disclosure statement has been prepared in accordance with the Corporations Act and applicable accounting standards. It includes all subsidiaries within the Group, including dormant entities, to provide a comprehensive view of the Group's structure. The tax jurisdictions of each entity have been determined and disclosed, ensuring transparency in the Group's financial reporting and compliance with relevant regulatory requirements.

Entity name	Body corporate, partnership or trust	Place incorporated / formed	% of share capital held directly or indirectly by the Company in the body corporate	Australian or Foreign tax resident	Jurisdiction for Foreign tax resident
1 Bell Potter Capital Limited	Body Corporate	Australia		Australian	N/A
2 BPC Securities Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
3 BPC Custody Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
4 The Bell Potter Margin Loan Trust	Trust	Australia	100%	Australian	N/A

Key Assumptions and judgements

Determination of tax residency

Section 295(3A) of the Corporations Act 2001 required that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDs) be disclosed. In the context of an entity which was an Australian resident, "Australian resident" has the meaning provided in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

"Australian resident" has the meaning provided in the Income Tax Assessment Act 1997 (ITAA). In applying that definition, the consolidated entity has applied current legislation and where available judicial precedent in the determination of tax residency to ensure applicable foreign tax legislation has been complied with.

Foreign tax residency

Where an entity is shown as being resident in a foreign jurisdiction, this is taken to mean a resident for the purposes of the law of the foreign jurisdiction relating to foreign income tax, within the meaning of the ITAA.

**BELL POTTER CAPITAL LIMITED
AND CONTROLLED ENTITIES
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 31 DECEMBER 2024**

Directors' Declaration

In the opinion of the Directors of Bell Potter Capital Limited:

- (a) the financial statements and notes that are set out on pages 6 to 30 are in accordance with the Corporations Act 2001, including;
 - (i) giving a true and fair view of the Company's financial position as at 31 December 2024 and of its performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards and Corporations Regulations 2001; and
- (b) the consolidated entity disclosure statement as at 31 December 2024 set out in page 32 is true and correct; and
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors draw attention to note 1(a) to the financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors:



Melbourne

Date: 18th February 2025