

15 August 2024

ASX Market Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

RESULTS FOR ANNOUNCEMENT TO THE MARKET FOR THE HALF-YEAR ENDED 30 JUNE 2024

In accordance with ASX Listing Rule 4.2A, the following half-year information is attached for immediate release:

1. Appendix 4D
2. Interim Financial Report for the half-year ended 30 June 2024.

This information should be read in conjunction with the Annual Report for the year ended 31 December 2023.

For more information, please contact:
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This announcement was authorised for release by the Board.

Appendix 4D (Half-year report)

Results for announcement to the market

ASX Listing Rule 4.2A

Bell Financial Group Limited ABN 59 083 194 763 and its controlled entities

Current period:	1 January 2024 to 30 June 2024
Previous corresponding period:	1 January 2023 to 30 June 2023

	Half-year ended 30 June 2024 \$ '000	Half-year ended 30 June 2023 \$ '000	
Revenue from ordinary activities	138,733	117,282	Up 18.3%
Profit from ordinary activities after tax attributable to shareholders	16,619	11,072	Up 50.1%
Net profit for the period attributable to shareholders	16,619	11,072	Up 50.1%

Dividend (fully franked)	Amount per share	Tax rate for franking credit
2024 Interim dividend (to be paid 10 September 2024)	4.0 cents	30%
2023 Final dividend (paid 14 March 2024)	4.0 cents	30%

Interim dividend dates

Ex-dividend date	28 August 2024
Record date	29 August 2024
Payment date	10 September 2024

Net tangible assets per ordinary share	\$0.29	\$0.27
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Additional disclosure requirements

Entities over which control gained or lost during the period:	Not applicable
Dividend or distribution reinvestment plans:	Not applicable

This information should be read in conjunction with the 2023 Annual Report of Bell Financial Group Limited and its controlled entities and any public announcements made during the period by Bell Financial Group Limited in accordance with the continuous disclosure requirements under the Corporations Act and the Listing Rules. Additional information required under Listing Rule 4.2A is located in the Condensed Consolidated Interim Financial Report for the half-year ended 30 June 2024 of Bell Financial Group Limited and its controlled entities (**Interim Financial Report**). This information is based on the Interim Financial Report, which has been reviewed by KPMG. The Independent Auditor's Report provided by KPMG is included in the Interim Financial Report.

Bell Financial Group Limited
ABN 59 083 194 763

Condensed Consolidated Interim Financial Report
30 June 2024

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The interim financial report does not include all the notes of the type normally included in an annual financial report. It is recommended that the interim financial report is read in conjunction with the 2023 Annual Report of Bell Financial Group Limited and any public announcements made by Bell Financial Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001 and the ASX Listing Rules.

Bell Financial Group Limited

Directors' Report

For the half-year ended 30 June 2024

The Directors of Bell Financial Group Limited (**Bell Financial**) present their report, together with the financial report, on the consolidated entity (**Group**) consisting of Bell Financial and its controlled entities for the half-year ended 30 June 2024.

Directors

The Directors of the Company during the half-year and until the date of this report are shown below:

Independent Chairman

Brian Wilson AO

Non-executive Directors

Alastair Provan

Andrew Bell

Independent Directors

Graham Cubbin

Christine Feldmanis

All Directors held office for the entire period.

Principal activities

Bell Financial is an Australian-based provider of stockbroking, investment and financial advisory services to private, institutional and corporate clients. The Group is also a developer of proprietary technology, platforms, products and services for the Australian stockbroking market. With over 700 employees, Bell Financial operates across 11 offices in Australia and has offices in New York, London, Hong Kong and Kuala Lumpur.

Review and results of operations

The consolidated after tax result attributable to shareholders for the half-year ended 30 June 2024 was a \$16.6 million profit (2023: \$11.1 million profit).

The Company has declared a fully franked interim dividend of 4.0 cents per share (2023: 3.0 cents). The dividend record date is 29 August 2024 and payment is expected to be made on 10 September 2024.

Subsequent events

No matters or circumstances have arisen since the end of the half-year period that in the opinion of the Directors of the Group have significantly affected or may significantly affect the operations of the Group, results of those operations, or the state of affairs of the Group in future financial years.

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 5 and forms part of the Directors' Report for the half-year ended 30 June 2024.

Bell Financial Group Limited
Directors' Report
For the half-year ended 30 June 2024

Rounding of amounts

Bell Financial is an entity to which *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* applies. 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.

This report is made on 15 August 2024 in accordance with a resolution of the Directors.



Brian Wilson AO
Independent Chairman
15 August 2024



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

To the Directors of Bell Financial Group Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Bell Financial Group Limited for the half-year ended 30 June 2024 there have been:

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

KPMG

KPMG

Luke Sullivan
Partner

Melbourne
15 August 2024

Bell Financial Group Limited
Condensed Consolidated Statement of Profit or Loss
For the half-year ended 30 June 2024

	Note	Consolidated half-year ended 30 June	
		2024 \$'000	2023 \$'000
Rendering of services	7, 8.	113,747	94,211
Finance income		26,737	23,126
Investment (losses) / gains	9.	(1,906)	(1,326)
Other income		155	1,271
Total revenue and income		138,733	117,282
Employee expenses		(75,943)	(66,923)
Depreciation and amortisation expenses		(5,421)	(5,516)
Occupancy expenses		(1,594)	(1,552)
Systems and communication expenses		(5,689)	(5,514)
Market information expenses		(3,891)	(3,883)
ASX & Other Clearing expenses		(2,561)	(2,617)
Professional expenses		(1,529)	(1,744)
Finance expenses		(12,149)	(7,271)
Other expenses		(6,156)	(6,061)
Total expenses		(114,933)	(101,081)
Profit before income tax		23,800	16,201
Income tax expense		(7,181)	(5,129)
Profit for the half-year		16,619	11,072
Attributable to:			
Equity holders of the Company		16,619	11,072
Profit for the half-year		16,619	11,072
Earnings per share:		Cents	Cents
Basic earnings per share (AUD)		5.2	3.5
Diluted earnings per share (AUD)		5.2	3.5

The notes on pages 11 to 22 are an integral part of these Condensed Consolidated Interim Financial Statements.

Bell Financial Group Limited
Condensed Consolidated Statement of Comprehensive Income
For the half-year ended 30 June 2024

	Consolidated half-year ended 30 June	
	2024 \$'000	2023 \$'000
Profit for the half-year	16,619	11,072
Other comprehensive income		
Items that may be classified to profit or loss		
Change in fair value of cash flow hedge, net of tax	105	(34)
Foreign operations – foreign currency translation differences, net of tax	84	219
Other comprehensive income for the half-year, net of tax	189	185
Total comprehensive income for the half-year	16,808	11,257
Attributable to:		
Equity holders of the Company	16,808	11,257
Total comprehensive income for the half-year	16,808	11,257

The notes on pages 11 to 22 are an integral part of these Condensed Consolidated Interim Financial Statements.

Bell Financial Group Limited
Condensed Consolidated Statement of Financial Position
As at 30 June 2024

Consolidated			
	Note	30 June 2024	31 Dec 2023
		\$'000	\$'000
Assets			
Cash and cash equivalents	10.	204,140	216,780
Trade and other receivables	11.	314,864	176,602
Prepayments		932	1,337
Financial assets at fair value	16.	12,432	15,593
Derivative assets	16.	155	81
Loans and advances	12.	575,418	546,149
Right of use assets		37,127	40,047
Deferred tax assets		5,832	4,765
Property, plant and equipment		1,231	1,512
Goodwill	13.	130,413	130,413
Intangible assets	13.	15,511	15,525
Total assets		1,298,055	1,148,804
Liabilities			
Trade and other payables	14.	343,724	257,626
Deposits and borrowings	15.	629,467	566,518
Current tax liabilities		1,748	1,672
Lease liabilities		45,774	48,497
Derivative liabilities	16.	209	158
Employee benefits		37,212	38,390
Provisions		500	500
Total liabilities		1,058,634	913,361
Net assets		239,421	235,443
Equity			
Contributed equity	18.	204,237	204,237
Other equity		(28,858)	(28,858)
Reserves		(1,058)	(1,247)
Retained earnings		65,100	61,311
Total equity attributable to equity holders of the Company		239,421	235,443

The notes on pages 11 to 22 are an integral part of these Condensed Consolidated Interim Financial Statements.

Bell Financial Group Limited
Condensed Consolidated Statement of Changes in Equity
For the half-year ended 30 June 2024

Consolidated	Share Capital	Other Equity	Treasury Shares Reserve	Share Based Payments Reserve	Cash Flow Hedge Reserve	Foreign Currency Reserve	Retained Earnings	Total Equity
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Balance at 31 December 2022 / 1 January 2023	204,237	(28,858)	(2,620)	-	398	1,205	61,042	235,404
Total comprehensive income								
Profit / (loss) for the half-year	-	-	-	-	-	-	11,072	11,072
Other comprehensive income								
Change in fair value of cash flow hedges	-	-	-	-	(34)	-	-	(34)
Translation of foreign currency reserve	-	-	-	-	-	219	-	219
Total other comprehensive income	-	-	-	-	(34)	219	-	185
Total comprehensive income for the half-year	-	-	-	-	(34)	219	11,072	11,257
Transactions with owners recorded directly in equity								
Transfer of retained earnings	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-	-	-
Employee share awards exercised	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	(14,433)	(14,433)
Balance at 30 June 2023	204,237	(28,858)	(2,620)	-	364	1,424	57,681	232,228
Balance at 31 December 2023 / 1 January 2024	204,237	(28,858)	(2,620)	-	12	1,361	61,311	235,443
Total comprehensive income								
Profit / (loss) for the half-year	-	-	-	-	-	-	16,619	16,619
Other comprehensive income								
Change in fair value of cash flow hedges	-	-	-	-	105	-	-	105
Translation of foreign currency reserve	-	-	-	-	-	84	-	84
Total other comprehensive income	-	-	-	-	105	84	-	189
Total comprehensive income for the half-year	-	-	-	-	105	84	16,619	16,808
Transactions with owners recorded directly in equity								
Transfer of retained earnings	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-	-	-
Employee share awards exercised	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	(12,830)	(12,830)
Balance at 30 June 2024	204,237	(28,858)	(2,620)	-	117	1,445	65,100	239,421

The notes on pages 11 to 22 are an integral part of these Condensed Consolidated Interim Financial Statements.

Bell Financial Group Limited
Condensed Consolidated Statement of Cash Flows
For the half-year ended 30 June 2023

	Consolidated half-year ended 30 June	
	2024 \$'000	2023 \$'000
Cash flows from / (used in) operating activities		
Cash receipts from customers and clients	118,743	98,556
Cash paid to suppliers and employees	(108,892)	(88,436)
Net cash from client related receivables and payables	(47,813)	(6,154)
Cash generated from / (used in) operations ¹	(37,962)	3,966
Dividends received	81	91
Interest received	27,013	23,083
Interest paid	(12,149)	(7,271)
Income taxes paid	(8,172)	(4,563)
Net cash (used in) / from operating activities	(31,189)	15,306
Cash flows from / (used in) investing activities		
Net proceeds from sale of investments	5,608	-
Acquisition of property, plant and equipment	(17)	(696)
Acquisition of other investments	(3,722)	(2,778)
Net cash from / (used in) investing activities	1,869	(3,474)
Cash flows from / (used in) financing activities		
Dividends paid	(12,830)	(14,433)
On market share purchases	-	-
Payment of lease liabilities	(3,404)	(2,604)
<i>Bell Potter Capital (Margin Lending)</i>		
Deposits / (withdrawals) from client cash balances	105,426	(55,338)
Drawdown / (Issuance) of margin loans	(30,035)	(30,514)
(Repayment) / Drawdown of borrowings	(42,477)	85,602
Net cash from / (used in) financing activities	16,680	(17,287)
Net (decrease) in cash and cash equivalents	(12,640)	(5,455)
Cash and cash equivalents at 1 January	216,780	289,207
Cash and cash equivalents at 30 June	204,140	283,752

The notes on pages 11 to 22 are an integral part of these Condensed Consolidated Interim Financial Statements.

1. 'Cash generated from operations' includes Group cash reserves and client balances. Refer to note 10 for further information on cash and cash equivalents.

Bell Financial Group Limited

Notes to the Condensed Consolidated Interim Financial Statements

For the half-year ended 30 June 2024

1. Reporting entity

Bell Financial Group Limited (“Bell Financial” or 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 the Company, and its controlled entities (the “Group” or “Consolidated Entity”).

The Annual Report of Bell Financial Group Limited for the year ended 31 December 2023 is available upon request from the Company’s registered office at Level 29, 101 Collins Street, Melbourne or at www.bellfg.com.au.

2. Statement of compliance

This condensed consolidated interim financial report has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This condensed consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated 2023 Annual Report and any public announcements made by the Company during the interim reporting period.

This condensed consolidated interim financial report was approved by the Board of Directors on 15 August 2024.

Bell Financial is an entity to which *ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191* applies. 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.

3. Material accounting policies

The accounting policies applied by the Group in the condensed consolidated interim financial report are consistent with those applied by the Group in its consolidated financial report as at and for the year ended 31 December 2023.

4. Estimates

The preparation of the condensed consolidated interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial report, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 31 December 2023. During the period, management reviewed estimates in respect of:

- Recovery of deferred tax assets
- Impairment of loans and advances
- Long service leave provisions
- Legal provisions and contingent liabilities

Bell Financial Group Limited
Notes to the Condensed Consolidated Interim Financial Statements (continued)
For the half-year ended 30 June 2024

4. Estimates (continued)

- Intangible assets
- Impairment of goodwill
- Financial assets

Impairment of goodwill

Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired. For the purpose of impairment testing, goodwill is allocated to Retail, Institutional, Technology and Platforms, and Products and Services which represents the level at which it is monitored for internal management purposes.

The recoverable amount of the business to which each goodwill component is allocated to a cash-generating unit is estimated based on its value in use and is determined by discounting the future cash flows generated from continuing use. At 30 June 2024, goodwill allocated to the cash-generating units was \$22.6 million for Retail, \$31.4 million for Institutional, \$39.2 million for Technology & Platforms and \$37.2 million for Product & Services segment.

Legal provisions and contingent liabilities

From time to time, claims are raised against the Group by clients and third parties. The recognition of any provision requires judgement to determine management's best estimate of the provision. As at 30 June 2024, a \$500,000 provision has been accrued against known potential claims.

5. Financial risk management

All aspects of the Group's financial risk management objectives and policies are consistent with that disclosed in the consolidated financial report as at and for the year ended 31 December 2023.

6. 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 that 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.

Bell Financial Group Limited
Notes to the Condensed Consolidated Interim Financial Statements (continued)
For the half-year ended 30 June 2024

6. Determination of fair value (continued)

Share based payments

The fair value of employee stock options is determined using a Black Scholes model. Measurement inputs include share price, exercise price, volatility, weighted average expected life of the instrument, expected dividends and risk free interest rate. Service and non-market conditions are not taken into account in determining fair value.

7. Segment Reporting

Business segments

The segments reported below are consistent with internal reporting provided to the chief decision makers:

- Technology & Platforms: Proprietary technology and platforms including online broking;
- Products & Services: Margin lending, Cash, Portfolio Administration and Superannuation Solutions products and services;
- Retail: traditional retail client broking (Retail client focus); and
- Institutional: traditional wholesale client broking (Institutional and Wholesale client focus).

	Technology & Platforms	Products & Services	Retail	Institutional	Consolidated
30 June 2024	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from operations	12,143	12,468	52,965	36,171	113,747
Profit after tax	4,129	6,211	200	6,079	16,619
Segment assets	424,448	707,356	97,247	69,004	1,298,055
Total assets	424,448	707,356	97,247	69,004	1,298,055
Segment liabilities	326,553	657,907	58,056	16,118	1,058,634
Total liabilities	326,553	657,907	58,056	16,118	1,058,634
Other segment details					
Finance revenue	1,991	23,204	1,541	1	26,737
Finance expense	(60)	(11,057)	(865)	(167)	(12,149)
Depreciation / amortisation	(1,159)	(81)	(3,560)	(621)	(5,421)

	Technology & Platforms	Products & Services	Retail	Institutional	Consolidated
30 June 2023	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from operations	11,027	11,332	50,682	21,170	94,211
Profit after tax	4,611	5,923	(1,591)	2,129	11,072
Segment assets	376,692	608,235	341,938	63,728	1,390,593
Total assets	376,692	608,235	341,938	63,728	1,390,593
Segment liabilities	286,551	557,566	303,435	10,813	1,158,365
Total liabilities	286,551	557,566	303,435	10,813	1,158,365
Other segment details					
Finance revenue	1,575	18,869	2,680	2	23,126
Finance expense	(64)	(6,154)	(922)	(131)	(7,271)
Depreciation / amortisation	(1,298)	(79)	(3,523)	(616)	(5,516)

Bell Financial Group Limited
Notes to the Condensed Consolidated Interim Financial Statements (continued)
For the half-year ended 30 June 2024

7. Segment Reporting (continued)

Geographical segments

The Group operates predominantly within Australia and has offices in Hong Kong, London, New York and Kuala Lumpur.

8. Revenue

The Group's operations and main revenue streams are those described in the last annual financial statements. The below Group's revenue is derived from contracts with customers.

In the following table, revenue is disaggregated by major products and service lines. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments in note 7.

	Technology & Platforms		Products & Services		Retail		Institutional		Consolidated	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Brokerage	8,427	7,890	55	93	47,122	43,346	4,196	3,448	59,800	54,777
Fee income	166	135	-	-	5,773	7,266	31,871	17,649	37,810	25,050
Portfolio administration revenue	-	-	12,057	10,900	-	-	-	-	12,057	10,900
Other	3,550	3,002	356	339	70	70	104	73	4,080	3,484
	12,143	11,027	12,468	11,332	52,965	50,682	36,171	21,170	113,747	94,211

9. Investment (losses) / gains

	Consolidated	
	2024 \$'000	2023 \$'000
Dividends received	81	91
Profit / (loss) on financial assets held at fair value through profit or loss - Shares in listed corporations and unlisted options held in listed corporations	(420)	300
Profit / (loss) on financial assets held at fair value through profit or loss - Geared equity investments ¹	(1,567)	(1,717)
	(1,906)	(1,326)

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.

Bell Financial Group Limited
Notes to the Condensed Consolidated Interim Financial Statements (continued)
For the half-year ended 30 June 2024

10. Cash and cash equivalents

	Consolidated	
	2024 \$'000	2023 \$'000
Group cash reserves¹		
Cash on hand	12	12
Cash at bank	111,469	114,292
	111,481	114,304
Margin lending cash		
Cash at bank	61,098	21,948
	61,098	21,948
Client cash		
Cash at bank (Trust account)	31,561	48,498
Cash at bank (Segregated account)	-	32,030
	31,561	80,528
Cash and cash equivalents in the Statement of Cash Flows	204,140	216,780

Cash on hand and at bank earns interest at floating rates based on daily bank deposit rates.

Segregated cash and Trust bank balances earn interest at floating rates based on daily bank rates.

Segregated cash and Trust bank balances are client funds, and are not available for general use by the Group. A corresponding liability is recognised within trade and other payables (note 14).

Bell Financial Group Limited
Notes to the Condensed Consolidated Interim Financial Statements (continued)
For the half-year ended 30 June 2024

10. Cash and cash equivalents (continued)

¹ Group Cash – summary of key movements	2024 \$'000
Group cash - 1 January 2024	114,304
Cash profit	
Cash Revenue	140,040
Less Cash Expenses	
Employee expenses	(78,671)
Occupancy expenses	(6,024)
Systems and communications	(5,689)
Market information expenses	(3,891)
ASX & Other clearing expenses	(2,561)
Professional expenses	(1,529)
Finance expenses	(11,115)
Other expenses	(6,157)
Total expenses	<u>(115,637)</u>
Net Cash operating profit before tax	24,403
 Balance Sheet	
Tax instalments paid	(8,172)
Dividends paid	(12,830)
Clearing house deposits paid	(6,902)
Financial asset sales (net)	1,886
Acquisition of property, plant and equipment	(17)
General working capital movement	<u>(1,191)</u>
Group cash balance - 30 June 2024	<u>111,481</u>

11. Trade and other receivables

	Consolidated	
	2024 \$'000	2023 \$'000
Trade debtors	283,906	118,918
Less: provision for impairment	-	-
	<u>283,906</u>	<u>118,918</u>
Clearing house deposits	19,021	9,719
Segregated deposits with clearing brokers	-	38,310
Less: provision for impairment	-	-
	<u>19,021</u>	<u>48,029</u>
Sundry debtors	11,937	9,655
	<u>314,864</u>	<u>176,602</u>

No impairment allowance in respect of trade and other receivables noted at 30 June 2024 (2023: Nil). There are no amounts in arrears or past due.

Bell Financial Group Limited
Notes to the Condensed Consolidated Interim Financial Statements (continued)
For the half-year ended 30 June 2024

12. Loans and advances

	Consolidated	
	2024 \$'000	2023 \$'000
Margin Loans measured at amortised cost	485,796	467,379
Margin Loans measured at fair value through profit and loss	89,622	78,770
	575,418	546,149

There were no impaired, past due or renegotiated loans at 30 June 2024 (2023: nil).

13. Goodwill and intangible assets

	Goodwill \$'000	Consolidated Identifiable intangibles \$'000	Total \$'000
Cost			
Balance at 1 January 2023	130,413	30,816	161,229
Acquisitions - internally developed	-	3,020	3,020
Balance at 31 December 2023	130,413	33,836	164,249
Balance at 1 January 2024	130,413	33,836	164,249
Acquisitions - internally developed	-	1,550	1,550
Balance at 30 June 2024	130,413	35,386	165,799
Accumulated amortisation and impairment losses			
Balance at 1 January 2023	-	(15,350)	(15,350)
Amortisation	-	(2,961)	(2,961)
Balance at 31 December 2023	-	(18,311)	(18,311)
Balance at 1 January 2024	-	(18,311)	(18,311)
Amortisation	-	(1,564)	(1,564)
Balance at 30 June 2024	-	(19,875)	(19,875)
Carrying amount			
At 1 January 2023	130,413	15,466	145,879
At 31 December 2023	130,413	15,525	145,938
At 30 June 2024	130,413	15,511	145,924

Bell Financial Group Limited
Notes to the Condensed Consolidated Interim Financial Statements (continued)
For the half-year ended 30 June 2024

14. Trade and other payables

	Consolidated	
	2024 \$'000	2023 \$'000
Settlement obligations	306,632	152,686
Sundry creditors and accruals	33,234	26,001
Segregated client liabilities	3,858	78,939
	343,724	257,626

Settlement obligations are non-interest bearing and are normally settled on 2-day terms. Sundry creditors are normally settled on 30-day terms.

15. Deposits and borrowings

This note provides information about the contractual terms of the Group's interest-bearing deposits and borrowings.

	Consolidated	
	2024 \$'000	2023 \$'000
Deposits ¹	403	622
Bell Financial Trust ²	497,541	391,896
Cash advance facility ³	131,523	174,000
	629,467	566,518

1 Deposits relate to Margin Lending business (Bell Potter Capital) which are largely at call.

2 Represents funds held on behalf of Bell Potter Capital in the Bell Financial Trust which are held at call.

3 Represents drawn funds from the Bell Potter Capital cash advance facility of \$250m (2023: \$250m).

Terms and debt repayment schedule

Terms and conditions of outstanding deposits and borrowings were as follows:

Consolidated	2024	2023	2024		2023	
	Average effective interest rate		Face value \$'000	Carrying amount \$'000	Face value \$'000	Face value \$'000
Cash advance facility	5.06%	4.69%	131,523	131,523	174,000	174,000
Deposits (Cash Account)	2.75%	2.19%	403	403	622	622
Bell Financial Trust	2.75%	2.19%	497,541	497,541	391,896	391,896
			629,467	629,467	566,518	566,518

Bell Financial Group Limited
Notes to the Condensed Consolidated Interim Financial Statements
For the half-year ended 30 June 2024

16. Financial Instruments

Fair value measurements

a. Accounting classifications and fair values

The following table shows the carrying 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.

30 JUNE 2024	Note	Carrying Amount				Fair Value				
		Designated at fair value	Fair value hedging instruments	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3 ¹	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets measured at fair value										
		12,432	-	-	-	12,432	6,785	5,647	-	12,432
		-	123	-	-	123	-	123	-	123
		32	-	-	-	32	-	32	-	32
	12.	-	-	89,622	-	89,622	-	-	89,622	89,622
		12,464	123	89,622	-	102,209	6,785	5,802	89,622	102,209
Financial assets not measured at fair value										
	11.	-	-	314,864	-	314,864	-	-	-	-
	10.	-	-	204,140	-	204,140	-	-	-	-
	12.	-	-	485,796	-	485,796	-	-	-	-
		-	-	1,004,800	-	1,004,800	-	-	-	-
Financial liabilities measured at fair value										
		-	6	-	-	6	-	6	-	6
		203	-	-	-	203	-	203	-	203
		203	6	-	-	209	-	209	-	209
Financial liabilities not measured at fair value										
	14.	-	-	-	343,724	343,724	-	-	-	-
	15.	-	-	-	629,467	629,467	-	-	-	-
		-	-	-	973,191	973,191	-	-	-	-

1. Loans and advances measured at fair value increased from \$78,770,000 at 31 December 2023 to \$89,622,000 at 30 June 2024 due to net new/repaid loans of \$11,619,000 with the remaining movement due to net fair value changes.

Bell Financial Group Limited
Notes to the Condensed Consolidated Interim Financial Statements (continued)
For the half-year ended 30 June 2024

16. Financial Instruments (continued)

31 DECEMBER 2023	Note	Carrying Amount				Total	Fair Value			Total
		Designated at fair value	Fair value hedging instruments	Loans and receivables	Other financial liabilities		Level 1	Level 2	Level 3 ¹	
		\$'000	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000	
Financial assets measured at fair value										
		15,593	-	-	-	15,593	8,453	7,140	-	15,593
		-	71	-	-	71	-	71	-	71
		-	10	-	-	10	-	10	-	10
	12.	-	-	78,770	-	78,770	-	-	78,770	78,770
		<u>15,593</u>	<u>81</u>	<u>78,770</u>	<u>-</u>	<u>94,444</u>	<u>8,453</u>	<u>7,221</u>	<u>78,770</u>	<u>94,444</u>
Financial assets not measured at fair value										
	11.	-	-	176,602	-	176,602	-	-	-	-
	10.	-	-	216,780	-	216,780	-	-	-	-
	12.	-	-	467,379	-	467,379	-	-	-	-
		<u>-</u>	<u>-</u>	<u>860,761</u>	<u>-</u>	<u>860,761</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities measured at fair value										
		-	59	-	-	59	-	59	-	59
		99	-	-	-	99	-	99	-	99
		<u>99</u>	<u>59</u>	<u>-</u>	<u>-</u>	<u>158</u>	<u>-</u>	<u>158</u>	<u>-</u>	<u>158</u>
Financial liabilities not measured at fair value										
	14.	-	-	-	257,626	257,626	-	-	-	-
	15.	-	-	-	566,518	566,518	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>824,144</u>	<u>824,144</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

1. Loans and advances measured at fair value decreased from \$81,801,000 at 31 December 2022 to \$78,770,000 at 31 December 2023 due to net new/repaid loans of \$4,179,000 with the remaining movement due to net fair value changes.

Bell Financial Group Limited

Notes to the Condensed Consolidated Interim Financial Statements

For the half-year ended 30 June 2024

16. Financial Instruments (continued)

b. Accounting classifications and fair values

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

Level 1 - Equity securities - the valuation is based on quoted prices in active markets for identical assets and liabilities.

Level 2 - Unlisted options - the valuation technique uses observable inputs. The observable inputs include strike price, expiry date and market price. The valuation is based on Black Scholes model.

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.

17. Dividends

Dividends paid or declared by the Group to shareholders during the period were as follows:

Dividend	Per share	Total \$'000	Fully Franked	Date of payment
2024				
Final 2023 ordinary	4.0 cents	12,830	Yes	14 March 2024
2023				
Interim 2023 ordinary	3.0 cents	9,622	Yes	12 September 2023
Final 2022 ordinary	4.5 cents	14,333	Yes	15 March 2023

Dividends declared by the Group to shareholders after the reporting date were as follows. These dividends have not been recognised as liabilities as at 30 June 2024:

Dividend	Per share	Total \$'000	Fully Franked	Date of payment
2024				
Interim 2024 ordinary	4.0 cents	12,830	Yes	10 September 2024

18. Contributed equity

The authorised capital of the Group is \$204,236,590 (2023: \$204,236,590) representing 320,743,948 (2023: 320,743,948) fully paid ordinary shares. There were no shares issued during the period.

19. Subsequent events

No matters or circumstances have arisen since the end of the half-year period that in the opinion of the Directors of the Group have significantly affected or may significantly affect the operations of the Group, results of those operations, or the state of affairs of the Group in future financial years.

20. Related parties

There have been no significant changes to the arrangements with related parties. Refer to the full 2023 Annual Report for details.

Bell Financial Group Limited
Notes to the Condensed Consolidated Interim Financial Statements (continued)
For the half-year ended 30 June 2024

21. Contingent liabilities and contingent assets

The Company has agreed to indemnify its wholly owned subsidiaries, Bell Potter Securities Limited, Bell Potter Capital Limited and Third Party Platform Pty Ltd in the event that any contingent liabilities of the wholly owned subsidiaries results in a loss.

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.

Bell Financial Group Limited Directors' Declaration

In the opinion of the Directors of Bell Financial Group Limited (**Bell Financial**):

1. the condensed consolidated interim financial statements and notes set out on pages 6 to 22, are in accordance with the Corporations Act 2001, including:
 - (a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the six month period ended on that date; and
 - (b) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
2. there are reasonable grounds to believe that Bell Financial will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



Brian Wilson AO
Independent Chairman
15 August 2024



Independent Auditor's Review Report

To the shareholders of Bell Financial Group Limited

Conclusion

We have reviewed the accompanying **Condensed Consolidated Interim Financial Report** of Bell Financial Group Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Condensed Consolidated Interim Financial Report of Bell Financial Group does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Condensed Consolidated Interim Financial Report** comprises:

- Condensed consolidated statement of financial position as at 30 June 2024
- Condensed consolidated statement of profit or loss, Condensed consolidated statement of comprehensive income, Condensed consolidated statement of changes in equity and Condensed consolidated statement of cash flows for the half-year ended on that date
- Notes 1 to 21 including selected explanatory notes
- The Directors' Declaration.

The **Group** comprises Bell Financial Group Limited (the Company) and the entities it controlled at the half-year end or from time to time during the half-year period.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

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

Responsibilities of the Directors for the Condensed Consolidated Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Condensed Consolidated Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Condensed Consolidated Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Condensed Consolidated Interim Financial Report

Our responsibility is to express a conclusion on the Condensed Consolidated Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Condensed Consolidated Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as of 30 June 2024 and its performance for the half-year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a Condensed Consolidated Interim Period Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



KPMG



Luke Sullivan
Partner

Melbourne
15 August 2024