First Growth Funds Limited

ABN 34 006 648 835

Annual Financial Report - 30 June 2022

First Growth Funds Limited
Corporate directory
For the year ended 30 June 2022

Directors	Mr Anoosh Manzoori (Executive Chairman & CEO) Mr Athan Lekkas - Non-executive Director Mr Geoff Barnes - Non-executive Director Mr Michael Clarke - Non-executive Director
Company secretary	Mr Luke Martino
Registered office and principal place of business	311 Hay Street Subiaco WA 6008
Share register / Transfer Agent	Odyssey Trust Company 1230-300 5 Ave SW Calgary, AB T2P 3C4
Auditor	Pitcher Partners Level 38, Central Plaza, 345 Queen Street Brisbane QLD 4000
Website	www.firstgrowthfunds.com
Stock Exchange Listing	Canadian Securities Exchange (CSE:FGFL)
Corporate Governance Practices and Conduct	First Growth Funds Limited has published its Corporate Governance Statement on its website. It can be found at: www.firstgrowthfunds.com/about/corporate-governance

First Growth Funds Limited
Directors' report
For the year ended 30 June 2022

The Directors present their report on the consolidated entity consisting of First Growth Funds Limited (the Parent Entity) and the entities that it controlled for the reporting year ended 30 June 2022. The consolidated entity may also be referred to as the "Group" and the Parent Entity may also be referred to as the "Company". These Financial Statements cover the period from 1 July 2021 to 30 June 2022.

Principal activities

The Group's principal business activities are to provide advisory services to both listed and private unlisted companies, to present investment opportunities to accredited investors in Australia and to earn commission fees and to manage a diversified portfolio of different assets and classes including large and small cap listed equities, private equity and pre-IPO investments, convertible notes, loans and cryptocurrencies investments.

Directors

The following persons were Directors of First Growth Funds Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Anoosh Manzoori
Athan Lekkas
Geoff Barnes
Michael Clarke

Company Secretaries

Luke Martino (Appointed on 15 February 2022)

Mark Pryn (Resigned on 15 February 2022)
Robert Kleine (Resigned on 15 February 2022)

Review of operations

The loss for the Group after providing for income tax amounted to $5,967,429 (30 June 2021: profit of $1,658,004).

For the year ended 30 June 2022, the net consolidated loss was $5,967,429 (30 June 2021; profit of $1,658,004) and net cash outflow from operating activities was $327,387 (2021: $3,493,598 outflow from operating activities). Net cash out flow from operating activities includes financial asset acquisitions totalling $1,112,336 and proceeds from disposal totalling $1,611,627 including $495,000 from the repayment upon the maturity of unlisted convertible notes issued by YPB Limited (ASX:YPB). The balance of the proceeds from disposal of financial assets relates to ASX listed securities.

As at 30 June 2022, total assets were $4,816,687 (2021: $10,761,594) and net assets were $4,718,555 (2021: $10,685,984).

Net loss from investments was $5,021,462 (30 June 2021: profit of 1,869,370) comprising interest revenue $86,043 (30 June 2021: $55,115), net financial asset fair value losses $5,120,594 (30 June 2021 : profit of $1,747,530), recoveries from previously impaired assets $nil (30 June 2021: $103,437) and other gains $13,089 (30 June 2021: losses of $36,712).

During the year ended 30 June 2022,

Material fair value gains include:

- $167,000 attributable to the investment in Hydrocarbon Dynamics Limited (ASX:HCD) shares,
- $101,000 attributable to the investment in Kleos Space S.A. (ASX:KSS) shares.

Material fair value losses include:

- $4,495,000 attributable to the investment in Magnum Mining and Exploration Limited (ASX:MGU) shares and options,
- $528,000 attributable to the investment in Helbiz Inc. (NASDAQ:HLBZ) shares,
- $332,000 attributable to the investment in Constellation Technologies Limited (ASX:CT1) shares,
- $210,000 attributable to the investment in Haranga Resources Limited (ASX:HAR) shares.

Cash balances at the end of the reporting period were $528,782 (30 June 2021: $856,169).

Business strategies
The Group will continue to actively monitor and manage its investment portfolio including listed and unlisted securities across international borders and various industries including technology, medical, mining and oil and gas sectors, and identify new investment and advisory opportunities.

Business risks
The Group is exposed to risk and uncertainties:

- Risk of No Return on Investment: There is no assurance that the business of the Company will continue to be operated successfully, or that the business will continue to generate sufficient or any income to meet its obligations. There is no assurance that an investment in the Ordinary Shares will earn a specified rate of return or any return over the life of the Company.
- Global Financial Conditions: Global financial conditions over the last few years have been characterized by volatility and the bankruptcy of several financial institutions or the rescue thereof by governmental authorities. These factors may affect the ability of the Company to obtain equity or debt financing in the future on terms favorable to it. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such levels of volatility and market turmoil continue, the operations of the Company may suffer adverse impact and the price of the Ordinary Shares may be adversely affected
- Risk of No Return on Investment: There is no assurance that the business of the Company will continue to be operated successfully, or that the business will continue to generate sufficient or any income to meet its obligations. There is no assurance that an investment in the Ordinary Shares will earn a specified rate of return or any return over the life of the Company. Global Financial Conditions: Global financial conditions over the last few years have been characterized by volatility and the bankruptcy of several financial institutions or the rescue thereof by governmental authorities. These factors may affect the ability of the Company to obtain equity or debt financing in the future on terms favorable to it. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such levels of volatility and market turmoil continue, the operations of the Company may suffer adverse impact and the price of the Ordinary Shares may be adversely affected legal liability and future cash flows, earnings and financial condition. The Company may also be subject to or affected by liability or sustain loss risks and hazards against which it cannot insure or which it may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company’s future cash flows, earnings, results of operations and financial condition.
- Technology Risk: The Company’s, assets, may be susceptible to rapid technological change and there is no assurance that adequate responses will be made in a timely manner.
- List Not Exhaustive: The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by Shareholders. The above factors and others not specifically referred to above may in the future materially affect the financial performance of the Company and the value of the shares.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Group’s operations, the results of those operations, or the Group’s state of affairs in future financial years.

Significant changes in the state of affairs
There were no other significant changes in the state of affairs of the Group during the financial year.

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

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

Information on Directors

Mr. Anoosh Manzoori (Executive Chairman and Chief Executive Officer: Appointed 8 December 2018)

Anoosh was appointed as the entity's Executive Chairman and Chief Executive Officer on 2 December 2019. Previously Anoosh held the role of Executive Chairman.

Mr Manzoori has extensive investment and corporate advisory experience across many verticals with a particular interest in the technology sector. His experience includes equity capital markets, M&A, and private placements. Mr Manzoori has many years of investment experience having advised many cross-border transactions between Australia and Canada and USA. He has completed private placements for many public companies on the ASX and also taken multiple companies public in North America. Other current board appointments include Non-Executive Director of IOT technology development company Constellation Technologies Limited (ASX:CT1) and Non-Executive Chairman of Magnum Mining and Resources Limited (ASX: MGU). He was also previously a Non-Executive Director of anti-counterfeit technology company YPB Group Limited (ASX:YPB). Prior to starting his investment banking career he was awarded the 'Entrepreneurial Scholarship' sponsored by Ernst & Young, The American Chamber of Commerce and Playford Capital before founding one of Australia's largest cloud hosting companies reaching over 75,000 customers before selling the company to MYOB Limited in 2008. Anoosh holds a Bachelor of Science degree and a Graduate Diploma of Business Enterprise and is also a member of the Australian Institute of Company Directors.

Special Responsibilities:
Nil.

Other Current Directorships:
Constellation Technologies Ltd (ASX:CT1)
Magnum Mining and Resources Limited (ASX:MGU)

Former Directorships in last three years:
YPB Group Limited (resigned 4 June 2019)

Mr. Athan Lekkas (Non-Executive Director: Appointed 16 July 2012)

Mr. Lekkas has participated in a broad range of business and corporate advisory transactions, and is a former founding Director of Energio Limited, an Iron Ore company in West Africa. Mr. Lekkas has more recently focused and specialised on the restructure and recapitalisation of a wide range of ASX Listed companies with a specific interest in the resources sectors and is also a Member of the Australian Institute of Company Directors.

Mr. Lekkas does not fulfil the role of an independent Director as a result of his consulting arrangements with the Company.

Special Responsibilities:
Audit committee member.

Other Current Directorships:
SQID Technologies Limited (CSE:SQID)
Magnum Mining and Resources Limited (ASX:MGU)

Former Directorships in last 3 years:
Nil.

Mr. Geoff Barnes (Non-Executive Director: Appointed 16 May 2014)

Mr. Barnes is a Founder and Director of Peloton Capital Pty Ltd (“Peloton”), where he has responsibility for equity markets, stockbroking operations and corporate transactions. Prior to that he was employed for 9 years at Macquarie Private Wealth (Sydney) as an investment adviser and then Division Director, specialising in all commercial aspects of bringing projects to market, predominantly in the energy sector.

Mr. Barnes does not fulfil the role of an independent Director as he is a major shareholder of the Company.

Special Responsibilities:
Nil.

Other Current Directorships:
Nil.

Former Directorships in last 3 years:
Nil.

Mr. Michael Clarke (Non-Executive Director: Appointed 19 May 2014)

Mr. Clarke has over 18 years’ experience in the IT industry and has worked across both public and private enterprise during his career. Mr. Clarke has broad experience in the development and management of enterprise and complex systems and worked at many senior levels during this time. He has consulted and provided services to a variety of industries including manufacturing, mining and resources, government and education.

Mr. Clarke fulfils the role of an independent Director as he is free from any business or other relationship that could materially interfere with, or reasonably be perceived to materially interfere with the independent exercise of judgement.

Special Responsibilities:
Audit committee chair.

Other Current Directorships
SQID Technologies Limited (CSE:SQID)

Former Directorships in last 3 years
Nil.

Information on Company Secretaries

Mr Luke Martino (Company Secretary and Chief Financial Officer: Appointed 15 February 2022)

Mr. Martino holds a Bachelor of Commerce (BCom) is a Fellow of the Institute of Chartered Accountant Australia and New Zealand (FCA) and a member of the Institute of Company Directors (FAICD). His area of expertise includes corporate finance and business growth consulting advice to wide range of industries. Mr. Martino is also the Chief Financial Officer.

Meetings of Directors
The numbers of meetings of the company's Board of Directors and of each board committee held during the year ended 30 June 2022, and the numbers of meetings attended by each Director were:

Full Board

	Full Board Attended	Full Board Held*	Audit Committee Attended	Audit Committee Held*
Geoff Barnes	1	1	1	1
Michael Clarke	1	1	1	1
Athan Lekkas	1	1	1	1
Anoosh Manzoori	1	1	1	1

* Held represents the number of meetings held during the time the Director held offices or was a member of the relevant committee. The Remuneration Committee did not meet during the year.

Options

At the date of this report First Growth Funds Limited had no outstanding options issued.

Remuneration report (audited)
The remuneration report, which has been audited, outlines the key management personnel remuneration arrangements for the Group in accordance with the requirements of the Corporations Act 2001 and its regulations.

The Board remains confident that its remuneration policy and the level and structure of its executive remuneration are suitable for the Company and its shareholders.

The key management personnel of the Group consisted of the Directors of First Growth Funds Limited and its subsidiaries.

Details of remuneration

Details of the remuneration of the Directors, other key management personnel (defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the Group) and specified executives of First Growth Funds Limited are set out in the following tables.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
30 Jun 2022	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Geoff Barnes	60,000	-	-	-	-	-	60,000
Athan Lekkas*	210,000	-	-	-	-	-	210,000
Michael Clarke	60,000	-	-	-	-	-	60,000
Executive Directors:							
Anoosh Manzoori	240,000	-	-	-	-	-	240,000
Non-Executive Directors of controlled entities							
Jeffrey Pulver (retired 26 July 2021)	2,500	-	-	-	-	-	2,500
	572,500	-	-	-	-	-	572,500

There was no performance based remuneration for any Director.

* An agreement was entered into with Dalext Pty Ltd, a company related to Mr Lekkas, on 6 December 2018 for consultancy services. On 1 March 2021, this agreement was amended to consolidate Mr Lekkas’ director fee remuneration of $60,000 per annum into a single consultancy fee of $210,000 per annum.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
30 Jun 2021	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Geoff Barnes	60,000	-	-	-	-	-	60,000
Athan Lekkas*	170,000	-	-	-	-	-	170,000
Michael Clarke	60,000	-	-	-	-	-	60,000
Executive Directors:							
Anoosh Manzoori	240,000	-	-	-	-	-	240,000
Non-Executive Directors of controlled entities							
Jeffrey Pulver (retired 26 July 2021)	30,000	-	-	-	-	-	30,000
James Haft (retired 04 December 2020)	12,500	-	-	-	-	-	12,500
	572,500	-	-	-	-	-	572,500

There was no performance based remuneration for any Director.

* During the year ended 30 June 2021 Mr. Lekkas received $40,000 in directors' fees and $130,000 in consulting fees for services rendered to the Group by Dalext Pty Ltd, a company related to Mr. Lekkas.

Remuneration strategy

The remuneration strategy of First Growth Funds Limited focuses on achieving the Group's overall objective of profitable growth and quality of product through a strong performance culture. The Directors consider that the structure adopted should be designed to be competitive in the listed investment market so as to attract, motivate and retain the best executives available. During the financial year key management personnel received fixed remuneration only.

The core of the Group's remuneration philosophy seeks to focus on:

- Driving performance over and above shareholder and market expectations;
- Ensuring that any variable payments are linked to the Group's performance and that individuals who contribute to this performance are appropriately reworded; and
- Providing incentives for high performing individuals to align personal and corporate objectives over the medium to long-term through equity ownership.

The Group's remuneration framework aims to be structured in such a way as to drive ongoing superior performance and align executive and shareholder interests using other Listed Investment Companies as benchmarks. Key features of future remuneration strategy should include fixed remuneration appropriate to the position and relevant market benchmarks supplemented by appropriate short term and long-term incentive plans.

Service Agreements

Anoosh Manzoori (Executive Chairman)

The Company has a consultancy agreement with Polygon Fund Pty Ltd which commenced on 14 December 2017 and was last amended on 6 December 2018 setting the annual remuneration package at $240,000. This agreement can be terminated by either party with three months' notice or three months payment in lieu of such notice.

Athan Lekkas (Non-executive Director)

The Company has a consultancy agreement with Dalext Products Pty Ltd. Prior agreement commencing on 1 June 2016 with Mr Lekkas which had a remuneration package of $60,000 per annum was terminated effective 1 March 2021. The Group and Mr Lekkas has agreed to consolidate Mr Lekkas's compensation into a monthly consultancy fee arrangement of $17,500 per month.

Geoff Barnes (Non-executive Director)
The Board agreed to a remuneration package of $60,000 per annum for non-executive Directors' fees Mr Barnes may be awarded additional remuneration for any work performed outside of his non-executive duties.

Michael Clarke (Non-executive Director)
The Company entered into a consultancy agreement with Sparke Enterprises Pty Ltd and Mr Clarke which commenced on 1 June 2016 with a remuneration package of $60,000 per annum. The agreement can be terminated by written agreement between either parties or on cessation of directorship. Mr Clarke may be awarded additional remuneration for any work performed outside of his non-executive duties.

Other Related Party Transactions

During the year, the Group paid the following amounts to related party entities:

Athan Lekkas
An agreement was entered into on 6 December 2018 for additional consultancy services of $90,000 per annum. Effective 1 March 2021, this agreement was amended to consolidate his Director related remuneration of $60,000 per annum into a single consultancy fee of $210,000 per annum. This represented an increase in total remuneration of $60,000 per annum. Under the consultancy agreements with Dalext Pty Ltd, a related entity of Mr. Lekkas was entitled to receive $210,000 (2021: $130,000). The agreement can be terminated by either party with six months' notice.

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

Earnings

The earnings of the Group for five years to 30 June 2022 are summarised below:

Year ended 30 June	2022	2021	2020	2019	2018
Profit/(loss) after income tax	(5,967,429)	1,658,004	934,339	(3,916,523)	(823,090)

The factors that are considered to affect total shareholders return ("TSR") are summarised below:

Year ended 30 June	2022	2021	2020**	2019***	2018***
Share Price in $	0.01 CAD	0.11 CAD	0.25 CAD	0.18 AUD	0.16 AUD
Dividends declared	Nil	Nil	Nil	Nil	Nil
EPS in cents	(7.67)	2.13	1.20	(6.54)	(1.52)

** The Company was listed on the Canadian Stock Exchange on June 29, 2020. The share price is as at July 3, 2020, being the first day the shares traded.
*** For comparative purposes, the prior period information has been adjusted to reflect the 20:1 share consolidation approved by shareholders at the November 27, 2019 annual general meeting.

Ordinary shares held by Directors

Name	Balance at the start of the year	Off market additions	Disposals	Balance at the end of the year
30 June 2022				
Geoff Barnes	6,400,000	2,072,779	-	8,472,779
Michael Clarke	751,516	-	-	751,516
Athan Lekkas	2,037,274	-	-	2,037,274
Anoosh Manzoori	4,846,756	2,286,279		7,133,035
	14,035,546	4,359,058	-	18,394,604

Name	Balance at the start of the year	Off market additions	Disposals	Balance at the end of the year
30 June 2021				
Geoff Barnes	6,400,000	-	-	6,400,000
Michael Clarke	751,516	-	-	751,516
Athan Lekkas	2,037,274	-	-	2,037,274
Anoosh Manzoori	4,846,756	-	-	4,846,756
	14,035,546	-	-	14,035,546

The balances reported above remain unchanged at the date of this report.

This concludes the remuneration report, which has been audited.

Indemnity and insurance of officers
The Group has indemnified its Directors for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith.
During the reporting year, the Group has received an invoice for a premium in respect of a contract to insure the Directors and executives of the company against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Non-audit services
The Directors are satisfied that the provision of non-audit services during the year is compatible with the requirements of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the services set out in note 17 to the financial statements did not compromise the external auditor's independence as the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: *Code of Ethics for Professional Accountants (including Independence Standards)* set by the Accounting Professional and Ethical Standards Board.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Auditor
Pitcher Partners continues in office in accordance with section 327 of the *Corporations Act 2001*.

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

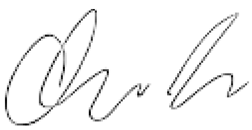
During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this Directors' report.

Rounding of amounts to nearest dollar
The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to rounding in Financial/Directors' Reports amounts in the Directors' report. Amounts in the Directors' report and Financial Statements have been rounded off in accordance with the instrument to the nearest dollar.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Anoosh Manzoori
Executive Chairman

5 October 2022

Level 38, 345 Queen Street
Brisbane, QLD 4000

Postal address
GPO Box 1144
Brisbane, QLD 4001

p. +61 7 3222 8444

The Directors
First Growth Funds Limited
311 Hay Street
SUBIACO WA 6008

Auditor's Independence Declaration

In relation to the independent audit for the year ended 30 June 2022, to the best of my knowledge and belief there have been:

(i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and

(ii) No contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards).*

This declaration is in respect of First Growth Funds Limited and the entities it controlled during the year.

Pitcher Partners

PITCHER PARTNERS

DAN COLWELL
Partner

Brisbane, Queensland
5 October 2022

First Growth Funds Limited
Contents
For the year ended 30 June 2022

General information

The financial statements cover First Growth Funds Limited as a consolidated entity consisting of First Growth Funds Limited and the entities it controlled at the end of, or during, the reporting period. The financial statements are presented in Australian dollars, which is First Growth Funds Limited's functional and presentation currency. The Group's shares are listed on the Canadian Stock Exchange.

First Growth Funds Limited is a public company limited by shares listed on the Canadian Securities Exchange (CSE), incorporated and domiciled in Australia. Its registered office and principal place of business is:

311 Hay Street
Subiaco
Western Australia 6008
Australia

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 5 October 2022. The Directors have the power to amend and reissue the financial statements.

First Growth Funds Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2022

	Note	Consolidated 30 Jun 2022 $	Consolidated 30 Jun 2021 $
Income/(loss) from operations			
Advisory / Commission income		-	100,500
Digital currency sales (inventories)		-	907,052
Government grants		-	10,000
Revenue from operations		-	1,017,552
Direct costs		-	(47,200)
Net income / (loss) from operations	4	-	970,352
Income/(loss) from investments			
Interest revenue		86,043	55,115
Change in financial assets at fair value through profit and loss		(5,165,819)	1,747,530
Share of profit from equity accounted investment		45,225	-
Asset impairment reversals / (expense)	5	-	103,437
Other gains and losses		13,089	(36,712)
Net income / (loss) from investments		(5,021,462)	1,869,370
Operating expenses			
AFSL* support		(36,736)	(36,000)
Director related costs		(362,500)	(442,500)
Insurances		(67,605)	(43,942)
Consulting and professional fees		(392,122)	(519,650)
Listing and share registry fees		(58,927)	(75,699)
Travel expenses		-	(13,832)
Other expenses		(14,167)	(50,095)
Total operating expenses		(932,057)	(1,181,718)
Profit before income tax expense		(5,953,519)	1,658,004
Income tax expense	6	(13,910)	-
Profit after income tax expense for the year		(5,967,429)	1,658,004
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(5,967,429)	1,658,004

* AFSL - Australian Financial Services Licence

	Note	Cents	Cents
Basic earnings per share	23	(7.67)	2.13
Diluted earnings per share	23	(7.67)	2.13

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

First Growth Funds Limited
Consolidated statement of financial position
As at 30 June 2022

	Note	Consolidated 30 Jun 2022 $	Consolidated 30 Jun 2021 $
Assets			
Current assets			
Cash and cash equivalents	7	528,782	856,169
Trade and other receivables	8	18,886	10,600
Inventories (cryptocurrencies)	9	-	-
Financial assets	10	3,280,171	8,535,220
Total current assets		3,827,839	9,401,989
Non-current assets			
Financial assets	10	886,021	1,359,605
Equity Accounted Investments	22	102,827	-
Total non-current assets		988,848	1,359,605
Total assets		4,816,687	10,761,594
Liabilities			
Current liabilities			
Trade and other payables	11	98,132	75,610
Total current liabilities		98,132	75,610
Total liabilities		98,132	75,610
Net assets		4,718,555	10,685,984
Equity			
Issued capital	12	67,635,788	67,635,788
Accumulated losses		(62,917,233)	(56,949,804)
Total equity		4,718,555	10,685,984

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

First Growth Funds Limited
Consolidated statement of changes in equity
For the year ended 30 June 2022

Consolidated	**Issued capital $**	**Accumulated losses $**	**Total equity $**
Balance at 1 July 2020	67,635,788	(58,607,808)	9,027,980
Profit after income tax expense for the year	-	1,658,004	1,658,004
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	1,658,004	1,658,004
Balance at 30 June 2021	67,635,788	(56,949,804)	10,685,984

Consolidated	**Issued capital $**	**Accumulated losses $**	**Total equity $**
Balance at 1 July 2021	67,635,788	(56,949,804)	10,685,984
Profit after income tax expense for the year	-	(5,967,429)	(5,967,429)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(5,967,429)	(5,967,429)
Balance at 30 June 2022	67,635,788	(62,917,233)	4,718,555

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

First Growth Funds Limited
Consolidated statement of cash flows
For the year ended 30 June 2022

	Note	Consolidated 30 Jun 2022 $	Consolidated 30 Jun 2021 $
Note | 30 Jun 2022 | 30 Jun 2021 | $ | $			
Cash flows from operating activities			
(Loss)/Profit after income tax expense for the year		(5,967,429)	1,658,004
Adjustments for:			
Fair value adjustments through profit and loss		5,165,819	(1,747,530)
Share of profit from equity accounted investment		(45,225)	-
Other investment losses		-	6,341
Impairment reversal - loans		-	(103,437)
		(846,835)	(186,622)
Change in operating assets and liabilities:			
Decrease / (increase) in trade and other receivables		(8,287)	2,103
Decrease / (increase) in inventories (cryptocurrencies)		-	47,200
Decrease / (increase) financial assets		505,211	(3,315,535)
Decrease / (increase) in other current assets		-	11,328
Increase / (decrease) in trade and other payables		22,524	(52,072)
Net cash used in operating activities		(327,387)	(3,493,598)
Cash flows from investing activities			
Net cash from investing activities		-	-
Cash flows from financing activities			
Net cash from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(327,387)	(3,493,598)
Cash and cash equivalents at the beginning of the financial year		856,169	4,349,767
Cash and cash equivalents at the end of the financial year	7	528,782	856,169

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

Note 1. Significant accounting policies

This note provides an overview of the Group's accounting policies that relate to the preparation of the financial report as a whole and do not relate to specific items. Accounting policies for specific items in the consolidated statement of financial position or consolidated statement of profit or loss and other comprehensive income have been included in the respective note.

New or amended Accounting Standards and Interpretations adopted
The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period, without material impact.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

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

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

Classifications
Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year. The financial statements are prepared in accordance with the same accounting principles for the reporting period and the comparative period presented.

Going concern
These financial statements have been prepared on a going concern basis which assumes that the Company will continue in operation for the foreseeable future and at least one year from the date of signing.

Rounding of amounts to nearest dollar
The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to rounding in Financial/Directors' Reports amounts in the Directors' report. Amounts in the Directors' report and Financial Statements have been rounded off in accordance with the instrument to the nearest dollar.

Parent entity information
In accordance with the *Corporations Act 2001*, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 20.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of First Growth Funds Limited ('Company' or 'parent entity') as at 30 June 2022 and the results of all subsidiaries for the year then ended. First Growth Funds Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

Note 1. Significant accounting policies (continued)

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

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

Foreign currency translation
The financial statements are presented in Australian dollars, which is First Growth Funds Limited's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

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

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

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

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

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2022. These new or amended Accounting Standards and Interpretations will not materially impact the Group’s financial statements.

Note 2. Critical accounting judgements, estimates and assumptions

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

Provision for impairment of inventories
The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the net realisable value of inventories and other factors that affect inventory obsolescence.

Fair value measurement hierarchy
The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Share-based payment transactions
The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using appropriate valuation models.

Equity-settled compensation
Share-based payments to employees are measured at the fair value of the instruments issued. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to reserves. The fair value of share-based payments is determined using the appropriate pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

Income tax
The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Deferred income taxes
The Company recognises the deferred tax benefit of deferred tax assets to the extent their recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions from deferred tax assets. There are no deferred tax balances recognised.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

In assessing the probability of realising income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. There are no income tax, assets or liabilities recognised.

Investment entity
Management have determined that the Group is not an investment entity pursuant to AASB 10, which defines several characteristics of an investment entity. The Group does not provide investment management services for fees. The Company's business activities consist primarily of advisory services and finder's fees. The Group realises capital appreciation and investment income; however, this is not the primary business activity. The Group does not measure and evaluate substantially all its investments at fair value. Accordingly, management has determined the Group is not an investment entity pursuant to AASB 10.

Valuation of financial assets
The Group invests in various financial instruments exposing it to a number of financial risks, including market risk, credit risk and liquidity risk.

Financial assets (refer note 10 'Financial assets') include listed and unlisted securities, convertible notes and any associated accrued interest. Listed securities are classified under Australian Accounting Standards as "level 1" (i.e. where the valuation is based on quoted prices in the market), unlisted securities are classified as "level 3" (i.e. where inputs are unobservable) and convertible notes are accounted for at amortised cost.

Accounting for digital currency assets (cryptocurrencies)
Digital currency assets are classified as inventories (ICO tokens) or intangible assets (pre- ICO tokens) Judgement is required to apply the lower of cost or net realisable value test to inventories.

Inventories (refer to note 9 'Inventories (cryptocurrencies)') are measured at the lower of cost or net realisable value.

Note 3. Operating segments

The Group's operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The Director are of the opinion that there is one reportable segment in the Group as the CODM reviews results, assess performance and allocates resources at a Group level.

As the information reported to the CODM is the consolidated results of the Group, the segment results are shown throughout these financial statements and are not duplicated here.

Note 4. Net income (loss) from operations

	Consolidated	
	30 June 2022 $	30 Jun 2021 $
Advisory / Commission income	-	100,500
Digital currency sales (inventories)	-	907,052
Revenue from contracts with customers	-	1,007,552
Government grants	-	10,000
Revenue from operations	-	10,000
Direct costs	-	(47,200)
Net income (loss) from operations	-	970,352

Accounting policy for revenue recognition
The Group recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Revenue from contracts with customers - sales of inventories (cryptocurrencies)
Revenue from the sale of inventories is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Revenue from contracts with customers - advisory and commission income
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Net gain / (losses) on investments and other financial assets
Gains and losses arising from disposal and changes in fair value of investments and other financial assets are recognised in the statement of profit or loss and other comprehensive income in the period in which they arise.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Note 5. Expenses

	Consolidated	
	30 June 2022 $	30 Jun 2021 $
Profit before income tax includes the following specific expenses:		
Impairment		
Intangible assets recoveries **	-	100,243
Loan receivable recoveries	-	3,194
Total impairment recoveries / (expense)	-	103,437

** Recoveries from previously impaired intangible assets were received from a counterparty who had defaulted against a refund due under arrangements to terminate a cryptocurrency token contract.

Note 6. Income tax

	Consolidated	
	30 June 2022 $	30 Jun 2021 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit/(Loss) before income tax expense	(5,967,429)	1,658,004
Tax expense/(Tax benefit) at the statutory tax rate of 25% (2021: 26%)	(1,491,857)	431,081
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Deferred tax asset/(liability) not recognised	1,505,767	(431,081)
Income tax expense	13,910	-

Potential tax benefits from tax losses (set out below) have not been recognised as the Directors do not believe the conditions for recovery can be met.

	Consolidated	
	30 June 2022 $	30 Jun 2021 $
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	22,784,692	22,689,376
Potential tax benefit @ 25% (2021: 26%)	5,696,173	5,672,344
Franking credits available for subsequent financial years based on a tax rate of 25% (2021: 26)%	21,069	14,781

During the year the Australian Tax Office announced that the applicable corporate income tax rate for the year ending 30 June 2022 was 25% (2021: 26%). The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

Franking credits
The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

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

Note 6. Income tax (continued)

Franking Credits also known as Imputation Credits are a type of tax credit that allows Australian Companies to pass on tax paid at the company level to shareholders. The benefits are these franking credits can be used to reduce income tax paid on dividends or potentially be received as a tax refund.

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

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

The Company and its subsidiaries have not formed an income tax consolidated group under the Australian tax consolidation regime.

Note 7. Cash and cash equivalents

	Consolidated	
	30 June 2022	**30 Jun 2021**
	$	**$**
Current assets		
Cash at bank	528,782	856,169

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

Note 8. Trade and other receivables

	Consolidated	
	30 June 2022	**30 Jun 2021**
	$	**$**
Current assets		
Other receivables - GST	18,886	10,600
	18,886	10,600

Allowance for expected credit losses
The Group has recognised a net loss of $nil (2021: $nil) for specific debtors for which such evidence exists. Trade receivables past due but not impaired amount to $nil (2021: $nil).

Accounting policy for trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

First Growth Funds Limited
Notes to the consolidated financial statements

For the year ended 30 June 2022

Note 9. Inventories (cryptocurrencies)

Accounting policy for inventories
Inventories are measured at the lower of cost and net realisable value. Cryptocurrencies are recognised as inventories where they are held for sale in the ordinary course of business in accordance with guidance provided by the International Financial Reporting Interpretations Committee ('IFRIC') during June 2019. Recoverable amount for cryptocurrencies held for resale is determined with reference to pricing provided on digital currency exchanges.

Cryptocurrency details and movements
As at 30 June 2022, the Group held:

(i) Nil (30 June 2021: Nil) Sovereign Cash Tokens (SOV) tokens. The carrying value of the SOV tokens is $Nil (30 June 2021: Nil).

(ii) Nil Ethereum ("ETH") tokens. The carrying value of the ETH tokens is $Nil (30 June 2021: $Nil).

2022	Sovereign Cash Tokens	Sovereign Cash Tokens	Bitcoin Tokens	Bitcoin Tokens	Ethereum Tokens	Ethereum Tokens
	Number	$	Number	$	Number	$
Balance, July 1, 2021	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Written off following impairment	-	-	-	-	-	-
Balance, June 30, 2022	-	-	-	-	-	-

2021	Sovereign Cash Tokens	Sovereign Cash Tokens	Bitcoin Tokens	Bitcoin Tokens	Ethereum Tokens	Ethereum Tokens
	Number	$	Number	$	Number	$
Balance, July 1, 2020	907,730,000	-	-	-	255.5	47,200
Disposals	-	-	-	-	(255.5)	(47,200)
Written off following impairment	(907,730,000)	-	-	-	-	-
Balance, June 30, 2021	-	-	-	-	-	-

Note 10. Financial assets

	Consolidated 30 June 2022 $	Consolidated 30 Jun 2021 $
Current assets		
Listed securities at fair value through profit or loss	3,280,171	7,452,658
Unlisted securities at fair value through profit or loss	-	81,641
Unlisted convertible notes at amortised cost	-	1,000,921
	3,280,171	8,535,220
Non-current assets		
Unlisted securities at fair value through profit or loss	886,021	1,359,605
	886,021	1,359,605
	4,166,192	9,894,825

Refer to note 15 for further information on fair value measurement.

Movements between the financial asset carrying amounts at the beginning and end of the current and previous financial year are set out below:

2022	Listed securities	Convertible notes	Unlisted securities	Total
Balance at 1 July 2021	7,452,658	1,000,921	1,441,246	9,894,825
Additions	912,336	200,000	-	1,112,336
Disposal proceeds	(1,116,627)	(495,000)	-	(1,611,627)
Fair value through profit or loss	(5,303,021)	-	137,202	(5,165,819)
Income accrued	-	(5,921)	-	(5,921)
Reclassification on conversion	1,334,825	(700,000)	(634,825)	-
Transfer to equity accounted investment	-	-	(57,602)	(57,602)
Balance at 30 June 2022	3,280,171	-	886,021	4,166,192
Current	3,280,171	-	-	3,280,171
Non-current	-	-	886,021	886,021
	3,280,171	-	886,021	4,166,192

Note 10. Financial assets (continued)

2021	Listed securities	Convertible notes	Unlisted securities	Total
Balance at 1 July 2020	3,126,095	743,751	864,816	4,734,662
Additions	4,068,192	500,000	731,738	5,299,930
Disposal proceeds	(1,881,882)	-	-	(1,881,882)
Fair value through profit or loss	2,140,253	-	(392,723)	1,747,530
Other losses (including loss on convertible note conversion)	-	(6,341)	-	(6,341)
Income accrued	-	926	-	926
Reclassification on conversion	-	(237,415)	237,415	-
Balance at 30 June 2021	7,452,658	1,000,921	1,441,246	9,894,825
Current	7,452,658	1,000,921	81,641	8,535,220
Non-current	-	-	1,359,605	1,359,605
	7,452,658	1,000,921	1,441,246	9,894,825

Accounting policies for investments and other financial assets

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

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

Financial assets at fair value through profit or loss

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

Financial assets at amortised cost

Amortised cost consists of the initial recognition amount, subsequent recognition of interest income/expense using the effective interest method, and any applicable credit losses.

Impairment of financial assets

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

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

Note 11. Trade and other payables

	Consolidated	
	30 June 2022 $	30 Jun 2021 $
Current liabilities		
Trade payables	39,952	30,929
Other payables and accruals	58,180	44,681
	98,132	75,610

Refer to note 14 for further information on financial risk management.

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

Note 12. Issued capital

	Consolidated			
	30 Jun 2022 Shares	30 Jun 2021 Shares	30 Jun 2022 $	30 Jun 2021 $
Ordinary shares - fully paid	77,798,218	77,798,218	67,635,788	67,635,788

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

For resolutions determined by a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote. The Company will call for a poll or substantive resolutions.

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

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

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

Accounting policy for issued capital
Ordinary shares are classified as equity.

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

Note 13. Options

	Consolidated	
	30 Jun 2022 **$**	**30 Jun 2021** **$**
Share based payment reserve	-	-

Number of options on issue	2022 # Options	2021 # Options
Balance at start of year	1,000,000	-
Option consolidation	-	-
Advisor options issued	-	1,000,000
Options expired	(1,000,000)	-
Balance at end of year	-	1,000,000

The options expired during the period formed part of the consideration for services rendered by non-employees under investor relations and corporate advisory consulting arrangements. Each option carried the right to acquire one fully paid ordinary share. The terms attached to the options are set out below:

Grant date fair value	$Nil	$Nil
Grant date	August 4 2020	August 6 2020
Number granted	500,000	500,000
Exercise price (Canadian dollars)	$0.28	$0.28
Expired date	August 4 2021	August 6 2021

Note 14. Financial risk management

Financial risk management objectives
The Group's activities expose it to a number of financial risks, including market risk, credit risk and liquidity risk. The Group's management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group, mindful of the cost of such measures and the competing demands of other investment. Risks are monitored through the use of sensitivity analysis for interest rate and foreign exchange risks and aging analysis for credit risk.

The Group identifies and evaluates mitigation activities for risk and to develop policy for risk management across all group operations pursuant to written risk management principles approved by the Board.

Market risk
Market risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

- Foreign currency risk
- Price risk
- Interest rate risk

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of financial instruments would fluctuate due to changes in foreign exchange rates. The Group's exposure to foreign currency risk arises from financial assets held in United States of America and Canadian dollars.

Note 14. Financial risk management (continued)

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

Consolidated	Assets 30 June 2022 $	Assets 30 Jun 2021 $	Liabilities 30 Jun 2022 $	Liabilities 30 Jun 2021 $
US dollars	616,190	1,164,850	-	-
Canadian dollars	850,133	501,970	-	-
	1,466,323	1,666,820	-	-

The Group had assets denominated in foreign currencies of $1,466,323 (2021: 1,666,820). The table below shows the Group profit before tax and equity impact of a 10% strengthening and 10% weakening of the Australian dollar as at the reporting date. The percentage change is the expected overall volatility of the significant currencies, which is based on an assessment of reasonable possible fluctuations taking into consideration movements over the previous 12 months and the spot rate as at reporting date.

	AUD weakened			AUD strengthened		
Consolidated - 30 Jun 2022	**% change**	**Effect on profit before tax**	**Effect on equity**	**% change**	**Effect on profit before tax**	**Effect on equity**
USD Assets	10%	61,619	61,619	10%	(61,619)	(61,619)
CAD Assets	10%	85,013	85,013	10%	(85,013)	(85,013)
		146,632	146,632		(146,632)	(146,632)

	AUD weakened			AUD strengthened		
Consolidated - 30 Jun 2021	**% change**	**Effect on profit before tax**	**Effect on equity**	**% change**	**Effect on profit before tax**	**Effect on equity**
USD Assets	10%	115,536	115,536	10%	(115,536)	(115,536)
CAD Assets	10%	50,197	50,197	10%	(50,197)	(50,197)
		165,733	165,733		(165,733)	(165,733)

Price risk
The Group’s exposure to equity securities price risk arises from investments classified in the balance sheet as listed and unlisted equities at fair value through profit or loss.

Based on this exposure, had the share prices increased or decreased by 10% (2021:10%) the impact on the Group's result before tax and net assets would have been:

	Average price increase			Average price decrease		
Consolidated - 30 Jun 2022	**% change**	**Effect on profit before tax**	**Effect on equity**	**% change**	**Effect on profit before tax**	**Effect on equity**
Listed securities	10%	328,017	328,017	10%	(328,017)	(328,017)

Note 14. Financial risk management (continued)

	Average price increase			Average price decrease		
Consolidated - 30 Jun 2021	**% change**	**Effect on profit before tax**	**Effect on equity**	**% change**	**Effect on profit before tax**	**Effect on equity**
Listed securities	10%	745,266	745,266	10%	(745,266)	(745,266)

For sensitivities in respect of unlisted securities and unlisted convertible notes, refer to Note 15

Interest rate risk
Interest rate risk arises from the Group's interest-bearing financial assets and liabilities. The Group carries cash balances with major Australian Banks which are exposed to variable interest rates. The major Australian Banks all have Standard & Poor's credit ratings of AA-. The Australian Reserve Bank cash rate is 0.85% at 30 June 2022, accordingly the impact of a 100 basis point movement in interest rates is deemed immaterial. The Group does not currently carry financial liabilities with variable interest rates.

Credit risk
Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument creating a financial loss. Credit risk arises from cash and cash equivalents, deposits with banks and through exposures to wholesale and retail customers.

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables. These provisions are considered representative across Group customers based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk
Liquidity risk is the risk that the Group's operational performance will be adversely affected through the failure to satisfy an obligation for settlement of a financial transaction within contractual terms or that operational decisions made to ensure sufficient funding is available to meet such settlement will adversely affect the value of financial assets (including sale of financial assets at values less than their fair market values). The Group's predominant exposure to liquidity risk is through investments in overseas start-up businesses which can experience significant volatility whilst in their infancy.

Note 14. Financial risk management (continued)

Remaining contractual maturities
The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 30 Jun 2022	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	98,132	-	-	-	98,132
Total non-derivatives		98,132	-	-	-	98,132

Consolidated - 30 Jun 2021	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	75,610	-	-	-	75,610
Total non-derivatives		75,610	-	-	-	75,610

Note 15. Fair value measurement

Fair value hierarchy
The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

Consolidated - 30 Jun 2022	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets at fair value through profit or loss				
Listed securities (i)	2,590,505	-	689,664	3,280,169
Unlisted securities (ii) & (iii)	-	12,615	873,409	886,024
Total assets	2,590,505	12,615	1,563,073	4,166,193

Consolidated - 30 Jun 2021	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets at fair value through profit or loss				
Listed securities (i)	7,118,719	-	333,939	7,452,658
Unlisted securities (ii) & (iii)	-	15,090	1,426,156	1,441,246
Total assets	7,118,719	15,090	1,760,095	8,893,904

Note 15. Fair value measurement (continued)

(i) Quoted trading prices in active markets are not always available for listed securities. Where there are no observable valuation inputs, investments in listed securities are classified as Level 3 in the fair value hierarchy. To determine the enterprise value as an approximation of fair value of a listed security classified as Level 3, most recent capital raise price is applied. However during the current reporting period the listed entity experienced a major revenue deterioration, accordingly, it was determined that net asset backing per share was a more appropriate method to determine the enterprise value of the investee company which operates in the payment processing sector.
The fair value of this level 3 investment includes the investee company, SQID Technologies Limited listed on the CSE. Since listing the volume of shares traded are considered too low to conclude that an active market existed as at reporting date, therefore an alternative fair value approach was adopted.

(ii) Investments in unlisted securities valued at fair value and classified as Level 2 within the fair value hierarchy relate to unlisted options issued by listed entities. The fair value for the options is pegged to the trading prices for the related listed securities.

(iii) Investments in unlisted securities valued at fair value and classified as Level 3 within the fair value hierarchy. The Directors have considered the available information regarding these investments and believe it is currently appropriate to recognise a fair value of $873,409 (30 June 2021: $1,426,156) based on either consideration the Group has paid for recent acquisitions or where applicable recent consideration paid by other investors.

(iv) *Sensitivity tables*
The table below sets out the potential impact to profit before tax and equity resulting from a 20% increase and 20% decrease in the fair values of investments categorised as Level 3 in the fair value hierarchy.

	Increase 20%	Increase 20%	Decrease 20%	Decrease 20%
	Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
Listed securities	137,932	137,932	(137,932)	(137,932)
Unlisted securities	174,682	174,682	(174,682)	(174,682)
Consolidated - 30 Jun 2022	312,614	312,614	(312,614)	(312,614)
Listed securities	66,788	66,788	(66,788)	(66,788)
Unlisted securities	285,231	285,231	(285,231)	(285,231)
Consolidated - 30 Jun 2021	352,019	352,019	(352,019)	(352,019)

Movements in level three hierarchy assets

During the reporting period, the carrying value of investments classified as level 3 under the fair value hierarchy decreased by $197,022 to $1,563,073 (2021: decreased by $608,034 to $1,760,095). The decrease comprised transfers to level 1 $634,825 (2021: $1,450,910) and transfers to equity accounted investments of $57,602 offset by new investments of $288,502 and net fair value gains of $206,903 (2021: $842,876).

Fair values of other financial assets and liabilities
The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature. The carrying value of convertible notes at amortised cost is also considered to approximate their value.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Accounting policy for fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Note 15. Fair value measurement (continued)

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers will be selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

The Group policy is to reassess the fair value hierarchy level for each investment at the end of each reporting period. Where applicable investments will be transferred between fair value hierarchy levels at the most recent fair value determination prior to the transfer.

Note 16. Key management personnel disclosures

Compensation
The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	Consolidated	
	30 June 2022 $	30 Jun 2021 $
Short-term benefits - key management personnel	570,000	530,000
Independent Directors of First Growth Advisory Pty Ltd (a wholly owned subsidiary)	2,500	42,500
	572,500	572,500

Note 17. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Pitcher Partners, the auditor of the Company:

	Consolidated	
	30 June 2022 $	30 Jun 2021 $
Audit services - Pitcher Partners		
Audit or review of the financial statements	61,000	56,000
Other services - Pitcher Partners		
Tax compliance services	11,040	8,400
	72,040	64,400

Note 18. Contingencies and Commitments

As at 30 June 2022 the Group had no contingent liabilities or off balance sheet commitments (2021: $Nil).

Note 19. Related party transactions

Parent entity
First Growth Funds Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 21.

Associates
Interests in associates are set out in note 22.

Key management personnel
Disclosures relating to key management personnel are set out in note 16.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	30 June 2022	**30 Jun 2021**
	$	**$**
Payment for goods and services:		
Investment trade brokerage from Peloton Capital Pty Ltd (a related entity of Geoff Barnes)	2,894	10,809
Consulting services from Dalext Pty Ltd (a related entity of Athan Lekkas)	210,000	130,000

	Consolidated	
	30 June 2022	**30 Jun 2021**
	$	**$**
Current payables:		
Polygon Fund Limited – Anoosh Manzoori (Director fees)	20,000	20,000
Peloton Capital Pty Ltd – Geoff Barnes (Director fees)	20,000	-
Dalext Pty Ltd - Athan Lekkas (Consulting fees)	17,500	5,000
	57,500	25,000

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 20. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	30 June 2022	**30 Jun 2021**
	$	**$**
Profit/(Loss) after income tax	(5,967,429)	1,658,004
Total comprehensive income/(loss)	(5,967,429)	1,658,004

Note 20. Parent entity information (continued)

Statement of financial position

	Parent 30 June 2022 $	Parent 30 Jun 2021 $
Total current assets	3,827,839	9,401,989
Total assets	4,816,687	10,761,594
Total current liabilities	98,132	75,610
Total liabilities	98,132	75,610
Equity		
Issued capital	67,635,788	67,635,788
Accumulated losses	(62,917,233)	(56,949,804)
Total equity	4,718,555	10,685,984

Guarantees entered into by the Company in relation to the debts of its subsidiaries
The Company had no guarantees in relation to the debts of its subsidiaries as at 30 June 2022 and 30 June 2021.

Contingent liabilities
The Company entity had no contingent liabilities as at 30 June 2022 and 30 June 2021.

Capital commitments - Property, plant and equipment
The Company had no capital commitments for property, plant and equipment as at 30 June 2022 and 30 June 2021.

Note 21. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1 'Significant accounting policies':

Name	Principal place of business / Country of incorporation	Ownership interest 30 June 2022 %	Ownership interest 30 Jun 2021 %
ICO-AN Pty Ltd[1]	Australia	-	100.00%
First Growth Advisory Pty Ltd	Australia	100.00%	100.00%

[1]*ICO-AN Pty Ltd was deregistered on 10 February 2022.*

Note 22. Equity Accounted Investments

Interests in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the Group are set out below:

		Ownership interest	
Name	**Principal place of business / Country of incorporation**	**30 Jun 2022 %**	**30 Jun 2021 %**
Cryptodata Vault LLC (ordinary shares)	United States of America	50.00%	50.00%
Vello Technologies Inc. (ordinary shares)	Canada	24.43%	-%

The carrying value of the interests in associates for Cryptodata Vault LLC is nil after an impairment of $332,866 was booked during the year ended 30 June 2019.

Vello Technologies Inc. has been reclassified to equity accounted investments from financial assets during the year as the Company holds 24.43% of ordinary shares on issue and holds significant influence. The carrying amount transferred was $57,602. Refer to Note 10. The share of profit in the associate recognised in 2022 was $45,225. The carrying amount of the interest in the associate is $102,827 at 30 June 2022, which was measured on an equity accounting basis.

Note 23. Earnings per share

	Consolidated	
	30 June 2022 $	**30 Jun 2021 $**
Profit/(Loss) after income tax	(5,967,429)	1,658,004
	Cents	**Cents**
Basic earnings per share	(7.67)	2.13
Diluted earnings per share	(7.67)	2.13
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	77,798,218	77,798,218
Weighted average number of ordinary shares used in calculating diluted earnings per share	77,798,218	77,798,218

Accounting policy for earnings per share

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

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

Note 24. Events after the reporting period

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

First Growth Funds Limited
Directors' declaration
For the year ended 30 June 2022

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;

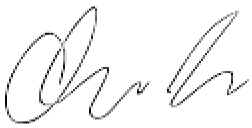
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Anoosh Manzoori
Executive Chairman

5 October 2022

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Independent Auditor's Report to the Members of First Growth Funds Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of First Growth Funds Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is 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 2022 and of its financial performance for the year then ended; and
(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. 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 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Key Audit Matters

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

Key Audit Matter	How our audit addressed the key audit matter
Valuation of financial assets $4,166,192 *Refer to note 10*	
The Group invest in various financial instruments exposing it to a number of financial risks, including market risk, credit risk and liquidity risk. As at 30 June 2022 financial assets total $4,166,192 and include listed and unlisted securities at fair value through profit or loss. Financial assets at fair value through profit or loss are classified according to the fair value hierarchy within AASB 13 *Fair Value Measurement* as follows: • Level 1 (i.e. inputs are quoted prices in active markets for identical assets); • Level 2 (i.e. inputs other than quoted prices included within level 1 that are observable, either directly or indirectly); or • Level 3 (i.e. inputs are unobservable). This is assessed as a key audit matter due to: • The significance of the balance, representing 87% of total assets; • The significant judgements and assumptions required for inputs used in the different valuation methodologies applied for level 2 and level 3 assets; and • Complexity associated with the accounting for these financial assets.	Our audit procedures included, amongst others: • Obtaining an understanding and evaluating the design and implementation of the relevant controls associated with the acquisition and accurate measurement of financial assets; • Obtaining and reviewing portfolio valuations obtained from third parties which confirmed the quantity of listed shares held and their market value at the reporting date; • Recalculating the fair value gain or loss recognised in the profit or loss arising from mark-to-market adjustments to Level 1 and 2 investments at the reporting date; • Assessing the reasonableness of valuation methodologies applied to Level 3 investments, including the accuracy of the underlying data (where applicable); • Comparing the adopted fair value for Level 3 investments to recent capital raises conducted by the investees; • Examining financial and non-financial information published by the investees in respect to Level 3 investments to determine if there has been any indication of a change in fair value; • Performing a subsequent event review on Level 3 investments to determine if actual outcomes differ to the fair value adopted at reporting date; • Recalculating interest accrued on convertible notes and ensuring it is in accordance with the contractual terms governing the financial instrument; • Assessing the adequacy of the disclosures in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in page 6 to 10 of the directors' report for the year ended 30 June 2022. In our opinion, the Remuneration Report of First Growth Funds Limited, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

Pitcher Partners

PITCHER PARTNERS

DAN COLWELL
Partner

Brisbane, Queensland
5 October 2022