

Winpar Holdings Limited

ABN 81 003 035 523

Interim Report

Half year ended 31 December 2014

Winpar Holdings Limited
ABN 81 003 035 523

Directors' Report

31 December 2014

The directors present their report together with the accounts of Winpar Holdings Limited for the half year ended 31 December 2014.

DIRECTORS

The following persons have held office as directors during and since the end of the half-year ended 31 December 2014:

Alfred Edward Fulton Rofe
Gordon Bradley Elkington
John David Honan
Steven Shane Pritchard
David George Maxwell Welsh

REVIEW OF OPERATIONS

The net profit for the period after provision for income tax was \$57,625 (2013: \$118,791).

The directors are continuing to adopt a cautious approach to share trading, and taking profits where appropriate. The company has continued to maintain a margin account for special purposes, but the outstanding balance on the account is nominal, and the company remains largely debt free.

The net asset backing of the shares at balance date was \$1.09 (30 June 2014: \$1.07).

DIVIDENDS

On 30 October 2014 the company paid a fully franked dividend of 2 cents per share to members registered as at 16 October 2014. The total amount of the dividend was \$80,740.

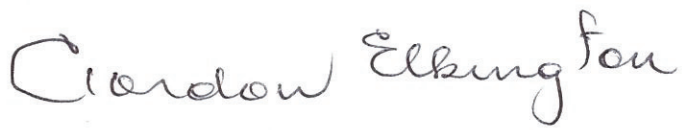
AUDITORS INDEPENDENCE DECLARATION

The auditor's independence declaration for the half year ended 31 December 2014 is set out on page 3.

Signed on 13 March 2015 in accordance with a resolution of the Board of Directors.



Steven Shane Pritchard
Director



Gordon Bradley Elkington
Director

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF WINPAR HOLDINGS LIMITED**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Winpar Holdings Limited.

As lead audit partner for the review of the financial statements of Winpar Holdings Limited for the half-year ended 31 December 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

PKF Lawler Partners

PKF LAWLER PARTNERS
Chartered Accountants

Newcastle

Dated: 13 March 2015



Martin Matthews
Partner

PKF Lawler Partners Audit & Assurance
(a Limited Partnership)

ABN 91 850 861 839

Liability limited by a scheme
approved under Professional
Standards Legislation

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Winpar Holdings Limited
ABN 81 003 035 523

Statement of Profit or Loss and Other Comprehensive Income

For the half year ended 31 December 2014

	Note	31 December 2014			31 December 2013		
		Revenue	Capital	Total	Revenue	Capital	Total
		\$	\$	\$	\$	\$	\$
Sale of financial assets held-for-trading	2	-	-	-	150,419	-	150,419
Cost of sales		-	-	-	(160,821)	-	(160,821)
Gross loss		-	-	-	(10,402)	-	(10,402)
Net gains / (losses) for the period on securities realised in the investment portfolio		-	2,607	2,607	-	45,318	45,318
Other revenue from ordinary activities	2	172,996	-	172,996	196,792	-	196,792
Finance costs		(1,324)	-	(1,324)	(688)	-	(688)
Administration expenses		(21,979)	-	(21,979)	(28,790)	-	(28,790)
Occupancy expenses		(9,612)	-	(9,612)	(8,450)	-	(8,450)
Other expenses from ordinary activities		(79,758)	-	(79,758)	(36,790)	-	(36,790)
Share of loss of an associate		(6,745)	-	(6,745)	(9,272)	-	(9,272)
Profit before income tax		53,578	2,607	56,185	102,400	-	102,400
Income tax benefit / (expense)		1,440	-	1,440	(28,927)	-	(28,927)
Profit from continuing operations		55,018	2,607	57,625	73,473	45,318	118,791
Profit for the period		55,018	2,607	57,625	73,473	45,318	118,791
Other comprehensive income							
Net gain on revaluation of financial assets		-	138,699	138,699	-	317,749	317,749
Income tax relating to components of other comprehensive income		-	(41,610)	(41,610)	-	(95,325)	(95,325)
Other comprehensive income for the period net of tax		-	97,089	97,089	-	222,424	222,424
Total comprehensive income		55,018	99,696	154,714	73,473	267,742	341,215
Earnings per share							
Basic earnings per share				\$0.01			\$0.03

The accompanying notes form part of these financial statements.

Winpar Holdings Limited
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Statement of Financial Position

As at 31 December 2014

	31 December 2014 \$	30 June 2014 \$
ASSETS		
Current assets		
Cash and cash equivalents	82,104	72,389
Trade and other receivables	150,480	72,826
Current tax receivable	848	848
Other assets	5,938	-
Total current assets	239,370	146,063
Non-current assets		
Financial assets	3,608,913	3,584,252
Investments in associates	704,611	711,356
Plant and equipment	922	1,136
Deferred tax assets	48,700	88,870
Total non-current assets	4,363,146	4,385,614
Total assets	4,602,516	4,531,677
LIABILITIES		
Current liabilities		
Trade and other payables	136,933	172,022
Borrowings	42,125	10,171
Total current liabilities	179,058	182,193
Non-current liabilities	-	-
Total liabilities	179,058	182,193
Net assets	4,423,458	4,349,484
EQUITY		
Issued capital	4,037,011	4,037,011
Reserves	(70,136)	(167,225)
Retained earnings	456,583	479,698
Total equity	4,423,458	4,349,484

The accompanying notes form part of these financial statements.

Winpar Holdings Limited
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Statement of Changes in Equity

For the half year ended 31 December 2014

	Ordinary Shares \$	Retained Earnings \$	Financial Assets Reserve \$	Total \$
Balance at 1 July 2014	4,037,011	479,698	(167,225)	4,349,484
Profit / (loss) for the period	-	57,625	-	57,625
Transactions with owners in their capacity as owners				
Dividends provided for or paid	-	(80,740)	-	(80,740)
Revaluation of available-for-sale financial assets (net of tax)	-	-	97,089	97,089
Sub-total	-	(23,115)	97,089	73,974
Balance at 31 December 2014	4,037,011	456,583	(70,136)	4,423,458

	Ordinary Shares \$	Retained Earnings \$	Financial Assets Reserve \$	Total \$
Balance at 1 July 2013	4,037,011	507,939	(298,346)	4,246,604
Profit / (loss) for the period	-	118,791	-	118,791
Transactions with owners in their capacity as owners				
Dividends provided for or paid	-	(80,740)	-	(80,740)
Revaluation of available-for-sale financial assets (net of tax)	-	-	222,424	222,424
Sub-total	-	38,051	222,424	260,475
Balance at 31 December 2013	4,037,011	545,990	(75,922)	4,507,079

The accompanying notes form part of these financial statements.

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Statement of Cash Flows

For the half year ended 31 December 2014

	31 December 2014 \$	31 December 2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from the sale of financial assets held at fair value	-	204,078
Payments to suppliers and employees	(153,486)	(237,426)
Other investment income	175,480	50,628
Income tax (paid) / refund	-	(850)
Net cash provided by operating activities	21,994	16,430
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of available-for-sale financial assets	193,706	261,305
Purchase of available-for-sale financial assets	(157,199)	(180,683)
Additional interests acquired in associate	-	(47,850)
Net cash used in investing activities	36,507	32,772
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(80,740)	(80,740)
Proceeds from borrowings	31,954	9,459
Net cash used in financing activities	(48,786)	(71,281)
Net decrease in cash and cash equivalents held	9,715	(22,079)
Cash and cash equivalents at beginning of period	72,389	113,064
Cash and cash equivalents at end of period	82,104	90,985

The accompanying notes form part of these financial statements.

Winpar Holdings Limited
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Notes to the Financial Statements

For the half year ended 31 December 2014

1. Significant Accounting Policies

Statement of Compliance

The condensed interim report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards IAS 34: Interim Financial Reporting. The half year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

Basis of Preparation

The condensed interim report has been prepared on an accruals basis and is based on historical costs, modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. All amounts are presented in Australian dollars, unless otherwise stated.

The condensed interim report is intended to provide users with an update on the latest annual financial statements of Winpar Holdings Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half year. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the company for the year ended 30 June 2014, together with any public announcements made during the half year in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies and methods of computation adopted in the preparation of the condensed interim financial report are consistent with those adopted and disclosed in the company's 2014 annual financial report for the year ended 30 June 2014. To enhance and provide greater clarity to users on the company's results the Statement of Profit or Loss and Other Comprehensive Income has been presented with separate revenue and capital columns.

New, revised or amending Accounting Standards and Interpretations adopted

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

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

Comparative revisions

Comparative information has been revised where appropriate to enhance comparability. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current period.

Winpar Holdings Limited
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Notes to the Financial Statements

For the half year ended 31 December 2014

2. Revenue

	31 December 2014 \$	31 December 2013 \$
Revenue		
- Sale of financial assets held for trading	-	150,419
Other revenue		
- Interest income	564	477
- Dividends received	147,623	57,364
- Trust distributions received	6,371	11,676
- Foreign income received	12,010	12,707
- Other income	1,185	1,810
- Other financial assets at fair value through profit or loss	-	100,846
- Gain on exchange differences	5,243	11,912
	172,996	196,792
Total revenue	172,996	347,211

3. Dividends

The following dividends were declared and paid:

Fully franked ordinary dividend of 2 (2013: 2 cents) cents per share paid on 30 October 2014	80,740	80,740
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4. Segment Reporting

The company operates in Australia as an investment company.

5. Contingent Liabilities

Winpar is one of 12 defendants in proceedings commenced in the Supreme Court of Tasmania by Baron Corporation Pty Limited ("Baron"), which is seeking an order under section 664F of the *Corporations Act* for approval of the acquisition by Baron of shares held by Winpar in New Bounty Pty Limited at \$0.01 per share. Winpar has written off costs in the proceedings as they have been incurred, but expects to recover some of these costs from Baron under section 664F(4) of the *Corporations Act*. Section 664F(4) also requires Baron to bear its own costs.

Winpar is the plaintiff in proceedings commenced in the Supreme Court of New South Wales and seeks orders to set aside certain provisions in a Deed of Company Arrangement ("DOCA") entered into between New Bounty Pty Limited, Baron Corporation Pty Limited and the DOCA administrators, and to set aside an issue of shares made pursuant to the DOCA.

6. Subsequent Events

Since 31 December 2014 to the date of this report there have been no events specific to the company of which the Directors are aware which have had a material effect on the company or its financial position.

7. Key Management and Personnel

Remuneration arrangements of key management personnel are disclosed in the annual financial report.

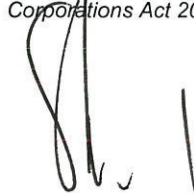
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Directors' Declaration

The Directors of the Company declare that:

- (a) in the Directors' opinion the financial statements and notes, as set out on pages 4 to 9, are in accordance with the *Corporations Act 2001* and:
 - (i) comply with Accounting Standards, the Corporations Regulations and other mandatory professional reporting requirements; and
 - (ii) give a true and fair view of the Company's financial position as at 31 December 2014 and of its performance for the half year ended on that date; and
- (b) in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors pursuant to s.303 (5) of the *Corporations Act 2001* and is signed on behalf of the Directors.



Steven Shane Pritchard
Director



Gordon Bradley Elkington
Director

13 March 2015

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF WINPAR HOLDINGS LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Winpar Holdings Limited, which comprises the statement of financial position as at 31 December 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 Review of Interim Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Act 2001*. As the auditor of Winpar Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF WINPAR HOLDINGS LIMITED**

Independence

In conducting our review, we have complied with the independence requirements of *the Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Winpar Holdings Limited is not in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the of the company's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (ii) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

PKF Lawler Partners

PKF LAWLER PARTNERS
Chartered Accountants

Newcastle

Dated: 13 March 2015

M. Matthews

Martin Matthews
Partner

PKF Lawler Partners Audit & Assurance
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