

# **Winpar Holdings Limited**

**ABN 81 003 035 523**

## **Annual Report**

**Financial year ended 30 June 2015**

**Winpar Holdings Limited**  
**ABN 81 003 035 523**

# Contents

	Page
Chief Executive Officers Report	2
Directors' report	3
Auditor's independence declaration	8
Statement of profit or loss and other comprehensive income	9
Statement of financial position	10
Statement of changes in equity	11
Statement of cash flows	12
Notes to the financial statements	13
Directors' declaration	30
Independent auditor's report	31
Investment portfolio	33
Shareholder information	37
Five year summary	38
Corporate directory	39

## CHIEF EXECUTIVE OFFICERS REPORT

Dear Shareholder

There has been no significant change in the nature of the company's activities during the course of the year.

The company has continued to develop its defensive portfolio of listed and unlisted securities and remains largely debt-free. A number of small legacy holdings have been sold, and the company is now generally taking larger positions than has been the practice in the past. A small number of securities in English companies have been purchased, and the company has had the benefit of favourable movements in the exchange rates in relation to these securities.

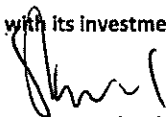
The company incurred a loss of \$36,793 during the year. This loss was due in large part to legal expenses of \$266,084 which were incurred in proceedings in the Supreme Court of New South Wales against Newbart Pty Limited and others in relation to the company's holding of 2,048,596 shares in New Bounty Pty Limited.

You may recall that early in 2013 Newbart made an application to the Supreme Court of Tasmania to enable it to compulsorily acquire Winpar's holding of 2,048,596 shares in New Bounty (and the shares of other minority shareholders) for 1 cent per share. At that time the shares had a book value of 10 cents, and accordingly Winpar opposed Newbart's application. In mid-2014, while the Tasmanian proceedings were still under way, Newbart arranged for an administrator to be appointed to New Bounty, and New Bounty subsequently entered into a deed of company arrangement with Newbart and others, the effect of which was to reduce the interest of minority shareholders in New Bounty from 9 percent to 0.6 percent, and to make the minority shares virtually worthless.

Acting on optimistic legal advice, the company took proceedings against Newbart and others in the Supreme Court of New South Wales for the purpose of having the deed of company arrangement set aside. The matter was heard by Sackville, AJA, who found that the predominant motivation of the managing director of New Bounty, Mr Philip Bart, in procuring the administration and the deed of company arrangement, was to dilute the interests of the minority. He said that this involved an abuse of the relevant provisions of the *Corporations Act*. The judge also said that he was prepared to assume that Mr Bart had improperly used his position as an officer of New Bounty to procure the dilution of the interests of minority shareholders. However his Honour dismissed Winpar's application for relief on procedural and other discretionary grounds.

Winpar's investment in New Bounty, and the conduct of New Bounty's managing director, Mr Philip Bart, in diluting the minority shareholders, presented a difficult problem for Winpar's directors, because they had to make a decision as to whether they should take some action to protect the value of their shareholding, or whether they should simply walk away from the problem. They chose to take action, and I believe that this was the right thing to do. Unfortunately the company's legal representatives did not achieve the desired result.

The company has continued to have the encouragement and support of a number of its shareholders. These include Messrs Bruce Wareham, Peter Martin, Frank Malcolm, Nick Lucas, Gerry Pauley, Trevin Love and Don Willing, and Dr Peter Donovan. Mr Peter Allen has helped the company with its English investments, and Mr Anton Rosenberg has continued to help the company with its investment in Penrose Club Holdings Limited.



Steven Pritchard  
Chief Executive Officer

**Winpar Holdings Limited**  
ABN 81 003 035 523

## Directors' Report

30 June 2015

The directors present their report together with the accounts of Winpar Holdings Limited for the financial year ended 30 June 2015.

### DIRECTORS

The following persons have held office as directors during the financial year and since the end of the financial year:

Alfred Edward Fulton Rofe  
Gordon Bradley Elkington  
John David Honan  
Steven Shane Pritchard  
David George Maxwell Welsh  
William Lewis Timms (appointed 26 March 2015)

### SECRETARY

The Secretary has been Gordon Bradley Elkington during the financial year and since the end of the financial year.

### INFORMATION ABOUT DIRECTORS AND SECRETARY

Alfred Edward Fulton Rofe, AM, BA, LL.M, Grad Dip Corp Sec Law (Sydney), B Com (UNSW), FCPA, F Fin, ACIS

Mr Rofe is the chairman of the company and a member of the audit committee. He practised as a Solicitor of the Supreme Court of New South Wales from 1964 to 1997, and lectured in Financial Accounting at The University of New South Wales from 1974 to 1998. He has served on a number of government committees, and was formerly a member of the Financial Reporting Panel. He was Chairman of the Australian Shareholders Association for many years, and in 2002 was appointed as a Member of the Order of Australia for services to the finance industry and the protection of the rights and interests of investors. He has been a director of the Company since 2007.

Gordon Bradley Elkington, BSc (Hons), MSc, Ph D, LL.M

Dr Elkington is a barrister of the Supreme Court of New South Wales. He is a director of Pritchard Equity Limited and Hamilton Securities Limited. He has been a director of the Company since 1994.

John David Honan, BA, MA, F Fin

Mr Honan has had many years experience in finance and investment. He has been an associate director and the Chief Economist of Ausbil Dexia Limited, and has also lectured and examined for the Securities Institute of Australia. He has been a director of the company since 2001, and is a member of the Audit Committee.

Steven Shane Pritchard, B Com, CPA, F Fin

Mr Pritchard is the chief executive officer. He is a Certified Practising Accountant, and an affiliate member of the National Stock Exchange Limited. He is the principal of the Newcastle based accounting firm Rees Pritchard Pty Limited. He is a director of Illuminator Investment Company Limited, Florin Mining Investment Company Limited, Hamilton Securities Limited and South Pacific Stock Exchange Limited, and the chairman of Pritchard Equity Limited. He has been a director of the company since 2003.

**Winpar Holdings Limited**  
**ABN 81 003 035 523**

## Directors' Report

30 June 2015

### INFORMATION ABOUT DIRECTORS AND SECRETARY CONTINUED

David George Maxwell Welsh, MBBS, FRACGP, ASIA, DFS

Dr Welsh is a medical practitioner with post graduate qualifications in finance and investment. He was formerly a director of Stokes Australasia Limited. He was appointed as a director of the company on 5 June 2014.

William Lewis Timms

Mr Timms is the chairman of Oldfields Holdings Limited and a director of Buderim Ginger Limited. He has had many years' experience as a company auditor, tax agent and real estate agent. He was appointed as a director of the company on 26 March 2015.

### DIRECTORS INTERESTS IN THE COMPANY

As at 31 August 2015 the directors who hold office held the following relevant interests in shares in the company.

	Shares held directly	Shares held indirectly
Gordon Elkington	485,383	-
John Honan	-	37,096
Steven Pritchard	-	282,270
Alfred Rofe	18,031	-
David Welsh	944,520	-
William Timms	557,650	-

Mr Timms holds his shares jointly with his wife, Mrs Carolyn Jane Timms.

Mrs Milly Elkington, the wife of Dr Gordon Elkington, holds 248,651 shares in the company.

### DIRECTORS MEETINGS ATTENDED

There were ten directors meetings held during the financial year. Attendances at these meetings were as follows:

Gordon Elkington	10
John Honan	9
Steven Pritchard	10
Alfred Rofe	10
David Welsh	10
William Timms	3

There were two meetings of the audit committee held during the financial year. Attendances at these meetings were as follows:

John Honan	2
Alfred Rofe	2

**Winpar Holdings Limited**  
ABN 81 003 035 523

## Directors' Report

30 June 2015

### PRINCIPAL ACTIVITIES

The principal activity in which the company was engaged during the financial year was investment in shares and other securities. There was no change in the nature of these activities during the year.

The investment portfolio as at 30 June 2015 is set out on pages 33-36. The investments making up this portfolio are considered to be long term investments, and are not intended to be traded.

### REVIEW OF OPERATIONS

The net loss for the year after provision for income tax was \$36,793 (2014: profit of \$133,239).

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 \$1.05. The company retains a high level of franking credits.

### 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.

On 15 June 2015 the company paid a fully franked dividend of 2 cents per share to members registered as at 29 May 2015. The total amount of the dividend was \$80,740.

---

### EVENTS SUBSEQUENT TO BALANCE DATE

On 5 August 2015 the company announced that proceedings which it had commenced in the Supreme Court of New South Wales seeking orders to set aside certain provisions in a deed of company arrangement entered into between New Bounty Pty Limited, Baron Corporation Pty Limited and the administrators of New Bounty, and to set aside an issue of shares in New Bounty made in accordance with the deed had been dismissed with costs.

The costs which Winpar has incurred in relation to these proceedings have been \$266,084, and these have been expensed or provided for in the accounts for the year ended 30 June 2015.

The costs incurred by the respondents have not yet been determined. These costs will be an expense in the accounts for the year ended 30 June 2016.

**Winpar Holdings Limited**  
 ABN 81 003 035 523

## Directors' Report

30 June 2015

### REMUNERATION REPORT

At the annual general meeting for 2007 held on 29 November 2007, shareholders approved an annual payment of non-executive directors fees to a limit of \$25,000. During the financial year non-executive directors fees were paid or accrued as follows.

Director	Fee	Superannuation	Total
	\$	\$	\$
Steven Pritchard	-	4,781	4,781
Alfred Rofe	4,781	-	4,781
Gordon Elkington	-	4,781	4,781
John Honan	-	4,781	4,781
David Welsh	-	4,781	4,781
William Timms	-	1,095	1,095
Total	4,781	20,219	25,000

No other fees were paid to directors.

### INDEMNITIES

No indemnification agreements have been entered into and no insurance premiums have been paid in respect of officers or auditors of the company during the financial year.

### PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of the court 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 any part of those proceedings.

### CORPORATE GOVERNANCE

The board is responsible for ensuring that the company is properly managed so that shareholders' interests are protected and enhanced, disclosure and reporting obligations are complied with, and conflicts of interest are avoided. To this end the board has delineated the functions of its officers and management, and regularly reviews the company's financial position and financial performance.

The board has established an audit committee consisting of non-executive directors. The committee reviews the company's accounts independently of management.

Winpar Holdings Limited  
ABN 81 003 035 523

## Directors' Report

30 June 2015

### AUDITORS INDEPENDENCE DECLARATION

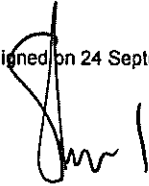
The auditor's independence declaration for the year ended 30 June 2015 is set out on page 8.

Details of the auditor's remuneration for auditing the company's accounts are set out in note 17 to the accounts. No amounts have been paid or are payable to the auditor for non-audit services.

### ENVIRONMENTAL REGULATION

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

Signed on 24 September 2015 in accordance with a resolution of the Board of Directors.



Steven Shane Pritchard  
Director



Gordon Bradley Elkington  
Director



24 September 2015

The Board of Directors  
Winpar Holdings Limited  
GPO Box 4248  
SYDNEY NSW 2001

Dear Board Members

**Auditor's Independence Declaration under section 307C of the Corporations Act 2001**

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Winpar Holdings Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

- (a) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) No contraventions of any applicable code of professional conduct in relation to the audit.

**PKF NEWCASTLE**  
Chartered Accountants

**MARTIN MATTHEWS**  
Partner

Newcastle, NSW

PKF(NS) Audit & Assurance Limited  
Partnership  
ABN 91 850 561 839

Liability limited by a scheme  
approved under Professional  
Standards Legislation

Sydney  
Level 8, 1 O'Connell Street  
Sydney NSW 2000 Australia  
GPO Box 5446 Sydney NSW 2001  
p +61 2 8346 6000  
f +61 2 8346 6099

Newcastle  
755 Hunter Street  
Newcastle West NSW 2302 Australia  
PO Box 2368 Dangar NSW 2309  
p +61 2 4962 2688  
f +61 2 4962 3245

Winpar Holdings Limited  
ABN 81 003 035 523

## Statement of Profit or Loss and Other Comprehensive Income

For the Financial Year Ended 30 June 2015

	Note	30 June 2015			30 June 2014		
		Revenue \$	Capital \$	Total \$	Revenue \$	Capital \$	Total \$
Sale of financial assets held-for-trading	2	-	-	-	433,026	-	433,026
Cost of sales		-	-	-	(1,124,942)	-	(1,124,942)
<b>Gross loss</b>		-	-	-	(691,916)	-	(691,916)
Net gains / (losses) for the period on securities realised in the investment portfolio		-	72,988	72,988	-	871,080	871,080
Other revenue from ordinary activities	2	241,558	-	241,558	142,681	-	142,681
Finance costs	3	(2,282)	-	(2,282)	(1,791)	-	(1,791)
Administration expenses		(38,532)	-	(38,532)	(21,592)	-	(21,592)
Occupancy expenses		(19,471)	-	(19,471)	(17,491)	-	(17,491)
Other expenses from ordinary activities	3	(334,303)	-	(334,303)	(119,161)	-	(119,161)
Share of loss of an associate	10	(10,862)	-	(10,862)	(2,678)	-	(2,678)
<b>(Loss)/profit before income tax</b>		(163,892)	72,988	(90,904)	(711,948)	871,080	159,132
Income tax benefit / (expense)	4	54,111	-	54,111	(25,893)	-	(25,893)
<b>(Loss)/profit from continuing operations</b>		(109,781)	72,988	(36,793)	(737,841)	871,080	133,239
<b>(Loss)/profit for the period</b>		(109,781)	72,988	(36,793)	(737,841)	871,080	133,239
<b>Other comprehensive income</b>							
Net gain on revaluation of financial assets		-	150,793	150,793	-	187,316	187,316
Income tax relating to components of other comprehensive income		-	(45,238)	(45,238)	-	(56,195)	(56,195)
<b>Other comprehensive income for the period net of tax</b>		-	105,555	105,555	-	131,121	131,121
<b>Total comprehensive income</b>		(109,781)	178,543	68,762	(737,841)	1,002,201	264,360
<b>Earnings per share</b>							
Basic earnings per share	5			-\$0.01			\$0.03

The accompanying notes form part of these financial statements.

Winpar Holdings Limited  
ABN 81 003 035 523

## Statement of Financial Position

As at 30 June 2015

	Note	30 June 2015 \$	30 June 2014 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	85,045	72,389
Trade and other receivables	7	64,719	72,826
Current tax receivable	8(a)	848	848
<b>Total current assets</b>		<b>150,612</b>	<b>146,063</b>
<b>Non-current assets</b>			
Financial assets	9	3,649,981	3,584,252
Investments in associates	10	700,494	711,356
Plant and equipment		709	1,136
Deferred tax assets	8(b)	97,744	88,870
<b>Total non-current assets</b>		<b>4,448,928</b>	<b>4,385,614</b>
<b>Total assets</b>		<b>4,599,540</b>	<b>4,531,677</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	11	289,033	172,022
Borrowings	12	159	10,171
<b>Total current liabilities</b>		<b>289,192</b>	<b>182,193</b>
<b>Non-current liabilities</b>			
<b>Total liabilities</b>		<b>289,192</b>	<b>182,193</b>
<b>Net assets</b>		<b>4,310,348</b>	<b>4,349,484</b>
<b>EQUITY</b>			
Issued capital	13	4,090,593	4,037,011
Reserves	15	(61,670)	(167,225)
Retained earnings		281,425	479,698
<b>Total equity</b>		<b>4,310,348</b>	<b>4,349,484</b>

The accompanying notes form part of these financial statements.

Winpar Holdings Limited  
ABN 81 003 035 523

## Statement of Changes in Equity

For the Financial Year Ended 30 June 2015

	Note	Ordinary Shares \$	Retained Earnings \$	Financial Assets Reserve \$	Total \$
Balance at 1 July 2014		4,037,011	479,698	(167,225)	4,349,484
(Loss) / profit for the period		-	(36,793)	-	(36,793)
<b>Transactions with owners in their capacity as owners</b>					
Dividends provided for or paid	14	-	(161,480)	-	(161,480)
Shares issued during the period	13	53,582	-	-	53,582
Revaluation of available-for-sale financial assets (net of tax)		-	-	105,555	105,555
<b>Sub-total</b>		<b>53,582</b>	<b>(198,273)</b>	<b>105,555</b>	<b>(39,136)</b>
<b>Balance at 30 June 2015</b>		<b>4,090,593</b>	<b>281,425</b>	<b>(61,670)</b>	<b>4,310,348</b>

		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		-	133,239	-	133,239
<b>Transactions with owners in their capacity as owners</b>					
Dividends provided for or paid	14	-	(161,480)	-	(161,480)
Revaluation of available-for-sale financial assets (net of tax)		-	-	131,121	131,121
<b>Sub-total</b>		<b>-</b>	<b>(28,241)</b>	<b>131,121</b>	<b>102,880</b>
<b>Balance at 30 June 2014</b>		<b>4,037,011</b>	<b>479,698</b>	<b>(167,225)</b>	<b>4,349,484</b>

The accompanying notes form part of these financial statements.

Winpar Holdings Limited  
ABN 81 003 035 523

## Statement of Cash Flows

For the Financial Year Ended 30 June 2015

	Note	30 June 2015 \$	30 June 2014 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Proceeds from the sale of financial assets held at fair value		-	301,972
Payments to suppliers and employees		(288,013)	(218,150)
Other investment income		246,076	142,558
Income tax (paid) / refund		-	(16,402)
Net cash (used in) / provided by operating activities	16(b)	(41,937)	209,978
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of available-for-sale financial assets		568,884	521,657
Purchase of available-for-sale financial assets		(396,381)	(522,338)
Additional interests acquired in associate		-	(84,195)
Net cash provided by / (used in) investing activities		172,503	(84,876)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends paid		(107,898)	(161,480)
Repayment of borrowings		(10,012)	(4,297)
Net cash used in financing activities		(117,910)	(165,777)
Net increase / (decrease) in cash and cash equivalents held		12,656	(40,675)
Cash and cash equivalents at beginning of period		72,389	113,064
Cash and cash equivalents at end of period	16(a)	85,045	72,389

The accompanying notes form part of these financial statements.

Winpar Holdings Limited  
ABN 81 003 035 523

# Notes to the Financial Statements

For the Financial Year Ended 30 June 2015

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Accounting Standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS'). Compliance with A-IFRS ensures that the financial statements and notes of the Company comply with the International Financial Reporting Standards ('IFRS').

### New and revised Accounting Standards

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.

Any significant impact on the accounting policies of the company from the adoption of these Accounting Standards and Interpretations is disclosed in the relevant accounting policy.

### Basis of preparation

The financial report has been prepared on the 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 noted.

### Accounting Policies

The following is a summary of the material accounting policies adopted by the Company in preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### (a) Investment and Trading Portfolios

##### (i) Statement of Financial Position classification

Previously the company had two portfolios of securities, the investment portfolio and the trading portfolio. The investment portfolio relates to holdings of securities which the directors intend to retain on a long-term basis.

The trading portfolio comprised securities held for short-term trading purposes.

The investment portfolio is classified as a 'non-current asset', whereas the trading portfolio is classified as a 'current asset'.

Ordinary securities within the investment portfolio are classified as 'financial assets measured at fair value through 'other comprehensive income', whilst securities within the trading portfolio are classified as assets measured at fair value through the profit or loss in accordance with AASB 9.

##### (ii) Valuation of investment portfolio

Securities, including listed and unlisted shares and notes and options, are initially brought to account at cost, which is the cost of acquisition including transaction costs and are re-valued to market values continuously.

Winpar Holdings Limited  
 ABN 81 003 035 523

## Notes to the Financial Statements

For the Financial Year Ended 30 June 2015

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

#### (a) Investment and Trading Portfolios continued

Increments and decrements on Ordinary Securities are recognised as Comprehensive Income and taken to the Investment Revaluation Reserve.

Where disposal of an Investment occurs, any revaluation increment or decrement relating to it is transferred from the Investment Revaluation Reserve to retained earnings.

#### (iii) Valuation of Trading portfolio

Securities, including listed and unlisted shares and notes and options, were initially brought to account at cost which is the cost of acquisition including transaction costs and were re-valued to market values continuously, in the case of listed securities at market and in the case of unlisted securities using appropriate valuation techniques as determined by the directors.

Increments and decrements on the value of securities in the trading portfolio are taken into account in determining gross profit or loss.

Market value for the purposes of valuing holdings of securities is determined by reference to market of prices prevailing at balance date, predominately the last sale price, where the securities are traded on an organised market. In the case of unlisted securities fair value was determined using appropriate valuation techniques determined by the directors.

#### (iv) Income from holding of securities

Distributions relating to listed securities are recognised as income when those securities are quoted on an ex-distribution basis and distributions relating to unlisted securities are recognised as income when received. If the distributions are capital returns on ordinary securities the amount of the distribution is treated as an adjustment to the carrying value of the securities.

#### (b) Fair Value of Financial Assets and Liabilities

The fair value of cash and cash equivalents, and non-interest bearing monetary financial assets and liabilities of the Company approximates their carrying value.

#### (c) Income Tax

The income tax expense (benefit) for the year comprises current income tax expense (benefit) and deferred tax expense (benefit).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

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.

Winpar Holdings Limited  
ABN 81 003 035 523

## Notes to the Financial Statements

For the Financial Year Ended 30 June 2015

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

#### (c) Income Tax continued

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred assets and liabilities relate to income taxes levied by the same taxation authority where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

#### (d) Foreign Transactions and Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rates. Exchange differences arising on the translation of monetary items are recognised in the profit or loss.

#### (e) Provisions

Provisions are recognised when the entity has a present (legal or constructive) obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

#### (f) Cash and Cash Equivalents

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

#### (g) Revenue and Other Income

Dividends and interest have been brought into account in the profit and loss when received or receivable.

#### (h) Borrowing Costs

Borrowing costs are recognised in the profit or loss in the period in which they are incurred.



Winpar Holdings Limited  
ABN 81 003 035 523

# Notes to the Financial Statements

For the Financial Year Ended 30 June 2015

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

### (i) Goods and Services Tax (GST)

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

### (j) Comparative Figures

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

### (k) Segment Reporting

Operating segments are reported using the 'management approach', where the information presented in a manner consistent with the internal reporting used by the Chief Operating Decision Maker ('CODM'). The Board has been identified as the CODM, as it is responsible for allocating resources and assessing performance of the operating segments.

### (l) Critical Accounting Estimates and Judgments

The preparation of financial reports in conformity with AIFRS requires the use of certain critical accounting estimates. This requires the Board and management to exercise their judgment in the process of applying the Company's accounting policies.

The carrying amounts of certain assets and liabilities are determined based on estimates and assumptions of future events. In accordance with AASB 112 Income Taxes, deferred tax benefits have been recognised for Capital Gains Tax (CGT) on the unrealised loss in the Investment Portfolio at current tax rates.

As the directors do not intend to dispose of the portfolio, this tax asset may not be crystallised at the amount disclosed at Note 8. In addition, the tax benefit that arises on disposal of these securities may be impacted by changes in tax legislation relating to treatment of capital gains and the rate of taxation applicable to such gains at the time of disposal.

### (m) Earnings per share

#### Basic earnings per share

Basic earnings per share is calculated by dividing the profit of the company by the weighted average number of ordinary shares outstanding during the year.

#### Diluted earnings per share

As there are no options, convertible notes or other dilutive instruments on issue, 'diluted earnings per share' is the same as 'basic earnings per share'. This similarly applies to diluted net operating profit per share.

Winpar Holdings Limited  
ABN 81 003 035 523

## Notes to the Financial Statements

For the Financial Year Ended 30 June 2015

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

#### (n) Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over its expected useful life as follows:

Plant and equipment	3 years
---------------------	---------

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

#### (o) Excess of current liabilities over current assets

At 30 June 2015, the company has current assets of \$150,612 and current liabilities of \$289,192, deficiency of \$138,580. The financial report has been prepared on a going concern basis, which contemplates the realisation of assets and satisfaction of liabilities in the ordinary course of business. The directors will realise a portion of the company's investment portfolio to enable the company to meet any debts as and when they fall due and payable if required. It is on this basis that the going concern assumption is considered appropriate.

#### (p) Standards issued but not yet effective

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided against early adoption of these Standards. The following summarises those future requirements, and their impact on the Company:

**AASB 9 Financial Instruments – Classification and Measurement** (applicable for annual reporting periods beginning on or after 1 January 2018). AASB 9 introduces new requirements for classifying and measuring financial assets, and new requirements apply where an entity chooses to measure a liability at fair value through profit or loss – in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss.

The company does not anticipate early adoption of any of the above reporting requirements and does not expect these requirements to have any material effect on the company's financial statements.

Winpar Holdings Limited  
ABN 81 003 035 523

## Notes to the Financial Statements

For the Financial Year Ended 30 June 2015

### 2. Revenue

	2015 \$	2014 \$
Revenue		
- Sale of financial assets held for trading	-	433,026
Other revenue		
- Interest income	776	1,269
- Dividends received	193,828	84,084
- Trust distributions received	6,195	17,581
- Foreign income received	25,532	18,707
- Other income	2,126	9,723
- Gain on exchange differences	13,101	11,317
	<u>241,558</u>	<u>142,681</u>
<b>Total revenue</b>	<u>241,558</u>	<u>575,707</u>

### 3. Results for the year

The result for the year includes the following specific expenses

Cost of sales	-	1,124,942
Finance costs:		
- external	2,282	1,791
	<u>2,282</u>	<u>1,791</u>
Other expenses from ordinary activities	334,303	119,161
	<u>336,585</u>	<u>1,245,894</u>

### 4. Income tax expense

(a) The components of tax expense comprise:

<b>Current tax expense</b>		
Current tax	-	-
<b>Deferred tax expense</b>		
Deferred tax	(54,111)	25,831
Under provision for income tax in prior years	-	62
<b>Total income tax expense / (benefit)</b>	<u>(54,111)</u>	<u>25,893</u>

Winpar Holdings Limited  
ABN 81 003 035 523

## Notes to the Financial Statements

For the Financial Year Ended 30 June 2015

<b>4. Income tax expense continued</b>	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
(b) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Prima facie tax payable on (loss)/profit from ordinary activities before income tax at 30% (2014: 30%)	<u>(27,271)</u>	<u>47,740</u>
Less:		
Tax effect of:		
- rebateable fully franked dividends	(26,769)	(21,892)
- tax effective trust distributions received	(71)	(17)
- under provision for income tax in prior year	-	62
Income tax (benefit) / expense	<u>(54,111)</u>	<u>25,893</u>
<b>5. Earnings per share</b>		
(a) Reconciliation of earnings to profit or loss from continuing operations		
(Loss)/profit from continuing operations	<u>(36,793)</u>	<u>133,329</u>
(b) Earnings used to calculate overall earnings per share	<u>(36,793)</u>	<u>133,329</u>
(c) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	<u>4,039,213</u>	<u>4,037,011</u>
(d) Basic earnings per share		
Basic earnings per share - cents	<u>(1)</u>	<u>3</u>
<b>6. Cash and cash equivalents</b>		
Cash and cash equivalents	<u>85,045</u>	<u>72,389</u>
<b>7. Trade and other receivables</b>		
Trade and other receivables	<u>64,719</u>	<u>72,876</u>

Winpar Holdings Limited  
ABN 81 003 035 523

## Notes to the Financial Statements

For the Financial Year Ended 30 June 2015

### 8. Tax

	2015	2014
	\$	\$
<b>(a) Current Tax Asset</b>		
Current tax	848	848

### (b) Deferred tax assets

	Opening Balance \$	Charged to Income \$	Charged directly to Equity \$	Closing Balance \$
<b>Deferred tax assets</b>				
Financial assets held for trading				
- Accounting	(106,857)	106,857	-	-
- Tax	98,155	(98,155)	-	-
Accruals	8,937	(2,802)	-	6,135
Deferred tax assets attributable to tax losses	-	3,250	-	3,250
Capital losses	42,796	-	(34,980)	7,816
Revaluation reserve	127,863	-	(56,194)	71,669
<b>Balance at 30 June 2014</b>	<b>170,894</b>	<b>9,150</b>	<b>(91,174)</b>	<b>88,870</b>
Financial assets held for trading				
- Accounting	-	-	-	-
- Tax	-	-	-	-
Accruals	6,135	(1,604)	-	4,531
Deferred tax assets attributable to tax losses	3,250	63,532	-	66,782
Capital losses	7,816	-	(7,816)	-
Revaluation reserve	71,669	-	(45,238)	26,431
<b>Balance at 30 June 2015</b>	<b>88,870</b>	<b>61,928</b>	<b>(53,054)</b>	<b>97,744</b>

### 9. Financial assets

	2015	2014
	\$	\$
<b>Available-for-sale financial assets comprise:</b>		
<b>NON-CURRENT</b>		
Listed investments, at fair value		
- shares in listed corporations	2,942,792	2,955,600
Unlisted investments, at fair value		
- shares in other corporations	707,189	628,652
<b>Total available-for-sale financial assets</b>	<b>3,649,981</b>	<b>3,584,252</b>

Winpar Holdings Limited  
ABN 81 003 035 523

## Notes to the Financial Statements

For the Financial Year Ended 30 June 2015

### 10. Investments in associates

Interests in associates are accounted for using the equity method of accounting. Information in relating to associates is set out below.

Associate	Principal Activities	Percentage Interest	
		2015 %	2014 %
Penrose Club Holdings Limited	Property Ownership	32.49	32.49

Information in relation to the associate is set out below.

	2015 \$	2014 \$
<i>Share of assets and liabilities</i>		
Current assets	1,633	12,459
Non current assets	723,849	724,914
Total assets	725,482	737,373
Current liabilities	24,988	8,044
Non current liabilities	-	17,973
Total liabilities	24,988	26,017
Net assets	700,494	711,356
<i>Share of revenue, expenses and results</i>		
Revenue	-	-
Expenses	(10,862)	(2,678)
Loss before income tax	(10,862)	(2,678)
Income tax expense	-	-
Loss after income tax	(10,862)	(2,678)

### 11. Trade and other payables

Trade and other payables	289,033	172,022
--------------------------	---------	---------

Winpar Holdings Limited  
ABN 81 003 035 523

## Notes to the Financial Statements

For the Financial Year Ended 30 June 2015

### 12. Borrowings

	2015	2014
	\$	\$
<b>CURRENT</b>		
Secured liabilities:		
BT Margin Loan	159	10,171
Total current borrowings	<u>159</u>	<u>10,171</u>

#### Secured liabilities

The company has a margin loan which is secured against certain specified securities.

### 13. Issued Capital

#### Ordinary shares

At the beginning of reporting period	4,037,011	4,037,011
Shares issued during the year 53,582 at \$1.00 on 15 June 2015	53,582	-
At the end of the reporting period	<u>4,090,593</u>	<u>4,037,011</u>

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled on a poll to one vote per share at shareholders meetings. On a show of hands each member present at a meeting in person or by proxy or representative has one vote. In the event of the winding up of the company ordinary shareholders rank after creditors and share in the proceeds on winding up in proportion to the number of shares held.

### 14. Dividends

The following dividends were declared and paid:

Fully franked ordinary dividend of 2 (2014: 2) cents per share paid on 15 June 2015	80,740	80,740
Fully franked ordinary dividend of 2 (2013: 2) cents per share paid on 30 October 2014	80,740	80,740
At the end of the reporting period	<u>161,480</u>	<u>161,480</u>

Franked dividends declared or paid during the year were franked at the tax rate of 30%.

#### Franking account

Franking credits accumulated at beginning of the year	165,599	188,880
Imputation credits from franked dividends	37,657	29,712
Tax paid / (refunded)	-	15,552
PAYG instalment	-	-
Dividends paid	(69,206)	(69,206)
TFN withholding tax	343	661
	<u>134,393</u>	<u>165,599</u>

Winpar Holdings Limited  
ABN 81 003 035 523

## Notes to the Financial Statements

For the Financial Year Ended 30 June 2015

### 15. Reserves

#### Revaluation reserve

The revaluation reserve records unrealised revaluations of financial assets available for sale to fair value after allowing for income tax.

### 16. Cash flow information

	Note	2015 \$	2014 \$
<b>(a) Reconciliation of cash</b>			
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position			
Cash and cash equivalents	6	85,045	72,389
Bank overdrafts		-	-
Balance as per statement of cash flows		<u>85,045</u>	<u>72,389</u>

#### (b) Reconciliation of cash flow from operations with profit / (loss) after income tax

(Loss) / profit for the year		(36,793)	133,239
Cash flows excluded from profit attributable to operating activities			
Non-cash flows in profit:			
- depreciation		427	682
- dividend income reinvested		(3,589)	(123)
- net loss on financial assets held for trading		-	691,850
- net (gain) / loss on disposal of available for sale financial assets		(72,988)	(116,599)
Changes in assets and liabilities:			
- (increase) / decrease in trade and other receivables		8,107	(65,269)
- increase in fair value of financial assets held for trading		-	(488,348)
- decrease / (increase) in deferred tax asset		(54,112)	24,981
- increase in trade and other payables		117,011	45,055
- (decrease) / increase in provision for income taxes payable		-	(15,490)
Cash flow from operations		<u>(41,937)</u>	<u>209,978</u>

#### (c) Significant non-cash investing and financing activities

The Company issued 53,582 shares at \$1 each in June 2015 in accordance with its dividend reinvestment plan.

### 17. Auditors' remuneration

Remuneration of the auditor of the company, PKF Newcastle (2014: PKF Newcastle and Forsythes Assurance & Risk), for auditing or reviewing the financial report:

- Forsythes Assurance & Risk		-	7,182
- PKF Newcastle		17,919	11,330
Total auditors' remuneration for auditing or reviewing the financial report		<u>17,919</u>	<u>18,512</u>

PKF Newcastle was appointed as auditors on 31 March 2014, following a merger with Forsythes Assurance & Risk and PKF.



**Winpar Holdings Limited**  
ABN 81 003 035 523

## **Notes to the Financial Statements**

**For the Financial Year Ended 30 June 2015**

### **18. Segment reporting**

The company operates solely in Australia as an investment company.

### **19. Contingent liabilities**

On 5 August 2015 the company announced that proceedings which it had commenced in the Supreme Court of New South Wales seeking orders to set aside certain provisions in a deed of company arrangement entered into between New Bounty Pty Limited, Baron Corporation Pty Limited and the administrators of New Bounty, and to set aside an issue of shares in New Bounty made in accordance with the deed had been dismissed with costs.

The costs which Winpar has incurred in relation to these proceedings have been \$266,084, and these have been expensed or provided for in the accounts for the year ended 30 June 2015.

The costs incurred by the respondents have not yet been determined. These costs will be an expense in the accounts for the year ended 30 June 2016.

Winpar Holdings Limited  
ABN 81 003 035 523

## Notes to the Financial Statements

For the Financial Year Ended 30 June 2015

### 20. Financial risk management

#### Financial instrument composition and maturity analysis

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non-Interest Bearing		Total	
	2015 %	2014 %	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$
<b>Financial assets</b>								
Cash and cash equivalents	2.50	2.50	85,045	72,389	-	-	85,045	72,389
Receivables	-	-	-	-	64,719	72,876	64,719	72,876
comprehensive income	-	-	-	-	3,649,981	3,584,252	3,649,981	3,584,252
Investments in associates	-	-	-	-	700,494	711,356	700,494	711,356
<b>Total financial assets</b>			<b>85,045</b>	<b>72,389</b>	<b>4,415,194</b>	<b>4,368,484</b>	<b>4,500,239</b>	<b>4,440,873</b>
<b>Financial liabilities</b>								
Borrowings	7.93	7.93	159	10,171	-	-	159	10,171
Payables	-	-	-	-	289,033	172,022	289,033	172,022
<b>Total financial liabilities</b>			<b>159</b>	<b>10,171</b>	<b>289,033</b>	<b>172,022</b>	<b>289,192</b>	<b>182,193</b>

Winpar Holdings Limited  
ABN 81 003 035 523

# Notes to the Financial Statements

For the Financial Year Ended 30 June 2015

## 20. Financial risk management continued

### (a) Interest rate risk

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rate for classes of financial assets and financial liabilities, are set out above.

### (b) Credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The credit risk on financial assets, excluding investments, of the company which have been recognised on the Statement of Financial Position, is the carrying amount of trade and other receivables. The company is not materially exposed to any individual credit risk.

### (c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company monitors its cash flow requirements and ensures that it has either cash or access to short term borrowing facilities to meet any payments. The assets of the company are largely in the form of readily tradeable securities which can be sold on the market if necessary.

### (d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market conditions. Because the company invests a substantial part of its assets in tradeable securities which are not risk free, it is always subject to market risk. The investments are however widely spread so that the risk is minimised.

### (e) Fair value measurement

The company measures and recognises the following assets and liabilities on a recurring basis after initial recognition:

- Investment portfolio

The Company does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non recurring basis.

### Fair Value Hierarchy

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

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

Winpar Holdings Limited  
 ABN 81 003 035 523

## Notes to the Financial Statements

For the Financial Year Ended 30 June 2015

### 20. Financial risk management continued

#### (e) Fair value measurement continued

The following tables provide the fair values of the Company's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
30 June 2015	\$	\$	\$	\$
<b>Recurring fair value measurements</b>				
Investment portfolio	2,942,792	707,189	-	3,649,981
30 June 2014	\$	\$	\$	\$
<b>Recurring fair value measurements</b>				
Investment portfolio	2,955,600	628,652	-	3,584,252

Further information on the determination of the fair value is set out below

#### (i) Investment portfolio - Level 1

The company's Level 1 investments consist of shares that are listed on the Australian Stock Exchange, National Stock Exchange and other public stock exchanges. The valuation of listed investments has been obtained on the basis of quoted prices (unadjusted) in an active market for an identical security at 30 June 2015 and 30 June 2014.

#### (ii) Investment portfolio - Level 2

The company's Level 2 investments consist of unlisted shares and trusts. The valuation of these investments have been determined on the basis of the investment's net asset value as at 30 June 2015 and 30 June 2014.

Winpar Holdings Limited  
ABN 81 003 035 523

## Notes to the Financial Statements

For the Financial Year Ended 30 June 2015

### 21. Lease Commitments

The initial period of the operating lease for the company's premises has expired and, the company is subject to a 60 day notice period under the lease. The current commitment relating to leases at balance date, for the current lease (incl GST), is:

	2015	2014
	\$	\$
Due within one year	3,146	3,025
Later than one year but less than five years	-	-
Greater than five years	-	-
	<u>3,146</u>	<u>3,025</u>

### 22. Directors' details

#### (a) Directors

The names of directors who have held office during the financial year are:

Alfred Edward Fulton Rofe (Chairman)  
Gordon Bradley Elkington  
John David Honan  
Steven Shane Pritchard  
David George Maxwell Welsh  
William Lewis Timms (appointed 26 March 2015)

Directors and director related entities held in aggregate directly, indirectly or beneficially, 2,324,950 shares in the company. Details of specific holdings is set out in the Directors Report.

#### (c) Directors remuneration

Directors' remuneration has been included in the Remuneration Report section of the Directors Report.

#### (d) Transactions with directors

Since the end of the previous financial year no director of the company has received or become entitled to receive a benefit arising out of any contract that the director, a firm of which the director is a member or an entity in which the director has a substantial financial interest except as follows:

Fees were paid to Newcastle Capital Markets Registries Pty Ltd, a company in which Mr Steven Pritchard has an indirect interest, for providing share registry services to the company. The total amount paid was \$13,708 (2014: \$13,633) (inclusive of GST).

**Winpar Holdings Limited**  
ABN 81 003 035 523

# Notes to the Financial Statements

For the Financial Year Ended 30 June 2015

## 23. Events subsequent to reporting date

Since 30 June 2015, there has been a correction in Australian and global equity markets which has adversely affected the valuation of the company's investment portfolio.

On 5 August 2015 the company announced that proceedings which it had commenced in the Supreme Court of New South Wales seeking orders to set aside certain provisions in a deed of company arrangement entered into between New Bounty Pty Limited, Baron Corporation Pty Limited and the administrators of New Bounty, and to set aside an issue of shares in New Bounty made in accordance with the deed had been dismissed with costs.

The costs which Winpar has incurred in relation to these proceedings have been \$266,084, and these have been expensed or provided for in the accounts for the year ended 30 June 2015. The costs incurred by the respondents have not yet been determined. These costs will be an expense in the accounts for the year ended 30 June 2016.

Other than those events mentioned, there has been no event subsequent to year end requiring disclosure.

## 24. Company details

The registered office of the company is:

Suite 2.6  
Level 2  
Grosvenor Business Centre  
16-18 Grosvenor Street  
Sydney NSW 2000

The principal place of business is:

Suite 2.6  
Level 2  
Grosvenor Business Centre  
16-18 Grosvenor Street  
Sydney NSW 2000

Winpar Holdings Limited  
ABN 81 003 035 523

## Directors' Declaration

1. In the opinion of the Directors of Winpar Holdings Limited:

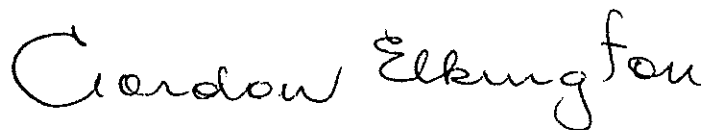
- (a) The financial statements and notes as set out on pages 9 to 29 are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of its financial position as at 30 June 2015 and its performance for the financial year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian
- (b) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

2. The financial statements comply with International Financial Reporting Standards.

This declaration is made in accordance with a resolution of the Board of Directors and is signed on behalf of the Directors.



Steven Shane Pritchard  
Director



Gordon Bradley Elkington  
Director

24 September 2015

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

### Report on the Financial Report

We have audited the accompanying financial report of Winpar Holdings Limited, which comprises the statement of financial position as at 30 June 2015, and statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

### Directors' Responsibility 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 (including the Australian Accounting Interpretations) 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 Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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



### Independence

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

### Auditor's Opinion

In our opinion:

- (a) the financial report of Winpar Holdings Limited is in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in note 1.

### Report on the Remuneration Report

We have audited the Remuneration Report included in page 5 of the directors' report for the year ended 30 June 2015. 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.

### Auditor's Opinion

In our opinion, the Remuneration Report of Winpar Holdings Limited for the year ended 30 June 2015, complies with section 300A of the *Corporations Act 2001*.



PKF NEWCASTLE  
Chartered Accountants



MARTIN MATTHEWS  
Partner

Dated: 24 September 2015

Newcastle, NSW

**Winpar Holdings Limited**  
**ABN 81 003 035 523**

## Investment Portfolio

<b>Company</b>	<b>Number of shares/units</b>	<b>Market \$</b>
3D Medical Limited	100,000	11,500
A and J Mucklow plc	5,000	48,465
Acacia Ridge Financial Services Limited	10,000	10,000
Advanced Braking Technology Limited	1,000,000	6,000
Albany WA Community Financial Services Limited	2,500	2,000
Allied Irish Banks plc	550	67
Alumina Limited	15,000	22,950
Angostura Holdings Limited	12,000	33,961
Arrium Limited	100,000	13,500
Atlantic and Pacific Packaging Co Limited	2,800	1,288
Augusta and Districts Community Financial Services Limited	7,000	6,300
Australian Bauxite Limited	200,000	53,000
Balmain / Rozelle Financial Services Limited	39,000	25,350
BAO Trust	160,984	6,117
Bayswater Community Financial Services Limited	5,022	5,022
Beach Energy Limited	10,000	10,500
Bellarine Peninsular Community Branch Limited	5,000	3,000
Bendigo and Adelaide Bank Limited	1,500	18,390
Bendigo Community Telco Limited	16,400	31,981
Berkshire Hathaway Limited	50	8,867
Berowra and District Financial Services Limited	35,000	17,500
Bisalloy Steel Group Limited	5,000	2,650
Bradken Limited	12,000	17,220
Brisbane Markets Limited	14,350	37,454
Blue Planet International Financials Investment Trust plc	5,740	4,499
British Empire Securities and General Trust plc	2,500	25,641
Broadwater Financial Services Limited	11,667	9,334
Buderim Ginger Limited	200,000	126,000
Byford and District Community Development Services Limited	5,000	5,000
Caffyns plc [preference]	5,852	14,990
Caledonia Investments plc	1,000	49,694
Canterbury Surrey Hills Community Finance Limited	15,400	6,160
Capitol Health Limited	100,000	76,500
Capral Limited	176,724	24,741
Carlton Investments Limited [preference]	5,746	11,779
Central Petroleum Limited	200,000	28,000
City West Community Financial Services Limited	5,000	5,000
Clifroy Limited	14,000	10,220
Coffey International Limited	100,000	14,000
Communications Fiji Limited	5,000	12,850
Conygar Investment Company plc	10,000	36,477
Coolalinga and Districts Community Enterprises Limited	6,000	6,000
Daniel Thwaites and Co plc	14,500	37,737
Dee Valley Group plc	500	14,345
Douglas Bay Capital plc	1,000	270
Driver Group plc	5,000	7,223

**Winpar Holdings Limited**  
**ABN 81 003 035 523**

<b>Company</b>	<b>Number of shares/units</b>	<b>Market \$</b>
Dr Pepper Snapple Group Inc	134	12,728
East Gosford and Districts Community Financial Services Limited	30,000	12,000
Embelton Holdings Limited	8,000	58,400
Emeco Holdings Limited	10,000	810
Ettalong Beach Financial Services Limited	11,500	5,405
Eumundi Group Limited	1,735,465	95,450
Fenwick plc [preference]	3,000	9,480
Fiji Industries Limited	4,555	25,865
Fiji Television Limited	7,384	11,519
Fijicare Insurance Limited	6,393	2,557
Fleurieu Community Enterprises Limited	19,500	18,525
Florin Mining Investment Company Limited	800,605	56,042
FMF Foods Limited	25,000	10,000
Fremantle Community Financial Services Limited	21,000	12,600
Fuller Smith and Turner plc [A ordinary]	1,250	27,690
Goodwood / Highgate Community Financial Services Limited	18,000	11,700
Graincorp Limited	3,800	32,453
Gympie and District Financial Services Limited	18,300	18,300
Hamilton Securities Limited	10,000	9,000
Hamilton Securities Limited [B option]	13,185	263
Hampton Hill Mining No Liability	508,717	25,945
Harbord Financial Services Limited	7,500	4,125
Heathcote and District Financial Services Limited	5,000	5,000
Heritage Brands Limited	66,000	1,320
Herald Investment Trust plc	2,000	29,182
Hervey Bay and District Financial Services Limited	24,500	19,600
Heyfield and District Community Financial Services Limited	9,500	9,975
Hobsons Bay Community Financial Services Limited	5,000	6,000
Hornby plc	10,000	19,058
Hydes Anvil Brewery Limited [B ordinary]	100	12,252
Hydro Hotel Eastbourne plc	100	1,485
Iluka Resources Limited	2,000	15,360
IOOF Holdings Limited	5,000	44,950
IMB Limited	5,010	26,003
Incitec Pivot Limited	8,000	30,800
Intercontinental Exchange Group	17	4,952
Inverloch and District Financial Enterprises Limited	1,000	900
James Latham plc [preference]	2,000	5,020
John Lewis Partnership plc [preference]	5,000	8,709
Johnston Press plc [preference]	4,000	29,120
Kemp and Denning Limited	8,480	50,880
Kingsgate Consolidated Limited	36,000	25,020
Kangaroo Island Plantation Timbers Limited	4,318	31,996
Kontiki Growth Fund Limited	21,547	5,386
Logan Community Financial Services Limited	54,900	27,450

**Winpar Holdings Limited**

ABN 81 003 035 523

<b>Company</b>	<b>Number of shares/units</b>	<b>Market \$</b>
Mandurah Community Financial Services Limited	14,900	11,175
Manningham Community Enterprises Limited	35,750	23,237
Marwyn Value Investors Limited	9,220	43,173
McKay Securities plc	10,000	52,052
McMullen and Sons Limited [preferred]	8,000	61,200
Meander Valley Financial Services Limited	16,000	12,800
Merchant House International Limited	160,000	29,600
Molonglo Financial Services Limited	5,500	2,200
Mooroolbark and District Finance Services Limited	27,900	23,157
Mt Evelyn and District Financial Services Limited	21,000	4,200
Mystate Limited	3,550	17,146
Newcrest Mining Limited	2,000	26,040
Nomad Building Solutions Limited	250,000	17,250
North Ryde Community Financial Services Limited	7,000	8,260
Oldfields Holdings Limited	142,698	6,421
ORH Limited	1,371	1
Our Community Company Limited	4,000	7,600
Ozforex Group Limited	15,000	33,300
Pacific Mining Limited	129,500	45,325
Paperlinx Limited [SPS Trust]	1,500	10,350
Paradise Beverages Fiji Limited	1,475	10,148
Paynesville and District Financial Services Limited	14,500	8,700
Pental Limited	50,000	22,500
Perpetual Limited	400	19,344
Pine Rivers Community Finance Limited	6,000	5,400
Platinum Asset Management Limited	2,500	18,700
Pritchard Equity Limited [A ordinary]	5,950	6,694
Pritchard Equity Limited [B ordinary]	5,000	5,500
Public Holdings Australia Limited	614,880	15,372
PZ Cussons plc [A ordinary]	5,000	37,071
RB Patel Group Limited	1,000	1,860
Redcliffe Peninsular Financial Services Limited	20,500	20,500
Redflex Holdings Limited	30,000	12,300
Redlands Community Financial Services Limited	11,500	10,350
Rights and Issues Investment Trust plc	400	37,603
Rightmove plc	600	40,293
Rockingham Community Financial Services Limited	18,500	12,950
Rosewood and District Financial Services Limited	6,000	6,000
Rye and District Community Financial Services Limited	9,000	10,350
Sandringham Community Financial Services Limited	26,000	19,500
San Remo District Financial Services Limited	20,000	14,800
Sarina and District Financial Services Limited	12,900	12,900
Scottish Mortgage Investment Trust plc	500	2,676

**Winpar Holdings Limited**  
**ABN 81 003 035 523**

<b>Company</b>	<b>Number of shares/units</b>	<b>Market \$</b>
SDI Limited	48,025	24,012
Sealink Travel Group Limited	20,000	43,800
Shepherd Neame Limited	4,212	97,535
Sietel Limited	11,250	64,688
Sietel Limited [preference]	26,800	27,336
Smartpay Holdings Limited	160,609	24,091
South32 Limited	5,000	8,950
South Burdekin Community Financial Services Limited	9,790	9,790
South Burnett Community Enterprises Limited	5,000	3,500
Stokes Limited	100,000	49,000
Stokes Limited [convertible note]	110,000	55,000
Sunshine Coast Community Financial Services Limited	33,725	30,353
Synthomer plc	11	70
Tasmania Mines Limited	23,295	29,817
Telstra Corporation Limited	15,000	92,101
Teriga Limited	10,000	1,200
Textron Incorporated	62	3,605
The Romney Hythe and Dymchurch Railway plc	200	300
Thorney Opportunities Limited	50,000	23,250
Tongala and District Financial Services Limited	44,100	30,871
TPG Telecom Limited	5,000	44,850
Troy Resources Limited	40,000	14,800
Tyrex Solutions Group	25,000	25,000
Upper Yarra Community Enterprises Limited	11,500	5,750
VB Holdings Limited	4,052	8,185
Villa World Limited	30,000	60,000
Village National Holdings Limited	200,000	24,000
Wadworth and Company Limited [A ordinary]	4,800	49,008
Wantirna Community Financial Services Limited	8,000	2,000
Webster Limited [preference]	55,278	85,682
Webjet Limited	10,000	29,900
Westfield Corporation	2,000	18,240
Whitefield Limited [preference]	6,248	8,122
William Jackson and Son Limited [preference]	2,000	5,200
Witan Investment Trust plc [preference]	20,000	21,518
Young and Companys Brewery plc	2,000	51,642
		3,649,981

**Winpar Holdings Limited**  
**ABN 81 003 035 523**

## Shareholder Information

As at 31 August 2015 the Company had 179 shareholders. The 20 largest shareholders and their shareholdings were as follows:

Shareholder	Holding	Percentage
David George Maxwell Welsh	944,520	23
William Lewis Timms and Carolyn Jane Timms	557,650	14
Gordon Bradley Elkington	485,383	12
Spinite 1 Pty Limited	325,000	8
Hamilton Asset Management Limited	265,200	6
Frederick Bruce Wareham	255,099	6
Milly Elkington	248,641	6
Peter Windeyer Donovan	71,400	2
Peter Andrew Martin	65,000	2
Alaria Pty Limited	50,522	1
Honan Business Services Pty Limited	37,076	-
Rosemary Isabel Elkington	36,304	-
Seven Bob Investments Pty Limited	31,943	-
Lynette Gay McLennan	30,716	-
L M Lucas Pty Limited	27,812	-
Mulla Nominees Pty. Limited	25,000	-
Meggsies Pty Limited	24,594	-
Peter Anthony Cameron	24,003	-
Midnight Seas Pty Limited	23,263	-
Gerald Francis Pauley	23,192	-
	3,552,318	87

The distribution of shareholdings was as follows:

Range	Number of holders	Percentage of holders	Number of shares	Percentage of shares
1-1,000	92	51	29,978	1
1,001-5,000	32	18	85,535	2
5,001-10,000	16	9	121,685	3
10,001-50,000	29	16	585,270	14
50,001-100,000	3	2	186,622	5
100,001-500,000	5	3	1,579,333	38
500,001-1,000,000	2	1	1,502,170	37
1,000,001-2,000,000	-	-	-	-
	179	100	4,090,593	100

The number of shareholders holding less than a marketable parcel was 63.

The substantial shareholders and their shareholdings were as follows:

Shareholder	Holding
David George Welsh	944,520
William Lewis Timms and Carolyn Jane Timms	557,650
Gordon Bradley Elkington	485,383
Spinite 1 Pty Limited	325,000
Hamilton Capital Proprietary Limited	282,270
Frederick Bruce Wareham	255,089
Milly Elkington	248,651

**Winpar Holdings Limited**  
**ABN 81 003 035 523**

## Five Year Summary

	2011	2012	2013	2014	2015
	\$	\$	\$	\$	\$
Earnings before tax	412,419	(187,557)	48,629	159,132	(90,904)
Tax	96,364	(106,298)	(5,740)	25,893	(54,111)
Earnings after tax	316,055	(81,259)	54,369	133,239	(36,793)
Dividends paid	139,742	140,915	151,171	161,480	161,480
Current assets	2,766,546	2,621,054	476,811	146,063	150,612
Current liabilities	10,930	135,452	156,925	182,193	289,192
Non-current assets	1,280,479	1,299,078	3,926,718	4,385,614	4,448,928
Non-current liabilities	-	-	-	-	-
Shareholders equity	4,070,245	3,784,680	4,246,604	4,349,484	4,310,348
Subscribed capital	3,521,511	3,521,511	4,037,011	4,037,011	4,090,593

**Winpar Holdings Limited**  
 ABN 81 003 035 523

## Corporate Directory

<b>Directors</b>	Gordon Bradley Elkington John David Honan Steven Pritchard Alfred Edward Fulton Rofe Dr David George Maxwell Welsh William Lewis Timms
<b>Secretary</b>	Gordon Bradley Elkington
<b>Chief Financial Officer</b>	Daniel Di Stefano
<b>Registered office</b>	Suite 2.6 16-18 Grosvenor Street Sydney New South Wales 2000
<b>Auditor</b>	PKF Newcastle 755 Hunter Street Newcastle West New South Wales 2302
<b>Solicitor</b>	Stephen Blanks and Associates 119 Evans Street Rozelle New South Wales 2039
<b>Share Registrar</b>	Newcastle Capital Markets Registries Pty Limited 10 Murray Street Hamilton New South Wales 2303
<b>Bankers</b>	Macquarie Bank Limited 1 Shelley Street Sydney New South Wales 2000  Bendigo Bank Limited Fountain Court Bendigo Victoria 3552  Manchester Building Society 125 Portland Street Manchester M1 4QD United Kingdom