

SUNVEST CORPORATION LIMITED

A.B.N. 77 008 132 036
and its controlled entity

APPENDIX 4D

Half-Year ended 31 December 2017

This Appendix 4D is provided to ASX in accordance with Listing Rule 4.2A

Results for announcement to the market

	December 2017 \$	December 2016 \$
Revenue from ordinary activities	70,319	10,309
Loss from ordinary activities after tax attributable to members	(390,623)	(532,266)
Loss attributable to members	(390,623)	(532,266)

Dividends – no dividend has been paid and it is not proposed to pay or declare a dividend at this time (2016– nil)

Net tangible asset backing per share is \$0.52 after tax (June 2017 – \$0.54, Dec 2016 – \$0.51)

Earnings per share is (0.03) cents loss per share (December 2016 – (0.04) cents loss per share)

Commentary on results:

Dollar figures in this Appendix 4D are in whole dollars – i.e. not rounded to \$'000.

There were no sales of shares and no purchases of shares during the half-year to 31 December 2017 (December 2016 – 12 sales and nil purchases).

There were no net proceeds on sales of shares (December 2016 - \$3,458,932 net proceeds)

Major revenue and expense items during the half year were:

	December 2017 \$	December 2016 \$
Impairment of financial assets	(331,551)	(58,331)
Realised (losses) on financial assets	-	(224,186)
Unrealised gains/(losses) on financial assets	62,098	(151,304)
Management fees paid to directors	(51,500)	(51,500)

Further details of the Company's operations during the December 2017 half-year and the state of affairs at 31 December 2017 are contained in the accompanying reports and financial statements which form part of this Appendix 4D.

This Appendix 4D and the accompanying reports and financial statements are based on accounts which have been reviewed by the auditor.

Attached are the auditor's independence declaration and the audit review report.

For and on behalf of the directors of Sunvest Corporation Limited



Bruce David Burrell
Director

Dated at Sydney this 7th day of February 2018

SUNVEST CORPORATION LIMITED
AND ITS CONTROLLED ENTITY
A.B.N 77 008 132 036

Interim financial report
6 months ended 31 December 2017

Contents

	Page
Directors' Report	3
Auditor's Independence Declaration	4
Consolidated statement of profit or loss and other comprehensive income	5
Consolidated statement of financial position	6
Consolidated statement of changes in equity	7
Consolidated statement of cash flows	8
Notes to the financial statements	9-12
Directors' Declaration	13
Independent Auditor's Review Report	14-15

SUNVEST CORPORATION LIMITED

AND ITS CONTROLLED ENTITY

DIRECTORS' REPORT

Your directors present their report on the Company and its controlled entity ("the consolidated entity "or "Group") for the half-year ended 31 December 2017.

Directors

The following persons were directors of Sunvest Corporation Limited during the half-year and up to the date of this report:

Bruce Rowan
Carole Rowan
Bruce Burrell

Review and results of operations

The Group's net loss after tax was \$390,623 for the December 2017 half-year compared to a loss after tax of \$532,266 for the December 2016 half-year.

Major revenue and expense items during the half-year were as follows:

	December 2017	December 2016
	\$	\$
Interest received	8,030	10,309
Impairment of financial assets	(331,551)	(58,331)
Realised losses on financial assets	-	(224,186)
Unrealised gains/(losses) on financial assets	62,098	(151,304)
Management fees paid to directors	(51,500)	(51,500)

The directors reviewed the Group's investment portfolio at 31 December 2017 and at the date of this report and concluded that impairment write downs of \$331,551 were required at balance date. (December 2016 - \$58,331)

The fair value of the Group's share portfolio at 31 December 2017 was \$3,773,312 which compares to the June 2017 fair value of \$4,042,765 and the December 2016 fair value of \$3,452,699.

Movements in the Group's share portfolio are set out in Note 4.

There were no purchases of shares during the December 2017 half-year (December 2016 – nil).


There were nil sales of shares during the December 2017 half-year (December 2016 – 12 sales with gross proceeds of \$3,458,932).

The directors believe that the Group's investment portfolio is satisfactory with an appropriate spread of investments in companies operating in different industries and in different geographical locations.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* accompanies this report.

Signed in accordance with a resolution of the directors.



Bruce David Burrell
Director
Dated this 7th day of February 2018

SUNVEST CORPORATION LIMITED
ABN 77 008 132 036
AND ITS CONTROLLED ENTITY

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AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF SUNVEST CORPORATION LIMITED

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2017 there have been no contraventions of:

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

Hall Chadwick

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000

Graham Webb

GRAHAM WEBB
Partner
Date: 7 February 2018

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SUNVEST CORPORATION LIMITED

AND ITS CONTROLLED ENTITY

Consolidated Statement of Profit and Loss and Other Comprehensive Income

for the half-year ended 31 December 2017

		Half-Year	
	Note	31 Dec 2017 \$	31 Dec 2016 \$
Revenues			
Interest received		8,030	10,309
Unrealised gains on financial assets		62,098	-
Miscellaneous income		191	-
Total revenue and other income		70,319	10,309
Expenses			
Unrealised losses on financial assets		-	(151,304)
Realised losses on financial assets		-	(224,186)
Accountancy fees		(24,000)	(24,000)
Audit fees		(15,508)	(9,400)
Management fees		(51,500)	(51,500)
Impairment expense		(331,551)	(58,331)
Office rent		(5,849)	-
Stock exchange fees		(15,901)	(13,406)
Other expenses		(16,633)	(10,449)
Loss before income tax		(390,623)	(532,266)
Income tax expense		-	-
Loss for the half-year		(390,623)	(532,266)
Other comprehensive income/ (loss)			
Other comprehensive income net of tax		-	-
Total comprehensive loss		(390,623)	(532,266)
		Cents	Cents
Basic (loss) per share		(0.03) loss	(0.04) loss
Diluted (loss) per share		(0.03) loss	(0.04) loss

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

SUNVEST CORPORATION LIMITED

AND ITS CONTROLLED ENTITY

Consolidated Statement of Financial Position

as at 31 December 2017

	Note	31 Dec 2017 \$	30 June 2017 \$
Current assets			
Cash and cash equivalents		2,609,735	2,674,544
Other receivables		71,054	90,107
Total current assets		2,680,789	2,764,651
Non-current assets			
Financial assets	4	3,773,312	4,042,765
Total non-current assets		3,773,312	4,042,765
Total assets		6,454,101	6,807,416
Current liabilities			
Trade and other payables	5	140,500	103,192
Total current liabilities		140,500	103,192
Total liabilities		140,500	103,192
Net assets		6,313,601	6,704,224
EQUITY			
Contributed equity	6	8,854,966	8,854,966
Accumulated losses		(2,541,365)	(2,150,742)
Total equity		6,313,601	6,704,224

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

SUNVEST CORPORATION LIMITED

AND ITS CONTROLLED ENTITY

Consolidated Statement of Changes in Equity

for the half-year ended 31 December 2017

	Issued capital	Accumulated losses	Total
	\$	\$	\$
Balance as at 1 July 2017	8,854,966	(2,150,742)	6,704,224
Loss for the period	-	(390,623)	(390,623)
Balance as at 31 December 2017	8,854,966	(2,541,365)	6,313,601
Balance as at 1 July 2016	8,854,966	(2,100,425)	6,754,541
Loss for the period	-	(532,266)	(532,266)
Balance as at 31 December 2016	8,854,966	(2,632,691)	6,222,275

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

SUNVEST CORPORATION LIMITED

AND ITS CONTROLLED ENTITY

Consolidated Statement of Cash Flows

for the half-year ended 31 December 2017

	Half-Year	
	31 Dec 2017	31 Dec 2016
	\$	\$
Cash flows from operating activities		
Interest received	8,030	10,309
Payments to suppliers and employees	(72,839)	(108,817)
Income tax paid	-	(16,656)
Net cash (outflow)/inflow from operating activities	(64,809)	(115,164)
Cash flows from investing activities		
Proceeds from sale of shares	-	3,458,932
Net cash inflow from investing activities	-	3,458,932
Cash flows from financing activities		
Repayment of amounts payable to directors	-	(2,976,845)
Net cash outflows from investing activities	-	(2,976,845)
Net (decrease)/ increase in cash and cash equivalents	(64,809)	366,923
Cash and cash equivalents at the beginning of the half-year	2,674,544	2,365,675
Cash and cash equivalents at end of the half-year	2,609,735	2,732,598

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

SUNVEST CORPORATION LIMITED

AND ITS CONTROLLED ENTITY

Notes to the Financial Statements

for the half-year ended 31 December 2017

1 Basis of preparation of half-year report

These general purpose interim financial statements for the half-year reporting period ended 31 December 2017 have been prepared in accordance with the Corporations Act 2001 and Accounting Standard AASB 134: Interim Financial Reporting.

The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the last financial statements of Sunvest Corporation Limited and its controlled entity (referred to as the "consolidated group" or "Group"). As such it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this report is to be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2017 together with any public announcements made during the following half-year.

The interim financial statements were authorised for issue on 7th February 2018.

2 Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group has considered the implications of new or amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material.

SUNVEST CORPORATION LIMITED

AND ITS CONTROLLED ENTITY

Notes to the Financial Statements

for the half-year ended 31 December 2017

3 Segment information

The Group predominantly operates in one business segment. Its principal activities comprise investing in listed equities and other securities in Australia, United Kingdom and Canada.

The geographic segment distribution is set out below:

	Australia	United Kingdom	Canada	Consolidated
Half year ended December 2017	\$	\$	\$	\$
Total segment revenue	145,394	(58,097)	(16,978)	70,319
Segment result	(315,548)	(58,097)	(16,978)	(390,623)
Loss before income tax				(390,623)
Current assets	2,680,789	-	-	2,680,789
Non-current assets	499,755	3,215,681	57,876	3,773,312
Total liabilities	140,500	-	-	140,500

Half year ended December 2016

Total segment revenue	10,309	-	-	10,309
Segment result	(335,727)	(179,293)	(17,246)	(532,266)
Loss before income tax				(532,266)
Current assets	2,825,576	-	-	2,825,576
Non-current assets	381,662	2,968,381	102,656	3,452,699
Total liabilities	56,000	-	-	56,000

SUNVEST CORPORATION LIMITED

AND ITS CONTROLLED ENTITY

Notes to the Financial Statements

for the half-year ended 31 December 2017

	31 Dec 2017 \$	30 June 2017 \$
4 Financial assets		
At the beginning of the period	4,042,765	7,345,452
Disposals	-	(3,464,110)
Realised losses on sale of financial assets	-	(252,969)
Unrealised gains on financial assets	62,098	472,723
Impairment	(331,551)	(58,331)
At the end of the period	3,773,312	4,042,765
5 Trade and other payables		
Trade payables	8,500	15,192
Other payables	132,000	88,000
	140,500	103,192

SUNVEST CORPORATION LIMITED

AND ITS CONTROLLED ENTITY

Notes to the Financial Statements

for the half-year ended 31 December 2017

	31 Dec 2017 \$	30 June 2017 \$
6 Contributed equity		
Share capital		
12,159,024 ordinary shares fully paid (June 2017: 12,159,024)	8,854,966	8,854,966

There was no movement in contributed equity during the half-year.

7 Contingent liabilities

The directors are not aware of any contingent liabilities which have arisen during the half-year or of any contingent liabilities outstanding at the end of the half-year.

8 Subsequent events

The directors are not aware of any matter or circumstance which has arisen since 31 December 2017 that has significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial years.

9 Related party transactions

No shares were sold during the December 2017 half-year.

Bruce Burrell, a director, incurs certain operating expenses on behalf of the Company and seeks reimbursement thereof. Depending on the timing of incurring the expenses and reimbursement, certain amounts may be payable to or receivable from, Bruce Burrell. As at 31 December 2017, the amount receivable was \$59,996. This amount is included in other receivables (2016: \$80,574).

During the December 2016 half-year the Company sold shares, which were either fully impaired, illiquid or suspended from quotation, to Starlight Holdings Limited a company in which Bruce Burrell is a director and major shareholder for a consideration of \$4,192, which was received by the Company in December 2016.

During the December 2016 half-year the Company repaid amounts payable totaling \$2,976,845 to Bruce Rowan.

SUNVEST CORPORATION LIMITED

AND ITS CONTROLLED ENTITY

Directors' Declaration

for the half-year ended 31 December 2017

In accordance with a resolution of the directors of Sunvest Corporation Limited, the directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5 to 12 are in accordance with the *Corporations Act 2001*, including:
 - a. Complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - b. Give a true and fair view of the consolidated entity's financial position as at 31 December 2017 and of its performance for the half-year ended on that date.
2. 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.



Bruce David Burrell
Director

Dated this 7th day of February 2018

SUNVEST CORPORATION LIMITED
ABN 77 008 132 036
AND ITS CONTROLLED ENTITY

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
SUNVEST CORPORATION LIMITED**

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Report on the Interim Financial Report

We have reviewed the accompanying half-year financial report of Sunvest Corporation Limited, which comprises the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Interim Financial Report

The directors of Sunvest Corporation Limited are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards (including 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 interim financial report that gives a true and fair view and 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 Auditing Standard on Review Engagements ASRE 2410: *Review of a 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 interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Sunvest Corporation Limited's financial position as at 31 December 2017 and its performance for the period ended on that date, and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Sunvest Corporation Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and 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.

Independence

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

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**SUNVEST CORPORATION LIMITED
ABN 77 008 132 036
AND ITS CONTROLLED ENTITY**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
SUNVEST CORPORATION LIMITED**

Conclusion

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

- (i) giving a true and fair view of Sunvest Corporation Limited's financial position as at 31 December 2017 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Hall Chadwick

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000

G Webb

GRAHAM WEBB
Partner
Dated: 7 February 2018