



**MARINER**

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CORPORATION  
LIMITED

INTERIM FINANCIAL REPORT  
HALF-YEAR ENDED 31 DECEMBER 2017

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## MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES

### DIRECTORS' REPORT

Your directors present their report together with the consolidated interim financial report of Mariner Corporation Limited ('the Company'), being the Company and its controlled entities (together referred to as 'the Group'), for the period ended 31 December 2017 and the review report thereon.

### DIRECTORS

The following persons were directors of the Company during the whole of the financial half-year end up to the date of this report, unless otherwise stated.

NAME	POSITION
Mr William Murfitt	Executive Chairman
Mr Matthew MacDougall	Non-Executive Director
Mr Philip Barclay	Non-Executive Director

### CONSOLIDATED RESULTS

The consolidated net loss after tax attributable to members of the Company for the period was \$60,258 (2016: \$161,683). The basic loss per share for the period was 0.44 cents (2016: loss per share of 1.18 cents).

### DIVIDENDS

There was no dividend declared for the period to 31 December 2017 (2016: Nil).

### REVIEW OF OPERATIONS

The Group continues to invest in diversified investments, primarily in the equipment lease and financial services sectors.

Mariner is continuing to look for opportunities to raise capital and other investments to grow the company.

### AUDITORS' INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

A copy of the Auditors' independence declaration under Section 307C of the Corporations Act 2001 is set out on page 2 for the half-year ended 31 December 2017.

Dated this 26<sup>th</sup> day of February 2018.

This report is made in accordance with a resolution of the Board of Directors.



WILLIAM MURFITT  
CHAIRMAN

**MARINER CORPORATION LIMITED  
ABN 54 002 989 782  
AND CONTROLLED ENTITIES**

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**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF MARINER CORPORATION LIMITED AND ITS  
CONTROLLED ENTITIES**

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: 26 February 2018

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**MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

		CONSOLIDATED	
	NOTE	HALF-YEAR ENDED 31 DECEMBER 2017 \$	HALF-YEAR ENDED 31 DECEMBER 2016 \$
REVENUE AND INCOME			
Rental income	17	200,000	200,000
Other Income		-	-
Changes in Fair Value of Financial Assets		3,749	789
TOTAL REVENUE AND INCOME		203,749	200,789
EXPENSES			
Administration and office costs		(13,816)	(10,608)
Finance costs		(96,171)	(136,334)
Professional fees and investment costs		(152,552)	(213,988)
Other expenses		(1,468)	(1,543)
Net change in fair value of financial assets at fair value through profit or loss		-	-
TOTAL EXPENSES		(264,007)	(362,472)
LOSS BEFORE INCOME TAX		(60,258)	(161,683)
Income tax expense		-	-
NET LOSS FOR THE PERIOD		(60,258)	(161,683)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(60,258)	(161,683)
EARNINGS PER SHARE			
Basic and diluted earnings per share		(0.44) cents	(1.18) cents

The accompanying notes form part of these financial statements.

**MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
As At 31 DECEMBER 2017**

	Note	Consolidated	
		31 DECEMBER 2017	30 June 2017
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	7	4,722	12,462
Other receivables	8	20,873	11,844
Financial assets	9	9,175	5,426
<b>TOTAL CURRENT ASSETS</b>		<b>34,770</b>	<b>29,732</b>
<b>TOTAL ASSETS</b>		<b>34,770</b>	<b>29,732</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	34,690	49,698
Borrowings	11	3,171,362	3,091,057
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,206,052</b>	<b>3,140,755</b>
<b>TOTAL LIABILITIES</b>		<b>3,206,052</b>	<b>3,140,755</b>
<b>NET ASSETS</b>		<b>(3,171,282)</b>	<b>(3,111,023)</b>
<b>EQUITY</b>			
Issued capital	12	133,587,098	133,587,098
Accumulated losses		(136,758,380)	(136,698,122)
<b>TOTAL EQUITY</b>		<b>(3,171,282)</b>	<b>(3,111,023)</b>

The accompanying notes form part of these financial statements.

**MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

31 DECEMBER 2017	CONSOLIDATED			
	SHARE CAPITAL	OTHER RESERVES	RETAINED EARNINGS/ (LOSSES)	TOTAL
	\$	\$	\$	\$
Balance at 1 July 2017	133,587,098	-	(136,698,122)	(3,111,023)
Loss for the period	-	-	(60,258)	(60,258)
<b>Balance at 31 December 2017</b>	133,587,098	-	(136,758,380)	(3,171,282)

31 DECEMBER 2016	CONSOLIDATED			
	SHARE CAPITAL	OTHER RESERVES	RETAINED EARNINGS/ (LOSSES)	TOTAL
	\$	\$	\$	\$
Balance at 1 July 2016	133,587,098	-	(136,455,401)	(2,868,303)
Loss for the period	-	-	(161,683)	(161,683)
<b>Balance at 31 December 2016</b>	133,587,098	-	(136,617,084)	(3,029,986)

The accompanying notes form part of these financial statements.

**MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

	NOTES	CONSOLIDATED	
		HALF-YEAR ENDED 31 DECEMBER 2017	HALF-YEAR ENDED 31 DECEMBER 2016
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash payments in the course of operations		(111,192)	(108,009)
<b>NET CASH FROM OPERATING ACTIVITIES</b>		(111,192)	(108,009)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from convertible note		95,000	100,000
Proceeds from borrowings		20,000	-
Repayment of borrowings		(11,548)	-
<b>NET CASH FROM FINANCING ACTIVITIES</b>		103,452	100,000
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		(7,740)	(8,009)
<b>CASH AND CASH EQUIVALENTS AT 1 JULY</b>		12,462	21,002
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	7	4,722	12,993

The accompanying notes form part of these financial statements.



**MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES**  
**NOTES TO THE INETRIM FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

**1 REPORTING ENTITY**

Mariner Corporation Limited is a company domiciled in Australia. The consolidated interim financial report of the Company for the half-year ended 31 December 2017 comprises the Company and its subsidiaries (together referred to as 'the Group'). The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The consolidated annual financial report of the Group for the year ended 30 June 2017 is available upon request from the Company's registered office at Level 9, 32 Walker Street, North Sydney, NSW, 2060 or at [www.marinercorporation.com.au](http://www.marinercorporation.com.au).

**2 BASIS OF PREPARATION**

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

This interim financial report is intended to provide users with an update on the latest annual financial statements of Mariner Corporation Limited and its controlled entities (the 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 financial report 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.

**3 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.

**4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

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

In preparing this consolidated interim financial report, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 30 June 2017.

During the half-year ended 31 December 2017, management reassessed its estimates in respect of the fair value of financial assets (Note 9).

**5 NEW AND REVISED ACCOUNTING REQUIREMENTS APPLICABLE TO THE CURRENT HALF-YEAR REPORTING PERIOD**

The group has considered the implications of the new or revised accounting standards issued during the current half-year reporting period and determined none of which to be applicable.

**6 DIVIDENDS**

No dividends were paid or provided for during the period.

**MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES**  
**NOTES TO THE INETRIM FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

**7 CASH AND CASH EQUIVALENTS**

	<b>CONSOLIDATED</b>	
	<b>31 DECEMBER 2017</b>	<b>30 JUNE 2017</b>
	<b>\$</b>	<b>\$</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash at bank and on hand	4,722	12,462
	<u>4,722</u>	<u>12,462</u>

**8 OTHER RECEIVABLES**

	<b>CONSOLIDATED</b>	
	<b>31 DECEMBER 2017</b>	<b>30 JUNE 2017</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Other debtors	20,873	11,844
	<u>20,873</u>	<u>11,844</u>

**9 FINANCIAL ASSETS**

	<b>CONSOLIDATED</b>	
	<b>31 DECEMBER 2017</b>	<b>30 JUNE 2017</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Investment in listed shares, available for sale	9,175	5,426
	<u>9,175</u>	<u>5,426</u>

**10 PAYABLES**

	<b>CONSOLIDATED</b>	
	<b>31 DECEMBER 2017</b>	<b>30 JUNE 2017</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Trade creditors	12,190	12,198
Other creditors and accruals	22,500	37,500
	<u>34,690</u>	<u>49,698</u>

## 11 LOANS AND BORROWINGS

- The expiry date of the facility was revised during the period and is repayable by 30 June 2018.
- An additional \$95,000 was drawn down during the period to provide working capital. The expiry date of the facility was revised during the period and is repayable by 30 June 2018.
- The expiry date of the facility was revised during the period and is repayable by 30 June 2018.
- An amount of \$20,000 was advanced during the period for working capital and is repayable by August 2018.
- An amount of \$22,490 was financed during the period to fund directors' and officers' liability insurance and is repayable by November 2018.

**(A) ISSUED CAPITAL**

During the half-year the Company has not issued any shares

During the half-year the Company has not issued any options.

**MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES**  
**NOTES TO THE INETRIM FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

**13 INTEREST IN SUBSIDIARIES**

Set out below are the Group's subsidiaries at 31 December 2017

Name of entity	Country of Incorporation	Ownership Interest	
		2017 %	2016 %
<b>Controlled entities</b>			
Mariner Asset Management Limited (dormant)	Australia	100	100

**14 EVENTS SUBSEQUENT TO REPORTING DATE**

Since 31 December 2017, there were no matters which significantly affected:

- a) the Group's operations in future financial years; or
- b) the results of those operations in future financial years; or
- c) the Group's state of affairs in future financial years.

**15 GOING CONCERN**

The consolidated net loss after tax attributable to members of the Company for the period was \$60,258, with a negative cash flow from operating activities of \$111,192 and a working capital deficit of \$3,171,282.

The Company has continued to review new investment opportunities since 30 June 2017 with the view to bringing cash-flow and value to the Balance Sheet.

The Directors have reached the conclusion that based on all available facts and information currently available, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable and is a going concern. In reaching this conclusion the Directors have had regard to, amongst other things, the following:

- The continued support from related parties regarding the terms and repayment options for borrowings.
- A guarantee of financial support from related parties to the value of \$1 million should debts be unable to be paid as and when they fall due.
- Future cash required to meet ongoing commitments will be derived from equity raising as and when required and rental income from the Global joint venture.

**16 CONTINGENCIES**

There are no other contingent assets or contingent liabilities as at 31 December 2017.

**MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES**  
**NOTES TO THE INETRIM FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

**17 REVENUE**

	<b>Consolidated</b>	
	<b>31 DECEMBER 2017</b>	<b>31 DECEMBER 2016</b>
	<b>\$</b>	<b>\$</b>
Rental Income		
- Participating interest in equipment rental assets	200,000	200,000

In 2015, the company acquired a participating interest in the Global Rental and Leasing Pty Ltd Joint Venture (GRALJV). GRALJV is a partnership set up to provide funding to GRAL. Mariner acquired a participating interest in the GRALJV in order to obtain the rights to future income streams earned by GRAL.

**18 OPERATING SEGMENTS**

The Group presently operates in one segment being investment products in Australia.

**19 CONTROL GAINED OR LOST OVER ENTITIES HAVING A MATERIAL EFFECT**

The Group has not gained or lost control over any entity during the financial period.

## **DIRECTORS' DECLARATION**

The directors of Mariner Corporation Limited ('the Company') declare that:

1. the financial statements and notes set out on pages 3 to 11 are in accordance with the Corporations Act 2001, including:
  - a) complying with Accounting Standard AASB 134 Interim Financial Reporting, and
  - b) giving 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.

This declaration is made in accordance with a resolution of the Board of Directors:

A handwritten signature in dark ink, appearing to read 'W. Murfitt', with a stylized flourish at the end.

**WILLIAM MURFITT**  
**CHAIRMAN**

Dated this 26<sup>th</sup> day of February 2018

MARINER CORPORATION LIMITED  
ABN 54 002 989 782  
AND CONTROLLED ENTITIES

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

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**Report on the Interim Financial Report**

We have reviewed the accompanying half-year financial report of Mariner 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 Mariner 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 Mariner 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 Mariner 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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**MARINER CORPORATION LIMITED  
ABN 54 002 989 782  
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF  
MARINER 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 Mariner Corporation Limited is not in accordance with the Corporations Act 2001 including:

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

***Material Uncertainty Related to Going Concern***

We draw attention to Note 15 in the financial report which indicates that the company has incurred a net loss after tax of \$60,258 for the half year ended 31 December 2017 and, as of that date, the company's current liabilities exceeded its current assets by \$3,171,282. As stated in Note 15 these conditions, along with other matters as set forth in Note 15 indicate that a material uncertainty exists that may cast significant doubt about the company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

*Hall Chadwick*

HALL CHADWICK  
Level 40, 2 Park Street  
Sydney NSW 2000

*Graham Webb*

**GRAHAM WEBB**

Partner

Dated: 26 February 2018