

ASX RELEASE.

BELL FINANCIAL GROUP

11 August 2015

ASX Market Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

Via ASX Online

BELL FINANCIAL GROUP LIMITED – RESULTS FOR ANNOUNCEMENT TO THE MARKET

In accordance with ASX Listing Rule 4.2A, the following half-year information is enclosed for immediate release:

1. Appendix 4D
2. Condensed Consolidated Interim Financial Report for the half-year ended 30 June 2015.

This information should be read in conjunction with the Annual Report for the year ended 31 December 2014.



Cindy-Jane Lee
General Counsel & Company Secretary

Appendix 4D (Half-year report)

Results for announcement to the market

ASX Listing Rule 4.2A

Bell Financial Group Limited ABN 59 083 194 763 and its controlled entities

Current period:	1 January 2015 to 30 June 2015
Previous corresponding period:	1 January 2014 to 30 June 2014

	Half-year ended 30 June 2015 \$ '000	Half-year ended 30 June 2014 \$ '000	
Revenue from ordinary activities	83,040	70,603	Up 18%
Profit from ordinary activities after tax attributable to shareholders	5,719	1,017	Up 462%
Net profit for the period attributable to shareholders	5,719	1,017	Up 462%

Dividend (fully franked)	Amount per share	Tax rate for franking credit
2015 Interim dividend (to be paid 14 September 2015)	1.5 cents	30%
2014 Final dividend (paid 20 March 2015)	2 cents	30%

Interim dividend dates

Ex-dividend date	24 August 2015
Record date	26 August 2015
Payment date	14 September 2015

Net tangible assets per ordinary shares	\$0.18	\$0.17
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Additional disclosure requirements

Entities over which control gained or lost during the period:	Not applicable
Dividend or distribution reinvestment plans:	Not applicable

This information should be read in conjunction with the 2014 Annual Report of Bell Financial Group Limited and its controlled entities and any public announcements made during the period by Bell Financial Group Limited in accordance with the continuous disclosure requirements under the Corporations Act and the Listing Rules. Additional information required under Listing Rule 4.2A is located in the Condensed Consolidated Interim Financial Report for the half-year ended 30 June 2015 of Bell Financial Group Limited and its controlled entities (**Interim Financial Report**). This information is based on the Interim Financial Report, which has been reviewed by KPMG. The Independent Auditor's Report provided by KPMG is included in the Interim Financial Report.

Bell Financial Group Limited
and its controlled entities
ABN 59 083 194 763

Condensed Consolidated Interim Financial Report
30 June 2015

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The interim financial report does not include all the notes of the type normally included in an annual financial report. It is recommended that the interim financial report is read in conjunction with the 2014 Annual Report of Bell Financial Group Limited and any public announcements made by the Bell Financial Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX Listing Rules.

Directors' Report

The Directors of Bell Financial Group Limited ("Bell Financial" or the "Company") present their report on the Company and its controlled entities (the "consolidated entity" or "Group"), for the half-year ended 30 June 2015.

Directors

The Directors of the Company during the half-year and until the date of this report are shown below:

Executive Directors

Mr C Bell
Mr A Provan

Non-executive Directors

Mr C Coleman
Mr G Cubbin
Mr B Wilson
Mrs B Shanahan

All Directors held office for the entire period.

Principal activities

Bell Financial is an Australian based provider of stockbroking, investment and financial advisory services to private, institutional and corporate clients. The Company has over 600 employees, and operates across 13 offices nationwide and offices based in London and Hong Kong.

Review and results of operations

The consolidated after tax result attributable to shareholders for the half-year ended 30 June 2015 was a \$5.7 million profit (2014: \$1.0 million profit).

The Company has declared fully franked interim dividend of 1.5 cents per shares (2014: Nil). The dividend record date is 26 August 2015 and payment is expected to be made on 14 September 2015.

Directors' Report (continued)

Matters subsequent to the end of the financial half-year

No matters or circumstances have arisen since the end of the half-year period that in the opinion of the Directors of the Company have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Indemnification and insurance of Directors

The Company has agreed to indemnify the current Directors against all liabilities to another person (other than the Company or related entity) that may arise from their position as Directors of the Company, except where the liabilities arise out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses. In accordance with usual commercial practice, the insurance contract prohibits disclosure of details of the nature of liabilities covered by the insurance, the limit of the indemnity and the amount of the premium paid under the contract.

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 5 and forms part of the Directors' report for the half-year ended 30 June 2015.

Rounding of amounts

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 January 1998 and in accordance with that Class Order, amounts in the financial report and Directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

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



Colin Bell
Executive Chairman

Sydney
11 August 2015



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Bell Financial Group Ltd

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 30 June 2015 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

A handwritten signature in black ink, appearing to read 'Dean M Waters', with a long, sweeping horizontal line extending to the right.

Dean M Waters
Partner

Melbourne
11 August 2015

Condensed consolidated income statement

For the half-year ended 30 June 2015

	Half-year ended 30 June	
	2015	2014
	\$ '000s	\$ '000s
Rendering of services	76,093	63,101
Finance income	6,310	6,761
Investing income	75	(171)
Other income	562	912
Total revenue	83,040	70,603
Employee expenses	(52,555)	(46,942)
Depreciation and amortisation expenses	(575)	(537)
Occupancy expenses	(6,052)	(6,627)
Systems and communication expenses	(7,790)	(7,547)
Professional expenses	(1,508)	(1,223)
Finance expenses	(1,871)	(2,144)
Other expenses	(4,499)	(3,822)
Total expenses	(74,850)	(68,842)
Results from operating activities	8,190	1,761
Profit / (loss) before income tax	8,190	1,761
Income tax (expense) / benefit	(2,335)	(1,002)
Profit / (loss) after tax for the period	5,855	759
Attributable to:		
Equity holders of the Company	5,719	1,017
Non-controlling interests	136	(258)
Profit / (loss) for the period	5,855	759
Earnings per share:	Cents	Cents
Basic earnings per share	2.3	0.3
Diluted earnings per share	2.3	0.3

The notes on pages 11 to 18 are an integral part of these consolidated interim financial statements.

Condensed consolidated statement of comprehensive income

For the half-year ended 30 June 2015

	Half-year ended 30 June	
	2015 \$ '000s	2014 \$ '000s
Profit / (loss) for the period	5,855	759
Other comprehensive income		
Effective portion of changes in fair value of cash flow hedge	(12)	13
Other comprehensive income for the period, net of tax	(12)	13
Total comprehensive income for the period	5,843	772
Attributable to:		
Equity holders of the Company	5,707	1,030
Non-controlling interests	136	(258)
Total comprehensive income for the period	5,843	772

The notes on pages 11 to 18 are an integral part of these consolidated interim financial statements.

Condensed consolidated statement of financial position

As at 30 June 2015

	Note	30 June 2015 \$ '000	31 Dec 2014 \$ '000
Assets			
Cash and cash equivalents	7.	111,435	143,539
Trade and other receivables	8.	160,931	67,843
Prepayments		580	710
Financial assets		513	288
Loans and advances	9.	201,605	171,383
Deferred tax assets		9,556	9,462
Property, plant and equipment		1,092	1,258
Goodwill	10.	130,413	130,413
Intangible assets		3,938	3,513
Total assets		620,063	528,409
Liabilities			
Trade and other payables	11.	220,242	146,886
Deposits and borrowings	12.	195,619	176,786
Current tax liabilities		1,663	1,366
Derivative liability		72	60
Employee benefits		20,364	21,905
Provisions		350	150
Total Liabilities		438,310	347,153
Net assets		181,753	181,256
Equity			
Contributed equity	14.	164,284	164,284
Other Equity		1,806	1,806
Reserves		(1,797)	(1,559)
Non-controlling interests		4,614	4,478
Retained earnings		12,846	12,247
Total equity attributable to equity holders of the Company		181,753	181,256

The notes on pages 11 to 18 are an integral part of these consolidated interim financial statements.

Bell Financial Group Limited and its controlled entities

Condensed consolidated statement of changes in equity For the half-year ended 30 June 2015

	Share capital \$ '000	Treasury shares reserve \$ '000	Share based payments reserve \$ '000	Cash flow hedge reserve \$ '000	Foreign currency reserve \$ '000	Retained earnings \$ '000	Non Controlling \$ '000	Other Equity \$ '000	Total equity \$ '000
Balance at 1 January 2014	164,284	(1,686)	1,119	(45)	234	10,311	4,314	1,806	180,337
Total comprehensive income									
Profit / (loss) for the period	-	-	-	-	-	759	-	-	759
Other comprehensive income									
Change in fair value of cash flow hedge	-	-	-	13	-	-	-	-	13
Total other comprehensive income	-	-	-	13	-	-	-	-	13
Total comprehensive income for the period	-	-	-	13	-	759	-	-	772
Transactions with owners, directly in equity									
Share based payments	-	-	267	-	-	-	-	-	267
Translation of foreign currency reserve	-	-	-	-	(71)	-	-	-	(71)
Transfer of retained earnings	-	-	-	-	-	258	(258)	-	-
Employee share awards exercised	-	70	(70)	-	-	-	-	-	-
Dividends	-	-	-	-	-	(3,852)	-	-	(3,852)
Balance at 30 June 2014	164,284	(1,616)	1,316	(32)	163	7,476	4,056	1,806	177,453
Balance at 1 January 2015	164,284	(1,940)	111	(60)	330	12,247	4,478	1,806	181,256
Total comprehensive income									
Profit / (loss) for the period	-	-	-	-	-	5,855	-	-	5,855
Other comprehensive income									
Change in fair value of cash flow hedge	-	-	-	(12)	-	-	-	-	(12)
Total other comprehensive income	-	-	-	(12)	-	-	-	-	(12)
Total comprehensive income for the period	-	-	-	(12)	-	5,855	-	-	(5,843)
Transactions with owners, directly in equity									
Share based payments	-	-	17	-	-	-	-	-	17
Purchase of treasury shares	-	(451)	-	-	-	-	-	-	(451)
Transfer of retained earnings	-	-	-	-	-	(136)	136	-	-
Translation of foreign currency reserve	-	-	-	-	208	-	-	-	208
Dividends	-	-	-	-	-	(5,120)	-	-	(5,120)
Balance at 30 June 2015	164,284	(2,391)	128	(72)	538	12,846	4,614	1,806	181,753

Condensed consolidated statement of cash flows

For the half-year ended 30 June 2015

	Half-year ended 30 June	
	2015 \$ '000s	2014 \$ '000s
Cash flows from / (used in) operating activities		
Cash receipts from customers	154,283	135,501
Cash paid to suppliers and employees	(171,505)	(133,493)
Cash generated from / (used in) operations ¹	(17,222)	2,008
Dividends received	-	-
Interest received	6,325	6,779
Interest paid	(1,871)	(2,144)
Income taxes paid	(2,133)	(1,668)
Net cash from / (used in) operating activities	(14,901)	4,975
Cash flows from / (used in) investing activities		
Net proceeds from sale of listed investments	39	520
Acquisition of other investments	(183)	(78)
Sale of property, plant and equipment	-	2
Acquisition of property, plant and equipment	(99)	(103)
Net cash from / (used in) investing activities	(243)	341
Cash flows from / (used in) financing activities		
Dividends paid	(5,120)	(3,852)
On market share purchases	(451)	-
<i>Bell Potter Capital (Margin Lending)</i>		
Deposits / (withdrawals) from cash accounts	(1,167)	(910)
(Drawdown) / repayment of margin loans	(30,222)	(8,757)
Drawdown / (repayment) of borrowings	20,000	(24,724)
Net cash from / (used in) financing activities	(16,960)	(38,243)
Net increase / (decrease) in cash and cash equivalents	(32,104)	(32,927)
Cash and cash equivalents at 1 January	143,539	146,298
Cash and cash equivalents at 30 June	111,435	113,371

The notes on pages 11 to 18 are an integral part of these consolidated interim financial statements.

1 'Cash generated from operations' relates to Group cash reserves, client cash balances, and deposits held with clearing house. Refer to note 7 for further information on cash and cash equivalents.

Notes to the condensed consolidated interim financial statements

1. Reporting entity

Bell Financial Group Ltd (the “Company” or “Bell Financial”) is domiciled in Australia. The consolidated financial statements of the Company comprise the Company and its controlled entities (the “Group” or “Consolidated Entity”) and the Group’s interest in associates.

The Annual Report of Bell Financial Group Limited for the year ended 31 December 2014 is available upon request from the Company’s registered office at Level 29, 101 Collins Street, Melbourne or at www.bellfg.com.au.

2. Statement of compliance

This condensed consolidated interim financial report has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This condensed consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated 2014 Annual Report and any public announcements made by the Company during the interim reporting period.

This condensed consolidated interim financial report was approved by the Board of Directors on 11 August 2015.

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with the Class Order, amounts in the financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

3. Significant accounting policies

The accounting policies applied by the Group in this consolidated interim financial report are consistent with those applied by the Group in its consolidated financial report as at and for the year ended 31 December 2014.

Notes to the condensed consolidated interim financial statements

4. Estimates

The preparation of the condensed consolidated interim financial report 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 condensed consolidated interim financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 31 December 2014. During the period, management reviewed estimates in respect of:

- recoverability of deferred taxes;
- impairment of loans and advances;
- impairment of goodwill and intangibles;
- legal provisions; and
- long-service leave provisions.

Impairment of goodwill

Goodwill is tested for impairment annually at 31 December, or more frequently if events or changes in circumstances indicate that it might be impaired. At 30 June 2015, an indication of potential impairment was identified, as the carrying amount of the net assets was greater than the market capitalisation of the Group and therefore testing was conducted.

Impairment testing

The recoverable amount of the business to which each goodwill component is allocated is estimated based on its value in use and is determined by discounting the future cash flows generated from continuing use. At 30 June 2015, goodwill allocated to the retail segment was \$57.5m and \$72.9m for the wholesale segment, which represent the lowest level at which it is monitored for internal management purposes.

Assumptions

The assumptions used for determining the recoverable amount are based on past experience and expectations for the future. Projected cash flows for each group of cash-generating units are discounted using an appropriate discount rate and a terminal value multiple is applied.

The following assumptions have been used in determining the recoverable amount of the retail and wholesale segments:

Discount rates:

A range of discount rates was used with 11.0% being the mid-point of the range. The discount rate is a post-tax measure based on the risk-free rate, adjusted for a risk premium to reflect both the increased risk of investing in equities and the systematic risk of the specific business.

Terminal value multiple:

A range of terminal value multiples was used with 7 times representing the midpoint of the range. The multiples were applied to extrapolate the discounted future maintainable after-tax cash flows beyond the five year forecast period.

Notes to the condensed consolidated interim financial statements

Impairment of goodwill (continued)

Assumptions (continued)

Brokerage revenue:

An overall improvement in average brokerage revenue from current levels in both the wholesale and retail businesses.

Corporate fee income:

An overall improvement in corporate fee income from current levels.

The values assigned to the key assumptions represent management's best future assessment for the stock broking industry and the business and are based on both external sources and internal sources (historical data).

Results

The results of impairment testing performed did not result in any impairment being identified.

5. Financial risk management

All aspects of the Group's financial risk management objectives and policies are consistent with that disclosed in the consolidated financial report as at and for the year ended 31 December 2014.

Notes to the condensed consolidated interim financial statements

6. Segment reporting

The segments reported below are consistent with internal reporting provided to the chief decision makers:

- Retail – equities, futures, foreign exchange, corporate fee income, portfolio administration, margin lending and deposits
- Wholesale – equities and corporate fee income

30 June 2015	Retail \$ '000	Wholesale \$ '000	Consolidated \$ '000
Revenue from operations	66,563	16,477	83,040
Profit / (loss) after tax	3,696	2,159	5,855
Segment assets	540,079	79,984	620,063
Total assets	540,079	79,984	620,063
Segment liabilities	434,603	3,707	438,310
Total liabilities	434,603	3,707	438,310
Other segment details			
Finance income	6,310	-	6,310
Finance expenses	(1,871)	-	(1,871)
Depreciation / amortisation	(556)	(19)	(575)

30 June 2014	Retail \$ '000	Wholesale \$ '000	Consolidated \$ '000
Revenue from operations	60,120	11,830	71,950
Profit / (loss) after tax	1,257	(498)	759
Segment assets	492,497	80,139	572,636
Total assets	492,497	80,139	572,636
Segment liabilities	392,644	2,539	395,183
Total liabilities	392,644	2,539	395,183
Other segment details			
Finance income	6,761	-	6,761
Finance expenses	(2,144)	-	(2,144)
Depreciation / amortisation	(508)	(29)	(537)

Notes to the condensed consolidated interim financial statements

7. Cash and cash equivalents

	30 June	31 December
	2015	2014
	\$'000	\$'000
Group Cash Reserves		
Cash on hand	13	13
Cash at bank	43,875	55,570
Short-term deposits	29	29
	43,917	55,612
Margin Lending Cash		
Cash at bank and short-term deposits	-	7,907
	-	7,907
Client Cash		
Cash at bank (Trust account)	52,633	66,330
Segregated cash at bank (client)	14,885	13,690
	67,518	80,020
Cash and cash equivalents in the statement of cash flows	111,435	143,539

The reduction in Group Cash Reserves from \$55.6m at 31 December 2014 to \$43.9m at 30 June 2015 was primarily due to a \$9.8m increase in cash deposits lodged with ASX Clear and ASX Clear (Futures) at 30 June (refer note 8 – Clearing house deposits). ASX Clear and ASX Clear (Futures) cash deposit requirements fluctuate daily depending on the nature and volume of business transacted.

The reduction in Margin Lending Cash was due to an increase in margin loan funding requirements.

The reduction in Client Cash balances was due to normal fluctuations of funds held in trust on behalf of clients.

Cash on hand and at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for periods of between 60 days and 180 days.

Segregated cash and Trust bank balances earn interest at floating rates based on daily bank rates.

Notes to the condensed consolidated interim financial statements

8. Trade and other receivables

	30 June 2015 \$ '000	31 December 2014 \$ '000
Trade debtors	135,296	53,742
Less: provision for impairment	-	-
	135,296	53,742
Clearing house deposits	12,534	2,707
Segregated deposits held with clearing brokers	9,464	5,976
Less : provision for impairment	-	-
	21,998	8,683
Sundry debtors	3,637	5,418
	160,931	67,843

9. Loans and advances

The following loans and advances were held during the period:

	30 June 2015 \$ '000s	31 December 2014 \$ '000s
Margin Lending	201,605	171,383
	201,605	171,383

Loans and advances are repayable on demand. There were no impaired, past due or renegotiated loans at 30 June 2015 (2014: nil).

There is significant turnover in loans and advances. Based on historical experience the Group's expectation is all but approximately 5% of loans may be realised in the next 12 months (2014: 6%), with the balance being realised after 12 months.

10. Goodwill

Cost and carrying amount

	\$ '000s
Balance at 1 July 2014	130,413
Impairment	-
Balance at 31 December 2014	130,413
Balance at 1 January 2015	130,413
Impairment	-
Balance at 30 June 2015	130,413

Notes to the condensed consolidated interim financial statements

11. Trade and other payables

	30 June 2015 \$ '000s	31 December 2014 \$ '000s
Settlement obligations ¹	159,110	82,493
Sundry creditors and accruals ²	14,176	11,806
Segregated client liabilities	46,578	52,587
Due to related entities	378	-
	<u>220,242</u>	<u>146,886</u>

1 'Settlements obligations' are non-interest bearing and are normally settled on 3-day terms.

2 'Sundry creditors' are normally settled on 60-day terms.

12. Deposits and borrowings

This note provides information about the contractual terms of the Group's interest-bearing deposits and borrowings.

	30 June 2015 \$ '000s	31 December 2014 \$ '000s
Deposits ¹	160,619	161,786
Cash advance facility ²	35,000	15,000
	<u>195,619</u>	<u>176,786</u>

1 Deposits relate to Margin Lending / Cash Account business (Bell Potter Capital) which are largely at call.

2 Represents drawn funds from available cash advance facility of \$100 million.

Terms and debt repayment schedule

	Av. effective interest rate	Year of maturity	Face value 2015 \$ '000	Carrying amount 2015 \$ '000	Face value 2014 \$ '000	Carrying amount 2014 \$ '000
Deposits	1.29%	2015	160,619	160,619	161,786	161,786
Cash advance facility	2.59%	2015	35,000	35,000	15,000	15,000
			<u>195,619</u>	<u>195,619</u>	<u>176,786</u>	<u>176,786</u>

Notes to the condensed consolidated interim financial statements

13. Dividends

Dividends paid or declared by the Group to shareholders during the period were as follows:

	Cents per share	Total amount	Franked / unfranked	Date of payment
2015		\$ '000		
Final 2014 ordinary	2.0	5,120	Franked	20 March 2015
Interim 2015 ordinary	1.5	3,894	Franked	14 September 2015
2014				
Final 2013 ordinary	1.5	3,852	Franked	21 March 2014

All dividends were fully franked based on 30% tax rate.

14. Contributed equity

The authorised capital of the Group is \$164,283,700 representing 259,623,049 fully paid ordinary shares. There were no shares issued during the period.

15. Subsequent events

No matters or circumstances have arisen since the end of the half-year period that in the opinion of the Directors of the Group have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

16. Related parties

There have been no significant changes to the arrangements with related parties. Refer to the full 2014 Annual Report for details.

17. Commitments and contingencies

The Directors are of the opinion that apart from that already provided for in the financial statements, no further provisions are required in respect of any matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

Directors' declaration

In the opinion of the Directors of Bell Financial Group Limited ("the Company"):

1. the financial statements and notes set out on pages 6 to 18, are in accordance with the Corporations Act 2001, including:
 - (a) giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the six month period ended on that date; and
 - (b) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
2. 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 Directors.



Colin Bell
Executive Chairman

Sydney
11 August 2015



Independent auditor's review report to the members of Bell Financial Group Ltd Report on the financial report

We have reviewed the accompanying half-year financial report of Bell Financial Group Ltd, which comprises the condensed consolidated statements of financial position as at 30 June 2015, condensed consolidated income statements and condensed consolidated statements of comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statements of cash flows for the half-year ended on that date, notes 1 to 17 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the Company and the entities it controlled at the half-year's end or from time to time during the half-year period.

Directors' responsibility for the half-year financial report

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

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with 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 half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Group's financial position as at 30 June 2015 and its performance for the half-year period ended on that date; and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As auditor of Bell Financial Group Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

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



Conclusion

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

- (a) giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the half-year period ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

KPMG

A handwritten signature in black ink, appearing to read 'Dean M Waters', with a long, sweeping flourish extending to the right.

Dean M Waters
Partner

Melbourne
11 August 2015