

## Appendix 4D

### Half-year Report

For the six months to 31 December 2016

#### Results for announcement to the market

	Movement	<b>December 2016 \$</b>
<b>Financial Results</b>		
Revenue from ordinary activities	Down by \$1,391,092 (41%) to	1,977,068
Profit from ordinary activities after tax attributable to members	Increased \$20,268,332 (385%) to	14,998,850
Net Profit for the period attributable to members	Increased \$20,268,332 (385%) to	14,998,850

<b>Dividends</b>	Amount per Ordinary Security	Franked amount per security
2017 interim dividend	3.0 cents	100%

Record date for determining entitlements to the 2017 interim dividend	2 February 2017
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<b>Net Tangible Asset Backing</b>	<b>December 2016</b>	<b>December 2015</b>
Net tangible asset backing per ordinary security	107.6¢	97.9¢

<b>Other explanatory notes</b>
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**The information required by listing rule 4.2A is contained in both this Appendix 4D and the attached half-year report. This half-yearly reporting information should be read in conjunction with the most recent annual financial report of the company.**

**WESTOZ INVESTMENT COMPANY LIMITED**

**A.B.N. 99 113 332 942**

**HALF YEAR FINANCIAL REPORT**

**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

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## **CORPORATE DIRECTORY**

### **REGISTERED OFFICE**

Level 18, Alluvion  
58 Mounts Bay Road  
PERTH WA 6000

Telephone: (08) 9321 7877  
Facsimile: (08) 9321 8288  
Website: [www.westoz.com.au](http://www.westoz.com.au)

### **AUDITORS**

Ernst & Young  
11 Mounts Bay Road  
PERTH WA 6000

### **BANKERS**

Westpac Banking Corporation  
109 St George's Terrace  
PERTH WA 6000

### **SHARE REGISTRY**

Computershare Investor Services Pty Ltd  
Level 2, 45 St Georges Terrace  
PERTH WA 6000

Telephone: (08) 9323 2000  
Facsimile: (08) 9323 2033

### **BOARD OF DIRECTORS**

**Jay Hughes**

Non Executive Chairman

**Terry Budge**

Independent Non Executive Director

**Simon Joyner**

Independent Non Executive Director

**Tracey Everitt**

Company Secretary

## **DIRECTORS' REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

Your Directors submit their report for the half-year ended 31 December 2016.

### **1. DIRECTORS**

The names of the Directors of the Company in office during the financial period and until the date of this report are as follows: -

Jay Hughes  
Terry Budge  
Simon Joyner (Appointed 5 July 2016)  
Stephen Tucker (Resigned 9 September 2016)  
Philip Rees (Resigned 5 July 2016)  
Dermot Woods (Resigned 5 July 2016)

### **2. REVIEW AND RESULTS OF OPERATIONS**

Highlights of the Company's operations during the period ended 31 December 2016 are as follows:

- A net profit after tax of \$14,998,850 was recorded for the period. This included gains and losses on investments, interest income, dividend income and changes in the fair value of financial assets designated as at fair value through profit and loss held as at 31 December 2016;
- An interim dividend of \$3,872,551 (3.0 cents per share) has been provided for at 31 December 2016; and
- Net tangible asset backing per share at 31 December 2016 was \$1.076 per share. This figure is calculated by dividing the total net assets as set out in the Statement of Financial Position by the number of ordinary shares on issue as at the reporting date and is after allowance for dividends and all costs and tax adjustments on unrealized losses in our investment portfolio. Net tangible asset backing per share before allowance for tax related assets and liabilities at 31 December 2016 was \$1.044.

After considering the above results following the completion of the half-year to 31 December 2016, the Directors remain confident that the Company's objectives will be met over its investment horizon.

### **3. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD**

No material matters have occurred since 31 December 2016.

### **4. AUDITOR'S INDEPENDENCE DECLARATION**

The Auditor's Independence Declaration under section 307C of the Corporations Act 2001 is included on page 4 and forms part of the Westoz Investment Company Limited's Directors' report for the half year ended 31 December 2016.

Signed for and on behalf of the Directors in accordance with a resolution of the Board.



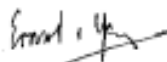
**Jay Hughes**  
**Chairman**

**10 February 2017**

## Auditor's Independence Declaration to the Directors of Westoz Investment Company Limited

As lead auditor for the review of Westoz Investment Company Limited for the half-year ended 31 December 2016, I declare 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 review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.



Ernst & Young



Robert A Kirkby  
Partner  
10 February 2017

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	Note	31/12/2016 \$	31/12/2015 \$
<b>Revenue</b>			
Interest revenue		141,518	311,572
Dividend revenue		1,830,639	3,056,588
Other		4,911	-
<b>Total revenue</b>		<b>1,977,068</b>	<b>3,368,160</b>
Changes in the fair value of investments designated as at fair value through profit or loss upon initial recognition	4	20,004,083	(11,389,642)
<b>EXPENSES</b>			
Manager's fees		1,078,732	628,593
Director's fees		55,423	41,250
Professional fees		10,330	10,853
ASX fees		57,483	55,986
Other expenses		84,957	66,134
<b>Total expenses</b>		<b>1,286,925</b>	<b>802,816</b>
<b>GAIN/(LOSS) BEFORE INCOME TAX EXPENSE</b>		<b>20,694,226</b>	<b>(8,824,298)</b>
Income tax (expense)/benefit	7	(5,695,376)	3,554,816
<b>NET PROFIT/(LOSS) FOR THE PERIOD</b>		<b>14,998,850</b>	<b>(5,269,482)</b>
Other Comprehensive Income		-	-
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>		<b>14,998,850</b>	<b>(5,269,482)</b>
<b>Gain/(Loss) per share (cents)</b>			
- Basic and diluted		11.6	(4.1)

**STATEMENT OF FINANCIAL POSITION**  
**AT 31 DECEMBER 2016**

	Note	31/12/2016	30/06/2016
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents		16,603,392	48,878,554
Other Current Assets		132,633	47,789
<b>TOTAL CURRENT ASSETS</b>		16,736,025	48,926,343
<b>NON CURRENT ASSETS</b>			
Investments in financial assets designated at fair value through profit or loss:			
- Listed Equities	4	122,468,088	72,448,085
- Unlisted Equities	4	-	1,600,000
Deferred Tax Assets	7	4,204,793	9,900,169
<b>TOTAL NON CURRENT ASSETS</b>		126,672,881	83,948,254
<b>TOTAL ASSETS</b>		143,408,906	132,874,597
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables		594,278	1,069,801
Dividend Payable		3,872,551	3,875,446
<b>TOTAL CURRENT LIABILITIES</b>		4,466,829	4,945,247
<b>TOTAL LIABILITIES</b>		4,466,829	4,945,247
<b>NET ASSETS</b>		138,942,077	127,929,350
<b>EQUITY</b>			
Contributed Equity	5	138,402,062	138,515,628
Profit Reserve	6	26,407,202	18,190,911
Accumulated Losses		(25,867,187)	(28,777,189)
<b>TOTAL EQUITY</b>		138,942,077	127,929,350



**CASH FLOW STATEMENT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	Note	31/12/2016 \$	31/12/2015 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Interest received		141,518	311,572
Dividends received		1,830,639	3,033,038
Payments to suppliers and employees (inclusive of GST)		(923,473)	(821,783)
Other		4,911	-
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>1,053,595</b>	<b>2,522,827</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of investments designated as at fair value through profit and loss		35,969,589	42,702,715
Payments for purchases of investments designated as at fair value through profit and loss		(65,309,328)	(43,325,460)
<b>NET CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES</b>		<b>(29,339,739)</b>	<b>(622,745)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Issue of Ordinary Shares, net of issue costs		(21,784)	(24,211)
Share Buyback		(91,782)	-
Dividend paid		(3,875,452)	(5,816,314)
<b>NET CASH FLOWS USED IN FINANCING ACTIVITIES</b>		<b>(3,989,018)</b>	<b>(5,840,525)</b>
<b>NET (DECREASE)/INCREASE IN CASH HELD</b>		<b>(32,275,162)</b>	<b>(3,940,443)</b>
Cash and cash equivalents at the beginning of the period		48,878,554	45,675,051
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>16,603,392</b>	<b>41,734,608</b>

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	<b>Issued Capital</b>	<b>Profit Reserve</b>	<b>Accumulated Losses</b>	<b>Total Equity</b>
	\$		\$	\$
<b>At 1 July 2016</b>	138,515,628	18,190,911	(28,777,189)	127,929,350
Profit for the period	-	-	14,998,850	14,998,850
Total Comprehensive income for the period	-	-	14,998,850	14,998,850
Transfer from Retained Earnings to Profit Reserve	-	12,088,848	(12,088,848)	-
Ordinary shares issued	8,868	-	-	8,868
Share Issue Costs	(30,652)	-	-	(30,652)
Share Buyback	(91,782)	-	-	(91,781)
Dividend for the period	-	(3,872,557)	-	(3,872,557)
<b>At 31 December 2016</b>	138,402,062	26,407,202	(25,867,187)	138,942,077

	<b>Issued Capital</b>	<b>Profit Reserve</b>	<b>Accumulated Losses</b>	<b>Total Equity</b>
	\$		\$	\$
<b>At 1 July 2015</b>	138,594,536	25,943,910	(28,880,207)	135,658,239
Loss for the period	-	-	(5,269,482)	(5,269,482)
Total Comprehensive loss for the period	-	-	(5,269,482)	(5,269,482)
Transactions with owners in their capacity as owners:				
Ordinary shares issued	326	-	-	326
Share Issue Costs	(24,537)	-	-	(24,537)
Dividend for the period	-	(3,877,553)	-	(3,877,553)
<b>At 31 December 2015</b>	138,570,325	22,066,357	(34,149,690)	126,486,992

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

### 1. CORPORATE INFORMATION

The financial report of Westoz Investment Company Limited for the half-year ended 31 December 2016 was authorised for issue in accordance with a resolution of the Directors on 10 February 2017.

Westoz Investment Company Limited is a company limited by shares that is incorporated and domiciled in Australia whose shares are listed on the Australian Stock Exchange. The registered office is located at Level 18, 58 Mounts Bay Road Perth, Western Australia 6000.

Westoz Investment Company Limited does not control any entities at 31 December 2016.

The company had no paid employees as at 31 December 2016.

The nature of the operations and principal activities of the Company are as an investment company.

### 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

#### Basis of preparation

This general purpose condensed financial report for the half-year ended 31 December 2016 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial report.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 June 2016 and considered together with any public announcements made by Westoz Investment Company Limited during the half-year ended 31 December 2016 in accordance with the continuous disclosure obligations of the ASX listing rules.

#### Changes in accounting policy

The accounting policies and methods of computation are consistent with those of the most recent annual financial report.

All accounting standards and interpretations that are applicable from 1 July 2016 have been adopted including:

Reference	Title	Summary	Application date of standard	Application date for Company
AASB 1057	Application of Australian Accounting Standards	This Standard lists the application paragraphs for each other Standard (and Interpretation), grouped where they are the same. Accordingly, paragraphs 5 and 22 respectively specify the application paragraphs for Standards and Interpretations in general. Differing application paragraphs are set out for individual Standards and Interpretations or grouped where possible. The application paragraphs do not affect requirements in other Standards that specify that certain paragraphs apply only to certain types of entities.	1 January 2016	1 July 2016

Reference	Title	Summary	Application date of standard	Application date for Company
AASB 2015-1	Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle	<p>The subjects of the principal amendments to the Standards are set out below:</p> <p><i>AASB 5 Non-current Assets Held for Sale and Discontinued Operations:</i></p> <ul style="list-style-type: none"> <li>Changes in methods of disposal – where an entity reclassifies an asset (or disposal group) directly from being held for distribution to being held for sale (or visa versa), an entity shall not follow the guidance in paragraphs 27–29 to account for this change.</li> </ul> <p><i>AASB 7 Financial Instruments: Disclosures:</i></p> <ul style="list-style-type: none"> <li>Servicing contracts - clarifies how an entity should apply the guidance in paragraph 42C of AASB 7 to a servicing contract to decide whether a servicing contract is ‘continuing involvement’ for the purposes of applying the disclosure requirements in paragraphs 42E–42H of AASB 7.</li> <li>Applicability of the amendments to AASB 7 to condensed interim financial statements - clarify that the additional disclosure required by the amendments to AASB 7 <i>Disclosure–Offsetting Financial Assets and Financial Liabilities</i> is not specifically required for all interim periods. However, the additional disclosure is required to be given in condensed interim financial statements that are prepared in accordance with AASB 134 <i>Interim Financial Reporting</i> when its inclusion would be required by the requirements of AASB 134.</li> </ul> <p><i>AASB 119 Employee Benefits:</i></p> <ul style="list-style-type: none"> <li>Discount rate: regional market issue - clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefit obligations should be denominated in the same currency as the liability. Further it clarifies that the depth of the market for high quality corporate bonds should be assessed at the currency level.</li> </ul> <p><i>AASB 134 Interim Financial Reporting:</i></p> <ul style="list-style-type: none"> <li>Disclosure of information ‘elsewhere in the interim financial report’ - amends AASB 134 to clarify the meaning of disclosure of information ‘elsewhere in the interim financial report’ and to require the inclusion of a cross-reference from the interim financial statements to the location of this information.</li> </ul>	1 January 2016	1 July 2016
AASB 2015-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101	<p>The Standard makes amendments to AASB 101 <i>Presentation of Financial Statements</i> arising from the IASB’s Disclosure Initiative project. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in the financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. The amendments also clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures.</p>	1 January 2016	1 July 2016

Reference	Title	Summary	Application date of standard	Application date for Company
AASB 2015-9	Amendments to Australian Accounting Standards – Scope and Application Paragraphs [AASB 8, AASB 133 & AASB 1057]	This Standard inserts scope paragraphs into AASB 8 and AASB 133 in place of application paragraph text in AASB 1057. This is to correct inadvertent removal of these paragraphs during editorial changes made in August 2015. There is no change to the requirements or the applicability of AASB 8 and AASB 133.	1 January 2016	1 July 2016

These amendments are effective for annual periods beginning on or after 1 July 2016. The adoption of these amendments had no material impact on the financial position or performance of the Group.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

### 3. SEGMENT INFORMATION

For management purposes, the Company is organised into one main segment, which invests in equity securities. All of the Company's activities are interrelated, and each activity is dependent on the others. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial statements of the Company as a whole.

#### 4. CHANGES IN FAIR VALUE OF INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

	31/12/2016 \$	31/12/2015 \$
Net realised gain/(loss) in the current period on disposal of investments		
- listed equities	1,402,909	(5,687,833)
Net unrealised gain/(loss) on investments		
- listed equities	18,601,174	(5,701,809)
	<u>20,004,083</u>	<u>(11,389,642)</u>

The primary reason for the change in fair values was movement in market prices for listed investments held in the investment portfolio. The fair values of the Company's financial assets have been affected by changes in the broad economic and fiscal environment as well as specific matters that impact the value of individual investments. Specific factors that have impacted the portfolio are changes in outlook for interest rates, commodity prices and economic growth. Individual stock positions have been impacted by changes in earnings expectations, balance sheet structures and ability to generate cash flow. Managing the investment portfolio in the face of these and other changes is inherent in the Company's activities and they are managed in accordance with the financial risk management objectives and policies as disclosed in the most recent annual financial report of the Company.

The following table shows financial instruments recorded at fair value, analysed between those whose fair value is based on quoted market prices, those involving valuation techniques where model inputs are observable in the market and those where the valuation technique involves the use of non-market observable inputs. The fair value of all other financial instruments approximates their carrying value.

	31 December 2016			
	Valued at Quoted market price (Level 1)	Valuation Technique market observable inputs (Level 2)	Valuation Technique non – market observable inputs (Level 3)	Total
<b>Financial assets at fair value through profit or loss</b>				
(i) Listed equities	122,468,088	-	-	122,468,088
(i) Unlisted equities	-	-	-	-
	122,468,088	-	-	122,468,088

	30 June 2016			
	Valued at Quoted market price (Level 1)	Valuation Technique market observable inputs (Level 2)	Valuation Technique non – market observable inputs (Level 3)	Total
<b>Financial assets at fair value through profit or loss</b>				
(i) Listed equities	72,448,085	-	-	72,448,085
(i) Unlisted equities	-	-	1,600,000	1,600,000
	72,448,085	-	1,600,000	74,048,085

The level in which instruments are classified in the hierarchy is based on the lowest level input that is significant to the fair value measurement in its entirety. Assessment of the significance of an input requires judgement after considering factors specific to the instrument.

The fair value of listed equity is based on quoted market prices at the reporting date (bid price for long positions), without any deduction for transaction costs.

## 5. CONTRIBUTED EQUITY

		31/12/2016 \$	30/06/2016 \$
<b>Ordinary Shares</b>			
(a) 129,085,043 (2016:129,181,548) fully paid ordinary shares		138,402,062	138,515,628
<hr/>			
<b>(b) Movements in ordinary shares on issue</b>	<b>Number of Shares</b>	<b>\$</b>	<b>Number of Shares</b>
			<b>\$</b>
Beginning of the financial period	129,181,548	138,515,628	129,251,276
Issued during the period			
- Option exercise	8,446	8,868	275
- Share Buyback	(104,951)	(91,782)	(70,000)
- Cost of share issues	-	(30,652)	-
	129,085,043	138,402,062	129,181,548
			138,515,628

### (c) Terms and conditions of contributed equity

The company does not have authorised capital nor par value in respect of its issued capital. Ordinary fully paid shares have the right to receive dividends as declared and in the event of the winding up of the Company, to participate in proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary fully paid shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

## 6. RESERVES

	31/12/2016 \$	30/06/2016 \$
Profit Reserve	26,407,202	18,190,911
	26,407,202	18,190,911
<hr/>		
The profit reserve is made up of amounts allocated from retained earnings that are preserved for future dividend payments.		
Movement in Profits Reserve		
Balance at beginning of the year	18,190,911	25,943,910
Transferred from retained earnings (a)	12,088,848	-
Provision for dividend	(3,872,557)	(7,752,999)
	26,407,202	18,190,911

(a) The amount transferred to profit reserve is the profit for the period 1 July 2016 to 30 September 2016 in accordance with resolutions of the Board of directors dated 17 October 2016.

## 7. DEFERRED INCOME TAX

### Deferred Income tax

Deferred income tax at 31 December 2016 relates to the following:

	Statement of financial position		Statement of comprehensive income	
	Dec 2016	Jun 2016	Dec 2016	Dec 2015
	\$	\$	\$	\$
<i>Deferred Tax Assets</i>				
Tax loss recognized/utilised	4,939,032	5,054,056	(115,024)	(1,844,273)
Unrealised loss on investments in financial assets	-	4,846,113	(4,846,113)	(1,710,543)
<i>Total DTA</i>	<u>4,939,032</u>	<u>9,900,169</u>	<u>(4,961,137)</u>	<u>(3,554,816)</u>
<i>Deferred Tax Liabilities</i>				
Unrealised gain on investments in financial assets	(734,239)	-	(734,239)	-
<i>Total DTL</i>	<u>(734,239)</u>	<u>-</u>	<u>(734,239)</u>	<u>-</u>
Net DTA/(DTL)	4,204,793	9,900,169	(5,695,376)	(3,554,816)

Deferred tax assets relate to unrealised losses on investments in financial assets and recognised tax losses. The recognition of these assets is based on an assessment that it is probable that future taxable profits will be generated against which these assets can be utilised.

The company believes that such future taxable profits will be generated based on the following:

- The manager has in the past demonstrated an ability to generate taxable profits requiring cash tax payments to be made;
- Recent losses are the results of a short term downturn and are not indicative of future profitability;
- The manager has a medium to long term investment strategy so future profitability should be judged over an extended period; and
- Return expectations for the market and the portfolio remain consistent with historical results over a reasonable time horizon.

## 8. EVENTS SUBSEQUENT TO BALANCE DATE

No matters or events have arisen since the end of the financial period which have significantly affected or may significantly affect the operations of the Company, the results of its operations or the state of affairs of the Company in subsequent financial periods.

## 9. NOTES TO THE CASH FLOW STATEMENT

For the purpose of the half-year cash flow statement, cash and cash equivalents are comprised of the following:

	31/12/2016	31/12/2015
	\$	
Cash at Bank and in hand	<u>16,603,392</u>	<u>41,734,608</u>

## 10. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES

### Ordinary Shares

Final dividend of 3.0 cents per share paid on 8 August 2016 (2015: 4.5 cents per share).	3,875,452	5,816,314
Interim dividend of 3.0 cents per share declared and provided for at 31 December 2016 (2015: 3.0 cents per share per fully paid ordinary share). Fully franked based on tax paid or payable at 30%)	3,872,551	3,877,546
Total dividend paid or payable	<u>7,748,003</u>	<u>9,693,860</u>



## 11. RELATED PARTY DISCLOSURES

The Directors of Westoz Investment Company Limited during the period were Mr Stephen Tucker (resigned 9 September 2016), Mr Philip Rees (Resigned 5 July 2016), Mr Jay Hughes, Mr Terry Budge, Simon Joyner (appointed 5 July 2016) and Mr Dermot Woods (resigned 5 July 2016). During the half-year ended 31 December 2016, director's fees of \$55,423 (2015: \$41,250) were paid.

Westoz Investment Management Pty Ltd, a company of which Messrs Rees, Woods, and Hughes were Directors, provides Key Management Personnel ("KMP") services to Westoz Investment Company Limited as it has the authority for the management of the investment portfolio of Westoz Investment Company Limited. Westoz Funds Management Pty Ltd received management fees from the Company for the management of its assets. A fee of \$668,732 (2015: \$628,593) was charged in the period for these services. Accrual was made for payment of a performance fee in the current period of \$390,000 (2015: nil).

These fees were charged in accordance with a management agreement, the terms of which have been disclosed.

Euroz Securities Limited, a company of which Mr Hughes is a Director, received brokerage fees for transactions undertaken by the Company in respect of its investments. An amount of \$296,232 (2015: \$299,140) was paid in the period as brokerage to Euroz Securities Limited.

The above transactions were entered into on normal commercial terms.

## **DIRECTORS' DECLARATION**

In accordance with a resolution of the Directors of Westoz Investment Company Limited, the Directors declare that:

In the opinion of the Directors:

- (a) the financial statements and notes of the Company are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the financial position as at 31 December 2016 and of the performance for the half-year ended on that date of the Company; and
  - (ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and Corporations Regulations 2001; and
- (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.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'Jay Hughes', with a long, sweeping horizontal stroke extending to the right.

**Jay Hughes**  
**Chairman**

**10 February 2017**

## **Independent review report to members of Westoz Investment Company Limited**

### **Report on the half-year financial report**

We have reviewed the accompanying half-year financial report of Westoz Investment Company Limited, which comprises the statement of financial position as at 31 December 2016, the statement of comprehensive income, statement of changes in equity and the cash flow statement 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 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 controls as the directors determine are 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 financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the company's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001. As the auditor of Westoz Investment Company Limited, 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.

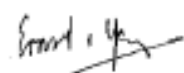
### **Independence**

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

## 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 Westoz Investment Company Limited is not in accordance with the Corporations Act 2001, including:

- i giving a true and fair view of the company's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- ii complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001.



Ernst & Young



Robert A Kirkby  
Partner  
Perth  
10 February 2017