

SUNVEST CORPORATION LIMITED

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

APPENDIX 4D

Half-Year ended 31 December 2015

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

Results for announcement to the market

	December 2015 \$	Restated December 2014 \$
Revenue from ordinary activities	513,552	14,118
Profit/(Loss) from ordinary activities after tax attributable to members	238,616	(3,214,660)
Profit/(Loss) attributable to members	238,616	(3,214,660)

Dividends – no dividend has been paid and it is not proposed to pay or declare a dividend at this time (2014– nil)

Net tangible asset backing per share is \$0.32 after tax (June 2015 – \$0.30 , Dec 2014 - \$0.40)

Earnings per share is 4.22 cents profit per share (December 2014 – 26.44 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 or purchases of shares during the half-year to 31 December 2015 (December 2014 – nil sales and nil purchases)

A dividend of \$236,070 was received from a UK investment during the December 2015 half-year. (December 2014 - \$nil)

There was no impairment expense for the half-year ended 31 December 2015. (December 2014 – \$nil expense)

Further details of the Company's operations during the December 2015 half-year and the state of affairs at 31 December 2015 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 25th day of February 2016

SUNVEST CORPORATION LIMITED

AND ITS CONTROLLED ENTITY

A.B.N 77 008 132 036

Interim financial report

6 months ended 31 December 2015

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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 2015.

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 profit after tax was \$238,616 for the December 2015 half-year compared to a loss after tax of \$3,214,660 for the December 2014 half-year.

There were no impairment losses for the December 2015 half-year. (December 2014 - \$Nil).

The directors reviewed the Group's investment portfolio at 31 December 2015 and at the date of this report and concluded that no impairment write downs were required at balance date.

The fair value of the group share portfolio at 31 December 2015 was \$8,005,239 which compares to the June 2015 fair value of \$7,735,958 and the December 2014 fair value of \$8,340,705.

Movements in the group share portfolio are set out in note 5.

There were no purchases of shares during the December 2015 half-year. (December 2014 - nil).

There were no sales of shares during the December 2015 half-year (December 2014 nil).

The directors believe that the group 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 25th day of February 2016

SUNVEST CORPORATION LIMITED
ABN 77 008 132 036

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

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia

GPO Box 3555
Sydney NSW 2001

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I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2015 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
Dated: 25 February 2016

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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 2015
Half-Year

	Note	31 Dec 2015 \$	Restated 31 Dec 2014 \$
Revenues			
Revaluation gains on financial assets		269,281	-
Interest received		7,960	14,118
Dividend received		236,070	-
Other income		241	-
Total revenue and other income		513,552	14,118
Expenses			
Revaluation losses on financial assets		-	(2,950,814)
Accountancy fees		(24,000)	(24,000)
Audit fees		(12,870)	(14,140)
Employee benefits expense		(44,000)	(44,000)
Interest expense		(160,191)	(160,191)
Office rent		(2,143)	(6,000)
Stock exchange fees		(16,841)	(15,276)
Other administration expenses		(14,891)	(14,357)
Profit/ (Loss) before income tax		238,616	(3,214,660)
Income tax expense	4	-	-
Profit/(Loss) for the half-year		238,616	(3,214,660)
Other consolidated income/ (loss)			
Other comprehensive income net of tax		-	-
Total comprehensive income (loss)		238,616	(3,214,660)
		Cents	Cents
Basic earnings/(loss) per share		4.22	(26.44)
Diluted earnings/(loss) per share		4.22	(26.44)

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

	Note	31 Dec 2015 \$	Restated 30 June 2015 \$
Current assets			
Cash and cash equivalents		2,892,723	2,703,901
Other receivables		50,351	27,378
Prepayments		4,400	-
Total current assets		<u>2,947,474</u>	<u>2,731,279</u>
Non-current assets			
Financial assets	5	<u>8,005,239</u>	<u>7,735,958</u>
Total non-current assets		<u>8,005,239</u>	<u>7,735,958</u>
Total assets		<u>10,952,713</u>	<u>10,334,672</u>
Current liabilities			
Trade and other payables	6	2,826,032	2,573,528
Current tax liabilities		6,851	12,495
Total current liabilities		<u>2,832,883</u>	<u>2,586,023</u>
Non-current liabilities			
Borrowings	7	<u>4,271,772</u>	<u>4,271,772</u>
Total non-current liabilities		<u>4,271,772</u>	<u>4,271,772</u>
Total liabilities		<u>7,104,655</u>	<u>6,857,795</u>
Net assets		<u>3,848,058</u>	<u>3,609,442</u>
EQUITY			
Contributed equity	8	8,854,966	8,854,966
Accumulated losses		<u>(5,006,908)</u>	<u>(5,245,524)</u>
Total equity		<u>3,848,058</u>	<u>3,609,442</u>

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 2015

	Issued capital	Accumulated losses	Total
	\$	\$	\$
Restated balance as at 1 July 2014	8,854,966	(1,564,408)	7,290,558
Loss for the period	-	(3,214,660)	(3,214,660)
Balance as at 31 December 2014	8,854,966	(4,779,068)	4,075,898
Balance as at 1 July 2015	8,854,966	(5,245,524)	3,609,442
Profit for the period	-	238,616	238,616
Balance as at 31 December 2015	8,854,966	(5,006,908)	3,848,058

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 2015

	Half-year	
		Restated
	31 Dec 2015 \$	31 Dec 2014 \$
Cash flows from operating activities		
Dividend received	236,070	-
Interest received	7,960	14,118
Payments to suppliers and employees	(55,208)	(100,126)
Net cash inflow/ (outflow) from operating activities	<u>188,822</u>	<u>(86,008)</u>
Net increase/(decrease) in cash and cash equivalents	188,822	(86,008)
Cash and cash equivalents at the beginning of the half-year	2,703,901	2,056,622
Cash and cash equivalents at end of the half-year	<u>2,892,723</u>	<u>1,970,614</u>

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 2015

1 Basis of preparation of half-year report

These general purpose interim financial statements for the half-year reporting period ended 31 December 2015 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 2015 together with any public announcements made during the following half-year.

The interim financial statements were authorised for issue on 25th February 2016.

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 except as disclosed at Note 2 (a) below.

The Group has considered the accounting treatment of its investment portfolio and has determined that the early adoption of AASB 9 Financial Instruments would result in more relevant information about the Group's investment portfolio to users.

(a) Change in accounting policy

Commencing 1 July 2015 the fair value gains or losses of the company's investments have been recognised in the profit or loss account. The company's investments are marked to market with reference to the stock listing price at the end of each reporting period with changes being taken to the profit or loss account. Previously, any fair value movements were taken through the available for sale reserve in other comprehensive income under AASB 139 Financial Instruments: Recognition and Measurement. This change was made because the early adoption of AASB 9 Financial Instruments policy results in the financial statements providing more reliable and relevant information about the effects of transactions, other events or conditions on the entity's financial position, financial performance or cash flows as well as being consistent with industry practices of similarly publicly listed ASX entities.

The restated prior period balances are as follows:

	31 Dec 2014	Increase/ (decrease)	Restated 31 Dec 2014
	\$	\$	\$
Statement of Profit or Loss and other comprehensive income (extract)			
Unrealised losses on financial assets	-	(2,950,814)	(2,950,814)
Loss before income tax	(263,846)	(2,950,814)	(3,214,660)
Other comprehensive income, net of tax	(2,950,814)	(2,950,814)	-
Total comprehensive income / (loss)	(3,214,660)	-	(3,214,660)
	30 June 2015	Increase/ (decrease)	Restated
	\$	\$	30 June 2015
		\$	\$
Statement of Financial Position (extract)			
AFS revaluation reserve	(3,590,914)	3,590,914	-
Accumulated losses	(1,654,610)	(3,590,914)	(5,245,524)
Net assets	3,609,442	-	3,609,442

This change in accounting policy has had no impact on the net assets of the group.

SUNVEST CORPORATION LIMITED

AND ITS CONTROLLED ENTITY

Notes to the Financial Statements

for the half-year ended 31 December 2015

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 2015				
Total segment revenue	330,797	176,980	5,775	513,552
Segment result	55,861	176,980	5,775	238,616
Profit before income tax				238,616
Current assets	2,947,474	-	-	2,947,474
Non-current assets	635,898	7,333,312	36,029	8,005,239
Total liabilities	2,832,883	4,271,772	-	7,104,655
Restated				
Half year ended December 2014				
Total segment revenue	14,118	-	-	14,118
Segment result	(208,934)	(2,971,666)	(34,060)	(3,214,660)
Loss before income tax				(3,214,660)
Current assets	1,993,967	-	-	1,993,967
Non-current assets	356,928	7,940,677	43,100	8,340,705
Total liabilities	1,987,002	4,271,772	-	6,258,774

SUNVEST CORPORATION LIMITED
AND ITS CONTROLLED ENTITY
Notes to the Financial Statements
for the half-year ended 31 December 2015

4 Income tax

	Half-year	
	31 Dec 2015 \$	Restated 31 Dec 2014 \$
The prima facie tax on the profit before income tax is reconciled to the income tax expense as follows:		
	238,616	(3,214,660)
Profit/(loss) before income tax		
Prima facie tax at 30% (December 2014 – 30%)	71,584	(964,398)
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
-Utilisation of deferred tax assets not recognised	(71,584)	-
-Deferred tax assets not recognised	-	961,998
-Other	-	2,400
Income tax expense	<u>-</u>	<u>-</u>

	31 Dec 2015 \$	Restated 30 June 2015 \$
	5 Financial assets	
At the beginning of the period	7,735,958	11,291,519
Additions	-	-
Disposals	-	-
Revaluation gains/(losses) transferred to P&L	269,281	(3,293,561)
Impairment	-	(262,000)
At the end of the period	<u>8,005,239</u>	<u>7,735,958</u>

SUNVEST CORPORATION LIMITED
AND ITS CONTROLLED ENTITY
Notes to the Financial Statements
for the half-year ended 31 December 2015

	31 Dec 2015 \$	30 June 2015 \$
6 Trade and other payables		
Trade payables	11,546	18,273
Other payables	<u>2 814,486</u>	<u>2,555,255</u>
	<u>2,826,032</u>	<u>2,573,528</u>

Other payables of \$2,814,486 (June 2015 - \$2,555,255) are amounts owing to Mr Bruce Rowan which are comprised of fees and interest payable which have been accrued in the accounts but not paid.

7 Borrowings

	\$	\$
Loans owing to Director	<u>4,271,772</u>	<u>4,271,772</u>

Mr. Bruce Rowan, a director, has loaned the Company \$4,271,772 to assist in financing the purchase of the company's investments.

The loan is unsecured.

The loan was interest free up to 31 December 2011. On 1 January 2012 it became interest bearing at the rate of 7.5% p.a.

Mr. Rowan has advised the Company that he will not seek repayment of the loan until the Company has sufficient funds to make the repayment.

8 Contributed equity

	\$	\$
Share capital		
12,159,024 ordinary shares fully paid (June 2015: 12,159,024)	<u>8,854,966</u>	<u>8,854,966</u>

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

9 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.

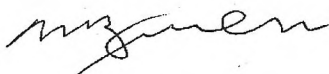
10 Subsequent events

The directors are not aware of any matter or circumstance which has arisen since 31 December 2015 that has significantly affected or may 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.

SUNVEST CORPORATION LIMITED
AND ITS CONTROLLED ENTITY
Directors' Declaration
for the half-year ended 31 December 2015

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. giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 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 25th day of February 2016

SUNVEST CORPORATION LIMITED

ABN 77 008 132 036

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
SUNVEST CORPORATION LIMITED****SYDNEY**Level 40
2 Park Street
Sydney NSW 2000
AustraliaGPO Box 3555
Sydney NSW 2001Ph: (612) 9263 2600
Fx: (612) 9263 2800**Report on the Half-year Financial Report**

We have reviewed the accompanying half-year financial report of Sunvest Corporation Limited, which comprises the statement of financial position as at 31 December 2015, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 Half-year Financial Report

The directors of Sunvest Corporation Limited are responsible for the preparation of the half-year 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 half-year 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 half-year 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 2015 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 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 a half-year 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

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 half-year 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 2015 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

Graham Webb

GRAHAM WEBB

Partner

Dated: 25 February 2016