

FORM: Half yearly/preliminary final report

Name of *issuer*

Winpar Holdings Limited

ACN or ARBN

003 035 523

Half yearly
(tick)

☐

Preliminary
final (tick)

☒

~~Half year~~/financial year ended
('Current period')

30 June 2019

For announcement to the market

Extracts from this statement for announcement to the market (*see note 1*).

				\$A
Operating Revenue (item 1.1)	Up	92%	To	272,572
Operating Profit (loss) before abnormal items and tax	Up	489%	To	114,306
Profit (loss) for the period attributable to security holders (<i>item 1.11</i>)	Up	1853%	To	133,408
Dividends: Franking Rate Applicable			30%	
Current Period				
Previous Corresponding Period				
Record date for determining entitlements to the dividend (in the case of a trust distribution) (see item 15.2)				
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				

Dividends

15.1 Date the dividend is payable

15.2 Record Date to determine entitlements to the dividend (i.e. on the basis of registrable transfers received up to 5.00pm)

18.3 Amount per *security*

		Franking rate applicable	39%	30%	33%
	(Preliminary final statement only)				
15.4	Final Dividend: Current year				
15.5	Previous year				
	(Preliminary final statement only)				
15.6	Final Dividend: Current year				
15.7	Previous year				

Total Annual Dividend (distribution) per security

(Preliminary final statement only)

15.8 Ordinary Securities

Current Year	Previous Year
2.00 cents per share fully franked dividend paid on 21 June 2019	2.00 cents per share fully franked dividend paid on 30 November 2018

The *dividend or distribution plans* shown below are in operation

Dividend Reinvestment Plan

Any other disclosures in relation to dividends (distribution)

Annual meeting*(Preliminary final statement only)*

The annual meeting will be held as follows:

Place

TBA

Date

Time

Approximate date the annual report will be available

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange (see note 13).

Identify other standards used

2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.

3. This statement does/~~does not~~* (*delete one*) give a true and fair view of the matters disclosed (see note 2).

4. This statement is based on financial statements to which one of the following applies:

- | | |
|---|---|
| <input checked="" type="checkbox"/> The financial statements have been audited. | <input type="checkbox"/> The financial statements have been subject to review by a registered auditor (or overseas equivalent). |
| <input type="checkbox"/> The financial statements are in the process of being audited or subject to review. | <input type="checkbox"/> The financial statements have <i>not</i> yet been audited or reviewed. |

5. If the accounts have been ~~or are being~~ audited or subject to review and the audit report is ~~not attached~~, details of any qualifications are attached/~~will follow immediately they are available~~* (*delete one*). (*Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.*)

6. The issuer has/~~does not have~~* (*delete one*) a formally constituted audit committee.

Sign here:

Gordon Elkington
(Director)

Date:

13.09.19

Print name:

GORDON ELKINGTON

Winpar Holdings Limited

ABN 81 003 035 523

Annual Report

For the Financial Year Ended 30 June 2019

Winpar Holdings Limited
ABN 81 003 035 523

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Winpar Holdings Limited
ABN 81 003 035 523

Chairman's Report

30 June 2019

Dear fellow shareholders,

I am pleased to be writing to you with my first report as Chairman of Winpar. I have been a director since 2015, a shareholder since 2002 and an admirer well before that.

In last year's annual report CEO Steven Pritchard noted Winpar's offer to Penrose shareholders for us to acquire their shares – a successful transaction for Winpar – and the subsequent winding up of Penrose. In November, Winpar received \$1.4m from that transaction.

In April, Ted Rofo, a director of Winpar since 2007 and chairman since 2011, retired as a director. The board thanks Mr Rofo for his services to the company.

Winpar is a value investor. We invest in well-researched listed companies, and investments which our shareholders might not, as individuals, be able to make. Most investments are Australian securities, but the portfolio also includes overseas securities, mainly shares in companies in the United Kingdom.

I am so very impressed of Winpar's dividend-paying history. We have consistently paid at least a 4¢, fully franked, dividend (5.7¢ including franking credits) for the last 10 or 12 years. Unfortunately, in the current, and near future, economic and investment climate in Australia, maintaining that performance might not always be possible.

Looking ahead, what are the issues we face as a company?

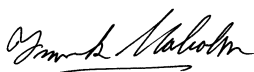
- Winpar shares are illiquid. In one way that's good (current shareholders are not interested in selling) but in other ways it's bad (potential sellers can't get an acceptable price).
- To attract investors we need a liquid market so they can exit if they need to, and we need a price much closer to Winpar's Net Tangible Assets – currently about \$1.
- Few potential investors know about Winpar.
- We trade on a little-known market (NSX).
- We have no newspaper, newsletter, web (investment newsletter, social media, LinkedIn, etc) coverage.

Winpar needs to expand. At our current size, we cannot easily address the above (and other) points.

I thank all shareholders for their ongoing support for our company. Without you, we do not exist.

Some shareholders in particular have assisted with their knowledge, their ideas, their contacts and in other ways, and I would like to thank Dr Peter Donovan, Messrs Nick Lucas, Peter Martin, Ian Meggitt, Peter Norman, Tony O'Brien, Gerry Pauley, Anton Rosenberg, Bruce Wareham and Don Willing. Mr Peter Allen is very helpful when we are considering investments in UK companies.

Thank you, and I am looking forward to meeting as many of you as possible at Winpar's Annual General Meeting in November.



Frank Malcolm
 Chairman

Winpar Holdings Limited
ABN 81 003 035 523

Chief Executive Officer's Report

30 June 2019

There has been no significant change in the nature of the company's activities during the course of the year. The company has continued to manage and develop its portfolio of listed and unlisted securities, and remains debt-free. As at 30 June 2019 the company had cash in hand of \$1,022,808.

The company made a profit of \$133,408 during the year compared to \$6,829 last year. The total comprehensive income was \$83,814 compared with \$269,424 last year. The net asset backing of the shares as at 30 June 2019 was 98 cents compared to 100 cents last year.

As everyone knows, there is a great deal of uncertainty in world markets at present, and the company is taking very special care in making investments, particularly in listed Australian companies which have been well researched by the market and are generally already fully valued. Over time the company is hoping to be able to identify other sensible investments which are not generally available to ordinary retail investors, and these may include further investments in unlisted public and possibly private companies.

I add my own thanks to shareholders to those of the Chairman. Many shareholders have been very helpful to the company in so many ways, and it is nice to know they are there.



Steven Pritchard
Chief Executive Officer

Winpar Holdings Limited
ABN 81 003 035 523

Directors' Report

30 June 2019

The directors present their report together with the accounts of Winpar Holdings Limited for the financial year ended 30 June 2019.

DIRECTORS

The following persons have held office as directors during the financial year and since the end of the financial year:

Alfred Edward Fulton Rofe (resigned: 18 April 2019)
 Gordon Bradley Elkington
 John David Honan
 Steven Shane Pritchard
 David George Maxwell Welsh
 Francis Ian Malcolm

SECRETARY

The secretary has been Gordon Bradley Elkington during the financial year and since the end of the financial year.

INFORMATION ABOUT DIRECTORS AND SECRETARY

Gordon Bradley Elkington, BSc (Hons), MSc, Ph D, LL.M

Dr Elkington is a barrister of the Supreme Court of New South Wales. He is also a director of Pritchard Equity Limited and City West Community Financial Services Limited. He has been a director of the company since 1994.

John David Honan, BA, MA, F Fin

Mr Honan has had many years experience in finance and investment. He has been an associate director and the Chief Economist of Ausbil Dexia Limited, and has also lectured and examined for the Securities Institute of Australia. He has been a director of the company since 2001, and is a member of the Audit Committee.

Steven Shane Pritchard, B Com, CPA, F Fin

Mr Pritchard is the Chief Executive Officer. He is a Certified Practising Accountant and is the principal of the Newcastle based accounting firm Rees Pritchard Pty Limited. He is also a director of Illuminator Investment Company Limited, Florin Mining Investment Company Limited, Pritchard Equity Limited and South Pacific Stock Exchange Limited. He has been a director of the company since 2003.

David George Maxwell Welsh, MBBS, FRACGP, ASIA, DFS

Dr Welsh is a medical practitioner with post graduate qualifications in finance and investment. He was formerly a director of Stokes Australasia Limited. He was appointed as a director of the company on 5 June 2014.

Francis Ian Malcolm, MBA

Mr Malcolm has had over 20 years' experience in the securities industry as a private client advisor, and has been an executive director of several Westpac subsidiaries. He is a director and general manager of stockbroking firm OpenMarkets. He was appointed as a director of the company on 19 November 2015.

Alfred Edward Fulton Rofe, AM, BA, LL.M, Grad Dip Corp Sec Law (Sydney), B Com (UNSW), FCPA, F Fin, ACIS

Mr Rofe was the chairman of the company and a member of the Audit Committee. He practised as a solicitor of the Supreme Court of New South Wales from 1964 to 1997, and lectured in financial accounting at the University of New South Wales from 1974 to 1998. He has served on a number of government committees, and was formerly a member of the Financial Reporting Panel. He was chairman of the Australian Shareholders Association for many years, and in 2002 was appointed as a Member of the Order of Australia for services to the finance industry and the protection of the rights and interests of investors. He resigned as a director of the Company on 18 April 2019.

Winpar Holdings Limited
ABN 81 003 035 523

Directors' Report

30 June 2019

DIRECTORS INTERESTS IN THE COMPANY

As at 30 June 2019 the directors who held office held the following relevant interests in shares in the company.

	Shares held directly	Shares held indirectly
Gordon Elkington	553,985	-
John Honan	-	37,838
Steven Pritchard	-	456,440
David Welsh	1,130,904	-
Francis Ian Malcolm	-	52,251
Alfred Rofe	18,031	-

DIRECTORS MEETINGS ATTENDED

There were 10 directors meetings held during the financial year. Attendances at these meetings were as follows:

Gordon Elkington	10
John Honan	7
Steven Pritchard	10
Alfred Rofe	5
David Welsh	8
Francis Ian Malcolm	9

There were two meetings of the audit committee held during the financial year. Attendances at these meetings were as follows:

John Honan	2
Alfred Rofe	2

PRINCIPAL ACTIVITIES

The principal activity in which the company was engaged during the financial year was investment in shares and other securities. There was no change in the nature of these activities during the year.

The investment portfolio as at 30 June 2019 is set out on pages 34-37. The investments making up this portfolio are considered to be long term investments, and are not intended to be traded.

REVIEW OF OPERATIONS

The net profit for the year after provision for income tax was \$133,408 (2018: \$6,829).

The company has continued to maintain a margin account for special purposes, otherwise the company remains largely debt free.

The net asset backing of the shares at balance date was \$0.98.

Winpar Holdings Limited
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Directors' Report

30 June 2019

DIVIDENDS

On 30 November 2018 the company paid a fully franked dividend of 2 cents per share to members registered as at 15 November 2018. The total amount of the dividend was \$92,113 of which \$29,604 was paid in cash and \$62,509 was reinvested in new shares under the company's dividend reinvestment plan.

On 21 June 2019 the company paid a fully franked dividend of 2 cents per share to members registered as at 7 June 2019. The total amount of the dividend was \$93,364 of which \$29,505 was paid in cash and \$63,859 was reinvested in new shares under the company's dividend reinvestment plan.

EVENTS SUBSEQUENT TO BALANCE DATE

There have been no events subsequent to year end which require disclosure.

REMUNERATION REPORT

At the annual general meeting for 2007 held on 29 November 2007, shareholders approved an annual payment of non-executive directors fees to a limit of \$25,000. During the financial year non-executive directors fees were paid or accrued as follows.

Director	Fee	Superannuation	Total
	\$	\$	\$
Steven Pritchard	-	4,166	4,166
Alfred Rofe	3,472	-	3,472
Gordon Elkington	-	4,166	4,166
John Honan	-	4,167	4,167
David Welsh	-	4,167	4,167
Francis Malcolm	4,167	-	4,167
Total	7,639	16,666	24,305

No other fees were paid to directors.

INDEMNITIES

No indemnification agreements have been entered into and no insurance premiums have been paid in respect of officers or auditors of the company during the financial year.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of the court to bring proceedings on behalf of the company or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

CORPORATE GOVERNANCE

The board is responsible for ensuring that the company is properly managed so that shareholders interests are protected and enhanced, disclosure and reporting obligations are complied with, and conflicts of interest are avoided. To this end the board has delineated the functions of its officers and management, and regularly reviews the company's financial position and financial performance.

The board has established an audit committee consisting of non-executive directors. The committee reviews the company's accounts independently of management.

Winpar Holdings Limited
ABN 81 003 035 523

Directors' Report

30 June 2019

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2019 is set out on page 8.

NON AUDIT SERVICES

Details of the auditor's remuneration for auditing the company's accounts are set out in note 16 to the accounts. No amounts have been paid or are payable to the auditor for non-audit services.

ENVIRONMENTAL REGULATION

The company's operations are not subject to any particular significant environmental regulation under any law of the Commonwealth or any State or Territory.

Signed on 13 September 2019 in accordance with a resolution of the Board of Directors.



Steven Shane Pritchard
Director



Gordon Bradley Elkington
Director

Winpar Holdings Limited

ACN: 003 035 523

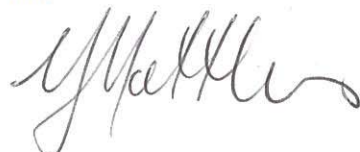
Auditor's Independence Declaration under section 307C of the Corporations Act 2001

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Winpar Holdings Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) No contraventions of any applicable code of professional conduct in relation to the audit.



PKF



MARTIN MATTHEWS
PARTNER

13 SEPTEMBER 2019
NEWCASTLE, NSW

PKF(NS) Audit & Assurance Limited Partnership Sydney

ABN 91 850 861 839
Liability limited by a scheme
approved under Professional
Standards Legislation

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Winpar Holdings Limited
ABN 81 003 035 523

Statement of Profit or Loss and Other Comprehensive Income

For the financial year ended 30 June 2019

	Note	30 June 2019			30 June 2018		
		Revenue \$	Capital \$	Total \$	Revenue \$	Capital \$	Total \$
Revenue from ordinary activities	2	272,572	-	272,572	141,372	-	141,372
Finance costs	3	(5,007)	-	(5,007)	(12,941)	-	(12,941)
Administration expenses		(64,834)	-	(64,834)	(71,854)	-	(71,854)
Legal expenses		-	-	-	(8,750)	-	(8,750)
Occupancy expenses		(22,605)	-	(22,605)	(20,593)	-	(20,593)
Other ordinary expenses	3	(65,820)	-	(65,820)	(65,553)	-	(65,553)
Share of profit of associate		-	-	-	8,959	-	8,959
(Loss)/profit before income tax		114,306	-	114,306	(29,360)	-	(29,360)
Income tax benefit / (expense)	4	19,102	-	19,102	36,189	-	36,189
Profit from continuing operations		133,408	-	133,408	6,829	-	6,829
Profit for the period		133,408	-	133,408	6,829	-	6,829
Other comprehensive income							
Net gains for the period on securities realised in the investment portfolio		-	79,597	79,597	-	63,088	63,088
Tax expense on the above		-	(56,421)	(56,421)	-	(18,926)	(18,926)
Net gain on revaluation of financial assets		-	(103,957)	(103,957)	-	312,047	312,047
Tax expense on the above		-	31,187	31,187	-	(93,614)	(93,614)
Other comprehensive income for the period net of tax		-	(49,594)	(49,594)	-	262,595	262,595
Total comprehensive income		133,408	(49,594)	83,814	6,829	262,595	269,424
Earnings per share							
Basic earnings per share	5			\$0.03			\$0.00

The accompanying notes form part of these financial statements.

Winpar Holdings Limited
ABN 81 003 035 523

Statement of Financial Position

As at 30 June 2019

	Note	30 June 2019 \$	30 June 2018 \$
ASSETS			
Current assets			
Cash and cash equivalents	6	1,022,808	19,889
Trade and other receivables	7	169,589	83,226
Current tax receivable	8(a)	1,776	164
Financial assets	9	-	1,404,012
Other assets		1,925	1,870
Total current assets		1,196,098	1,509,161
Non-current assets			
Financial assets	9	3,402,681	3,309,555
Plant and equipment		109	174
Deferred tax assets	8(b)	106,988	113,120
Total non-current assets		3,509,778	3,422,849
Total assets		4,705,876	4,932,010
LIABILITIES			
Current liabilities			
Trade and other payables	10	53,722	115,189
Borrowings	11	930	190,299
Total current liabilities		54,652	305,488
Non-current liabilities		-	-
Total liabilities		54,652	305,488
Net assets		4,651,224	4,626,522
EQUITY			
Issued capital	12	4,732,020	4,605,656
Reserves	14	(80,796)	23,350
Retained earnings		-	(2,484)
Total equity		4,651,224	4,626,522

The accompanying notes form part of these financial statements.

Winpar Holdings Limited
ABN 81 003 035 523

Statement of Changes in Equity

For the financial year ended 30 June 2019

	Note	Ordinary Shares \$	Retained Earnings \$	General Reserve \$	Financial Assets Reserve \$	Total \$
Balance at 1 July 2018		4,605,656	(2,484)	110,036	(86,686)	4,626,522
Profit for the period		-	133,408	-	-	133,408
Net capital profits/ (losses) for the year		-	23,176	-	-	23,176
Transfer to general reserve		-	(60,738)	60,738	-	-
Dividends provided for or paid	13	-	(93,362)	(92,114)	-	(185,476)
Shares issued during the period	12	126,364	-	-	-	126,364
Revaluation of available-for-sale financial assets (net of tax)	14	-	-	-	(72,770)	(72,770)
Sub-total		126,364	2,484	(31,376)	(72,770)	24,702
Balance at 30 June 2019		4,732,020	-	78,660	(159,456)	4,651,224

		Ordinary Shares \$	Retained Earnings \$	General Reserve \$	Financial Assets Reserve \$	Total \$
Balance at 1 July 2017		4,251,430	122,461	110,036	(305,119)	4,178,808
Profit for the period		-	6,829	-	-	6,829
Net capital profits/ (losses) for the year		-	44,162	-	-	44,162
Transfer to general reserve		-	-	-	-	-
Dividends provided for or paid	13	-	(175,936)	-	-	(175,936)
Shares issued during the period	12	354,226	-	-	-	354,226
Revaluation of available-for-sale financial assets (net of tax)	14	-	-	-	218,433	218,433
Sub-total		354,226	(124,945)	-	218,433	447,714
Balance at 30 June 2018		4,605,656	(2,484)	110,036	(86,686)	4,626,522

The accompanying notes form part of these financial statements.

Winpar Holdings Limited
ABN 81 003 035 523

Statement of Cash Flows

For the financial year ended 30 June 2019

	Note	30 June 2019 \$	30 June 2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(184,421)	(147,825)
Other investment income		244,985	150,613
Finance costs		(5,007)	(12,941)
Income tax refund		1,120	1,984
Net cash provided by/ (used in) operating activities	15(b)	56,677	(8,169)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of available-for-sale financial assets		1,434,045	282,886
Purchase of available-for-sale financial assets		(208,258)	(313,448)
Net cash provided by/ (used in) investing activities		1,225,787	(30,562)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(59,109)	(59,651)
Repayment of borrowings		(220,436)	(17,403)
Net cash used in financing activities		(279,545)	(77,054)
Net increase/ (decrease) in cash and cash equivalents held		1,002,919	(115,785)
Cash and cash equivalents at beginning of period		19,889	135,674
Cash and cash equivalents at end of period	15(a)	1,022,808	19,889

The accompanying notes form part of these financial statements.

Winpar Holdings Limited
ABN 81 003 035 523

Notes to the Financial Statements

For the financial year ended 30 June 2019

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, and the Corporations Act 2001.

Accounting Standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS'). Compliance with A-IFRS ensures that the financial statements and notes of the company comply with the International Financial Reporting Standards ('IFRS').

New and revised Accounting Standards

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the company from the adoption of these Accounting Standards and Interpretations is disclosed in the relevant accounting policy.

Basis of preparation

The financial report has been prepared on an accruals basis and is based on historical costs, modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. All amounts are presented in Australian dollars.

Accounting Policies

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

(a) Investment Portfolio

(i) Statement of Financial Position classification

The investment portfolio relates to holdings of securities which the directors intend to retain on a long-term basis.

The investment portfolio is classified as a 'non-current asset'.

Ordinary securities within the investment portfolio are classified as 'financial assets measured at fair value through other comprehensive income in accordance with AASB 9.

(ii) Valuation of investment portfolio

Securities, including listed and unlisted shares, notes and options, are initially brought to account at cost, which is the cost of acquisition including transaction costs and are continuously re-valued to market values.

Winpar Holdings Limited
ABN 81 003 035 523

Notes to the Financial Statements

For the financial year ended 30 June 2019

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(a) Investment Portfolio continued

Increments and decrements on ordinary securities are recognised as comprehensive income and are taken to the Investment Revaluation Reserve.

Where disposal of an investment occurs, any revaluation increment or decrement relating to the investment is transferred from the Investment Revaluation Reserve to Retained Earnings.

(iii) Income from holding of securities

Distributions relating to listed securities are recognised as income when those securities are quoted on an ex-distribution basis and distributions relating to unlisted securities are recognised as income when received. If a distribution is a capital return on ordinary securities the amount of the distribution is treated as an adjustment to the carrying value of the securities.

(b) Fair Value of Financial Assets and Liabilities

The fair value of cash and cash equivalents, and non-interest bearing monetary financial assets and liabilities of the company, approximates their carrying value.

(c) Income Tax

The income tax expense (benefit) for the year comprises current income tax expense (benefit) and deferred tax expense (benefit).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. The current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses

Winpar Holdings Limited
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Notes to the Financial Statements

For the financial year ended 30 June 2019

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(c) Income Tax continued

Deferred tax assets and liabilities are ascertained on the basis of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred assets and liabilities relate to income taxes levied by the same taxation authority where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(d) Foreign Transactions and Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of a transaction. Foreign currency monetary items are translated at the year-end exchange rates. Exchange differences arising on the translation of monetary items are recognised in the Profit or Loss.

(e) Provisions

Provisions are recognised when the entity has a present (legal or constructive) obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(g) Revenue and Other Income

Dividends and interest have been brought into account in the profit and loss when received or receivable.

(h) Borrowing Costs

Borrowing costs are recognised in the profit or loss in the period in which they are incurred.

Winpar Holdings Limited
ABN 81 003 035 523

Notes to the Financial Statements

For the financial year ended 30 June 2019

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

(j) Comparative Figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(k) Segment Reporting

Operating segments are reported using the 'management approach', where the information presented in a manner consistent with the internal reporting used by the Chief Operating Decision Maker ('CODM'). The Board has been identified as the CODM, as it is responsible for allocating resources and assessing the performance of the operating segments.

(l) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit of the company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

As there are no options, convertible notes or other dilutive instruments on issue, 'diluted earnings per share' are the same as 'basic earnings per share'. This also applies to diluted net operating profit per share.

(m) Plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and impairment.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over its expected useful life as follows:

Plant and equipment	3 years
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The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Winpar Holdings Limited
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Notes to the Financial Statements

For the financial year ended 30 June 2019

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(n) Critical Accounting Estimates and Judgments

The preparation of financial reports in conformity with AIFRS requires the use of certain critical accounting estimates. This requires the Board and management to exercise their judgment in the process of applying the company's accounting policies.

Tax

The carrying amounts of certain assets and liabilities are determined on the basis of estimates and assumptions of future events. In accordance with AASB 112 Income Taxes, deferred tax benefits have been recognised for Capital Gains Tax (CGT) on the unrealised loss in the Investment Portfolio at current tax rates.

As the directors do not intend to dispose of the portfolio, this tax asset may not be crystallised at the amount disclosed at Note 8. In addition, the tax benefit that arises on disposal of these securities may be impacted by changes in tax legislation relating to treatment of capital gains and the rate of taxation applicable to such gains at the time of disposal.

The company has recognised deferred tax assets in relation to carried forward revenue and capital losses and deductible temporary differences as disclosed in Note 8. The company recognises these assets only if the company considers it is probable that future taxable amounts will be available to utilise these temporary differences and losses. The company does not intend to dispose of portfolio assets until there are gains on the investments which the directors believe will be sufficient to recoup the deferred tax assets.

(o) Standards issued but not yet effective

The AASB has issued new and amended accounting standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided against early adoption of these standards. The following summarises those future requirements, and their impact on the company:

AASB 16 Leases (applicable for annual reporting periods beginning on or after 1 January 2019) The AASB has issued a new standard for the recognition of leases. This will replace AASB 117 and some lease-related interpretations. AASB 16 introduces new requirements for accounting for leases "on balance sheet" by lessees, including new disclosure requirements.

The company does not anticipate early adoption of any of the above reporting requirements and does not expect these requirements to have any material effect on the company's financial statements.

Winpar Holdings Limited
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Notes to the Financial Statements

For the financial year ended 30 June 2019

2. Revenue

	2019 \$	2018 \$
Other revenue		
- Interest income	10,547	814
- Dividends received	200,623	84,783
- Trust distributions received	19,377	26,231
- Foreign income received	41,517	26,198
- Other income	-	900
- Gain on exchange differences	508	2,446
	<u>272,572</u>	<u>141,372</u>
Total revenue	<u>272,572</u>	<u>141,372</u>

3. Results for the year

Finance costs:		
- external	5,007	12,941
	<u>5,007</u>	<u>12,941</u>
Other expenses from ordinary activities	65,820	65,553
	<u>65,820</u>	<u>65,553</u>

4. Income tax expense

(a) The components of tax expense comprise:

Current tax expense		
Current tax	-	-
Deferred tax expense		
Deferred tax	(18,591)	(37,173)
(Over)/ under provision for income tax in prior years	(511)	984
	<u>(19,102)</u>	<u>(36,189)</u>
Total income tax benefit	<u>(19,102)</u>	<u>(36,189)</u>

Winpar Holdings Limited
ABN 81 003 035 523

Notes to the Financial Statements

For the financial year ended 30 June 2019

4. Income tax expense continued

2019	2018
\$	\$

(b) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:

Prima facie tax payable on (loss)/profit from ordinary activities before income tax at 30% (2018: 30%)	34,292	(8,808)
Less:		
Tax effect of:		
- rebateable fully franked dividends	(52,883)	(19,914)
- difference in capital gains	-	(2,441)
- tax effective trust distributions received	-	(3,325)
- share of profit of associate	-	(2,687)
- under provision for income tax in prior year	(511)	986
Income tax benefit	(19,102)	(36,189)

5. Earnings per share

(a) Reconciliation of earnings to profit or loss from continuing operations

Profit from continuing operations	133,408	6,829
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(b) Earnings used to calculate overall earnings per share

133,408	6,829
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(c) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

4,643,534	4,381,747
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(d) Basic earnings per share

Basic earnings per share - cents	2.87	-
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6. Cash and cash equivalents

Cash and cash equivalents	1,022,808	19,889
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7. Trade and other receivables

Trade and other receivables	169,589	83,226
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Winpar Holdings Limited
ABN 81 003 035 523

Notes to the Financial Statements

For the financial year ended 30 June 2019

8. Tax

	2019 \$	2018 \$
(a) Current Tax Asset		
Current tax	1,776	164

(b) Deferred tax assets

	Opening Balance \$	Charged to Income \$	Charged directly to Equity \$	Closing Balance \$
Deferred tax assets				
Financial assets held for trading				
- Accounting	-	-	-	-
- Tax	-	-	-	-
Accruals	11,686	(8,018)	-	3,668
Deferred tax assets attributable to tax losses	47,017	25,283	-	72,300
Capital losses	-	-	-	-
Revaluation reserve	130,766	-	(93,614)	37,152
Balance at 30 June 2018	189,469	17,265	(93,614)	113,120
Financial assets held for trading				
- Accounting	-	-	-	-
- Tax	-	-	-	-
Accruals	3,668	(1,565)	-	2,103
Deferred tax assets attributable to tax losses	72,300	(35,754)	-	36,546
Capital losses	-	-	-	-
Revaluation reserve	37,152	-	31,187	68,339
Balance at 30 June 2019	113,120	(37,319)	31,187	106,988

9. Financial assets

	2019 \$	2018 \$
Available-for-sale financial assets comprise:		
CURRENT		
Unlisted investments, at fair value	-	1,404,012
NON-CURRENT		
Listed investments, at fair value		
- shares in listed corporations	2,736,671	2,643,545
Unlisted investments, at fair value		
- shares in other corporations	666,010	666,010
Total available-for-sale financial assets	3,402,681	3,309,555

10. Trade and other payables

Trade and other payables	53,722	115,189
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Winpar Holdings Limited
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Notes to the Financial Statements

For the financial year ended 30 June 2019

	2019 \$	2018 \$
11. Borrowings		
CURRENT		
Secured liabilities:		
BT Margin Loan	930	190,299
Total current borrowings	<u>930</u>	<u>190,299</u>

Secured liabilities

The company has a margin loan which is secured against certain specified securities.

12. Issued Capital

Ordinary shares

At the beginning of reporting period	4,605,656	4,251,430
Shares issued during the year		
62,505 at \$1.00 on 30 November 2018 (2018: 56,321 at \$1.00 on 22 November 2017)	62,505	56,321
63,859 at \$1.00 on 21 June 2019 (2018: 59,965 at \$1.00 on 18 May 2018)	63,859	59,965
237,940 at \$1.00 on 13 February 2018	-	237,940
At the end of the reporting period	<u>4,732,020</u>	<u>4,605,656</u>

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled on a poll to one vote per share at shareholders meetings. On a show of hands each member present at a meeting in person or by proxy or representative has one vote. In the event of the winding up of the company ordinary shareholders rank after creditors and share in the proceeds on winding up in proportion to the number of shares held.

13. Dividends

The following dividends were declared and paid:

Fully franked ordinary dividend of 2 cents per share paid 21 June 2019 (2018: 2 cents)	93,362	90,918
Fully franked ordinary dividend of 2 cents per share paid 30 November 2018 (2018: 2 cents)	92,114	85,019
At the end of the reporting period	<u>185,476</u>	<u>175,937</u>

Franked dividends declared or paid during the year were franked at the tax rate of 30%.

Franking account

Franking credits accumulated at beginning of the year	17,404	64,187
Imputation credits from franked dividends	75,780	28,619
Tax paid / (refunded)	-	-
PAYG instalment	-	-
Dividends paid	(79,490)	(75,402)
TFN withholding tax	-	-
	<u>13,694</u>	<u>17,404</u>

Winpar Holdings Limited
ABN 81 003 035 523

Notes to the Financial Statements

For the financial year ended 30 June 2019

	Note	2019 \$	2018 \$
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14. Reserves

Financial assets reserve

Opening balance		(86,686)	(305,119)
Revaluation of investment portfolio		(72,770)	218,433
Closing balance		<u>(159,456)</u>	<u>(86,686)</u>

The revaluation reserve records unrealised revaluations of financial assets available for sale to fair value after allowing for income tax.

General reserve

Opening balance		110,036	110,036
Transfer from/to retained earnings		(31,376)	-
Closing balance		<u>78,660</u>	<u>110,036</u>

The general reserve records any current or prior period accumulated profits transferred from retained earnings. The transfer of current or prior period accumulated profits to the general reserve may facilitate the payment of future dividends, rather than maintaining these profits within retained earnings.

15. Cash flow information

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as

Cash and cash equivalents	6	1,022,808	19,889
Balance as per statement of cash flows		<u>1,022,808</u>	<u>19,889</u>

(b) Reconciliation of cash flow from operations with profit after income tax

Profit for the year		133,408	6,829
Cash flows excluded from profit attributable to operating activities			
Non-cash flows in profit:			
- depreciation		65	118
- dividend income reinvested		-	(292)
- net gain on disposal of available for sale financial assets		-	(63,088)
- share of profit of associate		-	(8,959)
Changes in assets and liabilities:			
- (increase) / decrease in trade and other receivables		(26,014)	48,804
- (increase) / decrease in deferred tax asset		(19,102)	(17,399)
- (decrease) / increase in trade and other payables		(31,680)	25,818
Cash flow from operations		<u>56,677</u>	<u>(8,169)</u>

(c) Significant non-cash investing and financing activities

The company issued 62,505 and 63,859 shares at \$1 each in November 2018 and June 2019 respectively, in accordance with its dividend reinvestment plan.

16. Auditors' remuneration

Remuneration of the auditor of the company, PKF, for auditing or reviewing the financial report:

- PKF		18,329	19,069
Total auditors' remuneration for auditing or reviewing the financial report		<u>18,329</u>	<u>19,069</u>

17. Segment reporting

The company operates solely in Australia as an investment company.

Winpar Holdings Limited
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Notes to the Financial Statements

For the financial year ended 30 June 2019

18. Financial risk management

Financial instrument composition and maturity analysis

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non-interest Bearing		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
	%	%	\$	\$	\$	\$	\$	\$
Financial assets								
Cash and cash equivalents	1.50	1.40	1,022,808	19,889	-	-	1,022,808	19,889
Receivables	-	-	-	-	169,589	83,226	169,589	83,226
Financial assets designated at fair value through other comprehensive income	-	-	-	-	3,402,681	4,713,567	3,402,681	4,713,567
Total financial assets			1,022,808	19,889	3,572,270	4,796,793	4,595,078	4,816,682
Financial liabilities								
Borrowings	7.29	7.12	930	190,299	-	-	930	190,299
Payables	-	-	-	-	53,722	115,189	53,722	115,189
Total financial liabilities			930	190,299	53,722	115,189	54,652	305,488

Winpar Holdings Limited
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Notes to the Financial Statements

For the financial year ended 30 June 2019

19. Financial risk management continued

(a) Interest rate risk

The company's exposure to interest rate risk, which is the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rate for classes of financial assets and financial liabilities, are set out above.

(b) Credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The credit risk on financial assets, excluding investments, of the company which have been recognised on the Statement of Financial Position, is the carrying amount of trade and other receivables. The company is not materially exposed to any individual credit risk.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company monitors its cash flow requirements and ensures that it has either cash or access to short term borrowing facilities to meet any payments. The assets of the company are largely in the form of readily tradeable securities which can be sold on the market if necessary.

(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market conditions. Because the company invests a substantial part of its assets in tradeable securities which are not risk free, it is always subject to market risk. The investments are however widely spread so that the risk is minimised.

(e) Fair value measurement

The company measures and recognises the following assets and liabilities on a recurring basis after initial recognition:

- Investment portfolio

The company does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non recurring basis.

Fair Value Hierarchy

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Measurements based on unobservable inputs for the asset or liability.

Winpar Holdings Limited
ABN 81 003 035 523

Notes to the Financial Statements

For the financial year ended 30 June 2019

19. Financial risk management continued

(e) Fair value measurement continued

The following tables provide the fair values of the company's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

30 June 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Recurring fair value measurements				
Investment portfolio	2,736,671	666,010	-	3,402,681

30 June 2018

Recurring fair value measurements

Investment portfolio	2,643,545	2,070,022	-	4,713,567
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Further information on the determination of the fair value is set out below

(i) Investment portfolio - Level 1

The company's Level 1 investments consist of shares that are listed on the Australian Stock Exchange, National Stock Exchange and other public stock exchanges. The valuation of listed investments has been obtained on the basis of quoted prices (unadjusted) in an active market for identical securities at 30 June 2019 and 30 June 2018.

(ii) Investment portfolio - Level 2

The company's Level 2 investments consist of unlisted shares and trusts. The valuation of these investments have been determined on the basis of the net asset value of the investments as at 30 June 2019 and 30 June 2018.

Winpar Holdings Limited
ABN 81 003 035 523

Notes to the Financial Statements

For the financial year ended 30 June 2019

20. Lease Commitments

The initial period of the operating lease for the company's premises has expired and, the company is subject to a 60 day notice period under the lease. The current commitment relating to leases at balance date, for the current lease (including GST), is:

	2019	2018
	\$	\$
Due within one year	3,333	3,333
Later than one year but less than five years	-	-
Greater than five years	-	-
	<u>3,333</u>	<u>3,333</u>

21. Related party transactions

(a) Transactions with directors and associates

Since the end of the previous financial year no director of the company has received or become entitled to receive a benefit arising out of any contract that the director, a firm of which the director is a member or an entity in which the director has a substantial financial interest except as follows:

Fees were paid to Newcastle Capital Markets Registries Pty Ltd, a company in which Mr Steven Pritchard has an indirect interest, for providing share registry services to the company. The total amount paid/ payable was \$11,604 (2018: \$13,804) (exclusive of GST).

Fees were paid to Rees Pritchard Pty Ltd, a company in which Mr Steven Pritchard has an indirect interest, for providing accounting services to the company. The total amount paid/ payable was \$46,505 (2018: \$52,785) (inclusive of GST).

Loans from related parties

	2019	2018
	\$	\$
Mr Gordon Elkington	897	30,688

Winpar Holdings Limited
ABN 81 003 035 523

Notes to the Financial Statements

For the financial year ended 30 June 2019

22. Events subsequent to reporting date

No event subsequent to year end has occurred which requires disclosure.

23. Contingent assets and liabilities

There were no known contingent liabilities as at 30 June 2019.

24. Company details

The registered office of the company is:

Suite 11.10
66 Clarence Street
Sydney NSW 2000

The principal place of business is:

Suite 11.10
66 Clarence Street
Sydney NSW 2000

Winpar Holdings Limited
ABN 81 003 035 523

Directors' Declaration

1. In the opinion of the Directors of Winpar Holdings Limited:

- (a) The financial statements and notes as set out on pages 8 to 27 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of its financial position as at 30 June 2019 and its performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian
- (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.

2. The financial statements comply with International Financial Reporting Standards.

This declaration is made in accordance with a resolution of the Board of Directors and is signed on behalf of the Directors.



Steven Shane Pritchard
Director



Gordon Bradley Elkington
Director

13 September 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WINPAR HOLDINGS LIMITED

Report on the Financial Report

Opinion

We have audited the accompanying financial report of Winpar Holdings Limited (the company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion:

- a) The financial report of Winpar Holdings Limited is in accordance with the Corporations Act 2001, including:
 - i) Giving a true and fair view of the Company's financial position as at 30 June 2019 and of its performance for the year ended on that date; and
 - ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the Auditor's Responsibility section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

PKF(NS) Audit & Assurance Limited Partnership Sydney

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period.

These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matters below, our description of how our audit addressed each matter is provided in that context.

1. Valuation & Existence of Investment Portfolio

Why significant

As at 30 June 2019, a significant proportion of the Company's assets (72%) comprised of investment securities. The fair value of financial assets is \$3,402,681 (2018: \$4,713,567) as disclosed in Note 9 of the financial report. Many of these assets are denominated in foreign currencies.

Of these assets, \$2,736,671 are listed securities classified as 'level 1' financial instruments in accordance with the classification under Australian Accounting Standards where quoted prices in active markets are available for identical assets.

The remaining assets of \$666,010 are unlisted securities classified as 'level 2' financial instruments whereby the valuation has been determined on the basis of the investment's net asset value as at 30 June 2019.

Refer to Note 1 (a) for details of these assets and Note 19 (e) for the level 1 and 2 classification.

Based on the above, we have considered the valuation and existence of financial assets to be a Key Audit Matter.

How our audit addressed the key audit matter

We performed substantive testing on a sample of financial assets. This included:

- agreeing the quantity of securities held and recognised in the financial report to external independent trading registers;
- confirming the market value as at 30 June 2019 using reputable and active trading websites such as the Australian Stock Exchange and the London Stock Exchange;
- ensure those investments denominated in foreign currencies have been accurately valued in Australian dollars;
- reviewing reconciliations prepared by management and supporting documentation to confirm market movements. This included agreeing the gain/loss incurred throughout the period to transaction reports.

We also assessed the appropriateness of the related disclosures in Notes 1 (a), 9 and 19.

Key Audit Matters (cont'd)

2. Recognition and Valuation of Deferred Tax Assets

Why significant

As disclosed in Note 8 of the financial report, at 30 June 2019 the Company has recorded a deferred tax asset of \$106,988 (2018: \$113,120) relating to deductible temporary differences and tax losses incurred.

As noted in Note 1(c) of the financial report, deferred tax assets are only recognised if the Company considers it probable that future taxable income will be generated to utilise these temporary differences and losses.

Significant judgement is required in forecasting future taxable income.

Based on the above, we have considered the recognition and valuation of deferred tax assets to be a Key Audit Matter.

How our audit addressed the key audit matter

We have assessed and challenged management's judgements relating to the Company's ability to generate future taxable income, and also the recognition criteria under AASB 112.

Our procedures included but were not limited to:

- assessing the reasonableness of key assumptions with respect to future income and expenditure;
- reviewing the nature of the deferred tax asset (i.e. temporary differences or revenue / capital losses) and its probability of being realised.

We have also assessed the appropriateness of the disclosures included in Note 8 in respect of the deferred tax balances.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the company's Annual Report but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibilities for the Financial Report

The Directors of the company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In Note 1, the Directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the Directors are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using a going concern basis of accounting unless the Directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individual or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Auditor's Responsibilities for the Audit of the Financial Report (cont'd)

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report


Opinion

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Winpar Holdings Limited for the year ended 30 June 2019, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



PKF



MARTIN MATTHEWS
PARTNER

13 SEPTEMBER 2019
NEWCASTLE, NSW

Winpar Holdings Limited
ABN 81 003 035 523

Investment Portfolio

Company	Number of shares/units	Market \$
Acacia Ridge Financial Services Limited	10,000	6,800
Albany WA Community Financial Services Limited	2,500	2,000
Alumina Limited	15,000	34,950
Amalgamated Telecom Holdings Ltd	6,000	12,826
Angostura Holdings Limited	12,000	40,472
Arrium Limited - voluntary administration (7/4/16)	200,000	0
Atlantic and Pacific Packaging Co Limited	2,800	2,993
Aspermont Limited	1,000,000	12,000
Augusta and Districts Community Financial Services Limited	7,000	3,500
Australian Bauxite Limited	200,000	22,000
Auswide Bank Limited	8,000	41,040
AVI Global Trust	2,500	34,268
Balmain / Rozelle Financial Services Limited	39,000	7,800
BAO Trust	160,984	1,610
Bayswater Community Financial Services Limited	5,022	5,022
Beacon Lighting Group Limited	15,000	15,600
Bellarine Peninsular Community Branch Limited	5,000	3,250
Bendigo and Adelaide Bank Limited	1,500	17,370
Bendigo Community Telco Limited	16,400	22,960
Berkshire Hathaway Limited	50	15,182
Berowra and District Financial Services Limited	35,000	7,000
BGP Holdings plc	150,750	0
BHP Billiton Limited	1,491	61,370
Bisalloy Steel Group Limited	50,000	50,000
Brisbane Markets Limited	14,350	50,225
Brisbane Markets Limited Partially Paid	5,650	18,080
Broadwater Financial Services Limited	11,667	9,334
Buderim Ginger Limited	300,000	51,000
Byford and District Community Development Services Limited	5,000	5,000
Caffyns plc [preference]	5,852	16,509
Caledonia Investments plc	1,000	55,245
Canterbury Surrey Hills Community Finance Limited	15,400	13,090
Caplay plc (in liquidation)	1	0
Capitol Health Limited	100,000	23,000
Capral Limited	249,970	24,997
Carlton Investments Limited [preference]	5,746	11,779
Central Petroleum Limited	200,000	27,000
Chase Mining Corporation Limited	28,334	737
City West Community Financial Services Limited	5,000	4,250
Clifroy Limited	14,000	8,400
Conygar Investment Company plc	10,000	26,583
Coolalinga and Districts Community Enterprises Limited	6,000	6,600

Winpar Holdings Limited
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Company	Number of shares/units	Market \$
Dawney & Co Limited	10,000	1,450
Domain Holdings Australia Limited	10,000	31,800
East Gosford and Districts Community Financial Services Limited	30,000	7,500
Embelton Holdings Limited	8,000	84,000
Ettalong Beach Financial Services Limited	11,500	6,900
Fenwick plc [preference]	3,000	7,756
Fiji Sugar Corporation Limited	5,000	0
Fiji Television Limited	7,384	17,758
Fijicare Insurance Limited	6,393	8,969
Fleurieu Community Enterprises Limited	19,500	13,650
Florin Mining Investment Company Limited	800,605	64,048
FMF Foods Limited	25,000	35,573
Fraser Coast Community Enterprises Limited	24,500	19,600
Fremantle Community Financial Services Limited	21,000	10,500
Fuller Smith and Turner plc [A ordinary]	1,250	24,300
Goodwood / Highgate Community Financial Services Limited	18,000	9,000
Gowing Bros Limited	10,000	24,900
Graincorp Limited	5,000	39,850
Gympie and District Financial Services Limited	18,300	19,215
Hampton Hill Mining No Liability	660,000	10,560
Harbord Financial Services Limited	7,500	9,375
Heathcote and District Financial Services Limited	5,000	5,200
Heritage Brands Limited	259,762	8,053
Herald Investment Trust plc	2,000	48,319
Heyfield and District Community Financial Services Limited	9,500	10,450
Hire Intelligence International Limited (Delisted 26/2/2013)	37,621	0
Hobsons Bay Community Financial Services Limited	5,000	5,750
Hornby plc	10,000	5,642
Hydes Anvil Brewery Limited [B ordinary]	100	13,559
Hydro Hotel Eastbourne plc	100	1,311
Iluka Resources Limited	2,000	21,540
IOOF Holdings Limited	5,000	25,850
IMB Limited	5,010	24,900
Intercontinental Exchange Group	85	10,405
James Latham plc [preference]	2,000	4,430
Johnston Press plc [preference]	4,000	199
Kemp and Denning Limited	13,472	101,040
Keurig Dr Pepper Snapple Group Inc	142	5,845
Kingsgate Consolidated Limited	36,000	8,820
Kontiki Growth Fund Limited	21,547	6,476
Lend Lease Group	4,000	52,000
Link Administration Holdings Limited	5,000	25,000
Logan Community Financial Services Limited	54,900	22,509

Winpar Holdings Limited
ABN 81 003 035 523

Company	Number of shares/units	Market \$
Mandurah Community Financial Services Limited	14,900	14,900
Manningham Community Enterprises Limited	35,750	23,238
Marwyn Value Investors Limited	8,374	19,383
McKay Securities plc	10,000	42,496
McMullen and Sons Limited [preferred]	8,000	73,733
Meander Valley Financial Services Limited	16,000	16,000
Merchant House International Limited	60,000	5,400
Molecular Discovery Systems Limited (Price as at 31/12/2017)	85,034	170
Molonglo Financial Services Limited	5,500	1,650
Mooroolbark and District Finance Services Limited	27,900	20,925
Mt Evelyn and District Financial Services Limited	21,000	8,400
Mystate Limited	5,000	22,450
Navigator Resources Limited	6,601	0
Newcrest Mining Limited	2,000	63,900
NGE Capital Limited	20,000	11,600
North Ryde Community Financial Services Limited	7,000	10,500
OFX Group Limited	15,000	20,850
Oldfields Holdings Limited	142,698	4,852
Onemarket Limited	20,000	15,000
Onterran Limited	31,250	9,844
ORH Limited	1,375	1
Our Community Company Limited	4,000	11,600
Pacific Cement Limited	4,555	25,866
Paradise Beverages Fiji Limited	1,475	13,795
Paynesville and District Financial Services Limited	14,500	7,975
Penrice Soda Holdings Limited - in liquidation	600,000	0
Perpetual Resources Limited	1	0
Pine Rivers Community Finance Limited	6,000	6,000
Platinum Asset Management Limited	7,500	36,375
Pritchard Equity Limited [A ordinary]	5,950	1,785
Pritchard Equity Limited [B ordinary]	5,000	1,750
PZ Cussons plc [A ordinary]	5,000	19,349
Quoin (INT) Limited	10,000	0
RB Patel Group Limited	1,000	5,378
Redcliffe Peninsular Financial Services Limited	20,500	20,500
Redflex Holdings Limited	100,000	42,000
RVM Community Financial Services Limited	11,500	6,900
Rights and Issues Investment Trust plc	1,600	58,156
Rightmove plc	6,000	58,015
Rockingham Community Financial Services Limited	18,500	13,875
Rosewood and District Financial Services Limited	6,000	12,000
Rye and District Community Financial Services Limited	9,000	6,750
Sandringham Community Financial Services Limited	26,000	14,300
San Remo District Financial Services Limited	20,000	20,000
Sarina and District Financial Services Limited	12,900	12,255
Scottish Mortgage Investment Trust plc	500	4,797

Winpar Holdings Limited
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Company	Number of shares/units	Market \$
Shepherd Neame Limited	4,212	77,615
Shriro Holdings Limited	15,000	8,400
Sietel Limited	11,250	81,000
Sietel Limited [preference]	26,800	26,800
Site Group International Limited	500,000	13,500
Smartpay Holdings Limited	160,609	31,319
South Burdekin Community Financial Services Limited	9,790	9,790
South Burnett Community Enterprises Limited	5,000	3,500
Sunshine Coast Community Financial Services Limited	33,725	32,713
Telstra Corporation Limited	10,000	38,500
Textron Incorporated	62	4,684
The Romney Hythe and Dymchurch Railway plc	200	200
Thorney Opportunities Limited	50,000	33,500
Thwaites ORD	14,500	30,679
Tongala and District Financial Services Limited	44,100	30,870
Trinity Accommodation Regional Hospitality Fund	100,000	113,000
Troy Resources Limited	242,858	23,314
Tyrex Solutions Pty Ltd	25,000	0
Tyrex Solutions Unit Trust	25,000	25,000
Upper Yarra Community Enterprises Limited	11,500	10,350
VB Holdings Limited	4,052	20,031
Village National Holdings Limited	933,334	45,360
Wadworth and Company Limited [A ordinary]	4,800	56,406
Wantima Community Financial Services Limited	8,000	4,800
Webster Limited [preference]	55,278	80,153
Whitefield Limited [preference]	6,248	6,248
William Jackson and Son Limited [preference]	2,000	3,869
Witan Investment Trust plc [preference]	20,000	18,988
Woolworths Limited	3,000	99,690
Young and Companys Brewery plc	2,000	61,845
		3,402,681

Winpar Holdings Limited
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Shareholder Information

As at 5 September 2019 the Company had 183 shareholders. The 20 largest shareholders and their shareholdings were as follows:

Shareholder	Holding	Percentage
David George Maxwell Welsh	1,130,904	23.90
William Lewis Timms and Carolyn Jane Timms	557,650	11.78
Gordon Bradley Elkington	553,985	11.71
Illuminator Investment Company Limited	456,440	9.65
Level 1 Pty Ltd	325,000	6.87
Frederick Bruce Wareham	299,238	6.32
Milly Elkington	291,335	6.16
Peter Windeyer Donovan	83,656	1.77
Peter Andrew Martin	76,000	1.61
Trimay Pty Limited	73,168	1.55
Alaria Pty Limited	52,251	1.10
Honan Business Services Pty Limited	37,838	0.80
Seven Bob Investments Pty Limited	37,426	0.79
Mulla Nominees Pty. Limited	35,000	0.74
L M Lucas Pty Limited	32,586	0.69
Lynette Gay McLennan	30,716	0.65
Peter Anthony Cameron	28,124	0.59
Mary Graham Neild	25,160	0.53
Warwick Wilson Stewart	24,785	0.52
Meggsies Pty Limited	24,594	0.52
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	4,175,856	88.25

The distribution of shareholdings was as follows:

Range	Number of holders	Percentage of holders	Number of shares	Percentage of shares
1-1,000	92	50	31,781	1
1,001-5,000	38	21	118,909	3
5,001-10,000	15	8	113,188	2
10,001-50,000	27	15	568,515	12
50,001-100,000	4	2	285,075	6
100,001-500,000	4	2	1,372,013	29
500,001-1,000,000	2	1	1,111,635	23
1,000,001-2,000,000	1	1	1,130,904	24
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	183	100	4,732,020	100

The substantial shareholders and their shareholdings were as follows:

Shareholder	Holding
David George Welsh	1,130,904
William Lewis Timms and Carolyn Jane Timms	557,650
Gordon Bradley Elkington	553,985
Illuminator Investment Company Limited	456,440
Level 1 Pty Limited	325,000
Frederick Bruce Wareham	299,238
Milly Elkington	291,335

Winpar Holdings Limited
ABN 81 003 035 523

Five Year Summary

	2015	2016	2017	2018	2019
	\$	\$	\$	\$	\$
Earnings before tax	(90,904)	145,435	64,903	(29,360)	114,306
Tax expense/ (benefit)	(54,111)	20,793	(33,630)	(36,189)	(19,102)
Earnings after tax	(36,793)	124,642	98,533	6,829	133,408
Dividends paid	161,480	164,334	167,139	175,936	185,476
Current assets	150,612	175,006	307,878	1,509,161	1,196,098
Current liabilities	289,192	163,383	297,072	305,488	54,652
Non-current assets	4,448,928	3,980,202	4,168,002	3,422,849	3,509,778
Non-current liabilities	-	-	-	-	-
Shareholders equity	4,310,348	3,991,825	4,178,808	4,626,522	4,651,224
Subscribed capital	4,090,593	4,160,650	4,251,430	4,605,656	4,732,020

Winpar Holdings Limited
ABN 81 003 035 523

Corporate Directory

Directors	Gordon Bradley Elkington John David Honan Steven Pritchard David George Maxwell Welsh Francis Ian Malcolm
Secretary	Gordon Bradley Elkington
Registered office	Suite 11.10 66 Clarence Street Sydney New South Wales 2000
Auditor	PKF Newcastle 755 Hunter Street Newcastle West New South Wales 2302
Solicitor	Stephen Blanks and Associates 119 Evans Street Rozelle New South Wales 2039
Share Registrar	Newcastle Capital Markets Registries Pty Limited 10 Murray Street Hamilton New South Wales 2303
Bankers	Macquarie Bank Limited 1 Shelley Street Sydney New South Wales 2000 Bendigo Bank Limited Fountain Court Bendigo Victoria 3552 DDH Graham Limited Level 9 324 Queen Street Brisbane Queensland 4000