

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’)

31st December 2019

For announcement to the market

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

Extracts from this statement for announcement to the market (see note 1).				\$A
Operating Revenue (item 1.1)	Down	19%	To	76,373
Operating Profit (loss) before abnormal items and tax	Down	339%	To	(17,473)
Profit (loss) for the period attributable to members (item 1.11)	Down	66%	To	2,424
Income Distributions	Current period		Previous corresponding period	
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				

Annual meeting*(Preliminary final statement only)*

The annual meeting will be held as follows:

Place

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 type="checkbox"/> The financial statements have been audited. | <input checked="" 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

Date:

13 MARCH 2020*(Director/Company secretary)*

Print name:

GORDON ELKINGTON

Winpar Holdings Limited

ABN 81 003 035 523

Interim Report

Half year ended 31 December 2019

Winpar Holdings Limited

ABN 81 003 035 523

DIRECTORS' REPORT

31 December 2019

The directors present their report together with the accounts of Winpar Holdings Limited for the half year ended 31 December 2019.

DIRECTORS

The following persons have held office as directors during and since the end of the half year ended 31 December 2019:

Gordon Bradley Elkington
John David Honan
Steven Shane Pritchard
David George Maxwell Welsh
Francis Ian Malcolm

REVIEW OF OPERATIONS

The net profit for the period after provision for income tax was \$2,424 (2018: \$7,298). Total comprehensive income for the period was \$221,566 compared with comprehensive loss of \$61,739 for the half year ended 31 December 2018.

Winpar is a long term value investor and does not engage in share trading. The company has continued to maintain a margin account for special purposes, but the company remains largely debt free.

The net asset backing of Winpar's shares at balance date was \$1.01 (30 June 2019: \$0.98).

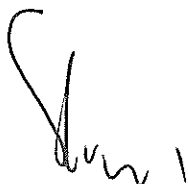
DIVIDENDS

On 31 December 2019 the company paid an unfranked dividend of 2 cents per share to members registered as at 13 December 2019. The total amount of the dividend was \$94,646 of which \$31,987 was paid in cash and \$62,659 was reinvested in new shares under Winpar's dividend reinvestment plan.

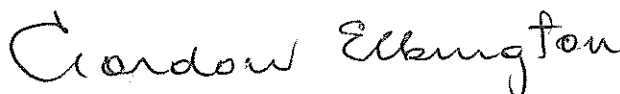
AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the half year ended 31 December 2019 is set out on page 2.

Signed on 13 March 2020 in accordance with a resolution of the Board of Directors.



Steven Shane Pritchard
Director



Gordon Bradley Elkington
Director

WINPAR HOLDINGS LIMITED

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


I am pleased to provide the following declaration of independence to the directors of Winpar Holdings Limited.

As lead audit partner for the review of the financial statements of Winpar Holdings Limited for the half-year ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

PKF

PKF



MARTIN MATTHEWS
PARTNER

13 MARCH 2020
NEWCASTLE, NSW

PKF(NS) Audit & Assurance Limited Partnership Sydney

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

Level 8, 1 O'Connell Street
Sydney NSW 2000 Australia
GPO Box 5446 Sydney NSW 2001
p +61 2 8346 6000
f +61 2 8346 6099

Newcastle

755 Hunter Street
Newcastle West NSW 2302 Australia
PO Box 2368 Dangar NSW 2309
p +61 2 4962 2688
f +61 2 4962 3245

Statement Of Profit Or Loss And Other Comprehensive Income

For the half year ended 31 December 2019

	Note	Period to 31 December 2019			Period to 31 December 2018		
		Revenue	Capital	Total	Revenue	Capital	Total
		\$	\$	\$	\$	\$	\$
Other revenue from ordinary activities	2	76,373	-	76,373	94,839	-	94,839
Finance costs		(33)	-	(33)	(4,932)	-	(4,932)
Administration expenses		(44,400)	-	(44,400)	(39,499)	-	(39,499)
Legal expenses		-	-	-	-	-	-
Occupancy expenses		(13,118)	-	(13,118)	(11,385)	-	(11,385)
Other expenses from ordinary activities		(36,295)	-	(36,295)	(31,730)	-	(31,730)
(Loss)/ profit before income tax		(17,473)	-	(17,473)	7,293	-	7,293
Income tax benefit		19,897	-	19,897	5	-	5
Profit from continuing operations		2,424	-	2,424	7,298	-	7,298
Profit for the period		2,424	-	2,424	7,298	-	7,298
Other Comprehensive income							
Net gain/ (loss) on revaluation of financial assets		-	239,623	239,623	-	(129,259)	(129,259)
Income tax relating to components of other comprehensive income		-	(71,887)	(71,887)	-	38,778	38,778
Net gains for the period on securities realised in the investment portfolio		-	73,437	73,437	-	53,239	53,239
Income tax relating to components of other comprehensive income		-	(22,031)	(22,031)	-	(31,795)	(31,795)
Other comprehensive income for the period net of tax		-	219,142	219,142	-	(69,037)	(69,037)
Total comprehensive income		2,424	219,142	221,566	7,298	(69,037)	(61,739)
Earnings per share							
Basic earnings per share (cents per share)				0.05			0.16

The accompanying notes form part of these condensed financial statements.

Statement Of Financial Position

As at 31 December 2019

	31.12.2019	30.06.2019
	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents	773,574	1,022,808
Trade and other receivables	82,346	169,589
Current tax receivable	1,776	1,776
Other assets	9,413	1,925
Total current assets	867,109	1,196,098
Non-current assets		
Financial assets	3,998,399	3,402,681
Plant and equipment	88	109
Deferred tax assets	34,172	106,988
Total non-current assets	4,032,659	3,509,778
Total assets	4,899,768	4,705,876
LIABILITIES		
Current liabilities		
Trade and other payables	57,759	53,722
Borrowings	-	930
Total current liabilities	57,759	54,652
Non-current liabilities		
Deferred tax liability	1,205	-
Total non-current liabilities	1,205	-
Total liabilities	58,964	54,652
Net assets	4,840,804	4,651,224
EQUITY		
Issued capital	4	4,794,679
Reserves		46,125
Retained earnings		-
Total equity		4,840,804

The accompanying notes form part of these condensed financial statements.

Statement of Changes in Equity
For the half year ended 31 December 2019

	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
Transactions with owners in their capacity as owners					
Dividends provided for or paid	-	-	(92,113)	-	(92,113)
Shares issued during the period	62,505	-	-	-	62,505
Total transactions with owners	62,505	-	(92,113)	-	(29,608)
Profit for the half year	-	7,298	-	-	7,298
<i>Other comprehensive income for the half year (net of tax)</i>					
Net capital gain for the half year (net of tax)	-	21,444	-	-	21,444
Revaluation of available-for-sale financial assets (net of tax)	-	-	-	(90,481)	(90,481)
Other comprehensive income for the half year	-	21,444	-	(90,481)	(69,037)
Total comprehensive income	-	28,742	-	(90,481)	(61,739)
Balance at 31 December 2018	4,668,161	26,258	17,923	(177,167)	4,535,175
 Balance at 1 July 2019	 4,732,020	 -	 78,660	 (159,456)	 4,651,224
Transactions with owners in their capacity as owners					
Dividends provided for or paid	-	-	(94,646)	-	(94,646)
Shares issued during the period	62,659	-	-	-	62,659
Total transactions with owners	62,659	-	(94,646)	-	(31,987)
Profit for the half year	-	2,424	-	-	2,424
<i>Other comprehensive income for the half year (net of tax)</i>					
Net capital gain for the half year (net of tax)	-	51,406	-	-	51,406
Revaluation of available-for-sale financial assets (net of tax)	-	-	-	167,737	167,737
Other comprehensive income for the half year	-	51,406	-	167,737	219,143
Total comprehensive income	-	53,830	-	167,737	221,567
Transfer between reserves	-	(53,830)	53,830	-	-
Balance at 31 December 2019	4,794,679	-	37,844	8,281	4,840,804

The accompanying notes form part of these condensed financial statements.

Statement of Cash Flows

For the half year ended 31 December 2019

	31 December 2019	31 December 2018
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(97,661)	(119,321)
Other investment income	89,840	95,455
Income tax refund	2,004	1,332
Net cash used in operating activities	<u>(5,817)</u>	<u>(22,534)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of available-for-sale financial assets	305,040	1,453,254
Purchase of available-for-sale financial assets	(515,540)	(102,111)
Net cash (used in)/ provided by investing activities	<u>(210,500)</u>	<u>1,351,143</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(31,987)	(29,604)
Proceeds from borrowings	-	-
Repayment of borrowings	(930)	(216,608)
Net cash used in financing activities	<u>(32,917)</u>	<u>(246,212)</u>
Net (decrease)/ increase in cash and cash equivalents held	(249,234)	1,082,397
Cash and cash equivalents at beginning of period	1,022,808	19,889
Cash and cash equivalents at end of period	<u>773,574</u>	<u>1,102,286</u>

The accompanying notes form part of these condensed financial statements.

Notes To The Financial Statements

For the half year ended 31 December 2019

NOTE 1: Significant Accounting Policies

Statement of Compliance

The condensed interim report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards IAS 34: *Interim Financial Reporting*. The half year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

Basis of Preparation

The condensed interim 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, unless otherwise stated.

The condensed interim report is intended to provide users with an update on the latest annual financial statements of Winpar Holdings Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half year. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the company for the year ended 30 June 2019, together with any public announcements made during the half year in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies and methods of computation adopted in the preparation of the condensed interim financial report are consistent with those adopted and disclosed in the company's 2019 annual financial report for the year ended 30 June 2019. To enhance and provide greater clarity to users on the company's results the Statement of Profit or Loss and Other Comprehensive Income has been presented with separate revenue and capital columns.

New and amended standards adopted by the company

Certain new accounting standards and interpretations have been published for the 31 December 2019 reporting period of the Company. The director's assessment of the impact of these new standards (to the extent relevant to the company) and interpretations is set out below:

(i) AASB 16: *Leases* (AASB 16)

AASB 16 *Leases*, issued in February 2016, includes significant changes for lease accounting, particularly for lessees. For lessees, almost all leases go on the statement of financial position as the distinction between operating and financing leases has been removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exemptions from this are short-term and low-value leases. The accounting for lessors have not significantly changed.

This standard is effective for annual reporting periods beginning on or after 1 January 2019. The Company has one lease of 12 months that is a short term lease which has been expensed as incurred and not capitalised as right-of-use assets. This standard did not have a material impact on the Company's accounting policies nor the amounts recognised in the financial statements.

There were no new standards, interpretations or amendments to existing accounting standards that are not mandatory for the interim reporting period ending 31 December 2019.

Notes to the Financial Statements

For the half year ended 31 December 2019

	31.12.2019	31.12.2018
	\$	\$
NOTE 2: Revenue		
Other revenue		
- Interest income	4,286	2,990
- Dividends received	56,158	72,637
- Trust distributions received	5,501	3,141
- Foreign income received	8,581	15,505
- Other income	-	-
- Gain on exchange differences	1,847	566
Total revenue	76,373	94,839

NOTE 3: Dividends

The following dividends were declared and paid:

Fully franked ordinary dividend of 2 cents (2018: 2 cents) per share paid on 31 December 2019.

94,646	92,113

NOTE 4: Issued Capital

Movements in Issued Capital of the Company during the half-year were as follows:

Date	Details	Number of Shares	Issue Price \$	Issued Capital \$
01/07/2019	Opening balance	4,732,020		4,732,020
31/12/2019	Dividend reinvestment plan	62,659		62,659
31/12/2019	Balance	4,794,679		4,794,679

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

NOTE 5: Contingent liabilities

At balance date the directors are not aware of any material contingent liabilities other than those already disclosed elsewhere in the financial report.

NOTE 6: Segment Reporting

The company operates in Australia as an investment company.

NOTE 7: Subsequent Events

Since 31 December 2019 to the date of this report there has been no event specific to the company of which the Directors are aware which has had a material effect on the company or its financial position.

Notes to the Financial Statements

For the half year ended 31 December 2019

	31.12.2019 \$	31.12.2018 \$
NOTE 8: Related party transactions		
Transactions with related parties:		
-Accounting fees payable to Rees Pritchard Pty Limited	29,948	26,128
Steven Pritchard is interested in the above transactions as a director and a beneficial shareholder of Rees Pritchard Pty Limited.		
- Newcastle Capital Markets Registries Pty. Limited for share registry costs.	6,155	5,500

Steven Pritchard is interested in the above transaction as a director and beneficial shareholder of Newcastle Capital Markets Registries Pty. Limited

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

NOTE 9: Key Management Personnel

Remuneration arrangements of key management personnel are disclosed in the annual financial report.

NOTE 10: 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

Directors' Declaration

The directors of the company declare that:

- (a) In the Directors' opinion the financial statements and notes, as set out on pages 3 to 9, are in accordance with the *Corporations Act 2001* and:
 - (i) Comply with Accounting Standards, the Corporations Regulations and other mandatory professional reporting requirements; and
 - (ii) Give a true and fair view of the Company's financial position as at 31 December 2019 and of its performance for the half year ended on that date;
- (b) In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors pursuant to s.303(5) of the *Corporations Act 2001* and is signed on behalf of the Directors.



Steven Shane Pritchard
Director



Gordon Bradley Elkington
Director

Dated this 13th day of March 2020

INDEPENDENT AUDITOR'S REVIEW REPORT

To THE MEMBERS OF WINPAR HOLDINGS LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Winpar Holdings Limited (the company), which comprises the statement of financial position as at 31 December 2019, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes, and the directors' declaration.

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 Winpar Holdings Limited is not in accordance with the Corporations Act 2001 including:-

- (a) giving a true and fair view of the company's financial position as at 31 December 2019, and of its financial performance for the half-year ended on that date; and
- (b) complying with the Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. In accordance with the Corporations Act 2001, we have given the directors' of the company a written Auditor's Independence Declaration.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the company's financial position as at 31 December 2019 and its performance for the half year ended on that date, and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Winpar Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

PKF(NS) Audit & Assurance Limited Partnership Sydney

ABN 91 850 861 839
Liability limited by a scheme
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Level 8, 1 O'Connell Street
Sydney NSW 2000 Australia
GPO Box 5446 Sydney NSW 2001
p +61 2 8346 6000
f +61 2 8346 6099

Newcastle

755 Hunter Street
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PO Box 2368 Dangar NSW 2309
p +61 2 4962 2688
f +61 2 4962 3245

Auditor's Responsibility (cont'd)

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



PKF



MARTIN MATTHEWS
PARTNER

13 MARCH 2020
NEWCASTLE, NSW