

**WENTWORTH HOLDINGS LIMITED
AND CONTROLLED ENTITIES**

ABN: 41 080 167 264

Half Year Report for 31 December 2008

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Company Directory

Directors

Colin N Cowden Non - Executive Chairman	Hugh W Robertson Non -Executive Director
Jim J E Gardiner Non - Executive Director	Charles M Tarbey Executive Director

Company Secretary

Craig Harris

Registered Office and Principal Place of Business

Level 1, 4-7 Shakespeare Grove
St Kilda, Victoria 3182
Tel: 03 9848 0777

Auditor

Deloitte Touche Tohmatsu
180 Lonsdale Street
Melbourne, Victoria 3000

Bankers

National Australia Bank Limited
Level 3, 330 Collins Street
Melbourne, Victoria 3000

Legal Advisors

Henty, Jepson & Kelly
84 William Street
Melbourne, Victoria 3000

Norton Gledhill
459 Collins Street
Melbourne, Victoria 3000

Share Registry

Computershare Limited
GPO Box 3224
Melbourne, Victoria 3001
Tel: 03 9415 5000 Fax: 03 9473 2500

Internet Address

www.wentworth.com.au

**WENTWORTH HOLDINGS LIMITED
AND CONTROLLED ENTITIES
ABN: 41 080 167 264**

Directors' Report

The Directors of Wentworth Holdings Limited submit herewith the financial report for the half year ended 31 December 2008.

In order to comply with the provisions of the *Corporation Act 2001*, the Director's report as follows:

DIRECTORS

The names of the Directors of the company during the half year and until the date of this report are:

Colin N Cowden (Non- Executive Chairman)
Hugh W Robertson (Non-Executive Director)
Jim J E Gardiner (Non-Executive Director - Executive Director throughout period until 19 November 2008)
Charles M Tarbey (Executive Director) - appointed 19 November 2008

Unless otherwise indicated, all Directors held their position for this entire period.

PRINCIPAL ACTIVITIES

The principal activities of the Consolidated Group comprising the company and entities it controlled at the end of the half year or from time to time during the half year ('Group') was:

- Property Management; and
- Real Estate Sales.

The Group has operations in Western Australia, Victoria, New South Wales and Queensland.

The sale of all Management Letting Rights (previously classified as being 'held for sale') businesses was completed during the half year.

RESULTS OF OPERATIONS

The consolidated loss for the half-year before income tax was \$10.262 million (2007: \$9.144 million loss). The consolidated loss for the half year after providing for income tax was \$10.262 million (2007: \$8.269 million loss).

**WENTWORTH HOLDINGS LIMITED
AND CONTROLLED ENTITIES
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Directors' Report (continued)

The consolidated loss comprises the following:

	Consolidated Group 31 Dec 2008	Consolidated Group 31 Dec 2007
	\$'000	\$'000
Consolidated loss after income tax	10,262	8,269
Income tax benefit	-	875
Consolidated loss before income tax	10,262	9,144
Interest expense	(869)	(1,891)
Depreciation and amortisation expense	(3,935)	(2,396)
Impairment loss	-	(5,020)
Earnings before interest, tax, depreciation, amortisation and impairment - profit/(loss)	(5,458)	163
Includes:		
Adjustment for surplus lease space and outgoings	1,058	-
Write off of goodwill following closure of real estate sales offices	1,036	-
Loss on disposal of non current assets and non current assets held for sale	1,637	-
Non cash remuneration	163	-
Withdrawal from Century 21 franchise agreement including associated legal fees	-	464
Legal and consultancy fees concerning settlement of First Capital Group matter	-	125
Earnings before tax, depreciation, amortisation and impairment (as adjusted for the above non-recurring items) -profit/(loss)	(1,564)	752

No dividends have been paid or provided for during the half year (2007: Nil).

REVIEW OF OPERATIONS

During the six months to 31 December 2008, the Group undertook a major restructure and refocused on growing the real estate property management and sales business organically. Some of the key highlights are;

- Reduction of bank borrowings by \$10.180 million to \$6.753 million;
- Six (6) Management Letting Rights property sales were completed. This finalised the divestment of this division of the Group; and
- Two (2) Property Management businesses and one (1) property management and real estate sales business were also sold.

WENTWORTH HOLDINGS LIMITED
AND CONTROLLED ENTITIES
ABN: 41 080 167 264

Directors' Report (continued)

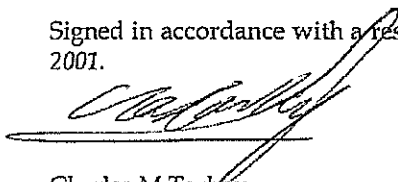
ROUNDING

The company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is included on page 5 of the half-year report.

Signed in accordance with a resolution of the directors made pursuant to s.306 (3) of the *Corporations Act 2001*.



Charles M Tarbey

Melbourne

26 February 2009

26 February 2009

The Board of Directors
Wentworth Holdings Limited
Level 1, 4-7 Shakespeare Grove
ST KILDA VIC 3182

Dear Board Members

Auditor's Independence Declaration - Wentworth Holdings Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Wentworth Holdings Limited.

As lead audit partner for the review of the financial statements of Wentworth Holdings Limited for the half year ended 31 December 2008, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Mark Stretton
Partner
Chartered Accountants
Melbourne, 26 February 2009

WENTWORTH HOLDINGS LIMITED
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Note	Consolidated Group 31 Dec 2008 \$'000	Consolidated Group 31 Dec 2007 \$'000
Continuing operations			
Revenue		11,974	17,739
Other income		49	40
Employee benefits expense		(7,740)	(11,663)
Depreciation and amortisation expense	2	(3,935)	(2,396)
Finance costs		(869)	(1,709)
Marketing & advertising expenses		(1,515)	(1,421)
Communications expenses		(1,033)	(1,347)
Occupancy expenses		(2,310)	(1,547)
Administration expenses		(1,563)	(1,870)
Impairment of assets	2	-	(422)
Other expenses		(2,918)	(443)
Loss before income tax		(9,860)	(5,039)
Income tax benefit		-	1,008
Loss for period from continuing operations		(9,860)	(4,031)
Discontinued operations			
Loss for the period from discontinued operations before income tax	9	(402)	(4,105)
Income tax expense		-	(133)
Loss for the period from discontinued operations		(402)	(4,238)
Loss attributable to members of the parent entity		(10,262)	(8,269)
Earnings per share			
From continuing and discontinued operations:			
Basic earnings per share (cents per share)		(9.4)	(7.6)
Diluted earnings per share (cents per share)		(9.4)	(7.6)
From continuing operations:			
Basic earnings per share (cents per share)		(9.0)	(3.7)
Diluted earnings per share (cents per share)		(9.0)	(3.7)

The above Condensed Consolidated Income Statement is to be read in conjunction with the attached notes.

WENTWORTH HOLDINGS LIMITED
CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2008

	Note	Consolidated Group 31 Dec 2008 \$'000	Consolidated Group 30 Jun 2008 \$'000
Assets			
Current Assets			
Cash and cash equivalents		1,402	967
Trade and other receivables		1,198	2,076
Other current assets		477	1,088
		<u>3,078</u>	<u>4,131</u>
Non current assets classified as held for sale	9	-	9,260
Total Current Assets		<u>3,078</u>	<u>13,391</u>
Non Current Assets			
Plant & equipment		895	2,342
Goodwill		12,388	15,770
Other intangible assets		13,864	17,888
Other financial assets		82	4
Total Non Current Assets		<u>27,229</u>	<u>36,004</u>
Total Assets		<u>30,307</u>	<u>49,395</u>
Liabilities			
Current Liabilities			
Trade and other payables		7,782	6,688
Borrowings		10,740	20,571
Provisions		622	849
		<u>19,144</u>	<u>28,108</u>
Liabilities classified as held for sale	9	-	32
Total Current Liabilities		<u>19,144</u>	<u>28,140</u>
Non Current Liabilities			
Borrowings		27	83
Provisions		94	90
Total Non Current Liabilities		<u>121</u>	<u>173</u>
Total Liabilities		<u>19,265</u>	<u>28,313</u>
Net Assets		<u>11,042</u>	<u>21,082</u>
Equity			
Issued capital	4	72,647	72,281
Reserves		222	366
Accumulated losses		(61,827)	(51,565)
Total Equity		<u>11,042</u>	<u>21,082</u>

The above Condensed Consolidated Balance Sheet is to be read in conjunction with the attached notes.

WENTWORTH HOLDINGS LIMITED
 CONDENSED CONSOLIDATED STATEMENT OF RECOGNISED INCOME & EXPENSE
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Consolidated Group 31 Dec 2008 \$'000	Consolidated Group 31 Dec 2007 \$'000
Loss for the period	(10,262)	(8,269)
Net income recognised directly in equity	-	-
Total recognised income and expense for the period	(10,262)	(8,269)
Attributable to:		
Equity holders of the parent	(10,262)	(8,269)

The above Condensed Consolidated Statement of Recognised Income & Expense is to be read in conjunction with the attached notes.

WENTWORTH HOLDINGS LIMITED
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Consolidated Group 31 Dec 2008 \$'000	Consolidated Group 31 Dec 2007 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	14,769	23,604
Payments to suppliers and employees	(14,694)	(22,525)
Interest and other costs of finance paid	(652)	(1,891)
Interest received	39	48
Net cash used in operating activities	(538)	(764)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of non-current assets held for sale and other non current assets(refer Notes 6 a (ii) and 6b (iv))	11,435	12,038
Payment for property, plant and equipment	(52)	(425)
Payments of amounts owing on acquisitions	-	(525)
Payment for businesses and entities (refer Note 6 b (iii))	-	(169)
Proceeds from disposal of investments	-	28
Payment for intangibles	-	(358)
Net cash provided by investing activities	11,383	10,589
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(10,410)	(11,241)
Net cash used in financing activities	(10,410)	(11,241)
Net increase/(decrease) in cash held	435	(1,416)
Cash and cash equivalents at the beginning of the period	967	2,208
Cash and cash equivalents at the end of the period	1,402	792

The above Condensed Consolidated Cash Flow Statement is to be read in conjunction with the attached notes.

WENTWORTH HOLDINGS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

1. **Significant Accounting Policies**

Statement of Compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 "Interim Financial Reporting". Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 "Interim Financial Reporting". The half-year financial 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 consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2008 annual financial report for the financial year ended 30 June 2008.

In the current period, the Consolidated Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and mandatorily effective for annual reporting periods beginning on or after 1 July 2008. The adoption of these new and revised Standards and Interpretations has not resulted in changes to the Consolidated Group's policies.

Going Concern

The Group recorded a net loss after tax for the half year ended 31 December 2008 amounting to \$10.262 million. Further, as at 31 December 2008, current liabilities of \$19.144 million exceed current assets of \$3.078 million by \$16.066 million, cash was \$1.402 million and net assets, \$11.042 million.

The directors have prepared the financial statements on a going concern basis, which contemplates the continuity of business activities, through the realisation of assets and settlement of liabilities in the normal course of business.

As previously reported, the directors have continued the realisation of Management Letting Rights, Property Management and Real Estate Sales assets during the current period to reduce the Group's borrowings. As a result, amounts owing to the Group's bankers have reduced by \$10.180 million, from \$16.933 million at 30 June 2008 to \$6.753 million at 31 December 2008.

WENTWORTH HOLDINGS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

1. Significant Accounting Policies (continued)

Going Concern (continued)

Current liabilities include \$6.753 million owed to the Group's bankers under a debt facility which expires on 31 March 2009. On 24 February 2009, the Group's bankers indicated their willingness to extend this facility to 30 June 2009, notwithstanding that during the half year, the Group was in technical default of some of the debt facility agreement covenants.

Subsequent to the half-year end, the Group is in the process of finalising negotiations for the sale of certain Property Management assets. These are expected to realise approximately \$2.600 million.

The majority of the proceeds from these asset sales will be applied against the Group's banker's debt facility. The Group's bankers have also approved an amount to be applied to shareholder related entity loans from future asset realisations.

Further assets sales are planned and the directors are confident that realisation of Property Management and Real Estate Sales assets will enable the company to continue as a going concern.

In addition to the above, financial performance is expected to improve in the period ending 30 June 2009 (and onwards) in the property management and real estate sales business as a result of organic growth and cost cutting measures already implemented as at the date of this report.

Based on past experience and recent discussions with the Group's banker's, the directors are confident that the Group has the full support of its bankers. The directors are also confident, concerning loans from directors and shareholder related entities, that based on discussions with these parties, the Group has the full support of the respective directors and shareholder related entities.

At the date of this report the directors are confident that they will be successful in achieving the strategies set out above and accordingly have prepared the financial statements on a going concern basis.

WENTWORTH HOLDINGS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

2. Loss From Operations - Individually Significant Items Included In Expenses

	Consolidated Group 31 Dec 2008	Consolidated Group 31 Dec 2007
	\$'000	\$'000
Adjustment for surplus lease space and outgoing	1,058	-
Write off of goodwill following closure of real estate sales offices	1,036	-
Loss on disposal of non current assets and non current assets held for sale	1,637	-
Non cash remuneration	163	-
Withdrawal from Century 21 franchise agreement	-	464
Fees concerning settlement of First Capital Group matter	-	125
<i>Continuing operations</i>		
Impairment of goodwill	-	422
<i>Discontinued operations</i>		
Impairment of non-current assets classified as held for sale:		
- Management rights	-	3,143
- Property, plant and equipment	-	1,455
	-	4,598
Total Impairment expense	-	5,020
<i>Continuing operations</i>		
Depreciation - plant & equipment	1,432	665
Amortisation of rent rolls	2,503	1,731
Total amortisation & depreciation expense	3,935	2,396

3. Business Segments

Geographical segments

The Consolidated Group operates within one geographical segment being Australia.

Business segments

The Group had two business segments in the reporting period. They have been disclosed separately because they provide services that are subject to risks and returns that are different to those of other business segments.

WENTWORTH HOLDINGS LIMITED
 NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

3. **Business Segments (continued)**

Business segments (continued)

i. **Management Letting Rights**

The activity of the Management Letting Rights segment involved the management of holiday and permanent premises.

On 1 May 2007, the Board of Directors announced a plan to dispose the Management Letting Rights businesses, in line with the Company's long term objective to focus its activities on Property Management and Real Estate Sales businesses. The sale of all Management Letting Rights (previously classified as being 'held for sale') businesses was completed during the half year.

ii. **Property Management and Real Estate Sales**

The Property Management and Real Estate Sales segment provides property management services and sales to residential and commercial customers.

Segment information - 31 December 2008

Business Segments	Management Letting Rights (Discontinued operations) \$'000	Property Management and Sales (Continuing operations) \$'000	Unallocated (Head Office) \$'000	Total Consolidated Group \$'000
Revenue				
Rendering of services	272	12,049	(75)	12,246
Results				
Loss before income tax	(402)	(7,241)	(2,619)	(10,262)
Income tax benefit				-
Loss for the period				<u>(10,262)</u>

WENTWORTH HOLDINGS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

3. Business Segments (continued)

Business segments (continued)

Segment information - 31 December 2007

Business Segments	Management Letting Rights (Discontinued operations)	Property Management and Sales (Continuing operations)	Unallocated (Head Office)	Total Consolidated Group
	\$'000	\$'000	\$'000	\$'000
Revenue				
Rendering of services	3,641	17,534	253	21,428
Results				
Profit/(loss) before income tax	(4,105)	(1,950)	(3,089)	(9,144)
Income tax expense				875
Loss for the period				<u>(8,269)</u>

4. Issued Capital

	Consolidated Group		Consolidated Group	
	31 December 2008		31 December 2007	
	No.	\$'000	No.	\$'000
Issued ordinary shares				
Balance at beginning of the financial period	109,512,497	72,281	107,642,512	72,076
Shares issued during the half year:				
Transfer from reserves	-	366	-	-
Client offer prospectus series (I)	-	-	369,985	85
Balance at end of the financial period	<u>109,512,497</u>	<u>72,647</u>	<u>108,012,497</u>	<u>72,161</u>
Treasury shares - Employee share plan (II)	287,250	-	287,250	-
	<u>287,250</u>	<u>-</u>	<u>287,250</u>	<u>-</u>
Total issued shares	<u>109,799,747</u>	<u>72,647</u>	<u>108,299,747</u>	<u>72,161</u>

WENTWORTH HOLDINGS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

4. Issued Capital (continued)

Notes:

- I. During the period, Nil (2007: 369,985) shares were issued under the Consolidated Group's Client Offer Prospectus Option Scheme for consideration of \$Nil thousand (2007: \$85 thousand).
- II. Shares are issued to plan members under a non-recourse loan arrangement and are subject to a trading lock of three years from the date the shares are issued during which time the shares may not be sold or encumbered or otherwise dealt with. The shares vest after the expiry of the trading lock period and after agreement has been reached regarding the repayment of the associated loans. Employee Share Plan shares are considered to be in substance options due to the existence of the trading lock and non-recourse loan features.

5. Dividends

No dividends have been paid or declared during the half-year ended 31 December 2008 (30 June 2008 and 31 December 2007: \$Nil).

The adjusted franking account balance as at 31 December 2008 is \$Nil (30 June 2008 and 31 December 2007: \$Nil).

6. Acquisitions and Disposals of Entities and Businesses

- a. **Current period acquisitions and disposals**
 - i. Acquisition of entities

During the period ended 31 December 2008, there were no entities acquired.

WENTWORTH HOLDINGS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

6. Acquisitions and Disposal of Entities and Businesses (continued)

a. Current period acquisitions and disposals

ii. Disposals

The following disposals took place during the period ended 31 December 2008:

Date of disposal	Trading Name of Asset
<i>Management Letting Rights - sale of management letting rights assets and associated property, plant and equipment</i>	
3 September 2008	Royal Pacific - Queensland
11 September 2008	Whitsunday Vista - Queensland
3 October 2008	Pelican Cove - Queensland
3 October 2008	Windsor on Kent - NSW
23 October 2008	Bridgewater Terrace - Queensland
31 October 2008	Trinity Links - Queensland
<i>Property Management - sale of rent roll assets and goodwill</i>	
3 November 2008	Freshwater Place - Victoria
31 December 2008	Eltham - Victoria
<i>Disposal of Fanbridge Pty Limited - sale of shares</i>	
24 December 2008	Runaway Bay - Queensland
<i>Other - sale of shares</i>	
6 November 2008	Well Worth It Pty Limited - Victoria

The sales consideration associated with the above disposals were as follows:

	\$'000
Cash and cash equivalents	12,121
Total selling costs	(686)
Net cash sales proceeds	<u>11,435</u>
Vendor finance loan	300
Total net proceeds from sales	<u>11,735</u>
Written down value of assets disposed	13,372
Loss on disposal	<u>1,637</u>

WENTWORTH HOLDINGS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

6. **Acquisitions and Disposal of Entities and Businesses (continued)**
b. **Comparative information for 31 December 2007**
i. **Acquisition of entities**

During the period ended 31 December 2007, there were no entities acquired.

The fair value adjustments of certain acquisitions provisionally accounted for at 30 June 2007 were finalised during the current period. This resulted in the following adjustments:

Trading Name of Entity Acquired	Fair value adjustment \$'000
Mermaid Beach Real Estate:	
- Goodwill	(15)
- Other intangible asset (rent roll)	(4)
	(19)
John Crowder (Crowder Real Estate):	
- Goodwill	300
	300
Total adjustment in current period	281

- ii. **Acquisition of Management Letting Rights during the period was as follows:**

Date of acquisition	Trading Name of Asset
25 July 2007	Aqua Vista

At the date of acquisition, the Management Letting Right was in Queensland. The acquired business is involved in Management Letting. The net profit/ (loss) for the period cannot be reliably determined as the business was immediately amalgamated into the Consolidated Group. It is impractical to disclose the effect of the net profit for the period as if the business were acquired at 1 July 2007 due to the businesses being amalgamated into the Consolidated Group.

Details of the assets and liabilities arising from the acquisition are as follows:

	Wentworth's Fair value \$'000
Non-current assets classified as held for sale	2,099

WENTWORTH HOLDINGS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

6. **Acquisitions and Disposals of Entities and Businesses (continued)**

b. **Comparative information for 31 December 2007 (continued)**

Details of purchase consideration are as follows:

	\$'000
Purchase consideration	
Cash paid in current period	120
Deposits paid in prior period	102
Total cash paid	222
Secured loan	1,828
Direct costs relating to the acquisition	49
Total purchase consideration	2,099

iii. **Summary of total cash payments for businesses and entities in current period**

	\$'000
Purchase consideration	
Total cash paid	120
Total direct costs relating to the acquisition	49
Less: Cash equivalent balances acquired	-
Total cash payment for businesses and entities in current period	169

iv. **Disposals**

The following disposals of Management Letting Rights and associated property, plant and equipment took place during the period ended 31 December 2007:

Date of disposal	Trading Name of Asset
30 October 2007	Willahra Towers - Queensland
1 November 2007	Landmark Resorts - New South Wales
1 November 2007	The Regent - Queensland
11 October 2007	The Ridge on Leichhardt - Queensland
21 November 2007	Regal on Macrossan - Queensland

The sales consideration associated with the above disposals were as follows:

Total sales proceeds	\$'000 12,440
Total selling costs	(402)
Net proceeds from sales	12,038
Written down fair value of Management Letting Rights and associated property, plant and equipment	(11,903)
Gain on disposal	135

WENTWORTH HOLDINGS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

7. Contingent Liabilities

Consistent with 30 June 2008, the Consolidated Group does not have any material contingent liabilities at 31 December 2008 which the directors are aware of.

8. Events Occurring After The Balance Date

No material events have occurred subsequent to balance date.

9. Discontinued Operations

Plan to dispose Management Letting Rights businesses

On 1 May 2007, the Board of Directors announced a plan to dispose the Management Letting Rights businesses in line with the Company's long-term goal to focus its activities on the Property Management and Real Estate Sales businesses. The sale of all Management Letting Rights (previously classified as being 'held for sale') businesses was completed during the half year.

The Management Letting Rights businesses had been classified as held for sale assets from 1 May 2007. As each Management Letting Right site was being disposed of separately, each individual management right intangible asset had been combined with the associated property plant and equipment to form a disposal group for sale.

The held for sale assets have ceased to be amortised and depreciated from 1 May 2007 and, as at balance date, have been measured at the lower of their carrying amount and their fair value less costs to sell.

An impairment loss of \$Nil thousand was recognised in the income statement for the half-year ended 31 December 2008 (full year ended 30 June 2008: \$6,203 thousand, half-year ended 31 December 2007: \$4,598 thousand; full year ended 30 June 2007: \$7,274 thousand), being the adjustment to reflect the fair value of the assets on that date.

The Management Letting Rights business operated as a separate business segment and was considered to be a discontinuing operation as it was a separate major line of business for the Consolidated Group.

The results of the discontinued operations, included in the income statement, are as follows.

WENTWORTH HOLDINGS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

9. Discontinued operations (continued)

Plan to dispose Management Letting Rights businesses (continued)

Earnings per share	Consolidated Group 31 Dec 2008	Consolidated Group 31 Dec 2007
From discontinued operations:		
Basic earnings per share (cents per share)	(0.4)	(3.9)
Diluted earnings per share (cents per share)	(0.4)	(3.9)
<u>Profit from discontinued operations</u>		
Revenue	272	3,641
Other income	-	8
Marketing & advertising expenses	(17)	(146)
Employee benefits expenses	(316)	(1,410)
Depreciation and amortisation expenses	-	-
Communications expenses	(54)	(266)
Occupancy expenses	(70)	(163)
Administration expenses	(39)	(263)
Other expenses	(178)	(726)
Finance costs	-	(182)
Profit/(loss) before income tax	(402)	493
Attributable income tax expense	-	(133)
Profit/(loss) for the period from discontinued operations	(402)	360
Loss on remeasurement to fair value less costs to sell	-	(4,598)
Total loss from discontinued operations	(402)	(4,238)
<u>Cash flows from discontinued operations</u>		
Net cash outflow from operating activities	(124)	(625)
Net cash inflow from investing activities	8,501	11,869
Net cash outflow from financing activities	-	(745)
Net cash flows	8,377	10,499

WENTWORTH HOLDINGS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

9. Discontinued operations (continued)

Plan to dispose Management Letting Rights businesses (continued)

The major classes of assets and liabilities comprising operations classified as held for sale at balance date are:

	31 Dec 2008 \$'000	30 Jun 2008 \$'000
<u>Assets</u>		
Intangibles	-	6,657
Property plant and equipment	-	2,603
Total assets classified as held for sale	-	9,260
<u>Liabilities</u>		
Employee benefits	-	32
Total liabilities associated with assets classified as held for sale	-	32
Net assets held for sale	-	9,228

WENTWORTH HOLDINGS LIMITED
AND CONTROLLED ENTITIES
ABN: 41 080 167 264

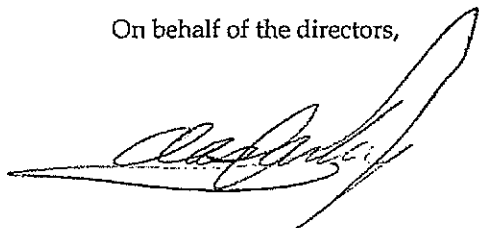
DIRECTORS' DECLARATION

The directors of the company declare that:

1. the financial statements and notes thereto, as set out in pages 6 to 21 are in accordance with the *Corporations Act 2001* and :
 - a. comply with Accounting Standards; and
 - b. give a true and fair view of the financial position as at 31 December 2008 and of the performance for the period ended on that date of the Consolidated Group;
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a Resolution of the Directors made pursuant to Section 303 (5) of the *Corporation Act 2001*.

On behalf of the directors,



Charles M Tarbey
Wentworth Holdings Limited
Melbourne
26 February 2009

Independent Auditor's Review Report to the Members of Wentworth Holdings Limited

We have reviewed the accompanying half-year financial report of Wentworth Holdings Limited, which comprises the condensed consolidated balance sheet as at 31 December 2008, and the condensed consolidated income statement, condensed consolidated cash flow statement, condensed consolidated statement of recognised income and expense for the half-year ended on that date, selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 6 to 22.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 an Interim 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 consolidated entity's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Wentworth Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Auditor's Independence Declaration

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

Conclusion

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

M Stretton

Mark Stretton

Partner

Chartered Accountants

Melbourne, 26 February 2009