



FINANCE

INVESTMENTS & LOANS

## **Consolidated Financial Report**

**For the Half Year Ended 31 December 2016**

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

For the Half Year Ended 31 December 2016

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# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Directors' Report

For the Half Year Ended 31 December 2016

Your directors present their report on the consolidated entity and its controlled entity for the half year ended 31 December 2016.

### Directors

The names of the directors in office at any time during, or since the end of, the half year are:

Robert A. Baird B.A. LL.B  
Philip C. Cunningham FIPA GAICD  
Robert G. Cunningham CEA (REIV)  
Neale J. Gribble LL.B. B.Com  
William H. McGregor OAM LL.B  
Robert N. Witcher FIPA  
Timothy S. Bunning CPA B.Ec

### Principal Activities

The principal activities of the Group during the half year were:

- Accept investments of money from the public in the form of Secured Notes
- Conduct lending on the security of registered mortgage and freehold land

No significant change in the nature of these activities occurred during the half year.

### Operating Results

The consolidated net loss of the Group for the half year after providing for income tax amounted to \$403,828 (2015: half year profit \$121,537).

### Dividends

Fully franked dividends totalling \$142,805 were declared at the board meeting held on 15 September 2016 at the rate of \$6.50 per share. The dividend was paid on 28 September 2016.

### Review of Operations

Net profit of the Group after tax decreased significantly after providing for bad and doubtful debts of \$744,034 (2015: half year bad and doubtful debts of \$341,495). The directors were satisfied with the operating performance of the Group during the financial half year, however, the Group were required to write off significant bad debts and related legal fees which had an adverse impact on the Groups half year results.

### Significant Changes in State of Affairs

No significant changes in the Group's state of affairs occurred during the half year.

### Environmental Regulation

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

# Webster Dolittle Finance Ltd

ABN 49 004 664 322

## Directors' Report

For the Half Year Ended 31 December 2016

### After balance day events

No matters or circumstances have arisen since the end of the half year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

### Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out at page 3.

Signed in accordance with a resolution of the Board of Directors:

Director: .....  
Philip C. Cunningham

Director: .....  
William H. McGregor

Dated 22 February 2017



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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of Webster Dolilta Finance Ltd for the half year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

*RSM*

**RSM AUSTRALIA PARTNERS**

**JOHN FINDLAY**

Partner

Ballarat, Victoria

Dated this 22<sup>nd</sup> day of February 2017

**THE POWER OF BEING UNDERSTOOD**  
**AUDIT | TAX | CONSULTING**

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# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 31 December 2016

		Consolidated	
		31 December 2016	31 December 2015
	Note	\$	\$
Interest received	2	2,410,788	2,943,131
Interest expense	2	<u>(1,532,212)</u>	<u>(1,924,092)</u>
<b>Net interest revenue</b>		<b>878,576</b>	1,019,039
Non interest revenue	3	<u>283,854</u>	292,309
<b>Total operating income</b>		<b>1,162,430</b>	1,311,348
Bad and doubtful debts	4	<u>(744,034)</u>	(341,495)
Operating expenses	5	<u>(1,287,474)</u>	(809,623)
<b>Operating profit (loss)</b>		<b>(869,078)</b>	160,230
Net gain on disposal of investment properties		<u>284,051</u>	7,237
<b>Net profit (loss) before tax</b>		<b>(585,027)</b>	167,467
Income tax (expense) benefit		<u>181,199</u>	(45,930)
<b>Net profit (loss) after tax for the half year</b>		<b>(403,828)</b>	121,537
<b>Other comprehensive income, net of income tax</b>			
Net gain on revaluation of financial investments, net of tax	6	<u>93,831</u>	1,393
<b>Total comprehensive income (loss) for the half year</b>		<b>(309,997)</b>	122,930
Profit (loss) attributable to:			
Members of the parent entity		<u>(403,828)</u>	121,537
		<u>(403,828)</u>	121,537
Total comprehensive income (loss) attributable to:			
Members of the parent entity		<u>(309,997)</u>	122,930
		<u>(309,997)</u>	122,930

The accompanying notes form part of these financial statements.

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Consolidated Statement of Financial Position

As At 31 December 2016

		Consolidated	
		31 December	30 June
		2016	2016
	Note	\$	\$
<b>ASSETS</b>			
Cash and cash equivalents	8	2,858,795	2,280,813
Due from other financial institutions	9	14,413,348	27,918,133
Receivables	10	169,693	112,396
Assets held in listed entities	11	810,025	575,856
Shares in unlisted companies at cost	12	5,000	5,000
Loans and advances	13	56,855,735	49,158,057
Investment properties	14	4,770,868	5,803,502
Property, plant and equipment	15	3,089,996	3,101,747
Tax assets	16(a)	1,335,126	1,441,718
Intangible assets	17	244,473	244,473
<b>TOTAL ASSETS</b>		<b>84,553,059</b>	<b>90,641,695</b>
<b>LIABILITIES</b>			
Secured notes	18	76,137,369	81,407,096
Payables	19	655,351	1,042,997
Tax liabilities	16(b)	1,079,001	1,052,547
Provisions	20	122,335	127,250
<b>TOTAL LIABILITIES</b>		<b>77,994,056</b>	<b>83,629,890</b>
<b>NET ASSETS</b>		<b>6,559,003</b>	<b>7,011,805</b>
<b>EQUITY</b>			
Issued capital		2,710,712	2,710,712
Financial investment revaluation reserve		67,827	(26,004)
Property revaluation reserve		1,070,786	1,070,786
Retained earnings		2,709,678	3,256,311
<b>TOTAL EQUITY</b>		<b>6,559,003</b>	<b>7,011,805</b>

The accompanying notes form part of these financial statements.

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Consolidated Statement of Changes in Equity

For the Half Year Ended 31 December 2016

	Consolidated				
	Issued Capital	Retained Earnings	Property Revaluation Reserve	Financial Investment Revaluation Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2016	2,710,712	3,256,311	1,070,786	(26,004)	7,011,805
Loss attributable to members	-	(403,828)	-	-	(403,828)
Comprehensive Income	-	-	-	93,831	93,831
Dividends paid or provided for	-	(142,805)	-	-	(142,805)
<b>Balance at 31 December 2016</b>	<b>2,710,712</b>	<b>2,709,678</b>	<b>1,070,786</b>	<b>67,827</b>	<b>6,559,003</b>

	Consolidated				
	Issued Capital	Retained Earnings	Property Revaluation Reserve	Financial Investment Revaluation Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2015	2,710,712	3,583,333	830,965	31,683	7,156,693
Profit attributable to members	-	121,537	-	-	121,537
Comprehensive Income	-	-	-	1,393	1,393
Dividends paid or provided for	-	(131,820)	-	-	(131,820)
<b>Balance at 31 December 2015</b>	<b>2,710,712</b>	<b>3,573,050</b>	<b>830,965</b>	<b>33,076</b>	<b>7,147,803</b>

The accompanying notes form part of these financial statements.



# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Consolidated Statement of Cash Flows

For the Half Year Ended 31 December 2016

	Consolidated	
	31 December 2016	31 December 2015
Note	\$	\$
<b>Cash from operating activities:</b>		
Interest received	2,433,219	2,938,074
Interest and other costs of finance paid	(1,845,792)	(2,188,712)
Fees, commissions and other income received	217,187	238,229
Rents received	66,667	67,452
Cash paid to suppliers and employees	(1,328,850)	(693,058)
Income taxes received (paid)	274,031	(241,309)
<b>Net cash provided by (used in) operating activities</b>	21(a) <b>(183,538)</b>	120,676
<b>Cash flows from investing activities:</b>		
Net proceeds from investment deposits	150,000	150,000
Purchase of property, plant and equipment	(16,811)	(50,079)
Purchase of other investments	(100,124)	(222,836)
Net (increase) decrease in loans	(8,441,712)	(174,262)
Proceeds from disposal of investment properties	1,550,637	211,765
Payments for investment properties	(322,723)	(1,708,856)
<b>Net cash provided by (used in) investing activities</b>	<b>(7,180,733)</b>	<b>(1,794,268)</b>
<b>Cash flows from financing activities:</b>		
Net increase (decrease) in secured notes	(5,269,727)	1,249,973
Dividends paid	(142,805)	(131,820)
<b>Net cash provided by (used in) financing activities</b>	<b>(5,412,532)</b>	<b>1,118,153</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(12,776,803)</b>	<b>(555,439)</b>
Cash and cash equivalents at beginning of half year	30,048,946	28,073,289
<b>Cash and cash equivalents at end of half year</b>	21(b) <b>17,272,143</b>	<b>27,517,850</b>

The accompanying notes form part of these financial statements.

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

### For the Half Year Ended 31 December 2016

The financial report includes the consolidated financial statements and notes of Webster Dolilta Finance Ltd and controlled entities (the Group). Webster Dolilta Finance Ltd is a for profit consolidated entity.

#### 1 Basis of Preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2016 have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

The interim financial report is intended to provide users with an update on the latest annual financial statements of Webster Dolilta Finance Ltd and controlled entities (the Group). As such it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2016, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

#### 2 Interest

	Consolidated	
	31 December 2016	31 December 2015
	\$	\$
Interest received on loans	2,096,331	2,553,506
Interest received on deposits with other financial institutions	314,457	389,625
	<hr/>	<hr/>
	2,410,788	2,943,131
Interest expense	1,532,212	1,924,092
	<hr/>	<hr/>
Net interest revenue	878,576	1,019,039
	<hr/>	<hr/>

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

For the Half Year Ended 31 December 2016

### 3 Non interest revenue

Consolidated	
31 December 2016	31 December 2015
\$	\$
Administration fees	14,919
Application fees	132,693
Commissions	11,140
Discharge fees	16,739
Dividends	16,844
Redraw fees	760
Rental received	67,452
Management fees	31,762
<b>283,854</b>	<b>292,309</b>

### 4 Bad and doubtful debts

Increase (decrease) in provision for doubtful debts	(2,749,329)	(38,049)
Bad debts written off	<b>3,493,363</b>	<b>379,544</b>
	<b>744,034</b>	<b>341,495</b>

Legal proceedings to enforce guarantees in relation to two loans concluded in November 2016 with the result that the Company has written off the debt in full.

### 5 Operating expenses

Auditor's remuneration		
Auditing the financial reports	<b>33,000</b>	17,820
Other services	<b>21,615</b>	-
Administration expenses		
Personnel costs	<b>245,616</b>	252,899
Superannuation	<b>18,702</b>	21,569
Other administrative expenses	<b>130,115</b>	123,812
Accounting fees	<b>34,375</b>	29,425
Depreciation	<b>28,562</b>	27,600
Directors remuneration	<b>163,625</b>	140,250
Legal fees	<b>452,604</b>	4,814
Provision for employee entitlements	<b>(4,915)</b>	10,506
Other expenses	<b>164,175</b>	180,928
	<b>1,287,474</b>	<b>809,623</b>

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

Notes to the Financial Statements

For the Half Year Ended 31 December 2016

## 6 Other comprehensive income

Consolidated	
31 December	31 December
2016	2015
\$	\$

### Analysis of other comprehensive income by each class of reserve:

Net gain on revaluation of financial investments

134,045	1,990
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Income tax effect of revaluation

(40,214)	(597)
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### Total other comprehensive income for the half year

<u>93,831</u>	<u>1,393</u>
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## 7 Dividends paid

Interim fully franked ordinary dividends declared on 15 September 2016  
of \$6.50 per share (2015: \$6.00) franked at the tax rate of 30% (2015: 30%)

<u>142,805</u>	<u>131,820</u>
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# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

For the Half Year Ended 31 December 2016

### 8 Cash and cash equivalents

	Consolidated	
	31 December 2016 \$	30 June 2016 \$
<b>Current</b>		
Cash on hand	4,101	11,741
Cash at bank	2,854,694	2,269,072
	<u>2,858,795</u>	<u>2,280,813</u>

### 9 Due from other financial institutions

#### Held to maturity

Interest earning deposits	<u>14,413,348</u>	<u>27,918,133</u>
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#### (a) Interest earning deposits - maturity analysis

Not longer than three months	14,413,348	27,768,133
Longer than three months and not longer than twelve months	-	150,000
	<u>14,413,348</u>	<u>27,918,133</u>

### 10 Receivables

#### Current

Interest receivable - liquid reserves	48,007	70,438
Prepayments	31,715	40,758
Recoverable development costs	88,771	-
Other debtors	1,200	1,200
	<u>169,693</u>	<u>112,396</u>

### 11 Assets held in listed entities

#### Non current

Shares in listed companies	<u>810,025</u>	<u>575,856</u>
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# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

For the Half Year Ended 31 December 2016

### 12 Shares in unlisted companies at cost

	Consolidated	
	31 December	30 June
	2016	2016
	\$	\$
<b>Non current</b>		
Shares in unlisted companies at cost	<u>5,000</u>	<u>5,000</u>

### 13 Loans and advances

Loans - secured by mortgage	56,749,017	47,306,976
Loans - mortgagee in possession	905,447	5,319,788
Loans - secured by term deposit	69,188	150,625
Loans - unsecured	<u>69,363</u>	<u>67,278</u>
	57,793,015	52,844,667
Less provision for impairment	<u>(937,280)</u>	<u>(3,686,610)</u>
	<u>56,855,735</u>	<u>49,158,057</u>

#### (a) Maturity analysis

Due within 1 year	31,855,124	26,293,840
Due after 1 year	<u>25,937,891</u>	<u>26,550,827</u>
	<u>57,793,015</u>	<u>52,844,667</u>

### 14 Investment Properties

#### Current

At valuation	2,070,171	3,659,863
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#### Non current

At valuation	<u>2,700,697</u>	<u>2,143,639</u>
	<u>4,770,868</u>	<u>5,803,502</u>

# Webster Dolilta Finance Ltd

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## Notes to the Financial Statements

For the Half Year Ended 31 December 2016

### 15 Property, plant and equipment

	Consolidated	
	31 December	30 June
	2016	2016
	\$	\$
<b>Non current</b>		
LAND AND BUILDINGS		
Freehold land		
At valuation	1,535,000	1,535,000
<b>Total land</b>	<b>1,535,000</b>	<b>1,535,000</b>
Buildings		
At valuation	1,515,000	1,515,000
At cost	16,811	-
Accumulated depreciation	(19,157)	-
<b>Total buildings</b>	<b>1,512,654</b>	<b>1,515,000</b>
<b>Total land and buildings</b>	<b>3,047,654</b>	<b>3,050,000</b>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	88,753	88,753
Accumulated depreciation	(64,101)	(56,038)
<b>Total plant and equipment</b>	<b>24,652</b>	<b>32,715</b>
Motor vehicles		
At cost	55,525	55,525
Accumulated depreciation	(37,835)	(36,493)
<b>Total motor vehicles</b>	<b>17,690</b>	<b>19,032</b>
<b>Total plant and equipment</b>	<b>42,342</b>	<b>51,747</b>
<b>Total property, plant and equipment</b>	<b>3,089,996</b>	<b>3,101,747</b>

# Webster Dolilta Finance Ltd

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## Notes to the Financial Statements

For the Half Year Ended 31 December 2016

### 16 Tax

#### (a) Assets

	Consolidated	
	31 December 2016	30 June 2016
	\$	\$
<b>Current</b>		
Provision for income tax	-	274,034
<b>Non current</b>		
Deferred tax assets comprise:		
Expenses not tax deductible until paid	43,917	50,205
Provisions not tax deductible until written off	281,184	1,105,983
Other timing differences	1	352
Deferred tax asset from asset revaluation	-	11,144
Deferred tax assets from tax losses	1,010,024	-
	<u>1,335,126</u>	<u>1,167,684</u>
	<u>1,335,126</u>	<u>1,441,718</u>

#### (b) Liabilities

##### Non current

Deferred tax liability from asset revaluation	1,079,001	1,052,547
	<u>1,079,001</u>	<u>1,052,547</u>

### 17 Intangible Assets

##### Non current

Goodwill on consolidation	244,473	244,473
	<u>244,473</u>	<u>244,473</u>



# Webster Dolilta Finance Ltd

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## Notes to the Financial Statements

For the Half Year Ended 31 December 2016

### 18 Secured Notes

	Consolidated	
	31 December	30 June
	2016	2016
	\$	\$
Secured notes	<b>76,137,369</b>	81,407,096

#### Concentration of Secured Notes

Practically all secured note holders are residents of Victoria. Webster Dolilta Finance Limited does not actively seek funds from non-Victorian residents.

#### (a) Maturity Analysis

Due within 1 year	<b>64,658,903</b>	70,074,438
Due after 1 year	<b>11,478,466</b>	11,332,658
	<b>76,137,369</b>	81,407,096

### 19 Payables

#### Current

Accrued interest payable	<b>573,803</b>	887,383
Other payables and accrued expenses	<b>46,768</b>	84,937
GST payable	<b>34,780</b>	70,677
	<b>655,351</b>	1,042,997

### 20 Provisions

#### Current

Annual leave	<b>65,773</b>	81,006
Long service leave	<b>56,562</b>	46,244
	<b>122,335</b>	127,250

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

For the Half Year Ended 31 December 2016

### 21 Cash Flow Information

#### (a) Reconciliation of Cash Flow from Operations with Profit after Income Tax

	Consolidated	
	31 December 2016	31 December 2015
	\$	\$
Net income for the period	(403,828)	121,537
Non-cash flows in profit		
Depreciation	28,562	27,600
Bad debts written off	3,493,364	379,544
Net profit on disposal of investment properties	(284,051)	(7,237)
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
(Increase) decrease in receivables	31,474	8,708
(Increase) decrease in deferred tax asset	(167,442)	(37,206)
Increase (decrease) in provision for impairment	(2,749,330)	(38,049)
Increase (decrease) in payables	(387,646)	(186,554)
Increase (decrease) in income taxes payable	-	(141,235)
(Increase) decrease in income taxes refundable	274,034	-
Increase (decrease) in deferred taxes payable	(13,760)	(16,938)
Increase (decrease) in provisions	(4,915)	10,506
Cashflow from operations	<u>(183,538)</u>	<u>120,676</u>

#### (b) Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	2,858,795	2,599,719
Short term deposits	14,413,348	24,918,131
	<u>17,272,143</u>	<u>27,517,850</u>

# Webster Dolilta Finance Ltd

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## Notes to the Financial Statements

For the Half Year Ended 31 December 2016

### 22 Controlled entities

	Country of Incorporation	Percentage Owned (%)* 2017	Percentage Owned (%)* 2016
<b>Parent Entity:</b>			
Webster Dolilta Finance Ltd	Australia	-	-
<b>Subsidiaries of Parent Entity:</b>			
Webster Investments Pty Ltd	Australia	100	100

\*The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

### 23 Fair Value Measurement

The Group measures the following assets and liabilities at fair value on a recurring basis:

- Property, plant and equipment
- Investment property
- Financial assets

#### Fair value hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

# Webster Dolilta Finance Ltd

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## Notes to the Financial Statements

For the Half Year Ended 31 December 2016

### 23 Fair Value Measurement (continued)

#### Fair value hierarchy (continued)

The table below shows the assigned level for each asset and liability held at fair value by the Group:

Consolidated 31 December 2016	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Recurring fair value measurements</b>				
Financial investments - listed entities	810,025	-	-	810,025
Investment properties	-	4,770,868	-	4,770,868
Property, plant and equipment - land and buildings	-	3,047,654	-	3,047,654
<b>Consolidated 30 June 2016</b>	<b>Level 1 \$</b>	<b>Level 2 \$</b>	<b>Level 3 \$</b>	<b>Total \$</b>
<b>Recurring fair value measurements</b>				
Financial investments - listed entities	575,856	-	-	575,856
Investment properties	-	5,803,502	-	5,803,502
Property, plant and equipment - land and buildings	-	3,050,000	-	3,050,000

#### Level 1 measurements

The revaluation of *Financial investments - listed entities* are based on the quoted price for the investments on the Australian Stock Exchange at the reporting date.

#### Level 2 measurements

The revaluation of *Investment property* and *Property, plant and equipment - land and buildings* are based on the assessment of their current market value on the assumption of the asset's highest and best use. The revaluations of *Investment property* and *Property, plant and equipment - land and buildings* held by the Group are made in accordance with a regular policy of revaluation and, except for acquisitions or additions recorded at cost, are based on market valuations provided by appropriately qualified and independent registered valuers conducted on a periodic, but at least triennial, basis.

#### Highest and best use

The current use of each asset measured at fair value is considered to be its highest and best use.

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

Notes to the Financial Statements

For the Half Year Ended 31 December 2016

## 24 Segmental reporting

The Group operates as a member of Provic Group Incorporated in the financial services industry within the state of Victoria.

## 25 Company Details

The registered office of the company is:

Webster Dolilta Finance Ltd  
44 Armstrong Street South  
Ballarat Vic 3350

# Webster Dolilta Finance Ltd

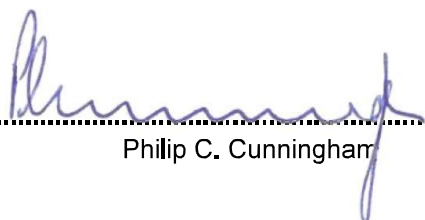
ABN 49 004 664 322

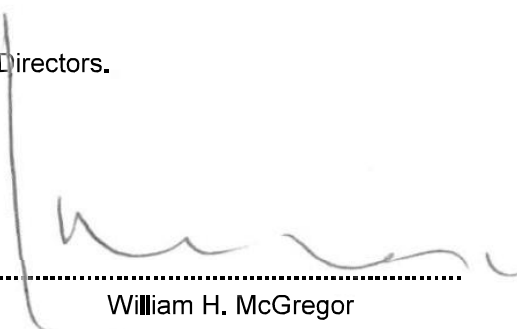
## Directors' Declaration

The directors of the consolidated entity declare that:

1. The financial statements and notes, as set out on pages 4 - 19 are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
  - (b) give a true and fair view of the consolidated group's financial position as at 31 December 2016 and of its performance for the half year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the consolidated entity 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.

Director  .....  
Philip C. Cunningham

Director  .....  
William H. McGregor

Dated 22 February 2017



**RSM Australia Partners**

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**INDEPENDENT AUDITOR'S REVIEW REPORT**

**TO THE MEMBERS OF**

**WEBSTER DOLILTA FINANCE LTD**

*Report on the Half-Year Financial Report*

We have reviewed the accompanying half-year financial report of Webster Dolilta Finance Ltd which comprises the consolidated statement of financial position as at 31 December 2016, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

*Directors' Responsibility for the Half-Year Financial Report*

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal 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 consolidated entity's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Webster Dolilta Finance Ltd, 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.

**THE POWER OF BEING UNDERSTOOD**

**AUDIT | TAX | CONSULTING**

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RSM Australia Partners ABN 36 965 185 036

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*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations act 2001*, which has been given to the directors of Webster Dolilta Finance Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Webster Dolilta Finance Ltd 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 2016 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

*RSM*

**RSM AUSTRALIA PARTNERS**



**JOHN FINDLAY**  
Partner

Ballarat, Victoria  
Dated this 22<sup>nd</sup> day of February 2017