



FINANCE

INVESTMENTS & LOANS

## **Consolidated Financial Report**

**For the Half Year Ended 31 December 2018**

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

For the Half Year Ended 31 December 2018

## CONTENTS

	<u>Page</u>
<b>Consolidated Financial Statements</b>	
Directors' Report	1 - 2
Auditor's Independence Declaration	3
Consolidated Statement of Profit or Loss and Other Comprehensive Income	4
Consolidated Statement of Financial Position	5
Consolidated Statement of Changes in Equity	6
Consolidated Statement of Cash Flows	7
Notes to the Financial Statements	8 - 23
Directors' Declaration	24
Independent Auditor's Report	25 - 26

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Directors' Report

### For the Half Year Ended 31 December 2018

Your directors present their report on the consolidated entity and its controlled entity for the half year ended 31 December 2018.

#### 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  
Timothy S. Bunning CPA B.Ec  
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. Whitcher FIPA

#### 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; and
- Conduct lending on the security of registered mortgages over freehold properties in accordance with the Trust Deed.

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

#### Operating Results

The consolidated profit of the Group for the half year after providing for income tax amounted to \$440,556 (31 December 2017: half year consolidated profit of \$307,146).

#### Dividends

Fully franked dividends totalling \$186,753 were declared at the board meeting held on 11 September 2018 at the rate of \$8.50 per share. The dividend was paid on 30 September 2018.

#### Review of Operations

The directors were satisfied with the operating performance of the Group during the financial half year.

#### 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 Dolilta Finance Ltd

ABN 49 004 664 322

## Directors' Report

For the Half Year Ended 31 December 2018

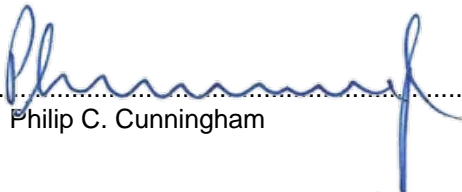
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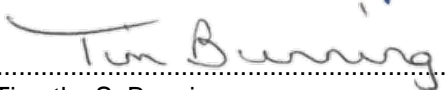
No matters or circumstances have arisen since the end of the half year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

### 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: .....  
Timothy S. Bunning

Dated: 13 March 2019

### **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 2018, 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.

**RSM AUSTRALIA PARTNERS**

# 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 2018

		Consolidated	
		31 December 2018	31 December 2017
	Note	\$	\$
Interest received	3	2,500,471	2,419,936
Interest expense	3	<u>(1,623,237)</u>	<u>(1,466,556)</u>
<b>Net interest revenue</b>		<b>877,234</b>	953,380
Non interest revenue	4	<u>259,434</u>	<u>253,333</u>
<b>Total operating income</b>		<b>1,136,668</b>	1,206,713
Expected credit losses	5	8,670	(74,327)
Operating expenses	6	<u>(790,629)</u>	<u>(818,995)</u>
<b>Operating profit</b>		<b>354,709</b>	313,391
Net gain on disposal of investment property		<u>232,450</u>	<u>96,997</u>
<b>Net profit before tax</b>		<b>587,159</b>	410,388
Income tax expense		<u>(146,603)</u>	<u>(103,242)</u>
<b>Net profit after tax for the half year</b>		<b>440,556</b>	307,146
<b>Other comprehensive income, net of income tax</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Net (loss)/gain on equity investments designated at FVOCI, net of tax	7	<u>(63,102)</u>	3,494
<b>Total comprehensive income for the half year</b>		<b>377,454</b>	310,640
Profit attributable to:			
Members of the parent entity		<u>440,556</u>	307,146
		<b>440,556</b>	307,146
Total comprehensive income attributable to:			
Members of the parent entity		<u>377,454</u>	310,640
		<b>377,454</b>	310,640

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 2018

		Consolidated	
		31 December	30 June
		2018	2018
	Note	\$	\$
<b>Assets</b>			
Cash and cash equivalents	9	1,056,005	3,735,529
Other financial assets	10	19,289,000	16,789,000
Receivables	11	283,596	666,273
Investments held in listed entities	12	990,277	977,799
Investments held in unlisted entities	13	5,000	5,000
Loans and advances	14	60,766,719	56,150,784
Investment properties	15	3,504,999	4,027,129
Property, plant and equipment	16	3,026,049	3,014,377
Intangible assets	17	244,473	244,473
<b>Total Assets</b>		<b>89,166,118</b>	<b>85,610,364</b>
<b>Liabilities</b>			
Secured notes	18	80,730,455	77,248,423
Payables	19	696,569	955,047
Tax liabilities	20	266,124	143,455
Provisions	21	158,762	139,932
<b>Total Liabilities</b>		<b>81,851,910</b>	<b>78,486,857</b>
<b>Net Assets</b>		<b>7,314,208</b>	<b>7,123,507</b>
<b>Equity</b>			
Issued capital		2,710,712	2,710,712
Financial investment revaluation reserve		(53,165)	9,937
Property revaluation reserve		1,118,137	1,118,137
Retained earnings		3,538,524	3,284,721
<b>Total Equity</b>		<b>7,314,208</b>	<b>7,123,507</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 2018

	Consolidated				Total
	Issued capital	Retained earnings	Property revaluation reserve	Financial investment revaluation reserve	
	\$	\$	\$	\$	
Balance at 1 July 2018	2,710,712	3,284,721	1,118,137	9,937	7,123,507
Profit attributable to members	-	440,556	-	-	440,556
Comprehensive income	-	-	-	(63,102)	(63,102)
Dividends paid or provided for	-	(186,753)	-	-	(186,753)
<b>Balance at 31 December 2018</b>	<b>2,710,712</b>	<b>3,538,524</b>	<b>1,118,137</b>	<b>(53,165)</b>	<b>7,314,208</b>

	Consolidated				Total
	Issued capital	Retained earnings	Property revaluation reserve	Financial investment revaluation reserve	
	\$	\$	\$	\$	
Balance at 1 July 2017	2,710,712	2,965,794	1,118,137	40,975	6,835,618
Profit attributable to members	-	307,146	-	-	307,146
Comprehensive income	-	-	-	3,494	3,494
Dividends paid or provided for	-	(142,805)	-	-	(142,805)
<b>Balance at 31 December 2017</b>	<b>2,710,712</b>	<b>3,130,135</b>	<b>1,118,137</b>	<b>44,469</b>	<b>7,003,453</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 2018

	Consolidated	
	31 December 2018	31 December 2017
Note	\$	\$
<b>Cash from operating activities:</b>		
Interest received	2,501,456	2,403,124
Interest and other costs of finance paid	(1,721,585)	(1,557,580)
Fees, commissions and other income received	184,523	175,468
Rents received	74,911	77,865
Cash paid to suppliers and employees	(902,756)	(832,161)
<b>Net cash provided by operating activities</b>	<b>136,549</b>	<b>266,716</b>
	22(a)	
<b>Cash flows from investing activities:</b>		
Net proceeds from investment deposits	-	150,000
Purchase of other investments	(99,516)	-
Purchase of property, plant and equipment	(36,898)	-
Net (increase)/decrease in loans	(4,607,265)	2,479,620
Net decrease/(increase) in development costs receivable	377,746	(206,680)
Proceeds from disposal of investment properties	1,519,132	455,324
Payments for investment properties	(764,551)	(280,730)
<b>Net cash (used in)/provided by investing activities</b>	<b>(3,611,352)</b>	<b>2,597,534</b>
<b>Cash flows from financing activities:</b>		
Net increase in secured notes	3,482,032	1,308,814
Dividends paid	(186,753)	(142,805)
<b>Net cash provided by financing activities</b>	<b>3,295,279</b>	<b>1,166,009</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(179,524)</b>	<b>4,030,259</b>
Cash and cash equivalents at beginning of the half year	20,524,529	16,692,098
<b>Cash and cash equivalents at end of the half year</b>	<b>20,345,005</b>	<b>20,722,357</b>
	22(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 2018

The financial report includes the consolidated financial statements and notes of Webster Dolilta Finance Ltd and its controlled entity (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 2018 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 its controlled entity (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 2018, together with any public announcements made during the half-year.

#### 2 Summary of Significant Accounting Policies

##### (a) Adoption of new and revised accounting standards

The Group has adopted all standards which became effective for the first time for the reporting period ended 31 December 2018. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Group.

##### **Financial Instruments - Adoption of AASB 9 *Financial Instruments***

The Group has adopted AASB 9 for the first time in the current half year with a date of initial adoption of 1 July 2018.

As part of the adoption of AASB 9, the Group adopted consequential amendments to other accounting standards arising from the issue of AASB 9 as follows:

- AASB 101 *Presentation of Financial Statements* requires the impairment of financial assets to be presented in a separate line item in the consolidated statement of comprehensive income. There has been no change to the presentation of the financial statements as a result of this requirement.
- AASB 7 *Financial Instruments: Disclosures* requires amended disclosures due to changes arising from AASB 9, this disclosures have been provided for the current half year.

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

Notes to the Financial Statements

For the Half Year Ended 31 December 2018

## 2 Summary of Significant Accounting Policies (continued)

### (a) Adoption of new and revised accounting standards (continued)

#### Classification of financial assets

The financial assets of the Group have been reclassified into one of the following categories on adoption of AASB 9 based primarily on the business model in which a financial asset is managed and its contractual cash flow characteristics:

- Measured at amortised cost
- Fair value through other comprehensive income - equity instruments (FVOCI - equity).

#### Measurement of equity instruments

Equity instruments are measured at fair value which results in all gains and losses being presented in other comprehensive income except dividend income which is recognised in the profit or loss.

#### Impairment of financial assets

The incurred loss model from AASB 139 *Financial Instruments: Recognition and Measurement* has been replaced with an expected credit loss model in AASB 9 for assets measured at amortised cost, contract assets and fair value through other comprehensive income. There was no material impact on adoption.

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

For the Half Year Ended 31 December 2018

### 2 Summary of Significant Accounting Policies (continued)

#### (a) Adoption of new and revised accounting standards (continued)

The table below illustrates the classification and measurement of financial assets and liabilities under AASB 9 and AASB 139 at the date of initial application.

	Classificat- ion under AASB 139	Classificat- ion under AASB 9	Carrying amount under AASB 139 \$	Reclassifi- cation \$	Re- measure- ments \$	Carrying amount under AASB 9 \$
<b>Financial assets</b>						
Shares in listed entities	Available for sale	FVOCI - equity	977,799	-	-	977,799
Shares in unlisted companies at cost (i)	Available for sale	FVOCI - equity	5,000	-	-	5,000
Cash and cash equivalents	Loans and receivables	Amortised cost	3,735,529	-	-	3,735,529
Due from other financial institutions	Held to maturity	Amortised cost	16,789,000	-	-	16,789,000
Loans and advances	Loans and receivables	Amortised cost	56,910,871	-	-	56,910,871
<b>Total financial assets</b>			<b>78,418,199</b>	<b>-</b>	<b>-</b>	<b>78,418,199</b>
<b>Financial liabilities</b>						
Secured notes	Other financial liabilities	Other financial liabilities	77,248,423	-	-	77,248,423
Accrued interest payable	Other financial liabilities	Other financial liabilities	739,718	-	-	739,718
<b>Total financial liabilities</b>			<b>77,988,141</b>	<b>-</b>	<b>-</b>	<b>77,988,141</b>

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

For the Half Year Ended 31 December 2018

### 2 Summary of Significant Accounting Policies (continued)

#### (a) Adoption of new and revised accounting standards (continued)

##### Revenue from Contracts with Customers - Adoption of AASB 15

The Group has adopted AASB 15 *Revenue from Contracts with Customers* for the first time in the current half year with a date of initial application of 1 July 2018.

The Group have assessed the impact of applying AASB 15 on the recognition of the income of the Group and the resultant impact on assets and equity. The Group have determined that there have been no material changes to the recognition of income by the Group under the standard.

#### (b) Financial instruments

##### For current half year

##### Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

##### *Classification*

On initial recognition, the Group classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

##### *Amortised cost*

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents and amounts due from other financial institutions (interest earning deposits) in the consolidated statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

For the Half Year Ended 31 December 2018

### 2 Summary of Significant Accounting Policies (continued)

#### (b) Financial instruments (continued)

##### *Fair value through other comprehensive income*

##### Equity instruments

The Group has a number of strategic investments in listed and unlisted entities over which are they do not have significant influence nor control. The Group has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial investment revaluation reserve). On disposal any balance in the financial investment revaluation reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

##### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

When determining whether the credit risk of a financial assets has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group uses the presumption that a trade receivable which is more than 30 days past due or loans and advances that are in arrears has seen a significant increase in credit risk.

The Group uses the presumption that a financial asset is in default when the other party is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

Credit losses are measured as the present value of the difference between the cash flows due to the Group in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

For the Half Year Ended 31 December 2018

### 2 Summary of Significant Accounting Policies (continued)

#### (b) Financial instruments (continued)

##### Financial liabilities

The Group measures all financial liabilities initially at fair value less transaction costs. Subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Group comprise secured notes and trade payables.

	Consolidated	
	31 December 2018	31 December 2017
	\$	\$
<b>3 Interest</b>		
Interest received on loans	2,241,097	2,189,991
Interest received on deposits with other financial institutions	259,374	229,945
	<b>2,500,471</b>	2,419,936
Interest expense	<b>(1,623,237)</b>	(1,466,556)
Net interest revenue	<b>877,234</b>	953,380
<b>4 Non interest revenue</b>		
Administration fees	12,367	12,480
Application fees	98,131	93,168
Commissions	3,237	5,206
Discharge fees	17,969	29,324
Dividends	52,194	35,040
Redraw fees	625	250
Rental received	74,911	77,865
	<b>259,434</b>	253,333
<b>5 Expected credit losses</b>		
Decrease/(Increase) in provision for expected credit losses	10,768	(74,327)
Credit losses written off	<b>(2,098)</b>	-
	<b>8,670</b>	(74,327)

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

For the Half Year Ended 31 December 2018

**Consolidated**  
**31 December 31 December**  
**2018 2017**  
**\$ \$**

### 6 Operating expenses

Auditor's remuneration		
Auditing the financial reports	<b>(19,250)</b>	(28,600)
Administration expenses		
Personnel costs	<b>(195,699)</b>	(216,126)
Superannuation	<b>(15,614)</b>	(16,713)
Other administrative expenses	<b>(139,417)</b>	(138,212)
Accounting fees	<b>(35,420)</b>	(38,060)
Depreciation	<b>(25,226)</b>	(24,959)
Directors remuneration	<b>(173,138)</b>	(163,519)
Legal fees	<b>(9,045)</b>	(21,571)
Provision for employee entitlements	<b>(18,830)</b>	(13,901)
Other expenses	<b>(158,990)</b>	(157,334)
	<b><u>(790,629)</u></b>	<b><u>(818,995)</u></b>

### 7 Other comprehensive income

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

Net (loss)/gain on equity investments designated at FVOCI	<b>(87,038)</b>	4,819
Income tax effect of revaluation	<b>23,936</b>	(1,325)
<b>Total other comprehensive income for the half year</b>	<b><u>(63,102)</u></b>	<b><u>3,494</u></b>

### 8 Dividends paid

Interim fully franked ordinary dividends paid of \$8.50 per share franked at the tax rate of 27.5% (31 December 2017: \$6.50 per share franked at the tax rate of 27.5%)	<b>(186,753)</b>	(142,805)
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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 2018

	Consolidated	
	31 December 2018	30 June 2018
	\$	\$
<b>9 Cash and cash equivalents</b>		
<b>Current</b>		
Cash on hand	8,938	7,638
Cash at bank	1,047,067	3,727,891
	<u>1,056,005</u>	<u>3,735,529</u>
<b>10 Other financial assets</b>		
Interest earning deposits	19,289,000	16,789,000
	<u>19,289,000</u>	<u>16,789,000</u>
<b>(a) Interest earning deposits - maturity analysis</b>		
Not longer than three months	19,289,000	16,789,000
	<u>19,289,000</u>	<u>16,789,000</u>
<b>11 Receivables</b>		
<b>Current</b>		
Interest receivable - liquid reserves	57,137	58,123
Prepayments	13,411	36,088
Property sale debtors	-	32,238
Recoverable development costs	126,931	505,130
Refundable development bonds	66,185	33,494
GST refundable	18,732	-
Rental bonds	1,200	1,200
	<u>283,596</u>	<u>666,273</u>
<b>12 Investments held in listed entities</b>		
<b>Non current</b>		
Shares in listed companies at FVOCI	990,277	977,799
	<u>990,277</u>	<u>977,799</u>

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

For the Half Year Ended 31 December 2018

	Consolidated	
	31 December 2018	30 June 2018
	\$	\$
<b>13 Investments held in unlisted entities</b>		
<b>Non current</b>		
Shares in unlisted companies at FVOCI	5,000	5,000
<b>14 Loans and advances</b>		
Loans - secured by mortgage	59,863,117	55,325,392
Loans - mortgagee in possession	73,710	-
Loans - other	1,579,211	1,585,479
	<b>61,516,038</b>	56,910,871
Less expected credit losses	(749,319)	(760,087)
	<b>60,766,719</b>	56,150,784
<b>(a) Maturity analysis</b>		
Due within 1 year	40,936,597	33,455,855
Due after 1 year and not later than 2 years	10,234,142	12,192,825
Due after 2 years and not later than 5 years	6,030,050	6,790,977
Due after 5 years and not later than 30 years	4,315,249	4,471,214
	<b>61,516,038</b>	56,910,871
<b>15 Investment properties</b>		
<b>Current</b>		
At valuation	752,670	1,357,129
<b>Non current</b>		
At valuation	2,752,329	2,670,000
	<b>3,504,999</b>	4,027,129

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

For the Half Year Ended 31 December 2018

	Consolidated	
	31 December 2018	30 June 2018
	\$	\$
<b>16 Property, plant and equipment</b>		
<b>Non current</b>		
<b>Land and Buildings</b>		
Freehold land		
At valuation	<u>1,535,000</u>	<u>1,535,000</u>
	<u>1,535,000</u>	<u>1,535,000</u>
Buildings		
At valuation	<u>1,549,009</u>	<u>1,532,396</u>
Accumulated depreciation	<u>(99,628)</u>	<u>(79,401)</u>
	<u>1,449,381</u>	<u>1,452,995</u>
	<u>2,984,381</u>	<u>2,987,995</u>
<b>Plant and Equipment</b>		
Plant and equipment		
At cost	<u>109,038</u>	<u>88,753</u>
Accumulated depreciation	<u>(79,723)</u>	<u>(76,070)</u>
	<u>29,315</u>	<u>12,683</u>
Motor vehicles		
At cost	<u>21,359</u>	<u>21,359</u>
Accumulated depreciation	<u>(9,006)</u>	<u>(7,660)</u>
	<u>12,353</u>	<u>13,699</u>
	<u>41,668</u>	<u>26,382</u>
<b>Total property, plant and equipment</b>	<u>3,026,049</u>	<u>3,014,377</u>

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

For the Half Year Ended 31 December 2018

	Consolidated	
	31 December 2018	30 June 2018
	\$	\$
<b>17 Intangible assets</b>		
<b>Non current</b>		
Goodwill on consolidation	<u>244,473</u>	<u>244,473</u>
<b>18 Secured Notes</b>		
Secured notes	<u>80,730,455</u>	<u>77,248,423</u>
<b>Concentration of Secured Notes</b>		
Practically all secured note holders are residents of Victoria. Webster Dolilta Finance Limited does not actively seek funds from non-Victorian residents.		
<b>(a) Maturity Analysis</b>		
Due within 1 year	67,642,136	61,918,896
Due after 1 year	13,088,319	15,329,527
	<u>80,730,455</u>	<u>77,248,423</u>
<b>19 Payables</b>		
<b>Current</b>		
Accrued interest payable	641,370	739,718
Other payables and accrued expenses	55,199	115,724
GST liability	-	99,605
	<u>696,569</u>	<u>955,047</u>

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

For the Half Year Ended 31 December 2018

	Consolidated	
	31 December	30 June
	2018	2018
	\$	\$
<b>20 Tax liabilities</b>		
<b>Non current</b>		
Net deferred tax liabilities comprise:		
Deferred tax liability from property revaluation	<b>980,779</b>	1,056,248
Deferred tax (asset)/liability from financial investment revaluation	<b>(20,166)</b>	3,769
Deferred tax asset from expenses not deductible until paid	<b>(6,599)</b>	(16,430)
Deferred tax asset from provisions not deductible until paid	<b>(249,722)</b>	(247,505)
Deferred tax asset from tax losses available for set off against future taxable income	<b>(438,168)</b>	(652,627)
	<b>266,124</b>	143,455
<b>21 Provisions</b>		
<b>Current</b>		
Annual leave	<b>72,833</b>	70,617
Long service leave	<b>85,929</b>	69,315
	<b>158,762</b>	139,932

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

For the Half Year Ended 31 December 2018

**Consolidated**  
**31 December 31 December**  
**2018 2017**  
**\$ \$**

### 22 Cash flow information

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

Net income for the period	<b>440,556</b>	307,146
Non-cash flows in profit		
Depreciation	<b>25,226</b>	25,542
Expected credit losses written off	<b>2,098</b>	-
Net profit on disposal of investment properties	<b>(232,450)</b>	(96,997)
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
Decrease in receivables	<b>42,394</b>	9,526
Decrease in net deferred tax assets and increase in net deferred tax liabilities	<b>146,605</b>	103,241
(Decrease)/increase in provision for expected credit losses	<b>(10,768)</b>	74,327
(Decrease) in payables	<b>(295,942)</b>	(169,970)
Increase in provisions	<b>18,830</b>	13,901
Cashflow from operations	<b>136,549</b>	266,716

**(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	<b>1,056,005</b>	1,808,357
Short term deposits	<b>19,289,000</b>	18,914,000
	<b>20,345,005</b>	20,722,357

# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

For the Half Year Ended 31 December 2018

### 23 Controlled entities

	Country of Incorporation	Percentage Owned (%)* 31 December 2018	Percentage Owned (%)* 31 December 2017
<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.

### 24 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 Dolittle Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

For the Half Year Ended 31 December 2018

### 24 Fair Value Measurement (continued)

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

<b>Consolidated</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>31 December 2018</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Recurring fair value measurements</b>				
Financial investments - listed entities	990,277	-	-	990,277
Financial investments - unlisted entities	-	-	5,000	5,000
Investment properties	-	3,504,999	-	3,504,999
Property, plant and equipment - land and buildings	-	2,984,381	-	2,984,381
	<b>990,277</b>	<b>6,489,380</b>	<b>5,000</b>	<b>7,484,657</b>

<b>Consolidated</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>30 June 2018</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Recurring fair value measurements</b>				
Financial investments - listed entities	977,799	-	-	977,799
Investment properties	-	4,027,129	-	4,027,129
Property, plant and equipment - land and buildings	-	2,987,995	-	2,987,995
	<b>977,799</b>	<b>7,015,124</b>	<b>-</b>	<b>7,992,923</b>

#### 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.



# Webster Dolilta Finance Ltd

ABN 49 004 664 322

## Notes to the Financial Statements

For the Half Year Ended 31 December 2018

### 24 Fair Value Measurement (continued)

#### Level 3 measurements

The revaluation of Financial investments - unlisted entities are based on the directors assessment of the fair value at the reporting date. The directors have determined that the carrying value at 31 December 2018 is not materially different to the fair value of the investment.

#### Highest and best use

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

### 25 Segmental reporting

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

### 26 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 to 23 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 2018 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 .....  
Timothy S. Bunning

Dated: 13 March 2019

**INDEPENDENT AUDITOR'S 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 2018, 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, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the Webster Dolilta Finance Ltd 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 consolidated entity 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 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 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of 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 be aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Independence**

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. 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 provided to the directors as at the date of this auditor's report.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
WEBSTER DOLILTA FINANCE LTD**

**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 2018 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.

**RSM AUSTRALIA PARTNERS**