

# HALF YEAR REPORT

# 31 December 2018

THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE 30 JUNE 2018 ANNUAL REPORT OF THE COMPANY LODGED ON ASX ON 16 OCTOBER 2018



## Bentley Capital Limited

A.B.N. 87 008 108 218

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# **CORPORATE DIRECTORY**

BOARD Farooq Khan William M. Johnson Simon K. Cato

Executive Chairman Executive Director Non-Executive Director

**COMPANY SECRETARY** Victor P. H. Ho

#### REGISTERED AND PRINCIPAL OFFICE Level 2 23 Ventnor Avenue West Perth, Western Australia 6005

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#### AUDITORS

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#### STOCK EXCHANGE

Australian Securities Exchange Perth, Western Australia Website:

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ASX CODE BEL

#### SHARE REGISTRY

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# **APPENDIX 4D HALF YEAR REPORT**

This Half Year Report is provided to the Australian Securities Exchange (ASX) under ASX Listing Rule 4.2A.3.

Current reporting period:	1 July 2018 to 31 December 2018
Previous corresponding period:	1 July 2017 to 31 December 2017
Reporting Date:	31 December 2018
Company:	Bentley Capital Limited (BEL or the Company)
Consolidated Entity:	BEL and controlled entities (Bentley)

## **RESULTS FOR ANNOUNCEMENT TO THE MARKET**

CONSOLIDATED	Dec 2018 \$'000	Dec 2017 \$'000	% Change	Up/ Down
Net gain on financial assets at fair value through profit or loss	-	1,573	N/A	N/A
Share of Associate entity's Profit	-	27	N/A	N/A
Dividends	14	170	92%	Down
Interest	1	2	60%	Down
Other income	-	9	N/A	N/A
Total revenue	15	1,781	99%	Down
Net loss on financial assets held at fair value through profit or loss	(130)	-	N/A	N/A
Net loss on non-current asset held for sale	(578)	-	N/A	N/A
Share of Associate entity's loss	(266)	-	N/A	N/A
Software development expenses	(224)	(480)	53%	Down
Salaries, fees and employee benefits	(179)	(178)	1%	Up
Investment expenses	(9)	(12)	23%	Down
Corporate expenses	(46)	(45)	3%	Up
Administration expenses and other expenses	(190)	(173)	9%	Up
Total expenses	(1,622)	(888)	83%	Up
Profit/(Loss) before tax	(1,607)	893	280%	Down
Income tax benefit/(expense)	-	-		
Profit/(Loss) after tax attributable to members	(1,607)	893	280%	Down
Other comprehensive income (net of tax)	-	-		
Total Comprehensive Income/(Loss) for the half year	(1,607)	893	280%	Down
Basic and diluted earnings/ (loss) per share (cents)	(2.11)	1.17		
CONSOLIDATED	Dec 2018 cents	June 2018 cents	% Change	Up/Down
Pre-Tax NTA backing per share	9.44	12.15	22%	Down
Post-Tax NTA backing per share	9.44	12.15	22%	Down
<b>Pre and Post-Tax NTA backing per share</b> (with the dividend paid during the Current Reporting Period adde	9.94 ed back)	12.15	18%	Down

### **BRIEF EXPLANATION OF RESULTS**

Bentley's \$1.607 million net loss position for the half year was caused principally by:

- \$0.578 million unrealised loss on the investment in Strike Resources Limited (ASX:SRK);
- a \$0.266 million loss attributable to its ~20% interest in Associate entity, Keybridge Capital Limited (ASX:KBC), primarily due to the adverse share price performance of its share investments (principally Metgasco Limited (ASX:MEL) and Molopo Energy Limited (ASX:MPO) (suspended)) and a loss attributable to its 30.98% interest in Associate entity, HHY Fund (ASX:HHY); and
- a \$0.373 million net unrealised loss on other (ie. other than SRK and KBC referred to above) investments.

# **APPENDIX 4D HALF YEAR REPORT**

Please refer to the Directors' Report and financial statements and notes for information on a review of Bentley's operations and the financial position and performance of Bentley for the half year ended 31 December 2018.

### DIVIDENDS

The Directors have not declared a dividend in respect of the financial half year ended 31 December 2018.

Bentley paid a 0.5 cent per share fully franked dividend during the financial half year as follows:

Dividend Rate	Record Date	Payment Date	DRP Issue Price (cents)	DRP Shares Acquired
0.5 cent per share	13 July 2018	20 July 2018	11.15	229,840

This continues Bentley's long distribution track record with recent payments as illustrated below.<sup>1</sup>:

Rate per share	Nature	Record Date	Payment Date	Franking	DRP Issue Price
0.50 cent	Dividend	13 July 2018	20 July 2018	100%	\$0.1115
0.50 cent	Dividend	12 January 2018	25 January 2018	100%	\$0.1225
0.50 cent	Dividend	17 August 2017	31 August 2017	100%	\$0.1172
0.50 cent	Dividend	24 March 2017	31 March 2017	100%	\$0.1371
0.50 cent	Dividend	22 September 2016	29 September 2016	100%	\$0.1399
0.50 cent	Dividend	11 March 2016	18 March 2016	100%	\$0.1322
0.50 cent	Dividend	11 September 2015	25 September 2015	100%	\$0.1453
0.55 cent	Dividend	13 March 2015	20 March 2015	100%	\$0.1327
0.95 cent	Dividend	12 September 2014	26 September 2014	100%	\$0.1486
One cent	Dividend	14 March 2014	21 March 2014	100%	\$0.1441
One cent	Return of capital	6 December 2013	12 December 2013	N/A	N/A
One cent	Return of capital	15 April 2013	18 April 2013	N/A	N/A
One cent	Return of capital	26 November 2012	30 November 2012	N/A	N/A
One cent	Return of capital	16 April 2012	19 April 2012	N/A	N/A
5 cents	Return of capital	12 October 2011	14 October 2011	N/A	N/A
2.4 cents	Dividend (Special)	5 September 2011	26 September 2011	100%	\$0.2188
One cent	Dividend	5 September 2011	26 September 2011	100%	\$0.2188

As at 31 December 2018, Bentley had:

- \$2.26 million in its Profits Reserve account, which is available to fund the payment of dividends to shareholders in the future; and
- \$1.135 million Franking Credits, which is sufficient to fund the payment of fully franked (at Bentley's applicable 27.5% company tax rate) dividends totalling \$2.992 million.

### Updated Dividend Policy<sup>2</sup>

It is the objective of Bentley to provide a regular and stable distribution to shareholders after the announcement of its 30 June year end operating results. These results are normally announced at the end of August each year and Bentley will endeavour to announce its proposed distribution at this time.

Dividends will be funded from Bentley's Profits Reserve account, which comprises appropriations from the Company's net profits earned during relevant periods from time to time.

<sup>1</sup> Bentley paid a distribution to shareholders every year (save on 4 occasions) since its admission to ASX in 1986.

<sup>2</sup> Refer Bentley's ASX Announcement dated 27 February 2019: Updated Dividend Policy

# **APPENDIX 4D HALF YEAR REPORT**

Bentley intends to make annual distributions in order to limit costs and administration, to the extent permitted by law and subject to prudent business practice. Dividends will be franked to the extent that available franking credits permit. Proposed capital returns will be subject to prior shareholder approval.

### ASSOCIATE ENTITY

The Company has accounted for the following share investment at the Balance Date as an investment in an Associate entity (on an equity accounting basis):

• 20.12% interest (31,700,000 shares) in ASX-listed Keybridge Capital Limited (ASX: KBC) (30 June 2018: 31,700,000 shares (20.05%); 31 December 2017: 31,700,000 shares (20.05%)).

### **CONTROLLED ENTITIES**

Beaxchange Limited was incorporated in Malta on 11 October 2018 as a wholly owned subsidiary.

For and on behalf of the Directors,

Victor Ho Company Secretary Date: 28 February 2019

Telephone: (08) 9214 9757

Email: cosec@bel.com.au

The Directors present their Directors' Report on Bentley Capital Limited ABN 87 008 108 218 (**Company** or **BEL**) and its controlled entities (the **Consolidated Entity** or **Bentley**) for the financial half year ended 31 December 2018 (**Balance Date**).

BEL is a company limited by shares that was incorporated in South Australia in June 1986 and has been listed on the Australian Securities Exchange (**ASX**) since October 1986 (ASX Code: BEL).

### **PRINCIPAL ACTIVITIES**

BEL is a listed investment company (LIC). Bentley's investment objectives are to:

- Achieve a high real rate of return over the medium term, ideally comprising both revenue and capital growth, whilst operating within acceptable risk parameters set by the Board; and
- Deliver a regular distribution stream to shareholders.

Within its broader investment mandate<sup>3</sup>, Bentley has a focus on several key investment sectors which the Board believes offer the opportunity to collectively generate overall returns for shareholders materially in excess of the ASX All Ordinaries Index<sup>4</sup>:

- (1) Strategic investments in listed companies with either an active or passive participation;
- (2) Corporate financing;
- (3) Promotion of IPOs; and
- (4) Participation in, and funding of, corporate restructurings.

### NET TANGIBLE ASSET BACKING

CONSOLIDATED	December 2018 \$'000	June 2018 \$'000
Net assets	7,361	9,347
Less: Intangible assets	(173)	(97)
Net tangible assets	7,188	9,250
Pre-tax NTA backing per share (cents)	9.44	12.15
Less: Net deferred tax asset/liabilities /tax provision	-	-
Net tangible assets	7,188	9,250
Post-tax NTA backing per share (cents)	9.44	12.15
Value of dividend paid in previous 6 months	381	761
Adjusted Pre and post-tax NTA backing per share (cents) (with the dividend paid during the half year added back)	9.94	N/A
Based on total issued shares	76,127,918	76,127,918

<sup>3</sup> Refer Bentley's ASX announcement dated 15 January 2009: Notice of Meeting and released on ASX on 23 January 2009

<sup>4</sup> Refer Bentley's ASX announcement dated 10 May 2010: Appointment of Chief Investment Officer and Implementation of Investment Strategy

## **OPERATING RESULTS**

CONSOLIDATED	December 2018 \$'000	December 2017 \$'000
Net gain on financial assets at fair value through profit or loss	-	1,573
Share of Associate entity's profit	-	27
Dividends	14	170
Interest	1	2
Other income		9
Total revenue	15	1,781
Net loss on financial assets at fair value through profit or loss	(130)	-
Net loss on non-current asset held for sale	(578)	-
Share of Associate entity's' loss	(266)	-
Software development expenses	(224)	(480)
Salaries, fees and employee benefits	(179)	(178)
Investment expenses	(9)	(12)
Corporate expenses	(46)	(45)
Administration expenses and other expenses	(190)	(173)
Total expenses	(1,622)	888
Profit/(Loss) before income tax expense	<u> </u>	893
Income tax expense	-	-
Profit / (Loss) after income tax expense	(1,607)	893

Bentley's \$1.607 million net loss position for the half year was caused principally by:

- \$0.578 million unrealised loss on the investment in Strike Resources Limited (ASX:SRK);
- a \$0.266 million loss attributable to its ~20% interest in Associate entity, Keybridge Capital Limited (ASX:KBC), primarily due to the adverse share price performance of its share investments (principally Metgasco Limited (ASX:MEL) and Molopo Energy Limited (ASX:MPO) (suspended)) and a loss attributable to its 30.98% interest in Associate entity, HHY Fund (ASX:HHY); and
- a \$0.373 million net unrealised loss on other (ie. other than SRK and KBC referred to above) investments.

### EARNINGS/(LOSS) PER SHARE

CONSOLIDATED	December 2018 cents	December 2017 Cents
Earnings/(Loss) per share (cents)	(2.11)	1.17

### FINANCIAL POSITION

CONSOLIDATED	December 2018 \$'000	June 2018 \$'000
Investments	2,968	3,641
Non-current asset held for sale	2,207	2,785
Investment in Associate entity	2,036	2,461
Cash and cash equivalents	134	288
Net deferred tax asset / liabilities	-	-
Intangible assets	173	97
Other assets	94	413
Liabilities	(251)	(338)
Net assets	7,361	9,347
Issued capital	19,477	19,477
Profits Reserve	3,298	3,677
Accumulated losses	(15,414)	(13,807)
Total equity	7,361	9,347

### DIVIDENDS

The Directors have not declared a dividend in respect of the financial half year ended 31 December 2018.

Bentleys paid a 0.5 cent per share fully franked dividend during the financial half year as follows:

Dividend Rate	Record Date	Payment Date	DRP Issue Price (cents)	DRP Shares Acquired
0.5 cent per share	13 July 2018	20 July 2018	11.15	229,840

### **Dividend Policy**

On 26 February 2019, Bentley announced an updated Dividend Policy<sup>5</sup>, as follows:

It is the objective of Bentley to provide a regular and stable distribution to shareholders after the announcement of its 30 June year end operating results. These results are normally announced at the end of August each year and Bentley will endeavour to announce its proposed distribution at this time.

Dividends will be funded from Bentley's Profits Reserve account, which comprises appropriations from the Company's net profits earned during relevant periods from time to time.

Bentley intends to make annual distributions in order to limit costs and administration, to the extent permitted by law and subject to prudent business practice. Dividends will be franked to the extent that available franking credits permit. Proposed capital returns will be subject to prior shareholder approval.

<sup>5</sup> Refer Bentley's ASX Announcement dated 27 February 2019: Updated Dividend Policy

### **Dividend Reinvestment Plan**

Bentley has the ability (at the Directors' discretion) to acquire existing shares or issue new shares (or a combination of both) to satisfy Bentley's obligations under the DRP<sup>6</sup>.

The acquisition of existing shares will neutralise the dilutive effect associated with issuing new shares at a discount to market and Bentley's net tangible asset (**NTA**) backing.

The Board will exercise its discretion to acquire shares on-market having regard to, amongst other matters, the extent of DRP participation by shareholders, the cash and liquid investment positions of the Company, the prevailing BEL share price and trading volumes on ASX and the current NTA backing of the Company.

A copy of Bentley's updated DRP Rules, Summary and Application Form may also be downloaded from the Company's website: http://bel.com.au/forms

As at 31 December 2018, Bentley had:

- \$2.26 million in its Profits Reserve account, which is available to fund the payment of dividends to shareholders in the future; and
- \$1.135 million Franking Credits, which is sufficient to fund the payment of fully franked (at Bentley's applicable 27.5% company tax rate) dividends totalling \$2.992 million.

### SECURITIES ON ISSUE

The Company has 76,127,918 (30 June 2018 and 31 December 2017: 76,127,918) fully paid ordinary shares on issue. All such shares are listed on ASX. The Company has no other securities on issue.

### **REVIEW OF OPERATIONS**

#### **Net Asset Weightings**

A summary of Bentley's net asset weighting (by value and as a percentage of net assets) is:

	31 December 2018		30 June 2	30 June 2018		31 December 2017	
Net Assets	\$′m	%	\$′m	%	\$′m	%	
Australian equities 1	7.21	98.0	8.89	95.1	10.83	86.9	
Intangible assets <sup>2</sup>	0.17	2.3	0.10	1.0	0.38	3.1	
Provision for income tax	-	-	-	-	-	-	
Net cash on deposit/other assets/provisions	(0.02)	(0.3)	0.36	3.9	1.25	10.0	
Total Net Assets	7.36	100.0	9.35	100.0	12.46	100.0	
NTA backing per share	0.0944 0.			5	0.158	37	
Adjusted NTA Backing per share	0.0994		N/A		N/A		
(with dividends paid during the half year en	ding 31 Deceml	per 2018 addeo	d back)				

1. Includes an investment in the Clime CBG Australian Equities Fund (Wholesale) (formerly CBG Australian Equities Fund (Wholesale)) (CBG Fund).

2. Capitalised software, Internet and applications development costs.

<sup>6</sup> Refer Bentley's ASX Announcement dated 1 August 2017: Updated Dividend Reinvestment Plan

### **Major Holdings**

A summary of Bentley's major investment holdings (by value and as a percentage of net assets) is:

		Industry	31 Decem	1ber 2018	30 Jui	ne 2018	31 Decen	nber 2017
Security	ASX Code	Sector	\$′m	%	\$′m	%	\$′m	%
Strike Resources Limited <sup>3</sup>	SRK	Metals & Mining	2.21	30.0	$2.79^{4}$	29.8	3.15	25.3
Keybridge Capital Limited <sup>4</sup>	KBC	Diversified	2.06	28.0	2.46 <sup>3</sup>	26.3	3.85	30.9
CBG Fund	-	Diversified	1.36	18.5	1.92	20.5	3.02	24.2
Other listed securities	Various	Various	1.21	16.4	1.29	13.8	0.81	6.5
Other managed funds	-	Diversified	0.40	5.4	0.44	4.7	-	-

3. Non-Current Asset Held for Sale carried at fair value (ASX market) less selling costs

4. Investment in Associate entity carried at fair value based on equity accounting

### Investment in Keybridge Capital Limited (ASX: KBC)

As at 31 December 2018 and currently, Bentley is the second largest shareholder in KBC with 31,700,000 shares (20.12%) (30 June 2018: 31,700,000 KBC shares (20.05%); 31 December 2017: 31,700,000 shares (20.05%)).

Keybridge is an investment and financial services group with a diversified portfolio of listed and unlisted investments/loan assets including in the private equity (US), life insurance (New Zealand), property and funds management sectors and strategic holdings in HHY Fund (ASX:HHY), Molopo Energy Limited (ASX:MPO), Metgasco Limited (ASX:MEL) and Yowie Group Ltd (ASX:YOW). Keybridge is also the Investment Manager of the HHY Fund.

Bentley Directors (William Johnson and Simon Cato) are on the Board of Keybridge<sup>7</sup>.

During the half year, KBC shares traded on ASX within a range of \$0.093 to \$0.065 with a closing price of \$0.069 (and \$10.87 million market capitalisation) as at 31 December 2018 and a current closing price of \$0.058 (as at 22 February 2019).

As at 31 December 2018, Bentley's investment in KBC had a carrying value of \$0.064 per share (\$2.04 million); this compares with KBC's last bid price on ASX of \$0.065 per share (\$2.06 million) and KBC's after-tax net asset backing of \$0.0859 per share (\$2.72 million) as at 31 December 2018.

Further information about Keybridge's net assets and investment affairs are contained in their ASX releases, including as follows:

- 28 February 2019: Half Year Report 31 December 2018;
- 14 February 2019: Net Asset Backing January 2019; and
- 17 October 2018: 2018 Annual Report.

Information concerning KBC may be viewed from its website: www.keybridge.com.au.

KBC's market announcements may also be viewed from the ASX website (www.asx.com.au) under ASX code "KBC".

<sup>7</sup> Refer KBC's ASX announcement dated 29 July 2016: Results of General Meeting and Board Changed and Notice of General Meeting dated 7 June 2016

#### Investment in Strike Resources Limited (ASX: SRK)

As at 31 December 2018 and currently, Bentley is the largest shareholder in SRK with 52,553,493 shares (36.16%<sup>8</sup>) (30 June 2018 and 31 December 2017: 52,553,493 shares (36.16%)), which were acquired at an average cost of 5.5 cents per share.

Strike owns the high-grade Apurimac Magnetite Iron Ore Project and Cusco Magnetite Iron Ore Project in Peru and is currently developing its Burke Graphite Project in Queensland and lithium exploration tenements in Western Australia; Strike also retains relatively strong cash reserves and liquid investments totalling ~\$4.402 million (as at 31 December 2018)<sup>9</sup>.

Bentley Chairman (Farooq Khan) is also Chairman of Strike and Bentley Executive Director (William Johnson) is the Managing Director of Strike.

During the half year, SRK shares traded on ASX within a range of 6.2 to 4.4 cents with a closing price of 4.5 cents (and \$6.54 million market capitalisation) as at 31 December 2018 and a current closing price of 4.2 cents (as at 22 February 2019).

As at 31 December 2018, Bentley's investment in Strike had a carrying value of \$2.21 million, based on SRK's last bid price on ASX of 4.2 cents per share as at 31 December 2018 (30 June 2018: 5.3 cents).

Further information about Strike's current projects and activities are contained in their ASX releases, including as follows:

- 31 January 2019: December 2018 Quarterly Reports; and
- 25 October 2018: 2018 Annual Report.

Information concerning SRK may be viewed from its website: www.strikeresources.com.au.

SRK's market announcements may also be viewed from the ASX website (www.asx.com.au) under ASX code "SRK".

### Investment in Yowie Group Ltd (ASX: YOW)

Bentley is a major shareholder in YOW with 9,956,110 shares (4.57%) held currently and as at 31 December 2018 (30 June 2018: 8,640,000 shares (3.99%); 31 December 2017: Nil), which were acquired at an average cost of 10.8 cents per share.

Bentley notes that:

- Keybridge is a major shareholder in YOW with 12,845,721 shares (5.9%) held directly currently (31 December 2018: 10,827,743 shares (4.97%); 30 June 2018: 36,437,345 shares (9.32%); 31 December 2017: 32,688,633 shares (8.2%)); and
- Keybridge's Associate entity, HHY Fund (ASX:HHY), is the largest shareholder in YOW with 26,526,643 shares (12.18%) held currently and as at 31 December 2018 (30 June 2018: 26,526,643 shares (12.24%)).

During the half year, YOW shares have traded on the ASX within a range of 6.8 to 12.5 cents with a current closing price of 6.9 cents (and a \$15.02 million market capitalisation) (as at 22 February 2019).

The Yowie investment generated a \$0.164 million unrealised gain for the half year.

<sup>8</sup> Refer Bentley's ASX Announcement dated 4 September 2015: Change in Substantial Holding in SRK

<sup>9</sup> Refer SRK's ASX Announcement dated 31 January 2019: December 2018 Quarterly Report

Yowie Group is a global brand licensing company specialising in the development of consumer products designed to promote learning, understanding and engagement with the natural world through the adventures and exploits of Yowie characters. Yowie Group employs its intellectual property rights to supply Yowie branded chocolate confectionery product, a digital platform and Yowie branded licensed consumer products. Yowie's vision for the Yowie brand is to distribute on a widening basis the Yowie product in the US, Australia and New Zealand with further international expansion.<sup>10</sup>

Information concerning the Yowie Group may be viewed on its website: www.yowiegroup.com

Yowie Group's market announcements may also be viewed from the ASX website (www.asx.com.au) under ASX code "YOW".

#### Investment in the Clime CBG Australian Equities Fund (Wholesale) (CBG Fund).11

As at 31 December 2018, Bentley had ~\$1.36 million (18.5% of its net assets) invested in the Clime CBG Australian Equities Fund (Wholesale) **(CBG Fund)** (30 June 2018: ~\$1.92 million (19.82%); 31 December 2017: A\$3.02 million (24.27%)).

The 6 month net performance of the CBG Fund to 31 December 2018 was -10.8% (December 2017: +8.2%) compared with its benchmark performance (S&P/ASX 200 Accumulation Index) of -6.8% (December 2017: +8.4%).

Bentley's investment in CBG Fund has generated a realised gain of \$0.142 million and incurred an unrealised loss of \$0.297 million for the financial half year (December 2017: \$0.74 million unrealised loss). The investment's unrealised gain (from historical cost) is \$0.093 million (December 2017: \$0.677 million unrealised gain).

The CBG Fund is a wholesale fund not open to retail investors. The objective of the fund is to outperform the S&P/ASX 200 Accumulation Index over the medium term. The Investment Manager is 'style neutral' and invests in growth stocks, value stocks, stocks with maintainable dividend yields and special situations.

Bentley is able to redeem its investment in the CBG Fund at short notice without any exit fees.

CBG Fund details provided to the Company as at 31 December 2018 are as follows:

- The equity weighting was 87.18% (June 2018: 96.2%; December 2017: 97.25%);
- 79.76% of the equity portfolio is invested in companies contained within the S&P/ASX 200 Index (June 2018: 76.21%; December 2017: 81.64%) with the balance of 20.24% invested in companies outside of the S&P/ASX 200 Index (June 2018: 23.79%; December 2017: 18.36%); and
- The equity portfolio contained 32 holdings (June 2018: 32; December 2017: 43).

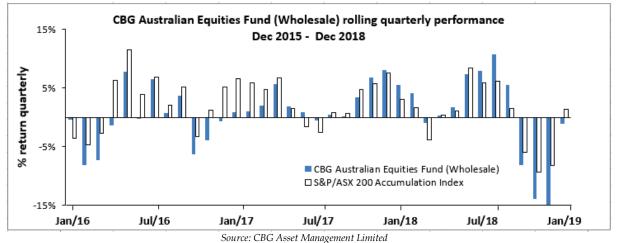
CBG Fund Returns To: 31 December 2018	1mth (%)	3mths (%)	6mths (%)	1yr (%)	2yrs (%)	3yrs (% p.a.)	Since Inception (% p.a.)
CBG Fund	-4.8	-16.3%	-11.7%	-6.1%	2.2%	-0.1%	8.3%
ASX/S&P 200 Accumulation Index	-0.1%	-8.2%	-6.8%	-2.8%	4.2%	6.7%	7.7%

<sup>10</sup> Refer YOW's 2018 Annual Report released on ASX on 27 August 2018 and YOW's Half Year Report released on ASX on 26 February 2019.

<sup>11</sup> Based on information provided by investment manager, CBG Asset Management Limited

The monthly performance of the CBG Fund for January 2019 was +6.1% compared with its benchmark performance (S&P/ASX 200 Accumulation Index) of -0.4%.

CBG Fund Returns To: 31 January 2019	1mth (%)	3mths (%)	6mths (%)	1yr (%)	2yrs (%)	3yrs (% p.a.)	Since Inception (% p.a.)
CBG Fund	6.1%	-1.0%	-9.0%	-1.4%	6.4%	4.0%	8.6%
ASX/S&P 200 Accumulation Index	3.9%	1.5%	-4.6%	1.4%	6.6%	10.1%	7.9%



Notes:

-

(a) Shows the net return of the fund over the preceding 3 months for each quarter, compared with that of the benchmark ASX/S&P 200 Accumulation Index.

(b) The information in the table is historical and the past performance of the CBG Australian Equities Fund (Wholesale) is not a reliable predictor of the future performance of such fund; CBG have not made any representation to the Company that it will achieve any specific future rate of return on the fund.

CBG Fu	nd Top 20 Holdings	
ASX		Fund Weight
Code	Asset Name	31-Dec-18
BHP	BHP GROUP LIMITED	9.7%
CSL	CSL LIMITED	7.5%
APT	AFTERPAY TOUCH GROUP LIMITED	5.0%
BVS	BRAVURA SOLUTIONS LIMITED	4.9%
WEB	WEBJET LIMITED	4.5%
RIO	RIO TINTO LIMITED	4.5%
JIN	JUMBO INTERACTIVE LIMITED	4.2%
HUB	HUB24 LTD	3.6%
AMC	AMCOR LIMITED	3.4%
RWC	RELIANCE WORLDWIDE CORP LIMITED	3.0%
OSH	OIL SEARCH LIMITED	3.0%
CCP	CREDIT CORP GROUP LIMITED	3.0%
SEK	SEEK LIMITED	2.9%
JHG	JANUS HENDERSON GROUP PLC	2.7%
LOV	LOVISA HOLDINGS LIMITED	2.6%
LNK	LINK ADMINISTRATION HOLDINGS LIMITED	2.2%
SDA	SPEEDCAST INTERNATIONAL LIMITED	2.0%
LLC	LENDLEASE GROUP	1.9%
NCZ	NEW CENTURY RESOURCES LIMITED	1.8%
NAB	NATIONAL AUSTRALIA BANK LIMITED	1.8%

CBG Fund Sector Weights	Fund Weight 31-Dec-18
Materials	24.2%
Information Technology	15.9%
Consumer Discretionary	13.3%
Cash/Hybrids/Fixed Interest	12.8%
Financials	11.0%
Industrials	8.1%
Health Care	7.7%
Energy	3.0%
Telecommunication Services	2.0%
Real Estate	1.9%

### Software, Internet and Applications Development

Bentley has a technology operation involved in software, Internet and applications development, which provides exposure to these sectors as a potentially valuable investment and/or income generating opportunity.

### DIRECTORS

Directors in office during or since the financial half year are as follows:

FAROOQ KHAN	Chairman
Appointed	Director since 2 December 2003; Chairman since 10 February 2004
Qualifications	BJuris, LLB (Western Australia)
Experience	Mr Khan is a qualified lawyer having previously practised principally in the field of corporate law. Mr Khan has extensive experience in the securities industry, capital markets and the executive management of ASX-listed companies. In particular, Mr Khan has guided the establishment and growth of a number of public listed companies in the investment, mining and financial services sector. He has considerable experience in the fields of capital raisings, mergers and acquisitions and investments.
Relevant interest in shares	11,717,58612
Special Responsibilities	Chairman of the Board and Investment Committee
Other current directorships in listed entities	<ol> <li>Executive Chairman and Managing Director of Queste Communications Ltd (ASX:QUE) (since 10 March 1998)</li> </ol>
	(2) Executive Chairman of Orion Equities Limited (ASX:OEQ) (since 23 October 2006)
	(3) Chairman (appointed 18 December 2015) of Strike Resources Limited (ASX:SRK) (Director since 1 October 2015)
Former directorships in other listed entities in past 3 years	Nil
WILLIAM M. JOHNSON	Executive Director
Appointed	Director since 13 March 2009; Executive Director since 1 January 2016
Qualifications	MA (Oxon), MBA
Experience	William Johnson holds a Masters degree in engineering science from Oxford University, England and an MBA from Victoria University, New Zealand. His 30-year business career spans multiple industries and countries, with executive/CEO experience in mineral exploration and investment (Australia, Peru, Chile, Saudi Arabia, Oman, North Africa and Indonesia), telecommunications infrastructure investment (New Zealand, India, Thailand and Malaysia) and information technology and Internet ventures (New Zealand, Philippines and Australia). Mr Johnson is a highly-experienced public company director and has considerable depth of experience in corporate governance, business strategy and operations, investment analysis, finance and execution.
Relevant interest in shares	None
Special Responsibilities	Member of the Investment, Audit and Remuneration Committees
Other current directorships in	(1) Managing Director of Strike Resources Limited (ASX:SRK) (since 25 March 2013; Director

(1) Managing Director of Strike Resources Limited (ASX:SRK) (since 25 March 2013; Director since 14 July 2006)
(2) Director of Keybridge Capital Limited (ASX:KBC) (since 29 July 2016)

(3) Director of Molopo Energy Limited (ASX:MPO) (since 31 May 2018)

#### Former directorships in other listed entities in past 3 years Non-Executive Director of Yowie Group Ltd (ASX:YOW) (10 April to 8 October 2018)

12 Refer Bentley's ASX Announcements dated 22 March 2017: Change of Director's Interest Notice and dated 22 March 2017: Notice of Initial Substantial Holder in BEL

SIMON K. CATO	Non-Executive Director
Appointed	7 January 2015
Qualifications	B.A. (Sydney)
Experience	Simon Cato has had over 30 years' capital markets experience in broking, regulatory roles (with ASX in Sydney and Perth) and as a director of listed companies. From 1991 until 2006, he was an executive director and/or responsible executive of three stockbroking firms. During that time, Mr Cato was involved in the formation of a number of companies, including writing prospectuses and managing the listing process and has been through the process of IPO listing in the dual role of broker and director. Since 2006, Mr Cato has been an executive and non-executive director of a number of public listed companies with a range of different business activities and was a founding director of Greenland Minerals and Energy Limited.
Relevant interest in shares	None
Special Responsibilities	Chairman of the Audit and Remuneration Committees
Other current directorships in listed entities	(1) Non-Executive Chairman of Advanced Share Registry Limited (ASX:ASW) (since 22 August 2007)
	<ul><li>(2) Non-Executive Director of Greenland Minerals and Energy Limited (ASX:GGG) (since 21 February 2006)</li></ul>
	(3) Non-Executive Director of Keybridge Capital Limited (ASX: KBC) (since 29 July 2016)
Former directorships in other listed entities in past 3 years	Nil

### COMPANY SECRETARY

VICTOR P. H. HO	Company Secretary
Appointed	5 February 2004
Qualifications	BCom, LLB (Western Australia), CTA
Experience	Victor Ho has been in Executive roles with a number of ASX-listed companies across the investments, resources and technology sectors over the past 19 years. Mr Ho is a Chartered Tax Adviser (CTA) and previously had 9 years' experience in the taxation profession with the Australian Tax Office (ATO) and in a specialist tax law firm. Mr Ho has been actively involved in the investment management of listed investment companies (as an Executive Director and/or a member of the Investment Committee), the structuring and execution of a number of corporate, M&A and international joint venture (in South America, Indonesia and the Middle East) transactions, capital raisings and capital management initiatives and has extensive experience in public company administration, corporations' law and stock exchange compliance and investor/shareholder relations.
Special Responsibilities	Member of the Investment Committee and Secretary of the Audit and Remuneration Committees
Relevant interest in shares	50,000 ordinary shares (held indirectly)
Other positions held in listed entities	<ul> <li>Executive Director and Company Secretary of:</li> <li>(1) Orion Equities Limited (ASX:OEQ) (Secretary since 2 August 2000 and Director since 4 July 2003)</li> <li>(2) Queste Communications Ltd (ASX:QUE) (Secretary since 30 August 2000 and Director since 3 April 2013)</li> <li>(3) Strike Resources Limited (ASX:SRK) (Director since 24 January 2014 and Secretary since 1 October 2015)</li> </ul>
	Company Secretary of Keybridge Capital Limited (ASX:KBC) (since 13 October 2016)
Former position in other listed entities in past 3 years	Nil

### AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 forms part of this Directors Report and is set out on page 16. This relates to the Auditor's Independent Review Report, where the Auditors state that they have issued an independence declaration.

Signed for and on behalf of the Directors in accordance with a resolution of the Board,

Farooq Khan Chairman

Simon Cato Non-Executive Director and Chairman of the Audit Committee

28 February 2019



Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005 P.O. Box 8716, Perth Business Centre WA 6849 Phone (08) 9486 7094 www.rothsayresources.com.au

The Directors Bentley Capital Limited Level 2 23 Ventnor Ave West Perth WA 6005

Dear Sirs

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

- no contraventions of the auditor independence requirements of the Act in relation to the audit review of the 31 December 2018 interim financial statements; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

GRS

Graham Swan FCA (Lead auditor)

**Rothsay Auditing** 

Dated 28 February 2019



# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME for the half year ended 31 December 2018

	Note	31 Dec 18	31 Dec 17
REVENUE		\$	\$
Investment	2		
Dividend revenue		14,151	169,487
Interest revenue		963	2,428
Other			
Net gain on financial assets at fair value through profit or loss		-	1,573,075
Net gain on non-current asset held for sale		-	-
Share of Associate entity's profit		-	27,178
Other income		137	9,442
TOTAL REVENUE AND INCOME		15,251	1,781,610
EXPENSES	3		
Share of Associate entity's loss		(265,961)	-
Net loss on financial assets at fair value through profit or loss		(130,140)	-
Net loss on non-current asset held for sale		(578,088)	-
Reversal of provision for doubtful debt - convertible note		-	22,774
Software development expenses		(223,851)	(480,138)
Corporate expenses		(45,956)	(44,461)
Occupancy expenses		(24,908)	(27,213)
Investment expenses		(9,520)	(12,423)
Finance expenses		(2,195)	(1,641)
Administration expenses		(341,773)	(345,065)
PROFIT/(LOSS) BEFORE INCOME TAX		(1,607,141)	893,443
Income tax expense	5	-	-
PROFIT/(LOSS) FOR THE HALF YEAR		(1,607,141)	893,443
OTHER COMPREHENSIVE INCOME			
Other Comprehensive Income, Net of Tax		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE HALF YEAR		(1,607,141)	893,443
EARNINGS/(LOSS) PER SHARE FOR PROFIT/(LOSS) ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY:			
Basic and diluted earnings/(loss) per share (cents)	5	(2.11)	1.17

The accompanying notes form part of these consolidated financial statements

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 December 2018

	Note	31 Dec 18	30 Jun 18
CURRENT ASSETS		\$	\$
Cash and cash equivalents		134,180	288,371
Financial assets at fair value through profit or loss	6	2,968,091	3,641,274
Non-current asset held for sale	7	2,207,246	2,785,335
Receivables		72,000	371,765
Other current assets		488	5,437
TOTAL CURRENT ASSETS		5,382,005	7,092,182
NON-CURRENT ASSETS			
Receivables		10,248	10,113
Investment in Associate entity	10	2,036,062	2,460,523
Intangible assets		173,361	96,819
Property, plant and equipment		10,863	10,905
Deferred tax asset		-	14,805
TOTAL NON-CURRENT ASSETS		2,230,534	2,593,165
TOTAL ASSETS		7,612,539	9,685,347
CURRENT LIABILITIES			
Payables		41,255	117,281
Provisions		210,610	206,298
TOTAL CURRENT LIABILITIES		251,865	323,579
NON-CURRENT LIABILITIES			
Deferred tax liability		-	14,805
TOTAL NON-CURRENT LIABILITIES			14,805
TOTAL LIABILITIES		251,865	338,384
NET ASSETS		7,360,674	9,346,963
EQUITY			
Issued capital		19,477,385	19,477,385
Profits reserve		3,297,878	3,677,026
Accumulated losses		(15,414,589)	(13,807,448)
TOTAL EQUITY		7,360,674	9,346,963

The accompanying notes form part of these consolidated financial statements

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the half year ended 31 December 2018

	Note	Issued capital \$	Profits reserve \$	Accumulated losses \$	Total \$
BALANCE AT 1 JULY 2017		19,477,385	2,790,918	(10,316,239)	11,952,064
Profit for the half year		-	-	893,443	893,443
Profits reserve transfer		-	1,647,384	(1,647,384)	-
Other comprehensive income		-	-	-	-
Total comprehensive income for the half	year	-	1,647,384	(753,941)	893,443
<b>Transactions with owners in their capacit</b> Dividends paid	y as owne 9	rs: -	(380,640)	-	(380,640)
BALANCE AT 31 DECEMBER 2017	_	19,477,385	4,057,662	(11,070,180)	12,464,867
BALANCE AT 1 JULY 2018		19,477,385	3,677,026	(13,807,448)	9,346,963
Loss for the half year		-	-	(1,607,141)	(1,607,141)
Profits reserve transfer		-	-	-	-
Other comprehensive income		-	-	-	-
Total comprehensive loss for the half yea	r	-	-	(1,607,141)	(1,607,141)
<b>Transactions with owners in their capacit</b> Dividends paid	y as owne 9	rs: -	(379,148)	-	(379,148)
BALANCE AT 31 DECEMBER 2018	_	19,477,385	3,297,878	(15,414,589)	7,360,674

# CONSOLIDATED STATEMENT OF CASH FLOWS for the half year ended 31 December 2018

	31 Dec 18	31 Dec 17
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Dividends received	172,651	273,149
Interest received	828	2,428
Other income received	103,440	25,402
Payments to suppliers and employees	(721,998)	(785,697)
Sale/Redemption of financial assets at fair value through profit or loss	955,852	2,620,521
Purchase of financial assets at fair value through profit or loss	(212,810)	(656,437)
NET CASH PROVIDED BY OPERATING ACTIVITIES	297,963	1,479,366
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for intangible assets	(76,542)	(235,760)
Purchase of plant and equipment	(3,273)	(728)
	(3,273)	(720)
NET CASH USED IN INVESTING ACTIVITIES	(79,815)	(236,488)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(372,299)	(368,486)
Return of capital	(372,299)	(300,400)
Return of Capital	(40)	-
NET CASH USED IN FINANCING ACTIVITIES	(372,339)	(368,486)
NET INCREASE/(DECREASE) IN CASH HELD	(154,191)	874,392
Cash and cash equivalents at beginning of financial year	288,371	568,422
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL HALF YEAR	134,180	1,442,814

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### **Statement of Compliance**

The half year financial statements are 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 report complies with Australian Accounting Standards – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board. These half year financial statements do not include notes of the type normally included in the annual financial statements and should be read in conjunction with the most recent annual financial statements and the Company's ASX announcements released from 1 July 2018 to the date of this report.

#### **Basis of Preparation**

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. 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 accounting policies and methods of computation adopted in the preparation of the half year financial statements are consistent with those adopted and disclosed in the Consolidated Entity's financial statements for the financial year ended 30 June 2018.

# Amendments to Accounting Standards and new Interpretations that are mandatorily effective for the current reporting period

In the current reporting period, the Consolidated Entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period.

The following new and revised Standards and Interpretations effective for the current reporting period that are relevant to the Consolidated Entity include:

- AASB 15 Revenue from Contracts with Customers , and relevant amending standards
- AASB 9 Financial Instruments , and relevant amending standards
- AASB 2016-5 Amendments to Australian Accounting Standards *Classification and Measurement of Share-based Payment Transactions*
- AASB Interpretation 22 Foreign Currency Transactions and Advance Consideration

#### **Impact on Application**

The adoption of the aforementioned standards has not had a quantitatively material impact on the interim financial statements of the Consolidated Entity as at 31 December 2018. A more detailed discussion on the impact of the adoption of AASB 9 and AASB 15 is included below.

#### AASB 15: Revenue from Contracts with Customers (AASB 15)

AASB 15 establishes a comprehensive five-step framework for determining the timing and quantum of revenue recognised. It has replaced the existing guidance, including AASB 118 *Revenue* and AASB 111 *Construction Contracts*. The core principle of AASB 15 is that an entity shall recognise revenue as control of a good or service transfers to a customer. The Consolidated Entity has adopted the modified transition approach. The adoption of AASB 15 from 1 July 2018 has not resulted in any adjustments.

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### AASB 9: Financial Instruments (AASB 9)

The Consolidated Entity has adopted AASB 9 from 1 July 2018 which have resulted in changes to accounting policies and the analysis for possible adjustments to amounts recognised in the Interim Financial Report. In accordance with the transitional provisions in AASB 9, the reclassifications and adjustments are not reflected in the statement of financial position as at 30 June 2018 but recognised in the opening statement of financial position as at 1 July 2018. As per the new impairment model introduced by AASB 9, the Consolidated Entity has not recognised a loss allowance on trade and other receivables as at 1 July 2018.

#### **Classification and Measurement**

On 1 July 2018, the Consolidated Entity has assessed which business models apply to the financial instruments held by the Consolidated Entity and have classified them into the appropriate AASB 9 categories. The main effects resulting from this reclassification are shown in the table below.

On adoption of AASB 9, the Consolidated Entity classified financial assets and liabilities as subsequently measured at either amortised cost or fair value, depending on the business model for those assets and on the asset's contractual cash flow characteristics. There were no changes in the measurement of the Consolidated Entity's financial instruments.

There was no impact on the statement of comprehensive income or the statement of changes in equity on adoption of AASB 9 in relation to classification and measurement of financial assets and liabilities.

Presentation on Statement of Financial Position	AASB 139 Classification	AASB 9 Classification	AASB 139 Carrying amount	AASB 9 Carrying amount
Cash and cash equivalents	Loans and receivables	Amortised cost	No change	No change
Receivables	Loans and receivables	Amortised cost or fair value	No change	No change
Financial assets at fair value through Profit or Loss (FVTPL)	Financial assets at FVTPL	Financial assets at FVTPL	No change	No change

The following table summarises the impact on the classification and measurement of the Consolidated Entity's financial instruments at 1 July 2018:

Notes:

(1) The Consolidated Entity may at times hold bank deposits. These items would previously meet the classification of loans and receivables under AASB 139 but will be now measured at amortised cost under AASB 9.

(2) These investments in other listed securities were classified as FVTPL under AASB 139. The Consolidated Entity has elected to maintain this classification on transition to AASB 9.

The Consolidated Entity does not currently enter into any hedge accounting and therefore there is no impact to the Consolidated Entity's Interim Financial Report.

#### Impairment

AASB 9 introduces a new expected credit loss (ECL) impairment model that requires the Consolidated Entity to adopt an ECL position across the Consolidated Entity's financial assets at 1 July 2018. The Consolidated Entity's receivables balance comprises trade receivables from customers, GST refunds from the Australian Tax Office, interest receivables and amounts owing to it from the sale of an asset in a previous period. Whilst cash and cash equivalents are also subject to the impairment requirements of AASB 9, an impairment loss would be considered immaterial.

At each reporting date, the Consolidated Entity reviews the carrying value of its financial assets based on the ECL model under AASB 9, which proposes three approaches in assessing impairment:

(i) the simplified approach (which will be applied to most trade receivables) which requires the recognition of lifetime ECLs by considering forward-looking assumptions and information regarding expected future conditions affecting historical customer default rates;

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(ii) the general approach (which will be applied to most loans and debt securities) whereby ECL is recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, the Consolidated Entity will provide for credit losses that result from default events that are possible within the next 12 months. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance will arise for credit losses expected over the remaining life of exposure, irrespective of the timing of the default; and

(iii) For purchased or originated credit-impaired receivables, the fair value at initial recognition already takes into account lifetime expected losses. At each reporting date, the Consolidated Entity updates its estimated cash flows and adjusts the loss allowance accordingly.

The loss allowances for financial assets are based on the assumptions about risk of default and expected loss rates. The Consolidated Entity uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Consolidated Entity's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The Consolidated Entity has not recognised any additional impairment to its current receivables or non-current loans and receivables as a result of the application of AASB 9. This is due to the fact that the Consolidated Entity does not consider that there are any further ECL to the current carrying values of its current receivables or its non-current loans and receivables.

#### **Accounting Policies**

Due to the mandatory application of AASB 9, the Consolidated Entity has been required to update its accounting policies to meet the requirements of the new standard. The updated policies are detailed in the respective notes to the financial statements as applicable.

#### Other standards

Other standards that become effective this period that are relevant to the Consolidated Entity include: • AASB 2016-5 Amendments to Australian Accounting Standards – *Classification and Measurement of Share-based Payment Transactions*; and

• AASB Interpretation 22 Foreign Currency Transactions and Advance Consideration.

They do not affect the Consolidated Entity's accounting policies or any of the amounts recognised in the financial statements.

#### 2. REVENUE

The consolidated profit/(loss) before income tax includes the following items of	31 Dec 18	31 Dec 17
revenue:	\$	\$
Investment		
Dividend revenue	14,151	169,487
Interest revenue	963	2,428
	15,114	171,915
Other		
Net gain on financial assets at fair value through profit or loss	-	1,573,075
Share of Associate entity's profit	-	27,178
Other income	137	9,442
	15,251	1,781,610

. EXPENSES	31 Dec 18	31 Dec 17
	\$	\$
The consolidated profit/(loss) before income tax includes the following it	tems of expenses:	
Share of Associate entity's loss	265,961	-
Net loss on financial assets at fair value through profit or loss	130,140	-
Net loss on non-current asset held for sale	578,088	-
Reversal of provision for doubtful debt - convertible note		(22,774)
Software development expenses		
Write-off of software development costs	-	38,879
Amortisation of software development assets	-	21,145
Other software development expenses	223,851	420,114
Corporate expenses		
ASX fees	30,063	32,037
Share registry	14,097	9,941
Other corporate expenses	1,796	2,483
Occupancy expenses	24,908	27,213
Investment expenses		
Brokers' fees	2,240	5,371
Subscriptions	7,280	7,052
Other investment expenses	-	-
Finance expenses	2,195	1,641
Administration expenses		
Salaries, fees and employee benefits	179,373	177,652
Accounting, taxation and related administration	59,434	77,243
Office administration	46,013	49,221
Audit	7,150	7,150
Legal fees	11,202	2,710
Travel, accommodation and incidentals	1,509	2,687
Insurance	8,836	8,906
Depreciation	2,499	2,196
Other administration expenses	25,757	17,300
	1,622,392	888,167

### 4. SEGMENT INFORMATION

Segment revenues       %       %       %       %         Revenue       14,151       -       -       14,151         Other       -       1,100       1,100       1,200         Total segment revenues       14,151       -       -       1,100       1,200         Total segment revenues       14,151       -       1,100       15,251         Net loss on financial assets at fair value through profit or loss       130,140       -       -       130,140         Net loss on non-current asset held for sale       578,088       -       -       578,088         Software development expenses       -       221,149       -       221,149         Investment expenses       9,519       -       -       9,519         Administration expenses       -       4,561       24,999       29,560         Other expenses       265,961       -       387,975       653,936         Total segment profit/(loss)       (969,557)       (225,710)       (411,874)       (1,607,141)         Segment assets       -       -       134,180       134,180         Financial assets       2,968,091       -       -       2,036,062         Non-current asset held for sale	SEGMENT INFORMATION		Software		
Segment revenues         \$         \$         \$         \$         \$           Revenue         14,151         -         -         14,151           Other         -         1,100         1,100         1,100           Total segment revenues         14,151         -         1,100         15,251           Net loss on financial assets at fair value through profit or loss         130,140         -         -         130,140           Net loss on non-current asset held for sale         578,088         -         -         578,088           Software development expenses         -         221,149         -         221,149           Investment expenses         9,519         -         -         9,519           Administration expenses         2,560         24,999         22,560           Other expenses         2,5591         -         324,999         22,9560           Total segment profit(loss)         (669,577)         (225,710)         (411,874)         (1,607,141)           Segment assets         -         -         134,180         134,180         134,180           Financial assets         -         -         134,180         134,180         144,180           Financial assets         -<	31 Dec 18	Investments	development	Corporate	Total
Revenue         14,151         -         -         14,151           Other         -         -         1,100         1,100           Total segment revenues         14,151         -         1,000         15,251           Net loss on financial assets at fair value through profit or loss         130,140         -         -         130,140           Net loss on non-current asset held for sale         578,088         -         -         9,519           Software development expenses         -         221,149         -         221,149           Investment expenses         -         4,561         24,999         29,560           Other expenses         265,961         -         387,975         653,936           Total segment profit/(loss)         (969,557)         (225,710)         (411,874)         (1,607,141)           Segment assets         -         -         134,180         134,180           Financial assets         2,968,091         -         -         2,207,246           Cash and cash equivalents         -         -         2,207,246         -         2,207,246           Intargible assets         -         -         93,599         7,512,539         7,211,399         173,361         -	Segment revenues		-	\$	\$
Total segment revenues         14,151         -         1,100         15,251           Net loss on financial assets at fair value through profit or loss         130,140         -         -         130,140           Net loss on non-current asset held for sale         578,088         -         -         578,088           Software development expenses         -         221,149         -         221,149           Investment expenses         -         4,561         24,999         29,560           Other expenses         -         4,561         24,999         29,560           Cash and cash equivalents         -         -         134,180         134,180           Financial assets         2,968,091         -         -         2,968,091           Investment in Associate entity         2,036,062         -         2,207,246           Non-current assets         -         173,361         -         173,361           Other assets         -         -         93,599	-	14,151	-	-	14,151
Net loss on financial assets at fair value through profit or loss       130,140       -       -       130,140         Net loss on non-current asset held for sale $578,088$ -       - $578,088$ Software development expenses       - $221,149$ - $221,149$ Investment expenses       9,519       -       -       9,519         Administration expenses       - $4,561$ $24,999$ $29,560$ Other expenses       265,961       - $387,975$ $653,936$ Total segment profit/(toss)       ( $969,557$ )       ( $225,710$ )       ( $411,874$ )       ( $1.607,141$ )         Segment assets       -       -       134,180       134,180         Financial assets       2,968,091       -       -       2,968,091         Investment in Associate entity       2,036,062       -       2,207,246       -       2,207,246         Intangible assets       -       173,361       -       173,361       -       173,361         Other assets       -       -       93,599       93,599       93,599       93,599         Ital segment revenues       171,915       -       -       171,915       -       1,573,075	Other	-	-	1,100	1,100
through profit or loss       578,088       -       -       578,088         Net loss on non-current asset held for sale       578,088       -       -       221,149       -       221,149         Investment expenses       9,519       -       -       9,519       -       9,519         Administration expenses       -       4,561       24,999       29,560         Other expenses       265,961       -       387,975       653,936         Total segment profit/(loss)       (969,557)       (225,710)       (411,874)       (1,607,141)         Segment assets       -       -       134,180       134,180         Financial assets       2,968,091       -       -       2,968,091         Investment in Associate entity       2,036,062       -       2,207,246         Intangible assets       -       173,361       227,779       7,612,339         Other assets       -       -       93,599       93,599       93,599         Total segment assets       7,211,399       173,361       227,779       7,612,339         31 Dec 17       Segment revenues       -       -       1,573,075       -       1,573,075         Net gain on financial assets at fair value through profit or l	Total segment revenues	14,151	-	1,100	15,251
Net loss on on-current asset held for sale         578,088         -         -         578,088           Software development expenses         -         221,149         -         221,149           Investment expenses         -         4,561         24,999         29,560           Other expenses         -         4,561         24,999         29,560           Cash and cash equivalents         -         -         387,975         653,936           Financial assets         2,968,091         -         -         2,968,091           Investment in Associate entity         2,036,062         -         2,207,246           Intrajible assets         -         173,361         227,779         7,612,539           Total segment assets         7,211,399         173,361         227,779         7,612,539           Segment revenues         17,1915         -         -         17,1915<	Net loss on financial assets at fair value	130,140	-	-	130,140
Software development expenses       -       221,149       -       221,149         Investment expenses       9,519       -       -       9,519         Administration expenses       -       4,561       24,999       29,560         Other expenses       265,961       -       387,975       653,936         Total segment profit/(loss)       (969,557)       (225,710)       (411,874)       (1,607,141)         Segment assets       -       -       134,180       134,180         Financial assets       2,968,091       -       -       2,968,091         Investment in Associate entity       2,036,062       -       -       2,207,246         Intangible assets       -       173,361       -       173,361         Other assets       -       -       93,599       93,599         Total segment assets       -       -       93,599       93,599         Total segment assets       7,211,399       173,361       227,779       7,612,539         31 Dec 17       Segment revenues       -       -       1,573,075       -       1,573,075         Net gain on financial assets at fair value through profit or loss       1,772,168       6,506       2,936       36,620	through profit or loss				
Investment expenses       9,519       -       -       9,519         Administration expenses       -       4,561       24,999       29,560         Other expenses       265,961       -       387,975       653,936         Total segment profit/(loss)       (969,557)       (225,710)       (411,874)       (1,607,141)         Segment assets       -       -       134,180       134,180         Financial assets       2,968,091       -       -       2,968,091         Investment in Associate entity       2,036,062       -       -       2,036,062         Non-current asset held for sale       2,207,246       -       -       2,207,246         Intangible assets       -       173,361       -       173,361         Other assets       -       -       93,599       93,599         Total segment assets       7,211,399       173,361       227,779       7,612,539         31 Dec 17       Segment revenues       177,915       -       -       1,573,075         Net gain on financial assets at fair value       1,573,075       -       1,573,075       -       1,573,075         Other       27,178       6,506       2,936       3,6,620         Tota	Net loss on non-current asset held for sale	578,088	-	-	578,088
Administration expenses       -       4,561       24,999       29,560         Other expenses       265,961       -       387,975       653,936         Total segment profit/(loss)       (969,557)       (225,710)       (411,874)       (1,607,141)         Segment assets       -       -       134,180       134,180         Financial assets       2,968,091       -       2,2968,091         Investment in Associate entity       2,036,062       -       2,2036,062         Non-current asset held for sale       2,207,246       -       2,207,246         Intangible assets       -       173,361       -       173,361         Other assets       -       -       93,599       93,599         Total segment assets       -       -       175,3075       -       175,3075         Stegment revenues       171,915       -       -       1,573,075         Revenue       177,2168       6,506       2,936       36,620         Other       27,178       6,506       2,936       36,620         Total segment revenues       1,772,168       6,506       2,936       36,620         Total segment revenues       1,772,168       6,506       2,936       36,620 <td>Software development expenses</td> <td>-</td> <td>221,149</td> <td>-</td> <td>221,149</td>	Software development expenses	-	221,149	-	221,149
Other expenses         265,961         -         387,975         653,936           Total segment profit/(loss)         (969,557)         (225,710)         (411,874)         (1,607,141)           Segment assets         -         -         134,180         134,180         134,180           Financial assets         2,968,091         -         -         2,968,091         -         2,968,091           Investment in Associate entity         2,036,062         -         -         2,036,062         -         2,036,062           Non-current asset held for sale         2,207,246         -         2,207,246         -         2,207,246           Intangible assets         -         173,361         -         173,361         -         173,361           Other assets         -         -         93,599         93,599         93,599           Total segment assets         7,211,399         173,361         -         1,573,075           Segment revenues         -         -         1,573,075         -         1,573,075           Net gain on financial assets at fair value through profit or loss         1,573,075         -         -         1,573,075           Other         27,178         6,506         2.936         3,6,62	Investment expenses	9,519	-	-	9,519
Total segment profit/(loss)         (969,557)         (225,710)         (411,874)         (1,607,141)           Segment assets         -         -         134,180         134,180           Financial assets         2,968,091         -         -         2,968,091           Investment in Associate entity         2,036,062         -         -         2,036,062           Non-current asset held for sale         2,207,246         -         -         2,207,246           Intangible assets         -         173,361         -         173,361           Other assets         -         -         93,599         93,599           Total segment revenues         -         -         1,573,075         -         1,573,075           Segment revenues         1,573,075         -         1,573,075         -         1,573,075           Total segment revenues         27,178         6,506         2,936         36,620           Other         27,178         6,506         2,936         36,620           Total segment revenues         1,772,168         6,506         2,936         3,620           Other         27,178         6,506         2,936         1,610           Software development expenses         -	Administration expenses	-	4,561	24,999	29,560
Segment assets         -         -         134,180         134,180           Financial assets         2,968,091         -         -         2,968,091           Investment in Associate entity         2,036,062         -         -         2,036,062           Non-current asset held for sale         2,207,246         -         2,207,246           Intangible assets         -         173,361         -         173,361           Other assets         -         173,361         -         173,361           Other assets         -         -         93,599         93,599           Total segment assets         7,211,399         173,361         227,779         7,612,539           31 Dec 17         Segment revenues         171,915         -         -         1,573,075           Revenue         171,915         -         -         1,573,075           through profit or loss         -         1,573,075         -         1,573,075           Other         27,178         6,506         2,936         36,620           Total segment revenues         1,772,168         6,506         2,936         1,781,610           Software development expenses         -         480,747         480,747 <t< td=""><td>Other expenses</td><td>265,961</td><td>-</td><td>387,975</td><td>653,936</td></t<>	Other expenses	265,961	-	387,975	653,936
Cash and cash equivalents-134,180134,180Financial assets2,968,091-2,968,091Investment in Associate entity2,036,062-2,036,062Non-current asset held for sale2,207,246-2,207,246Intangible assets-173,361-173,361Other assets93,59993,599Total segment assets7,211,399173,361227,7797,612,53931 Dec 17Segment revenues171,9151,573,075Net gain on financial assets at fair value through profit or loss1,573,075-1,573,0751,573,075Other27,1786,5062,93636,620Total segment revenues1,772,1686,5062,93636,620Software development expenses-480,747-480,747Investment expenses320,094320,094Other expenses1,60873,29574,903	Total segment profit/(loss)	(969,557)	(225,710)	(411,874)	(1,607,141)
Cash and cash equivalents-134,180134,180Financial assets2,968,091-2,968,091Investment in Associate entity2,036,062-2,036,062Non-current asset held for sale2,207,246-2,207,246Intangible assets-173,361-173,361Other assets93,59993,599Total segment assets7,211,399173,361227,7797,612,53931 Dec 17Segment revenues171,9151,573,075Net gain on financial assets at fair value through profit or loss1,573,075-1,573,075-1,573,075Other27,1786,5062,93636,62036,6201,781,61050ftware development expenses-480,747-480,747Investment expenses480,747-12,423-12,423Administration expenses320,094320,0940,094Other expenses-1,60873,29574,903	Segment assets				
Financial assets       2,968,091       -       -       2,968,091         Investment in Associate entity       2,036,062       -       -       2,036,062         Non-current asset held for sale       2,207,246       -       -       2,207,246         Intangible assets       -       173,361       -       173,361         Other assets       -       -       93,599       93,599         Total segment assets       7,211,399       173,361       227,779       7,612,539         31 Dec 17       Segment revenues       171,915       -       -       1,573,075         Revenue       171,915       -       -       1,573,075       -       1,573,075         Other       27,178       6,506       2,936       36,620         Other       1,772,168       6,506       2,936       36,620         Total segment revenues       1,772,168       6,506       2,936       36,620         Software development expenses       -       480,747       480,747         Investment expenses       -       480,747       480,747         Investment expenses       -       320,094       320,094         Other expenses       -       -       1,608       73		-	-	134,180	134,180
Investment in Associate entity       2,036,062       -       -       2,036,062         Non-current asset held for sale       2,207,246       -       -       2,207,246         Intangible assets       -       173,361       -       173,361         Other assets       -       -       93,599       93,599         Total segment assets       -       -       93,599       7,612,539         31 Dec 17       Segment revenues       7,211,399       173,361       227,779       7,612,539         Segment revenues       171,915       -       -       171,915         Net gain on financial assets at fair value through profit or loss       1,573,075       -       1,573,075         Other       27,178       6,506       2,936       36,620         Total segment revenues       1,772,168       6,506       2,936       36,620         Software development expenses       -       480,747       -       480,747         Investment expenses       -       480,747       -       12,423         Administration expenses       -       -       320,094       320,094         Other expenses       -       -       320,094       320,094	*	2,968,091	-	-	
Non-current asset held for sale         2,207,246         -         2,207,246           Intangible assets         -         173,361         -         173,361           Other assets         -         -         93,599         93,599           Total segment assets         7,211,399         173,361         227,779         7,612,539           31 Dec 17         Segment revenues         7         7         7         7         7           Segment revenues         171,915         -         -         171,915         1,573,075         -         1,573,075           Net gain on financial assets at fair value through profit or loss         1,573,075         -         1,573,075         -         1,573,075           Other         27,178         6,506         2,936         36,620           Total segment revenues         1,772,168         6,506         2,936         36,620           Other         27,178         6,506         2,936         36,620           Total segment revenues         1,772,168         6,506         2,936         36,620           Software development expenses         -         480,747         480,747           Investment expenses         -         320,094         320,094         320,094 </td <td>Investment in Associate entity</td> <td></td> <td>-</td> <td>-</td> <td></td>	Investment in Associate entity		-	-	
Other assets         -         93,599         93,599           Total segment assets         7,211,399         173,361         227,779         7,612,539           31 Dec 17         Segment revenues         711,915         -         -         171,915           Revenue         171,915         -         -         171,915         -         171,915           Net gain on financial assets at fair value through profit or loss         1,573,075         -         1,573,075         -         1,573,075           Other         27,178         6,506         2,936         36,620         36,620         36,620           Total segment revenues         -         480,747         -         480,747         480,747           Software development expenses         -         480,747         -         12,423         -         12,423           Administration expenses         -         -         320,094	Non-current asset held for sale	2,207,246	-	_	2,207,246
Other assets         -         93,599         93,599           Total segment assets         7,211,399         173,361         227,779         7,612,539           31 Dec 17         Segment revenues         711,915         -         -         171,915           Revenue         171,915         -         -         171,915         -         171,915           Net gain on financial assets at fair value through profit or loss         1,573,075         -         1,573,075         -         1,573,075           Other         27,178         6,506         2,936         36,620         36,620         36,620           Total segment revenues         -         480,747         -         480,747         480,747           Software development expenses         -         480,747         -         12,423         -         12,423           Administration expenses         -         -         320,094	Intangible assets	-	173,361	-	173,361
31 Dec 17         Segment revenues         Revenue       171,915       -       -       171,915         Net gain on financial assets at fair value       1,573,075       -       -       1,573,075         through profit or loss       27,178       6,506       2,936       36,620         Other       27,178       6,506       2,936       36,620         Total segment revenues       1,772,168       6,506       2,936       1,781,610         Software development expenses       -       480,747       -       480,747         Investment expenses       -       480,747       -       12,423         Administration expenses       -       -       320,094       320,094         Other expenses       -       1,608       73,295       74,903	0	-	-	93,599	93,599
Segment revenues171,915171,915Net gain on financial assets at fair value through profit or loss1,573,0751,573,075Other27,1786,5062,93636,620Total segment revenues1,772,1686,5062,9361,781,610Software development expenses-480,747-480,747Investment expenses12,42312,423Administration expenses-320,094320,094Other expenses-1,60873,29574,903	Total segment assets	7,211,399	173,361	227,779	7,612,539
Revenue       171,915       -       -       171,915         Net gain on financial assets at fair value through profit or loss       1,573,075       -       -       1,573,075         Other       27,178       6,506       2,936       36,620         Total segment revenues       1,772,168       6,506       2,936       1,781,610         Software development expenses       -       480,747       -       480,747         Investment expenses       12,423       -       -       12,423         Administration expenses       -       320,094       320,094         Other expenses       -       1,608       73,295       74,903	31 Dec 17				
Net gain on financial assets at fair value through profit or loss1,573,0751,573,075Other27,1786,5062,93636,620Total segment revenues1,772,1686,5062,9361,781,610Software development expenses-480,747-480,747Investment expenses12,42312,423Administration expenses-320,094320,094Other expenses-1,60873,29574,903	Segment revenues				
through profit or lossOther27,1786,5062,93636,620Total segment revenues1,772,1686,5062,9361,781,610Software development expenses-480,747-480,747Investment expenses12,42312,423Administration expenses320,094320,094Other expenses-1,60873,29574,903	Revenue	171,915	-	-	171,915
Other         27,178         6,506         2,936         36,620           Total segment revenues         1,772,168         6,506         2,936         1,781,610           Software development expenses         -         480,747         -         480,747           Investment expenses         12,423         -         -         12,423           Administration expenses         -         320,094         320,094           Other expenses         -         1,608         73,295         74,903	Net gain on financial assets at fair value	1,573,075	-	-	1,573,075
Total segment revenues         1,772,168         6,506         2,936         1,781,610           Software development expenses         -         480,747         -         480,747           Investment expenses         12,423         -         -         12,423           Administration expenses         -         320,094         320,094           Other expenses         -         1,608         73,295         74,903	through profit or loss				
Software development expenses-480,747-480,747Investment expenses12,42312,423Administration expenses320,094320,094Other expenses-1,60873,29574,903	Other	27,178	6,506	2,936	36,620
Investment expenses       12,423       -       12,423         Administration expenses       -       320,094       320,094         Other expenses       -       1,608       73,295       74,903	Total segment revenues	1,772,168	6,506	2,936	1,781,610
Administration expenses       -       -       320,094       320,094         Other expenses       -       1,608       73,295       74,903	Software development expenses	-	480,747	-	480,747
Other expenses - 1,608 73,295 74,903	Investment expenses	12,423	-	-	12,423
	Administration expenses	-	-	320,094	320,094
Total segment loss         1,759,745         (475,849)         (390,453)         893,443	-	-	1,608	73,295	74,903
	Total segment loss	1,759,745	(475,849)	(390,453)	893,443

### 4. SEGMENT INFORMATION (continued)

		Software		
30 Jun 18	Investments	development	Corporate	Total
Segment assets	\$	\$	\$	\$
Cash and cash equivalents	158,732	-	129,639	288,371
Financial assets	3,641,274	-	-	3,641,274
Investment in Associate entity	2,460,523	-	-	2,460,523
Non-current asset held for sale	2,785,335	-	-	2,785,335
Intangible assets	-	96,819	-	96,819
Other assets	-	4,996	408,029	413,025
Total segment assets	9,045,864	101,815	537,668	9,685,347

Liabilities are not reported to the Board of Directors by segment. All liabilities are assessed at a Consolidated Entity level.

5.	EARNINGS/(LOSS) PER SHARE	31 Dec 18 cents	31 Dec 17 cents
	Basic and diluted earnings/(loss) per share	(2.11)	1.17
	The following represents the earnings/(loss) and weighted average number of shares used in the EPS calculations:	31 Dec 18 \$	31 Dec 17 \$
	Net profit/(loss) after income tax	(1,607,141)	893,443
		Shares	Shares
	Weighted average number of ordinary shares	76,127,918	76,127,918

The Consolidated Entity has no securities outstanding which have the potential to convert to ordinary shares and dilute the basic earnings/(loss) per share.

### 6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 Dec 18	30 Jun 18
Current	\$	\$
Listed investments at fair value	1,204,751	1,287,774
Units in unlisted Clime CBG Australian Equities Fund (Wholesale)	( <b>CBG Fund</b> ) 1,364,456	1,918,173
Units in managed fund	398,884	435,327
	2,968,091	3,641,274
7. NON-CURRENT ASSET HELD FOR SALE	31 Dec 18	30 Jun 18
	\$	\$
Cost of investment	2,890,442	2,890,442
Revaluation gain/(loss)	(683,196)	(105,107)
Investment at fair value	2,207,246	2,785,335

#### 8. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

#### Fair value hierarchy

The following tables present the Consolidated Entity's financial assets and liabilities measured and recognised at fair value at 31 December 2018 categorised by the following levels:

- (a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- (c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### 31 Dec 18

Financial assets at fair value through profit or	Level 1	Level 2	Level 3	Total
loss:	\$	\$	\$	\$
Listed investments at fair value	1,204,751	-	-	1,204,751
Units in unlisted CBG Fund	-	1,364,456	-	1,364,456
Units in managed fund	-	398,884	-	398,884
Non-current asset held for sale	2,207,246	-	-	2,207,246
	3,411,997	1,763,340	-	5,175,337
30 Jun 18				
Financial assets at fair value through profit or loss:				
Listed investments at fair value	1,287,774	-	-	1,287,774
Units in unlisted CBG Fund	-	1,918,173	-	1,918,173
Units in managed fund	-	435,327	-	435,327
Non-current asset held for sale	2,785,335	-	-	2,785,335
	4,073,109	2,353,500	-	6,426,609

There have been no transfers between the levels of the fair value hierarchy during the financial half year.

#### (a) Valuation techniques

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques such as the use of quoted market prices or dealer quotes for similar instruments. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

The fair value of the unlisted units in the CBG Fund and other managed fund are determined from unit price information provided by their respective investment managers, and as such, this financial instrument is included in Level 2.

### 8. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

### (b) Level 3 fair value measurements

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. Investments in unlisted shares are considered Level 3 investments as their fair value is unable to be derived from market data. The Directors assess the fair value of these investments based on information obtained from the companies directly.

Unobservable inputs such as earnings growth in respect of unlisted securities are estimated based on market information for similar type of companies. At balance date the investment in unlisted shares has been fully impaired.

(c)	Fair values of other financial instruments		31 Dec 18	30 Jun 18
	Financial assets	Note	\$	\$
	Cash and cash equivalents		134,180	288,371
	Receivables		72,000	371,765
		-	206,180	660,136
	Financial liabilities	-		
	Payables	_	(41,255)	(117,281)

Due to their short-term nature, the carrying amounts of cash, current receivables and current payables is assumed to approximate their fair value.

#### 9. DIVIDENDS

		31 Dec 18	31 Dec 17
Dividends paid during the financial year:	Paid On	\$	\$
0.50 cent per share fully franked dividend	31-Aug-17	-	380,640
0.50 cent per share fully franked dividend	20-Jul-18	380,636	-
	_	380,636	380,640
Dividends paid in cash or satisfied by the transfer of shares under DRP were as follows:	-		
Paid in cash		355,283	352,150
Transfer of shares under DRP		25,353	28,490
		380,636	380,640

Pursuant to the Company's DRP Rules (updated on 1 August 2017), the Company acquired 229,840 shares onmarket during the financial half year to satisfy its obligations to the participants under the DRP.

	31 Dec 18	31 Dec 17
Franking credits available for subsequent periods based on a tax	\$	\$
rate of 27.5% (2018: 27.5%)	1,135,063	1,371,517

### 9. DIVIDENDS (continued)

The above amounts represent the balance of the franking account as at the end of the reporting period, adjusted for:

- (a) Franking credits that will arise from the receipt of dividends recognised as receivables at balance date;
- (b) Franking credits that will arise from the payment of the amount of the provision for income tax; and
- (c) Franking debits that will arise from the payment of dividends recognised as a liability at balance date.

The franking credits attributable to the Consolidated Entity include franking credits that would be available to the parent entity if distributable profits of subsidiaries were paid as dividends.

#### **10. INVESTMENT IN ASSOCIATE ENTITY**

	<b>Ownership Interest</b>		31 Dec 18	30 Jun 18
	31 Dec 18	30 Jun 18	\$	\$
Keybridge Capital Limited (ASX:KBC)	20.12%	20.05%	2,036,062	2,460,523

#### Keybridge Capital Limited (ASX:KBC) (Keybridge)

Bentley holds 20.12% interest (31,700,000 shares) in Keybridge Capital Limited (ASX: KBC) (30 June 2018: 20.05% and 31,700,000 shares) and is recognised as an Associate entity (valued under the equity method pursuant to Accounting Standard AASB 128).

	31 Dec 18	30 Jun 18
Reconciliation of carrying amount:	\$	\$
Opening Balance	2,460,523	3,825,192
Share of net loss after tax	(265,961)	(1,364,669)
Dividend received	(158,500)	-
Carrying amount on investment in Associate entities	2,036,062	2,460,523
Fair value (at market price on ASX) of listed investments in Associate entity	2,060,500	2,504,300
Net asset value of investment	2,722,891	3,137,870
Summarised statement of profit or loss and other comprehensive income		
Revenue	496,901	3,022,361
Expenses	(1,802,685)	(9,828,220)
Loss before income tax	(1,305,784)	(6,805,859)
Income tax expense	-	-
Loss after income tax	(1,305,784)	(6,805,859)
Other comprehensive income	15,764	(2,557)
Total comprehensive income	(1,290,020)	(6,808,416)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the half year ended 31 December 2018

#### 10. INVESTMENT IN ASSOCIATE ENTITY (continued)

	31 Dec 18	30 Jun 18
Summarised statement of financial position	\$	\$
Current assets	10,716,017	12,538,483
Non-current assets	7,156,344	7,482,814
Total assets	17,872,361	20,021,297
Current liabilities	321,108	320,116
Non-current liabilities	4,018,156	4,053,364
Total liabilities	4,339,264	4,373,480
Net assets	13,533,097	15,647,817

#### **11. CONTINGENCIES**

The Consolidated Entity does not have any contingent assets or liabilities.

#### 12. EVENTS OCCURRING AFTER THE REPORTING PERIOD

Subsequent to the balance date (and to 22 February 2019), the Consolidated Entity realised \$0.14 million from the sale of listed securities and redemptions from managed funds.

No other matter or circumstance has arisen since the end of the financial half year that significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

# **DIRECTORS' DECLARATION**

In accordance with a resolution of the Directors of Bentley Capital Limited made pursuant to sub-section 303(5) of the *Corporations Act* 2001, we state that:

In the opinion of the Directors:

- (1) The financial statements and notes of the Consolidated Entity are 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 Standards AASB 134 "Interim Financial Reporting", *Corporations Regulations* 2001 and other mandatory professional reporting requirements; and
- (2) 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.

On behalf of the Board,

Farooq Khan Chairman

28 February 2019

Simon Cato Non-Executive Director and Chairman of the Audit Committee



Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005 P.O. Box 8716, Perth Business Centre WA 6849 Phone (08) 9486 7094 www.rothsayresources.com.au

#### Independent Review Report to the Members of Bentley Capital Limited

#### The financial report and directors' responsibility

The interim consolidated financial report comprises the statement of financial position, statement of comprehensive income, statement of changes in equity, cashflow statement, accompanying notes to the financial statements, and the directors' declaration for Bentley Capital Limited for the half-year ended 31 December 2018.

The Company's directors are responsible for the preparation and fair presentation of the consolidated financial report in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

#### **Review** approach

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 interim consolidated financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated financial position as at 31 December 2018 and the performance for the half year ended on that date; and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As auditor of Bentley Capital Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim 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.

#### Independence

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 interim consolidated financial report of Bentley Capital Limited is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the consolidated financial position as at 31 December 2018 and of the performance for the half-year ended on that date; and
- complying with Australian Accounting Standard AASB134 Interim Financial Reporting and the Corporations Regulations 2001.

othsay

**Rothsay Auditing** 

Graham Swan FCA Partner

Dated 28 February 2019



# SECURITIES INFORMATION as at 31 December 2018

### DISTRIBUTION OF LISTED ORDINARY SHARES

Spread	of	Holdings	Number of Holders	Number of Shares	% of Total Issued Capital
1	-	1,000	233	113,552	0.15%
1,001	-	5,000	582	1,785,488	2.35%
5,001	-	10,000	327	2,417,640	3.18%
10,001	-	100,000	480	13,869,308	18.22%
100,001	-	and over	80	57,941,930	76.11%
TOTAL			1,702	76,127,918	100%

### **UNMARKETABLE PARCELS**

Spread	of	Holdings	Number of Holders	Number of Shares	% of Total Issued Capital
1	-	5,263	831	1,981,885	2.60%
5,264	-	over	871	74,146,033	97.40%
TOTAL			1,702	76,127,918	100%

An unmarketable parcel is considered, for the purposes of the above table, to be a shareholding of 5,263 shares or less, being a value of \$500 or less in total, based upon the Company's last sale price on ASX as at 31 December 2018 of \$0.095 per share.

### SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders	Registered Shareholder	Total Number of Shares Held	% Voting Power
Mr Azhar Chaudhri, Renmuir Holdings Limited and	QUE	1,436,001	32.26%(2)
Chi Tung Investments Ltd	OEQ	20,513,783	
Queste Communications Ltd (ASX:QUE)	QUE	1,225,752	28.56%(1)
	OEQ	20,513,783	
Orion Equities Limited (ASX:OEQ)	OEQ	20,513,783	26.95%(0)
Farooq Khan	Farooq Khan	11,717,586	15.39%(3)
Charles W Rockefeller Pty Ltd	Charles W Rockefeller Pty Ltd	4,042,232	5.31%(4)

Notes:

(1) Based on the substantial shareholding notice filed by QUE dated 7 June 2016 (updated to reflect current percentage voting power)

(2) Based on the substantial shareholding notice filed by Azhar Chaudhri dated 1 May 2012 (updated to reflect current registered shareholdings and percentage voting power)

(3) Based on the initial substantial shareholding notice filed by Farooq Khan dated 22 March 2017 (updated to reflect current percentage voting power)

(4) Based on the initial substantial shareholding notice filed by Charles W Rockefeller Pty Ltd dated 4 October 2016 (updated to reflect current registered shareholdings and percentage voting power).

# SECURITIES INFORMATION as at 31 December 2018

### TOP TWENTY ORDINARY FULLY PAID SHAREHOLDERS

Rank	Shareholder	<b>Total Shares Held</b>	% Issued Capital
1	ORION EQUITIES LIMITED	20,513,783	26.95%
2	MR FAROOQ KHAN	11,717,586	15.39%
3	CHARLES W ROCKEFELLER PTY LTD	4,042,232	5.31%
4	MR COLIN JOHN VAUGHAN & MRS ROBIN VAUGHAN	1,662,478	2.18%
5	MR JOHN ROBERT DILLON	1,489,019	1.96%
6	QUESTE COMMUNICATIONS LIMITED	1,225,752	1.61%
7	TADMARO PTY LIMITED	848,224	1.11%
8	AVANTEOS INVESTMENTS LIMITED	672,999	0.88%
9	INGARSBY PTY LTD	600,000	0.79%
10	MR EMIDIO MASI	585,201	0.77%
11	MR PAUL GERARD GRAFEN	506,789	0.67%
12	BOND STREET CUSTODIANS LIMITED	506,241	0.66%
13	MR PERCY SOHRAB MADON & MRS FARAH PERCY MADON	500,000	0.66%
14	FAP MADON PTY LTD	500,000	0.66%
15	MR JOHN STEPHEN CALVERT	463,213	0.61%
16	MR JINXIANG LU	425,000	0.56%
17	MR HANSJOERG ZINSLI + MRS ALISON NORAH ZINSLI	400,000	0.53%
18	MCMASTER NOMINEES PTY LTD	400,000	0.53%
19	MR GARRY GLEN BATTERSHELL & MRS DENISE BATTERSHELL	353,299	0.46%
20	KJ & ML GILROY PTY LTD	350,000	0.46%
TOTAL		47,761,816	62.75%