

# Condensed Interim Report

## 31 December 2024



ABN 19 096 725 218

# **Westlawn Finance Limited**

## **Contents**

**31 December 2024**

Directors' report	2
Auditor's independence declaration	4
Interim condensed statement of profit or loss and other comprehensive income	5
Interim condensed statement of financial position	6
Interim condensed statement of changes in equity	7
Interim condensed statement of cash flows	8
Notes to the interim condensed financial statements	9
Directors' declaration	20
Independent auditor's review report to the members of Westlawn Finance Limited	21

## Westlawn Finance Limited Directors' report 31 December 2024

The directors present their report, together with the interim condensed financial statements, on the consolidated entity (referred to hereafter as the 'consolidated group' or 'group') consisting of Westlawn Finance Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

### Directors

The following persons were directors of Westlawn Finance Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mark Charles Dougherty  
Geoffrey Dean Scofield  
Andrew Harry Hayes  
Andrew Michael Dougherty  
Cameron Scott McCullagh  
Andrew Douglas Bennett

### Principal activities

During the financial half-year the principal continuing activities of the consolidated group consisted of:

- Financier
- Insurance Broker

### Dividends

Dividends paid during the financial half-year were as follows:

	<b>Consolidated Group Half-year ended 31 December 2024 \$</b>	<b>Half-year ended 31 December 2023 \$</b>
Interim dividend for the year ended 30 June 2024 of 20.2622 cents per Ordinary Share franked at the rate of 30%	-	3,000,000
Final dividend for the year ended 30 June 2023 of 20.2622 cents per Ordinary Share franked at the rate of 30%	-	3,000,000
	-	<u>6,000,000</u>

On 29 January 2025 the directors declared an interim dividend for the year ending 30 June 2025 of 6.7541 cents per ordinary share to be paid on 30 January 2025, a total estimated distribution of \$1,000,000 based on the number of ordinary shares on issue as at the date of declaration of the dividend. The financial effect of dividends declared after the reporting date are not reflected in the 31 December 2024 financial statements and will be recognised in subsequent financial reports.

### Review of operations

The profit for the consolidated group after providing for income tax and non-controlling interest amounted to \$2,483,260 (31 December 2023: \$2,755,857).

A further analysis of the performance of the Consolidated Group is provided below.

**Westlawn Finance Limited**  
**Directors' report**  
**31 December 2024**

	<b>Half-year ended 31 December 2024</b>	<b>Half-year ended 31 December 2023</b>	<b>Change</b>	<b>Change</b>
	\$	\$	\$	%
<b>Profit before income tax contributed by:</b>				
Finance business	3,302,570	3,962,861	(660,291)	(17%)
Insurance broking business	1,680,043	1,565,586	114,457	7%
<b>Profit before income tax expense</b>	<b>4,982,613</b>	<b>5,528,447</b>	<b>(545,834)</b>	
Less: Income tax expense	(1,552,135)	(1,671,390)	119,255	(7%)
Less: Non-controlling interest	(947,218)	(1,101,200)	153,982	(14%)
<b>Profit after income tax expense and non-controlling interest</b>	<b>2,483,260</b>	<b>2,755,857</b>	<b>(272,597)</b>	

**Significant changes in the state of affairs**

There were no significant changes in the state of affairs of the consolidated group during the financial half-year.

**Matters subsequent to the end of the financial half-year**

Apart from the dividend declared as discussed above, no other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated group's operations, the results of those operations, or the consolidated group's state of affairs in future financial years.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Mark Charles Dougherty  
Chairman

18 February 2025  
Grafton

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the condensed consolidated interim financial report of Westlawn Finance Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

This declaration is in respect of Westlawn Finance Limited and the entities it controlled during the period.



**R A Watkinson**  
**Partner**

**Robina, Queensland**  
**18 February 2025**

**Westlawn Finance Limited**  
**Interim condensed statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2024**

	<b>Note</b>	<b>Consolidated Group Half-year ended 31 December 2024 \$</b>	<b>Half-year ended 31 December 2023 \$</b>
<b>Revenue</b>			
Interest income		9,068,449	9,406,321
Interest expense		<u>(5,248,626)</u>	<u>(4,847,965)</u>
<b>Net interest income</b>		<u>3,819,823</u>	<u>4,558,356</u>
<b>Non-interest revenue</b>			
	3	19,944,785	17,341,130
Other income	4	<u>11,897</u>	<u>227,926</u>
<b>Total revenue after interest expense</b>		<u>23,776,505</u>	<u>22,127,412</u>
<b>Expenses</b>			
Bad debts written off		(275,451)	(201,989)
Impairment of loans and advances		(362,696)	36,294
Computer & IT expenses		(715,528)	(487,357)
Depreciation and amortisation expense	5	(1,855,528)	(1,802,219)
Employee benefits expense		(6,390,698)	(5,952,347)
Fees and commission paid		(5,015,858)	(4,623,167)
Legal and credit expenses		(1,637,415)	(1,126,484)
Loss on disposal of assets		(15,488)	(56,822)
Other expenses	5	<u>(2,525,230)</u>	<u>(2,384,874)</u>
<b>Total expenses</b>		<u>(18,793,892)</u>	<u>(16,598,965)</u>
<b>Profit before income tax expense</b>		4,982,613	5,528,447
Income tax expense		<u>(1,552,135)</u>	<u>(1,671,390)</u>
<b>Profit after income tax expense for the half-year</b>		3,430,478	3,857,057
Other comprehensive income for the half-year, net of tax		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the half-year</b>		<u>3,430,478</u>	<u>3,857,057</u>
Profit for the half-year is attributable to:			
Non-controlling interest		947,218	1,101,200
Owners of Westlawn Finance Limited		<u>2,483,260</u>	<u>2,755,857</u>
		<u>3,430,478</u>	<u>3,857,057</u>
Total comprehensive income for the half-year is attributable to:			
Non-controlling interest		947,218	1,101,200
Owners of Westlawn Finance Limited		<u>2,483,260</u>	<u>2,755,857</u>
		<u>3,430,478</u>	<u>3,857,057</u>

*The above interim condensed statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Westlawn Finance Limited**  
**Interim condensed statement of financial position**  
**As at 31 December 2024**

		<b>Consolidated Group</b>	
	<b>Note</b>	<b>31 December 2024</b>	<b>30 June 2024</b>
		<b>\$</b>	<b>\$</b>
<b>Assets</b>			
Cash and cash equivalents	6	44,570,370	47,013,802
Trade and other receivables	7	2,544,406	1,903,003
Investments	8	463,865	455,090
Other assets	9	729,143	554,052
Loans & advances	10	133,970,691	133,200,983
Financial assets at fair value through other comprehensive income	11	-	202,584
Other financial assets	12	45,044,665	47,381,925
Property, plant and equipment	13	6,697,876	5,832,723
Right-of-use assets	14	874,705	701,523
Intangibles	15	38,402,376	39,333,841
Deferred tax assets	16	381,176	364,206
		<u>273,679,273</u>	<u>276,943,732</u>
<b>Liabilities</b>			
Trade and other payables	17	9,365,506	11,365,357
Interest bearing liabilities	18	206,421,247	208,610,046
Lease liabilities	19	941,629	762,089
Income tax	20	1,496,495	963,000
Provisions	21	2,732,727	2,605,298
Financial liabilities	22	12,510,000	12,223,000
Other	23	-	101,000
Deferred tax liabilities	24	5,287,804	6,211,555
		<u>238,755,408</u>	<u>242,841,345</u>
<b>Total liabilities</b>			
		<u>34,923,865</u>	<u>34,102,387</u>
<b>Equity</b>			
Issued capital	25	24,094,643	24,094,643
Reserves	26	(10,839,252)	(10,463,918)
Retained profits		<u>10,594,902</u>	<u>8,023,308</u>
Equity attributable to the owners of Westlawn Finance Limited		23,850,293	21,654,033
Non-controlling interest		<u>11,073,572</u>	<u>12,448,354</u>
<b>Total equity</b>		<u>34,923,865</u>	<u>34,102,387</u>

*The above interim condensed statement of financial position should be read in conjunction with the accompanying notes*

**Westlawn Finance Limited**  
**Interim condensed statement of changes in equity**  
**For the half-year ended 31 December 2024**

<b>Consolidated Group</b>	<b>Issued capital</b> \$	<b>Reserves</b> \$	<b>Retained profits</b> \$	<b>Non-controlling interest</b> \$	<b>Total equity</b> \$
Balance at 1 July 2023	24,094,643	(6,651,564)	13,573,574	12,858,066	43,874,719
Profit after income tax expense for the half-year	-	-	2,755,857	1,101,200	3,857,057
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	-	2,755,857	1,101,200	3,857,057
Transfer from reserves on disposal of property	-	(175,540)	175,540	-	-
<i>Transactions with owners in their capacity as owners:</i>					
Option to acquire further interest in subsidiary	-	(3,101,000)	-	-	(3,101,000)
Dividends paid (note 27)	-	-	(6,000,000)	(1,560,000)	(7,560,000)
Balance at 31 December 2023	<u>24,094,643</u>	<u>(9,928,104)</u>	<u>10,504,971</u>	<u>12,399,266</u>	<u>37,070,776</u>
<b>Consolidated Group</b>	<b>Issued capital</b> \$	<b>Reserves</b> \$	<b>Retained profits</b> \$	<b>Non-controlling interest</b> \$	<b>Total equity</b> \$
Balance at 1 July 2024	24,094,643	(10,463,918)	8,023,308	12,448,354	34,102,387
Profit after income tax expense for the half-year	-	-	2,483,260	947,218	3,430,478
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	-	2,483,260	947,218	3,430,478
Transfer from reserves on disposal of investments	-	(88,334)	88,334	-	-
<i>Transactions with owners in their capacity as owners:</i>					
Option to acquire further interest in subsidiary	-	(287,000)	-	-	(287,000)
Dividends paid (note 27)	-	-	-	(2,322,000)	(2,322,000)
Balance at 31 December 2024	<u>24,094,643</u>	<u>(10,839,252)</u>	<u>10,594,902</u>	<u>11,073,572</u>	<u>34,923,865</u>

*The above interim condensed statement of changes in equity should be read in conjunction with the accompanying notes*



**Westlawn Finance Limited**  
**Interim condensed statement of cash flows**  
**For the half-year ended 31 December 2024**

	<b>Consolidated Group</b>	
	<b>Half-year</b>	<b>Half-year</b>
	<b>ended 31</b>	<b>ended 31</b>
<b>Note</b>	<b>December</b>	<b>December</b>
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Interest & rent received from external investments	9,165,271	9,515,920
Other receipts	20,778,442	18,514,855
Payments to suppliers and employees	<u>(19,125,515)</u>	<u>(16,399,699)</u>
	10,818,198	11,631,076
Interest and other finance costs paid	(5,298,583)	(4,835,324)
Income taxes paid	<u>(1,959,362)</u>	<u>(2,441,946)</u>
Net cash from operating activities	<u>3,560,253</u>	<u>4,353,806</u>
<b>Cash flows from investing activities</b>		
Payments for investments	(18,861,490)	(15,057,118)
Payments for plant and equipment	(626,258)	(249,794)
Payments for intangibles	(609,620)	(250,000)
Payments for land & buildings	(449,936)	-
Proceeds from disposal of investments	21,404,455	6,115,576
Proceeds from disposal of property, plant and equipment	28,484	1,234,868
Dividends & distributions received	312,610	137,927
Net loans (advanced)/repaid	<u>(2,561,310)</u>	<u>30,244,384</u>
Net cash from/(used in) investing activities	<u>(1,363,065)</u>	<u>22,175,843</u>
<b>Cash flows from financing activities</b>		
Net (decrease)/increase in unsecured notes	(2,188,798)	(18,339,126)
Repayment of lease liabilities	(129,822)	(125,609)
Dividends paid	-	(6,000,000)
Dividends paid (non-controlling interest)	<u>(2,322,000)</u>	<u>(1,560,000)</u>
Net cash used in financing activities	<u>(4,640,620)</u>	<u>(26,024,735)</u>
Net increase/(decrease) in cash and cash equivalents	(2,443,432)	504,914
Cash and cash equivalents at the beginning of the financial half-year	<u>47,013,802</u>	<u>36,484,360</u>
Cash and cash equivalents at the end of the financial half-year	<u>44,570,370</u>	<u>36,989,274</u>

*The above interim condensed statement of cash flows should be read in conjunction with the accompanying notes*

**Westlawn Finance Limited**  
**Notes to the interim condensed financial statements**  
**31 December 2024**

**Note 1. General information**

The interim condensed financial statements cover Westlawn Finance Limited as a consolidated group consisting of Westlawn Finance Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Westlawn Finance Limited's functional and presentation currency.

Westlawn Finance Limited is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Westlawn Building  
 22 Queen Street  
 GRAFTON NSW 2460

A description of the nature of the consolidated group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 18 February 2025. The directors have the power to amend and reissue the financial statements.

**Note 2. Material accounting policy information**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These interim condensed general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**

The consolidated group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Note 3. Non-interest revenue**

	<b>Consolidated Group</b>	
	<b>Half-year ended 31 December 2024</b>	<b>Half-year ended 31 December 2023</b>
	<b>\$</b>	<b>\$</b>
Fee revenue	11,941,134	9,660,211
Administration fees	536,968	747,960
Commission	5,460,759	5,449,480
Dividends	-	3,039
Rent	113,168	45,308
Trust distributions	312,610	134,887
Bad debts recovered	26,112	33,069
Net gain on disposal of plant & equipment	11,194	8,171
Other revenue	<u>1,542,840</u>	<u>1,259,005</u>
Non-interest revenue	<u>19,944,785</u>	<u>17,341,130</u>

**Westlawn Finance Limited**  
**Notes to the interim condensed financial statements**  
**31 December 2024**

**Note 4. Other income**

	<b>Consolidated Group</b>	
	<b>Half-year ended 31 December 2024</b>	<b>Half-year ended 31 December 2023</b>
	<b>\$</b>	<b>\$</b>
Net gain on disposal of property	-	219,125
Net gain on disposal of financial assets	11,897	-
Net gain on disposal of other	-	8,801
	<u>-</u>	<u>8,801</u>
Other income	11,897	227,926
	<u>11,897</u>	<u>227,926</u>

**Note 5. Expenses**

	<b>Consolidated Group</b>	
	<b>Half-year ended 31 December 2024</b>	<b>Half-year ended 31 December 2023</b>
	<b>\$</b>	<b>\$</b>
Profit before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Buildings	50,621	39,397
Plant and equipment	103,717	148,019
Buildings right-of-use assets	136,180	96,180
	<u>136,180</u>	<u>96,180</u>
Total depreciation	290,518	283,596
	<u>290,518</u>	<u>283,596</u>
<i>Amortisation</i>		
Patents and trademarks	56,070	56,070
Customer lists	1,426,471	1,382,150
Software	67,179	67,274
Leasehold improvements	15,290	13,129
	<u>15,290</u>	<u>13,129</u>
Total amortisation	1,565,010	1,518,623
	<u>1,565,010</u>	<u>1,518,623</u>
Total depreciation and amortisation	1,855,528	1,802,219
	<u>1,855,528</u>	<u>1,802,219</u>
<i>Other expenses</i>		
Advertising & marketing	389,882	316,531
Auditors' remuneration	124,809	90,168
Insurance	305,819	305,126
Management fees	144,065	138,794
Office administration	44,890	56,042
Other operating expenses	407,280	499,668
Payroll tax	429,207	453,489
Rent & occupancy costs	285,530	219,436
Staff travel, training & welfare	283,624	199,780
Trustee fees	110,124	105,840
	<u>110,124</u>	<u>105,840</u>
Total other expenses	2,525,230	2,384,874
	<u>2,525,230</u>	<u>2,384,874</u>

**Westlawn Finance Limited**  
**Notes to the interim condensed financial statements**  
**31 December 2024**

**Note 6. Cash and cash equivalents**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	\$	\$
Cash on hand	9,007	9,007
Cash at bank	41,146,959	43,674,366
Cash on deposit	3,414,404	3,330,429
	<u>44,570,370</u>	<u>47,013,802</u>
Amount expected to be recovered within 12 months	<u>44,570,370</u>	<u>47,013,802</u>

**Note 7. Trade and other receivables**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	\$	\$
Trade receivables	2,639,303	1,907,302
Less: Allowance for expected credit losses	<u>(179,418)</u>	<u>(179,418)</u>
	2,459,885	1,727,884
Accrued interest & other receivables	<u>84,521</u>	<u>175,119</u>
	<u>2,544,406</u>	<u>1,903,003</u>
Amount expected to be recovered within 12 months	<u>2,544,406</u>	<u>1,903,003</u>

**Note 8. Investments**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	\$	\$
Term Business Investment Account	<u>463,865</u>	<u>455,090</u>
Amount expected to be recovered within 12 months	<u>463,865</u>	<u>455,090</u>

**Note 9. Other assets**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	\$	\$
Prepayments	680,828	508,030
Security deposits	<u>48,315</u>	<u>46,022</u>
	<u>729,143</u>	<u>554,052</u>
Amount expected to be recovered within 12 months	<u>729,143</u>	<u>554,052</u>

**Westlawn Finance Limited**  
**Notes to the interim condensed financial statements**  
**31 December 2024**

**Note 10. Loans & advances**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	\$	\$
Loans and advances	135,500,686	134,368,282
Less: Provision for impairment	<u>(1,529,995)</u>	<u>(1,167,299)</u>
	<u>133,970,691</u>	<u>133,200,983</u>
Amount expected to be recovered within 12 months	48,935,667	52,138,088
Amount expected to be recovered after more than 12 months	<u>85,035,024</u>	<u>81,062,895</u>
	<u>133,970,691</u>	<u>133,200,983</u>

**Note 11. Financial assets at fair value through other comprehensive income**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	\$	\$
Shares in listed companies	-	<u>202,584</u>
Amount expected to be recovered after more than 12 months	-	<u>202,584</u>

*Reconciliation*

Reconciliation of the fair values at the beginning and end of the current and previous financial half-year are set out below:

Opening fair value	202,584	202,584
Disposals	<u>(202,584)</u>	<u>-</u>
Closing fair value	<u>-</u>	<u>202,584</u>

Refer to note 28 for further information on fair value measurement.

**Note 12. Other financial assets**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	\$	\$
Other investments - at amortised cost	37,014,665	40,031,925
Units in unitised unit trust	<u>8,030,000</u>	<u>7,350,000</u>
	<u>45,044,665</u>	<u>47,381,925</u>
Amount expected to be recovered after more than 12 months	<u>45,044,665</u>	<u>47,381,925</u>

**Westlawn Finance Limited**  
**Notes to the interim condensed financial statements**  
**31 December 2024**

**Note 13. Property, plant and equipment**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>\$</b>	<b>\$</b>
Land - at independent valuation	940,000	940,000
Buildings - at independent valuation	2,750,000	2,750,000
Less: Accumulated depreciation	<u>(172,173)</u>	<u>(137,688)</u>
	<u>2,577,827</u>	<u>2,612,312</u>
Freehold improvements - at cost	1,958,913	1,508,976
Less: Accumulated depreciation	<u>(16,136)</u>	<u>-</u>
	<u>1,942,777</u>	<u>1,508,976</u>
Leasehold improvements - at cost	350,479	350,479
Less: Accumulated depreciation	<u>(123,180)</u>	<u>(107,890)</u>
	<u>227,299</u>	<u>242,589</u>
Plant and equipment - at cost	1,635,810	1,178,581
Less: Accumulated depreciation	<u>(625,837)</u>	<u>(649,735)</u>
	<u>1,009,973</u>	<u>528,846</u>
	<u>6,697,876</u>	<u>5,832,723</u>
Amount expected to be recovered after more than 12 months	<u>6,697,876</u>	<u>5,832,723</u>

Refer to note 28 for further information on fair value measurement.

**Note 14. Right-of-use assets**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>\$</b>	<b>\$</b>
Land and buildings - right-of-use	1,421,333	1,414,197
Less: Accumulated depreciation	<u>(546,628)</u>	<u>(712,674)</u>
	<u>874,705</u>	<u>701,523</u>
Amount expected to be recovered after more than 12 months	<u>874,705</u>	<u>701,523</u>

**Westlawn Finance Limited**  
**Notes to the interim condensed financial statements**  
**31 December 2024**

**Note 15. Intangibles**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	\$	\$
Goodwill - at cost	26,475,004	28,237,298
Less: Impairment	<u>(2,000,000)</u>	<u>(3,762,294)</u>
	<u>24,475,004</u>	<u>24,475,004</u>
Patents and trademarks - at cost	2,172,000	2,172,000
Less: Accumulated amortisation	<u>(392,490)</u>	<u>(336,420)</u>
	<u>1,779,510</u>	<u>1,835,580</u>
Customer lists - at cost	20,560,452	20,658,377
Less: Accumulated amortisation	<u>(8,610,890)</u>	<u>(7,808,595)</u>
	<u>11,949,562</u>	<u>12,849,782</u>
Software - at cost	1,465,813	1,367,557
Less: Accumulated amortisation	<u>(1,267,513)</u>	<u>(1,194,082)</u>
	<u>198,300</u>	<u>173,475</u>
	<u>38,402,376</u>	<u>39,333,841</u>
Amount expected to be recovered after more than 12 months	<u>38,402,376</u>	<u>39,333,841</u>

**Note 16. Deferred tax assets**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	\$	\$
Deferred tax asset	<u>381,176</u>	<u>364,206</u>

**Note 17. Trade and other payables**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	\$	\$
Trade payables	1,316,460	2,988,435
Insurance broking trust account	5,452,574	5,325,373
GST payable on leases	1,323,841	1,759,200
Insurance premium funding	40,472	161,887
Interest payable	135,619	130,164
BAS payable	530,475	586,169
Other payables	<u>566,065</u>	<u>414,129</u>
	<u>9,365,506</u>	<u>11,365,357</u>
Amount expected to be settled within 12 months	8,634,997	10,326,785
Amount expected to be settled after more than 12 months	<u>730,509</u>	<u>1,038,572</u>
	<u>9,365,506</u>	<u>11,365,357</u>

**Westlawn Finance Limited**  
**Notes to the interim condensed financial statements**  
**31 December 2024**

**Note 18. Interest bearing liabilities**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	\$	\$
Unsecured Notes - at call	15,147,751	16,824,906
Unsecured Notes - term	<u>191,273,496</u>	<u>191,785,140</u>
	<u>206,421,247</u>	<u>208,610,046</u>
Amount expected to be settled within 12 months	184,885,945	182,617,649
Amount expected to be settled after more than 12 months	<u>21,535,302</u>	<u>25,992,397</u>
	<u>206,421,247</u>	<u>208,610,046</u>

The Trust Deed dated 1 June 2001 between the Company and the Trustee, governs the terms and conditions on which the Unsecured Notes are created and issued. The Unsecured Notes rank for payment in the event of the winding up of the Company equally with all other unsecured creditors of the Company. Any debenture notes issued by the Company will have priority given by the registration of a charge. The Unsecured Notes are issued subject to the conditions in Schedule 1 of the Trust Deed.

**Liquidity risk**

Liquidity risk is the risk that Westlawn is unable to meet its financial obligations as they fall due, due to the maturity mismatch in its cash flows. Principally the need to meet the right of noteholders to redeem their funds as required.

Westlawn maintains a liquidity risk management policy that establishes sound practices to manage this mismatch under a range of market conditions. This policy requires Westlawn to, where practicable, maintain a minimum holding of 9% of its total liabilities in liquid assets. Liquidity management is the responsibility of Westlawn's board and executive.

The Company prepares three monthly and twelve monthly cash flow projections as part of its overall liquidity strategy. The Company has at all times on hand cash or cash equivalents sufficient to meet its projected cash needs over the next three months.

**Note 19. Lease liabilities**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	\$	\$
Lease liability	<u>941,629</u>	<u>762,089</u>
Amount expected to be settled within 12 months	258,615	220,009
Amount expected to be settled after more than 12 months	<u>683,014</u>	<u>542,080</u>
	<u>941,629</u>	<u>762,089</u>

**Note 20. Income tax**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	\$	\$
Current tax liability	<u>1,496,495</u>	<u>963,000</u>
Amount expected to be settled within 12 months	<u>1,496,495</u>	<u>963,000</u>



**Westlawn Finance Limited**  
**Notes to the interim condensed financial statements**  
**31 December 2024**

**Note 21. Provisions**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	\$	\$
Annual leave	1,181,376	1,051,753
Long service leave	<u>1,551,351</u>	<u>1,553,545</u>
	<u>2,732,727</u>	<u>2,605,298</u>
Amount expected to be settled within 12 months	2,583,118	2,420,181
Amount expected to be settled after more than 12 months	<u>149,609</u>	<u>185,117</u>
	<u>2,732,727</u>	<u>2,605,298</u>

**Note 22. Financial liabilities**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	\$	\$
Put option liability	<u>12,510,000</u>	<u>12,223,000</u>
Amount expected to be settled within 12 months	5,113,000	-
Amount expected to be settled after more than 12 months	<u>7,397,000</u>	<u>12,223,000</u>
	<u>12,510,000</u>	<u>12,223,000</u>

*Put and call options over non-controlling interests*

As part of the acquisition of 70% of Equity-One Mortgage Fund Limited (EQ1), the Company entered into a Shareholders Deed with the non-controlling shareholder of EQ1. The Deed contains a number of put and call options that provide the Company an option to acquire, or the non-controlling shareholder to sell, the remaining 30% interest in EQ1 in a series of tranches from 2024 to 2027. The first option became exercisable on 1 September 2024 and was not exercised by either party during the required 30 day trigger window, but remains exercisable in a subsequent year, the new exercise date for this tranche being 1 September 2025.

The financial liability of the put options have been calculated in accordance with the requirements of AASB 132 Financial Instruments: Presentation and based on an estimate of future earnings of EQ1 in order to calculate the potential purchase price, which has then been discounted to present value.

*Revaluation of option liabilities*

The Company's call options over non-controlling interests are initially recognised at the present value of the amount expected to be paid at the time of exercise with a corresponding entry to other reserves.

At each reporting period, the option liabilities are reassessed to reflect the present value of the Company's best estimate of the amounts to be paid at the time of exercise. Subsequent to initial recognition, the option liability is measured at fair value with any changes recognised directly in equity.

**Westlawn Finance Limited**  
**Notes to the interim condensed financial statements**  
**31 December 2024**

**Note 23. Other**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>\$</b>	<b>\$</b>
Revenue received in advance	-	101,000
Amount expected to be settled within 12 months	-	101,000

**Note 24. Deferred tax liabilities**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>\$</b>	<b>\$</b>
Deferred tax liability	5,287,804	6,211,555

**Note 25. Issued capital**

	<b>Consolidated Group</b>			
	<b>31 December 2024</b>	<b>30 June 2024</b>	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>Shares</b>	<b>Shares</b>	<b>\$</b>	<b>\$</b>
Ordinary shares - fully paid	14,805,871	14,805,871	24,094,643	24,094,643

**Note 26. Reserves**

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>\$</b>	<b>\$</b>
Revaluation surplus reserve	1,670,748	1,670,748
Financial assets at fair value through other comprehensive income reserve	-	88,334
Options reserve	(12,510,000)	(12,223,000)
	<u>(10,839,252)</u>	<u>(10,463,918)</u>

**Note 27. Dividends**

Dividends paid during the financial half-year were as follows:

	<b>Consolidated Group</b>	
	<b>Half-year ended 31 December 2024</b>	<b>Half-year ended 31 December 2023</b>
	<b>\$</b>	<b>\$</b>
Interim dividend for the year ended 30 June 2024 of 20.2622 cents per Ordinary Share franked at the rate of 30%	-	3,000,000
Final dividend for the year ended 30 June 2023 of 20.2622 cents per Ordinary Share franked at the rate of 30%	-	3,000,000
	<u>-</u>	<u>6,000,000</u>

**Westlawn Finance Limited**  
**Notes to the interim condensed financial statements**  
**31 December 2024**

**Note 27. Dividends (continued)**

On 29 January 2025 the directors declared an interim dividend for the year ending 30 June 2025 of 6.7541 cents per ordinary share to be paid on 30 January 2025, a total estimated distribution of \$1,000,000 based on the number of ordinary shares on issue as at the date of declaration of the dividend. The financial effect of dividends declared after the reporting date are not reflected in the 31 December 2024 financial statements and will be recognised in subsequent financial reports.

**Note 28. Fair value measurement**

*Fair value hierarchy*

The following tables detail the consolidated group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

<b>Consolidated Group - 31 December 2024</b>	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<i>Assets</i>				
Land and buildings	-	3,517,827	-	3,517,827
Total assets	-	3,517,827	-	3,517,827
<i>Liabilities</i>				
Option liability	-	-	(12,510,000)	(12,510,000)
Total liabilities	-	-	(12,510,000)	(12,510,000)

<b>Consolidated Group - 30 June 2024</b>	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<i>Assets</i>				
Financial assets at fair value through OCI - Shares in listed companies	202,584	-	-	202,584
Land and buildings	-	3,552,312	-	3,552,312
Total assets	202,584	3,552,312	-	3,754,896
<i>Liabilities</i>				
Option liability	-	-	(12,223,000)	(12,223,000)
Total liabilities	-	-	(12,223,000)	(12,223,000)

There were no transfers between levels during the financial half-year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

*Valuation techniques for fair value measurements categorised within level 2 and level 3*

The basis of the valuation of land and buildings is fair value. The land and buildings were last revalued in June 2022 based on independent assessments by a member of the Australian Property Institute having recent experience in the location and category of land and buildings being valued. The directors do not believe that there has been a material movement in fair value since the revaluation date. Valuations are based on current prices for similar properties in the same location and condition.

Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount.

The basis of the valuation of land and buildings is fair value, being the amounts for which the assets could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition.

**Westlawn Finance Limited**  
**Notes to the interim condensed financial statements**  
**31 December 2024**

**Note 28. Fair value measurement (continued)**

*Level 3 assets and liabilities*

Movements in level 3 assets and liabilities during the current financial half-year are set out below:

<b>Consolidated Group</b>	Call options to acquire non- controlling interests \$	Total \$
Balance at 1 July 2024	(12,223,000)	(12,223,000)
Revaluation of call options	<u>(287,000)</u>	<u>(287,000)</u>
Balance at 31 December 2024	<u>(12,510,000)</u>	<u>(12,510,000)</u>

Changing one or more inputs would not significantly change the fair value of level 3 financial instruments.

**Note 29. Contingent liabilities**

The Company has provided guarantees for the performance of various works contracts. These guarantees were predominantly granted to Local Councils to ensure the satisfactory performance of capital works on subdivision projects.

There has been no significant change in contingent liabilities since the last annual reporting date.

	<b>Consolidated Group</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	\$	\$
<b>Contingent liabilities</b>		
External parties	<u>61,703</u>	<u>61,703</u>

**Note 30. Events after the reporting period**

Apart from the dividend declared as disclosed in note 27, no other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated group's operations, the results of those operations, or the consolidated group's state of affairs in future financial years.

**Westlawn Finance Limited**  
**Directors' declaration**  
**31 December 2024**

In the directors' opinion:

- the attached interim condensed financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached interim condensed financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Mark Charles Dougherty  
Chairman

18 February 2025  
Grafton

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Westlawn Finance Limited

### Report on the Condensed Interim Financial Report

We have reviewed the accompanying interim financial report of Westlawn Finance Limited and its controlled entities ("the company") which comprises the interim condensed consolidated statement of financial position as at 31 December 2024, the interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the half-year ended on that date, notes to the financial statements, including material accounting policy information and other explanatory notes, and the directors' declaration, for the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

### Conclusion

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001.

### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### Responsibility of the Directors for the Financial Report

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

### **Auditor's Responsibility**

Our responsibility is to express a conclusion on the interim financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001.

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.



**HLB Mann Judd Assurance GCNC Pty Ltd**  
**Chartered Accountants**

**Robina, Queensland**  
**18 February 2025**



**R A Watkinson**  
**Partner**