



GOWING BROS

EST. 1868

Investing together for a secure future

APPENDIX 4D STATEMENT

For the Half-Year Ended 31 January 2015

Contents

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Interim Financial Report 31 January 2015

RESULTS FOR ANNOUNCEMENT TO THE MARKET

The reporting period is the half-year ended 31 January 2015 with the previous corresponding period being the half-year ended 31 January 2014. The results have been reviewed by the company's auditors.

SHAREHOLDER RETURNS

For the six months ended 31 January 2015	Before tax on unrealised capital gains	After tax on unrealised capital gains
Net assets per share as at 31 Jan 2015	\$3.70	\$3.50
Net assets per share as at 31 July 2014	\$3.67	\$3.47
Increase in net assets per share over six months	\$0.03	\$0.03
Plus ordinary dividend paid	\$0.06	\$0.06
Total after tax Return for the six month period	\$0.09	\$0.09
Total after tax Return % for the six month period	2.5%	2.6%

Comments:

Net assets per share were \$3.70 as at 31 January 2015 (31 July 2014: \$3.67) before allowing for tax on unrealised capital gains.

Net assets per share after allowing for the tax on unrealised capital gains would be \$3.50 (31 July 2014: \$3.47) if the company were to sell its entire long term investment portfolio and pay the associated tax.

Net assets per share increased by 3c during the half year after the payment of a 6c fully franked dividend to shareholders. The total after tax return of 9c represents a 2.5% shareholder return for the 6 month period or 5% annualised. Shareholder returns are after the payment of all operating expenses and taxes. Shareholders also benefit from the fully franked nature of the dividend paid during the period.

DIVIDENDS	31 Jan 2015	31 July 2014
Interim dividend paid or declared	6.0c	6.0c

The Directors have declared an interim ordinary dividend of 6c per share fully franked with a record date of 10th April 2015, payable 24th April 2015.



RESULTS FOR ANNOUNCEMENT TO THE MARKET

For the half year ended	31 Jan 2015	31 Jan 2014	Year on Year
Revenue from Ordinary Activities	\$000	\$000	Movement
Interest income	145	103	41%
Investment properties	9,558	8,942	7%
Equities	781	901	(13%)
Private equities	(91)	350	(126%)
Total Revenue from Ordinary Activities	10,393	10,296	1%
Expenses			
Investment and development property	3,695	3,893	(5%)
Borrowing cost	1,592	1,611	(1%)
Administration and public company	1,602	1,607	-
Total Expenses	6,889	7,111	(3%)
Net Income from Ordinary Activities	3,504	3,185	10%
Other Income	3,797	3,658	4%
Unrealised impairment on listed equities	(194)	(374)	(48%)
Profit Before Tax	7,107	6,469	10%
Income tax expense	(2,386)	(1,685)	42%
Profit After Tax	4,721	4,784	(1%)
Net increase in fair value of investments net of tax	(698)	968	(172%)
Total Comprehensive Income	4,023	5,752	(30%)

Gowings' approach:

The Directors and management focus on growing Net Income from Ordinary Activities (i.e. interest, rent and dividends received less operating expenses) as the principal source of income used to pay ordinary dividends.

Comments on results for the half year:

Total Revenue from Ordinary Activities of \$10.4 million was 1% higher than in the prior corresponding period primarily due to an increase in income from the shopping centre portfolio (Pacific Coast Shopping Centres) of Investment Properties offset by lower Private Equity gains.

Total Expenses of \$6.9 million were 3% lower than the prior corresponding period due to lower investment property expenses and lower salary and wages.

Net Income from Ordinary Activities of \$3.5 million was 10% higher than the prior corresponding period last year primarily due to the effect of lower expenses and higher income from the Pacific Coast Shopping Centres.



RESULTS FOR ANNOUNCEMENT TO THE MARKET

Other Income of \$3.8 million, which includes realised and unrealised gains and losses on the investment portfolio but excludes unrealised movements in Equities, was 4% higher than the prior corresponding period. Key items of Other Income includes \$1.3 million of realised gains from the Equities portfolio, \$1.5 million of unrealised gains from the Pacific Coast portfolio and \$0.6 million of unrealised foreign currency gains.

Profit After Tax was \$4.7 million, down 1% on the prior corresponding period.

Net increase in fair value of investments net of tax includes an unrealised Equities portfolio loss of \$0.7 million compared to an unrealised gain of \$1 million in the prior corresponding period. The current period includes unrealised losses in Boundary Bend of \$0.6 million and Woolworths of \$0.5 million offsetting other portfolio gains to generate a \$0.7 million net unrealised loss. The total Equities portfolio net return, including realised gains, unrealised losses and dividends received, was 2.2% compared with the ASX 300 Accumulation Index return of 1.4%.

Total Comprehensive Income of \$4 million compared with \$5.8 million in the prior corresponding period.



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Directors' Report

DIRECTORS

The names of each person serving as a Director, either during or since the end of the half-year, are set out below:

Mr W. A. Salier	(Non-executive Chairman)
Mr J. E. Gowing	(Managing Director)
Mr J. G. Parker	(Non-executive Director)
Mr. R.D. Fraser	(Non-executive Director)

REVIEW OF OPERATIONS

Refer to Results for Announcement to the Market.

ROUNDING OFF

The company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and, in accordance with that Class Order, amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars unless otherwise stated.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration given to the Directors by the lead auditor for the review undertaken by HLB Mann Judd is included in page 19.

Dated this 26th day of March 2015 in accordance with a resolution of the directors.

J. E. Gowing
Managing Director



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STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 JANUARY 2015

	Notes	31 January 2015 \$'000	31 January 2014 \$'000
Revenue			
Interest income		145	103
Equities		781	901
Private equities		(91)	350
Investment properties		9,558	8,942
Total Revenue		10,393	10,296
Other Income			
Gains (losses) on disposal or revaluation of:			
- Equities		1,258	193
- Private equities		(167)	439
- Investment properties		1,673	3,029
- Development properties		387	-
- Other		646	(3)
Total Revenue and other Income		14,190	13,954
Expenses			
Investment properties		3,695	3,893
Administration		421	406
Borrowing costs		1,592	1,611
Depreciation		59	58
Employee benefits		892	915
Public company		230	228
Total Expenses		6,889	7,111
Profit from continuing operations before income tax expense		7,301	6,843
Unrealised impairment – equities		(194)	(374)
Profit before tax from continuing operations	2	7,107	6,469
Income Tax expense	3	(2,386)	(1,685)
Profit from continuing operations	2	4,721	4,784
Other Comprehensive Income			
Items that may be reclassified to profit or loss			
Net (decrease) / increase in fair value of investments net of tax		(698)	968
Total Comprehensive Income		4,023	5,752
Basic earnings per share	7	9.6c	9.8c

The statement of comprehensive income should be read in conjunction with the notes as set out on pages 9 to 17.



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BALANCE SHEET

AS AT 31 JANUARY 2015

	Notes	31 January 2015 \$'000	31 July 2014 \$'000
Current Assets			
Cash and cash equivalents		12,577	7,243
Development properties		1,625	1,237
Loans receivable		1,429	1,222
Unlisted bonds		-	501
Trade and other receivables		929	871
Other		1,049	931
Total Current Assets		17,609	12,005
Non-Current Assets			
Receivables		366	413
Equities		41,985	43,790
Private equities		2,555	4,029
Development properties		1,451	1,446
Investment properties	4	165,828	164,627
Property plant & equipment		2,941	2,975
Deferred tax assets		4,330	5,679
Other		2,280	2,331
Total Non-Current Assets		221,736	225,290
Total Assets		239,345	237,295
Current Liabilities			
Trade and other payables		2,439	2,231
Borrowings		2,251	2,060
Current tax liabilities		385	217
Provisions		170	234
Total Current Liabilities		5,245	4,742
Non-Current Liabilities			
Borrowings		47,000	47,224
Provisions		196	212
Deferred tax liabilities		15,677	14,915
Total Non-Current Liabilities		62,873	62,351
Total Liabilities		68,118	67,093
Net Assets		171,227	170,202
Equity			
Contributed equity		13,217	13,275
Reserves	5	103,956	104,654
Retained profits	6	54,054	52,273
Total Equity		171,227	170,202

The balance sheet should be read in conjunction with the notes as set out on pages 9 to17.



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STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 JANUARY 2015

	Contributed Equity \$'000	Capital Profits Reserve- Pre CGT Profits \$'000	Investment Revaluation Reserve- Equities \$'000	Retained Profits \$'000	Total \$'000
Balance at 1 August 2013	13,294	90,503	9,400	44,085	157,282
Total comprehensive income for the half-year	-	-	968	4,784	5,752
Transactions with owners in their capacity as owners:					
- Dividends paid	-	-	-	(2,940)	(2,940)
Balance at 31 January 2014	13,294	90,503	10,368	45,929	160,094
Balance at 1 August 2014	13,275	90,503	14,151	52,273	170,202
Total comprehensive income for the half-year	-	-	(698)	4,721	4,023
Share buy-back	(58)	-	-	-	(58)
Transactions with owners in their capacity as owners:					
- Dividends paid	-	-	-	(2,940)	(2,940)
Balance at 31 January 2015	13,217	90,503	13,453	54,054	171,227

The statement of changes in equity should be read in conjunction with the notes as set out on pages 9 to 17.



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STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 JANUARY 2015

	31 January 2015	31 January 2014
	\$'000	\$'000
Cash Flows from Operating Activities		
Receipts in the course of operations (inclusive of GST)	10,085	10,828
Payments to suppliers and employees (inclusive of GST)	(4,741)	(6,686)
Dividends received	781	733
Interest received	137	108
Borrowing costs	(1,592)	(1,611)
Income taxes refund (paid)	192	(9)
Net Cash inflow from Operating Activities	4,862	3,363
Cash Flows from Investing Activities		
Payments for purchases of property, plant and equipment	(25)	(96)
Payments for purchases of equity investments	(2,974)	(1,077)
Payments for purchases of investment properties	(751)	(3,257)
Payments for purchase of development property	(7)	-
Proceeds from sale of equity investments	6,655	2,692
Proceeds from sale of property	650	-
Net Cash inflow/(outflow) from Investing Activities	3,548	(1,738)
Cash Flows from Financing Activities		
Payments for share buy-backs	(58)	-
Proceeds from borrowings	4	1,237
Repayment of borrowings	(82)	(31)
Dividends paid	(2,940)	(2,940)
Net Cash outflow from Financing Activities	(3,076)	(1,734)
Net increase/(decrease) in Cash Held	5,334	(109)
Cash at the beginning of the period	7,243	6,784
Cash at the end of the period	12,577	6,675

The statement of cash flows should be read in conjunction with the notes as set out on pages 9 to 17.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are a general purpose financial report prepared in accordance with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001.

The interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the annual financial report of the company as at and for the year ended 31 July 2014 together with any public announcements made during the half year. Comparative information has been reclassified where appropriate to enhance comparability.

The interim financial report is presented in Australian dollars and is prepared on the historical cost basis, as modified by the revaluation of equities (available-for-sale financial assets), private equities (financial assets at fair value through profit or loss), unlisted bonds and investment properties (at fair value through profit or loss).

The preparation of an interim financial report requires conformity with Australian Accounting Standards in the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the entity's accounting policies. These estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period. If the revision affects the current and future periods then the revision is made over current and future periods accordingly.

The accounting policies applied in these interim financial statements are the same as those applied in the company's financial statements as at and for the year ended 31 July 2014.



NOTES TO THE INTERIM FINANCIAL STATEMENTS

	31 January 2015	31 January 2014
	\$'000	\$'000

2. SEGMENT INFORMATION**Business segments**

The company comprises the following business segments, based on the company's management reporting system:

- Cash and fixed interest
- Equities
- Private equities
- Investment properties
- Unlisted bonds
- Development properties
- Other

The company operates only in Australia.

Segment revenue

Cash and fixed interest – interest received	145	103
Equities – dividends and option income	781	901
Private equities – distributions received	(91)	350
Investment properties – rent received	9,558	8,942
Total segment revenue	10,393	10,296

Segment other income

Equities – realised (losses) gains on disposal	1,258	193
Private equities – unrealised fair value gain	(167)	439
Investment properties – unrealised fair value gain	1,375	3,029
Investment properties – realised fair value gain	298	-
Development properties – unrealised fair value gain	387	-
Other	646	(3)
Total other income	3,797	3,658
Total segment revenue and other income	14,190	13,954

There were no inter-segment revenues and other income during the period

Segment result

Cash and fixed interest	145	87
Equities	1,845	720
Private equities	(258)	789
Investment properties	5,946	6,470
Unlisted bonds	-	16
Development properties	387	-
Other	(958)	(1,613)
	7,107	6,469
Income tax expense	(2,386)	(1,685)
Net profit after tax	4,721	4,784



NOTES TO THE INTERIM FINANCIAL STATEMENTS

	31 January 2015	31 July 2014
	\$'000	\$'000

2. SEGMENT INFORMATION (CONTINUED)

Segment assets

Cash and interest receivable	12,577	7,587
Equities	41,985	43,790
Private equities	2,555	4,029
Investment properties	165,828	164,627
Unlisted bonds	-	501
Development properties	4,505	3,905
Unallocated assets	11,895	12,856
Total assets	239,345	237,295

Segment liabilities

Investment properties	49,247	49,274
Unallocated liabilities	18,871	17,819
Total liabilities	68,118	67,093

	31 January 2015	31 January 2014
	\$'000	\$'000

3. INCOME TAX

Prima facie tax expense on the net profit at 30%	2,132	1,941
Tax effect of permanent differences:		
Under provision prior year	475	-
Franked dividends	(221)	(256)
Income tax expense on operating profit	2,386	1,685
Income Tax Expense	2,386	1,685



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NOTES TO THE INTERIM FINANCIAL STATEMENTS

	31 January 2015 \$'000	31 July 2014 \$'000
4. NON-CURRENT INVESTMENT PROPERTIES		
Land and buildings – at fair value	165,828	164,627
At fair value		
Balance at beginning of period	164,627	150,918
Additions	178	1,443
Disposal (proceeds)	(650)	-
Gain on disposal	173	-
Net gain from fair value adjustment	1,500	12,266
Balance at end of period	165,828	164,627
Amounts recognised in profit or loss for investment purposes		
Rental revenue	9,558	8,942
Gain on revaluation of investment properties	1,500	3,029
Gain on disposal of investment properties	173	-
Direct operating expenses from rental generating properties	(5,285)	(5,504)
	5,946	6,467

Changes in fair values of investment properties are recorded in other income.

	Valuation Method	Cap Rate (%)	31 January 2015 \$'000	31 July 2014 \$'000
Port Central SC, Port Macquarie NSW	(a)	7.75%	78,181	76,000
Coffs Central SC, Coffs Harbour, NSW	(a)	8.5%	51,541	51,700
Kempsey Central SC, Kempsey, NSW	(a)	10.0%	14,599	14,609
Moonee Marketplace Moonee Beach, NSW	(a)	9.75%	13,187	13,639
35-39 Wharf St, Forster NSW	(b)	n/a	1,478	1,478
Other Properties	(b)	n/a	6,842	7,201
Total			165,828	164,627

(a) Fair value is based on capitalisation rates, which reflect tenant profile, lease expiry, development potential and the underlying physical condition of the centre, applied to projected net rental income of each property. Further information used to support capitalisation rates has been provided in the table below.

	<i>Port Central Shopping Centre</i>	<i>Coffs Central Shopping Centre</i>	<i>Kempsey Central Shopping Centre</i>	<i>Moonee Marketplace Shopping Centre</i>
Acquisition date	18-Dec-09	4-Nov-11	12-Mar-10	13-May-10
Period of ownership	61 months	39 months	58 months	56 months
Location	Port Macquarie	Coffs Harbour	Kempsey	Coffs Harbour
Shopping centre type	Sub-regional	Sub-regional	Neighbourhood	Neighbourhood
Majors	Super IGA, Target	Big W, Best & Less	Coles, Target	Coles
Specialties	64	68	14	37
Specialty occupancy	95%	82%	79%	54%

(b) Current prices in an active market for properties of similar nature or recent prices of different nature in less active markets.



NOTES TO THE INTERIM FINANCIAL STATEMENTS

	31 January 2015	31 July 2014
	\$'000	\$'000

5. RESERVES

Capital profits reserve	90,503	90,503
Investment revaluation reserve – equities	13,453	14,151
Total Reserves	103,956	104,654

6. RETAINED PROFITS

Retained profits at the beginning of the financial period	52,273	44,085
Net profit attributable to members of Gowing Bros. Limited	4,721	14,068
Dividends provided for or paid	(2,940)	(5,880)
Retained Profits at end of the financial period	54,054	52,273

7. EARNINGS PER SHARE (EPS)

Earnings reconciliation:

Net profit	4,721	4,784
Basic and diluted earnings	4,721	4,784
Weighted average number of ordinary shares on issue used in the calculation of basic and diluted earnings per share.	48,987,541	49,003,325
Basic and diluted earnings per share	9.6c	9.8c

At balance date there were no options on issue.

8. NET TANGIBLE ASSET BACKING

NTA per ordinary security before allowing for tax on unrealised capital gains	\$3.70	\$3.67
NTA per ordinary security after allowing for tax on unrealised capital gains	\$3.50	\$3.47

The company is a long term investor and does not intend on disposing of its investment portfolio.



NOTES TO THE INTERIM FINANCIAL STATEMENTS

9. FINANCIAL INSTRUMENTS

a) Fair value Hierarchy

The company measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

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

Level 2: inputs other quoted prices included within level 1 that are observable for the assets or liabilities, either directly or indirectly.

Level 3: unobservable inputs for the assets or liability.

The following tables present the company's assets measured and recognised at fair value on a recurring basis at 31 January 2015 and 31 July 2014.

31 January 2015	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Financial assets available for sale				
Investments – Australian equities	32,738	-	8,687	41,425
Investments – Global equities	-	-	560	560
Financial assets designated at fair value through profit or loss				
Investments – private equities	-	-	2,555	2,555
Investments – properties	-	-	165,828	165,828
Total financial assets	32,738	-	177,630	210,368

31 July 2014	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Financial assets available for sale				
Investments – Australian equities	33,704	-	9,526	43,230
Investments – Global equities	-	-	560	560
Investments – unlisted bonds	-	-	501	501
Financial assets designated at fair value through profit or loss				
Investments – private equities	-	-	4,029	4,029
Investments – properties	-	-	164,627	164,627
Total financial assets	33,704	-	179,243	212,947



NOTES TO THE INTERIM FINANCIAL STATEMENTS

9. FINANCIAL INSTRUMENTS (continued)

a) Fair value hierarchy (continued)

There were no transfers between level 1 and level 2 for recurring fair value measurements during the half year. For transfers in and out of level 3 see (c) below.

The company has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

b) Disclosed fair values

For all financial instruments measured at fair value their carrying values approximates to their fair value.

c) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the period ended 31 January 2015 for recurring fair value measurements:

	Unlisted Equities	Global Equities	Unlisted Bonds	Private Equities	Investment Properties	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance 1 August 2014	9,526	560	501	4,029	164,627	179,243
Total gains and (loss) recognised in profit or loss - unrealised	-	-	-	(1,192)	1,500	308
Total gains and (loss) recognised in profit or loss - realised	-	-	-	1,025	173	1,198
Total gains and (loss) recognised in other comprehensive income	(839)	-	-	-	-	(839)
Additions including purchases, tenant incentives, and straight-line rental income net of amortisation	-	-	-	245	178	423
Sales proceeds	-	-	(501)	(1,552)	(650)	(2,703)
Closing balance 31 January 2015	8,687	560	-	2,555	165,828	177,630

The fair value of unlisted equities and global equities is determined by the Directors taking into account recent off market trades and other relevant factors.

The fair value of private equities has been determined by reference to "fund manager's" valuations.

The fair value of investment properties has been determined by applying projected net rental income of each property to capitalisation rates for similar investment properties, as detailed in note 4. At 31 January 2015, a reduction of 0.5% in the capitalisation rate applied to each property would result in an additional gain of \$10.1 million (31 July 2014 \$10.0 million) in the statement of comprehensive income. Similarly, an increase of 0.5% in the capitalisation rate would result in an additional loss of \$8.9 million (31 July 2014 \$8.8 million) in the statement of comprehensive income.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS

10. DIVIDENDS

	CENTS PER SHARE	TOTAL AMOUNT \$'000	DATE OF PAYMENT
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The following dividends were declared and paid by the company:

Interim dividend 31 January 2014	6.0c	2,940	24 April 2014
Final dividend 31 July 2014	6.0c	2,940	23 October 2014

Since the end of the period, the directors declared the following dividend:

Interim dividend 31 January 2015	6.0c	2,939	24 April 2015
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Dividends declared or paid during the period were fully franked at the tax rate of 30%.

The financial effect of the dividend declared subsequent to reporting date has not been brought to account in the financial statements for the half-year ended 31 January 2015 and will be recognised in subsequent financial reports.

The Dividend Reinvestment Plan and Bonus in Lieu Plan will be suspended for the current dividend.

11. INTERESTS IN ENTITIES WHICH ARE NOT CONTROLLED ENTITIES, OR JOINT VENTURE OPERATIONS

The economic entity has an interest in the following entities and joint venture operations:

	% OF OWNERSHIP HELD AT END OF PERIOD OR DATE OF DISPOSAL		CONTRIBUTION TO NET PROFIT (LOSS)	
	31 January 2015 %	31 January 2014 %	31 January 2015 \$'000	31 January 2014 \$'000

Joint Ventures:

Elrington Partnership*	-	50	189	24
Regional Retail Properties	50	50	61	45
Total			250	69

*Elrington Partnership was dissolved in December 2014, the property was sold for \$650,000 with a gain on disposal of \$173,000.



NOTES TO THE INTERIM FINANCIAL STATEMENTS

12. ISSUED AND QUOTED SECURITIES AT THE END OF CURRENT PERIOD

	Total No.
Ordinary Securities:	
Opening Balance	49,003,325
Share buy-back	(27,008)
Closing Balance	48,976,317

13. COMMENTS BY DIRECTORS

Description of event(s) since the end of the current period which has had a material effect and is not already reported elsewhere in this financial report.

Nil.

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year.

The Company has sufficient franking credits (\$8.2 million) to fully frank all dividends that have been declared.

14. COMMITMENTS FOR EXPENDITURE

Capital commitments

The company has uncalled capital commitments of up to \$2,450,000 (2014: 31 July 2014 \$2,450,000) over a period of up to 10 years in relation to private equity and property fund investments held at year end.

15. SUBSEQUENT EVENTS

No matter or circumstance has arisen which has significantly affected, or may significantly affect, the operations of the company, the results of those operations or the state of affairs of the company in future financial years. Dividends declared since period end have been included in Note 10.



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DIRECTORS' DECLARATION

The directors declare that, in the opinion of the directors:

1. the financial statements and notes set out on pages 5 to 17 are in accordance with the Corporations Act 2001, including:
 - (a) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001, and;
 - (b) giving a true and fair view of the company's financial position as at 31 January 2015 and of its performance for the half-year ended on that date.
2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of directors.

J. E. Gowing
Managing Director
26th March 2015

GOWING BROS LIMITED

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Gowings Bros. Limited:

As lead auditor for the review of the financial report of Gowings Bros. Limited for the half-year ended 31 January 2015, 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.

**Sydney, NSW
26 March 2015**



**S Grivas
Partner**

GOWING BROS LIMITED
INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Gowing Bros. Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Gowing Bros. Limited ("the Company"), which comprises the balance sheet as at 31 January 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the 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 half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as 31 January 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

Independence

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

GOWING BROS LIMITED

**INDEPENDENT AUDITOR'S REVIEW REPORT
(CONTINUED)**

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 Gowing Bros. Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Company's financial position as at 31 January 2015 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*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Sydney, NSW
26 March 2015

S. Grivas

S Grivas
Partner