



Australian Securities Exchange  
Company Announcements Platform

29 February 2012

### **CNI Full Half Year Accounts to 31 December 2011**

Please find attached the full set of accounts for the half year ending 31 December 2011. Please read in conjunction with the Appendix 4D, media release and presentation lodged on the ASX on 24 February 2012.

Yours faithfully

Terry Reid  
Company Secretary



**CENTURIA CAPITAL LIMITED  
AND CONTROLLED ENTITIES**

**A.B.N. 22 095 454 336**

**INTERIM FINANCIAL REPORT  
FOR THE HALF YEAR ENDED 31 DECEMBER 2011**

## **CENTURIA CAPITAL LIMITED AND CONTROLLED ENTITIES**

### **Directors' Report**

**For the half year ended 31 December 2011**

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The directors of Centuria Capital Limited (the Company or Centuria) submit herewith the interim financial report of Centuria Capital Limited and its controlled entities (the Group) for the half year ended 31 December 2011. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

#### **INFORMATION ABOUT THE DIRECTORS AND COMPANY SECRETARIES**

##### **Directors**

The names of the Directors of the Company in office during or since the end of the half year are:

R.W. Dobson, LLB (Hons), LL.M. (Chairman since appointment). Independent Director since 28<sup>th</sup> November 2007.

P.J. Done, BComm. FCA. Independent Director since 28<sup>th</sup> November 2007.

D.K. Gupta, BComm. MBA. Independent Director since 28<sup>th</sup> November 2007.

J.C. Huljich, BComm. Executive Director since 28<sup>th</sup> November 2007.

J.E. McBain, DipUrbVal. Executive Director since 10<sup>th</sup> July 2006.

Unless indicated otherwise, the Directors held their positions throughout the half year and up to the date of this report.

##### **Company Secretaries**

T.D. Reid, Dip. Bus. Studies (Acc), CA, Fdn FPA. Company Secretary since 10<sup>th</sup> December 2007.

M.J. Coy, BBus, CPA. Appointed Company Secretary 19<sup>th</sup> October 2009.

#### **PRINCIPAL ACTIVITIES**

The principal activities of the Group during the course of the half year were the marketing and management of investment products (including friendly society investment bonds and property investment units), general insurance through agency arrangements, mortgage lending and management, property investment and management of Over Fifty Guardian Friendly Society Limited.

#### **REVIEW OF OPERATIONS**

The consolidated net profit of the Group for the period is \$0.980 million (2010: loss of \$2.544 million) after providing for an income tax expense relating to shareholders of \$1.490 million (2010: \$0.301 million).

#### **CHANGES IN STATE OF AFFAIRS**

There was no significant change in the state of affairs of the Group during the half year.

#### **SUBSEQUENT EVENTS**

On 24 February 2012, the Company declared an interim dividend of 1.25 cents per share franked at 100%. The dividend is expected to be paid on 30 March 2012.

Prior to 31 December 2011, the Company entered into commercial discussions with a party to dispose of its 50% interest in the Mortgageport business. At the date of finalising this financial report, documents in respect of the planned disposal have been drafted and the expectation is that the transaction will proceed shortly. The Company intends to disclose details of the sale to the market once the underlying transaction documents have been executed.

#### **DIVIDENDS**

\$1.945 million was paid during the half year to 31 December 2011 (half year ended 31 December 2010: \$1.884 million).

#### **AUDITOR'S INDEPENDENCE DECLARATION**

The auditor's independence declaration is included on page 3 and forms part of the Directors' Report for the half year ended 31 December 2011.

**CENTURIA CAPITAL LIMITED AND CONTROLLED ENTITIES**

**Directors' Report**

**For the half year ended 31 December 2011**

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**ROUNDING OFF OF AMOUNTS**

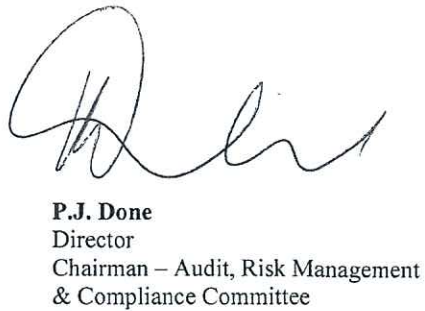
The Company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order, amounts in the Directors' report and the interim financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of the Directors.

For and on behalf of the Board



**J.E. McBain**  
Executive Director &  
Chief Executive Officer



**P.J. Done**  
Director  
Chairman – Audit, Risk Management  
& Compliance Committee

Sydney  
24 February 2012



*Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001*

To: the directors of Centuria Capital Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2011 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

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KPMG

A handwritten signature in black ink, appearing to read 'S Gatt', written over the printed name 'Steve Gatt'.

Steve Gatt  
*Partner*

Sydney

24 February 2012



## **Independent auditor's review report to the members of Centuria Capital Limited**

### **Report on the financial report**

We have reviewed the accompanying half-year financial report of Centuria Capital Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2011, condensed consolidated statement of comprehensive income and condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year period ended on that date, notes 1 to 11 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

#### *Directors' responsibility for the half-year financial report*

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

#### *Auditor's responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2011 and its 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 Centuria Capital Limited, 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.

#### *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 half-year financial report of Centuria Capital Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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KPMG

A handwritten signature of Steve Gatt, written in dark ink.

Steve Gatt  
*Partner*

Sydney

24 February 2012

**CENTURIA CAPITAL LIMITED AND CONTROLLED ENTITIES**

**Directors' Declaration**  
**For the half year ended 31 December 2011**

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1. In the opinion of the directors of the Company:
  - (a) the financial statements and notes that are contained in pages 7 to 15 are in accordance with the Corporations Act 2001, including:
    - (i) giving a true and fair view of the Group's financial position as at 31 December 2011 and of its performance for the financial period ended on that date; and
    - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
  - (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
2. There are reasonable grounds to believe that the Company and the Group will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the Deed of Cross Guarantee between the Company and those group entities pursuant to ASIC Class Order 98/1418.
3. The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the chief executive officer and chief financial officer for the financial period ended 31 December 2011.
4. The directors draw attention to Note 1 to the financial statements, which include a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors.

For and on behalf of the Board



**J.E. McBain**  
Executive Director &  
Chief Executive Officer



**P.J. Done**  
Director  
Chairman – Audit, Risk Management  
& Compliance Committee

Sydney  
24 February 2012

CENTURIA CAPITAL LIMITED AND CONTROLLED ENTITIES

**Condensed Consolidated Statement of Comprehensive Income**  
For the half year ended 31 December 2011

	Note	Half year ended	
		31-Dec-11 S'000	31-Dec-10 S'000
Revenue	2(i)	15,206	14,440
Centuria Life revenue	2(ii)	6,516	6,836
Other income		1,088	944
<b>Total income</b>		<b>22,810</b>	<b>22,220</b>
Finance costs		(8,605)	(8,016)
Employee benefits expense		(5,053)	(3,305)
Administrative and other expenses		(3,482)	(4,112)
Bad debts expense		-	(2,889)
Centuria Life expenses	2(ii)	(2,674)	(2,537)
Net (expense)/revenue from benefit funds	2(ii)	(706)	2,145
Share of loss of associates		(326)	(594)
Revaluation of investment property assets		-	(3,010)
Impairment of investment in associates		(200)	-
Profit/(loss) before tax	2(iii)	1,764	(98)
Income tax expense relating to shareholders		(1,490)	(301)
Income tax benefit/(expense) relating to benefit funds	2(ii)	706	(2,145)
Total income tax expense		(784)	(2,446)
<b>Profit/(loss) for the period</b>		<b>980</b>	<b>(2,544)</b>
<b>Other comprehensive income:</b>			
(Loss)/Gain on cash flow hedges taken to equity		(165)	990
Income tax benefit/(loss) relating to other comprehensive income		49	(296)
Other comprehensive (loss)/income for the period (net of tax)		(116)	694
<b>Total comprehensive income/(loss) for the period</b>		<b>864</b>	<b>(1,850)</b>
<b>Earnings per share</b>			
Basic (cents per share)		1.2	(3.3)
Diluted (cents per share)		1.2	(3.3)

The consolidated result aggregates the financial results of Centuria Capital Limited corporate entities and the benefit funds.

CENTURIA CAPITAL LIMITED AND CONTROLLED ENTITIES

**Condensed Consolidated Statement of Financial Position**

As at 31 December 2011

	Note	As at	
		31-Dec-11 \$'000	30-Jun-11 \$'000
<b>ASSETS</b>			
Cash and cash equivalents		10,811	11,625
Trade and other receivables		11,553	10,854
Financial assets at fair value through profit and loss		431	2,331
Other financial assets - residential mortgages	3	203,515	198,194
Non-current assets held for sale		2,636	-
Other assets		2,220	1,816
Investment property		22,500	22,500
Investment in associates		4,230	7,453
Plant & equipment		1,167	1,349
Assets in respect of benefit funds	9	480,770	508,964
Deferred tax assets		14,335	11,751
Intangible assets		53,633	53,809
<b>TOTAL ASSETS</b>		<b>807,801</b>	<b>830,646</b>
<b>LIABILITIES</b>			
Trade and other payables		8,469	5,492
Borrowings	4	189,463	196,899
Income tax payable		6,050	5,663
Other liabilities		4,210	6,654
Derivative financial liabilities		23,569	13,531
Liabilities in respect of benefit funds	9	480,770	508,964
Deferred tax liabilities		4,950	2,256
Provisions		920	706
<b>TOTAL LIABILITIES</b>		<b>718,401</b>	<b>740,165</b>
<b>NET ASSETS</b>		<b>89,400</b>	<b>90,481</b>
<b>EQUITY</b>			
Contributed equity	5	90,036	100,235
Reserves		(1,461)	(868)
Retained earnings/(losses)	5	825	(8,886)
<b>TOTAL EQUITY</b>		<b>89,400</b>	<b>90,481</b>

The consolidated result aggregates the financial results of Centuria Capital Limited corporate entities and the benefit funds.

CENTURIA CAPITAL LIMITED AND CONTROLLED ENTITIES

**Condensed Consolidated Statement of Cash Flows**  
For the half year ended 31 December 2011

	Consolidated	
	31-Dec-11 S'000	31-Dec-10 S'000
<b>Cash flows from operating activities</b>		
Interest received	9,264	8,914
Dividends received	14	-
Management fees received	10,430	9,620
Rent, trust distributions and other income received	3,964	4,610
Benefit funds payments	(24,398)	(24,962)
Payments to suppliers and employees	(20,161)	(13,145)
Income tax paid	(995)	-
Net cash used in operating activities	<u>(21,881)</u>	<u>(14,963)</u>
<b>Cash flows from investing activities</b>		
Interest received on mortgage loans net of mortgage receipt/drawdown	4,432	4,463
Benefit funds receipts	38,434	31,077
(Payments)/receipts for investment property	(11)	4,334
Payments for plant and equipment	(21)	(98)
Acquisition of subsidiaries net of cash acquired	-	(1,153)
Proceeds from/(payments for) investment in other financial assets	2,217	(4,549)
Net cash provided by investing activities	<u>45,051</u>	<u>34,074</u>
<b>Cash flows from financing activities</b>		
Proceeds from issue of equity securities	-	454
Loans (payment)/receipts	(700)	634
Payment for deposit on property acquisition	-	(1,585)
Benefit funds receipts	700	-
Repayment of borrowings	(7,556)	(9,318)
Dividends and distributions paid	(1,945)	(1,884)
Financing costs	251	-
Net cash used in financing activities	<u>(9,249)</u>	<u>(11,699)</u>
<b>Net increase in cash and cash equivalents</b>	13,921	7,412
<b>Cash and cash equivalents at the beginning of the period</b>	30,700	55,368
<b>Cash and cash equivalents at the end of the period</b>	<u>44,621</u>	<u>62,780</u>
<b>Cash attributable to benefit funds</b>	33,809	47,517
<b>Cash attributable to shareholders</b>	<u>10,811</u>	<u>15,263</u>
	<u>44,620</u>	<u>62,780</u>

The consolidated result aggregates the financial results of Centuria Capital Limited corporate entities and the benefit funds.

CENTURIA CAPITAL LIMITED AND CONTROLLED ENTITIES

**Condensed Consolidated Statement of Changes in Equity**

For the half year ended 31 December 2011

CONSOLIDATED							
	Note	Share capital \$'000	Retained earnings/ (losses) \$'000	Cash flow hedge reserve \$'000	Share of associates' reserves \$'000	Share-based incentive reserve \$'000	Total attributable to equity holders of the parent \$'000
Balance at 1 July 2010		100,018	(2,203)	(2,067)	(843)	738	95,643
Loss for the period		-	(2,544)	-	-	-	(2,544)
Other comprehensive income for the period		-	-	694	843	-	1,537
<b>Total comprehensive income for the period</b>		-	<b>(2,544)</b>	<b>694</b>	<b>843</b>	-	<b>(1,007)</b>
Issued during the period:							
Dividend reinvestment plan		454	-	-	-	-	454
Payment of dividends	6	-	(1,884)	-	-	-	(1,884)
<b>Balance at 31 December 2010</b>		<b>100,472</b>	<b>(6,631)</b>	<b>(1,373)</b>	-	<b>738</b>	<b>93,206</b>
Balance at 1 July 2011		100,235	(8,886)	(1,345)	-	477	90,481
Profit for the period		-	980	-	-	-	980
Other comprehensive income for the period		-	-	(116)	-	-	(116)
<b>Total comprehensive income for the period</b>		-	<b>980</b>	<b>(116)</b>	-	-	<b>864</b>
Issued during the period:							
Employee share scheme		477	-	-	-	(477)	-
Dividend reinvestment plan	5	804	(804)	-	-	-	-
Payment of dividends	6	-	(1,945)	-	-	-	(1,945)
Transfer to retained earnings	5	(11,480)	11,480	-	-	-	-
<b>Balance at 31 December 2011</b>		<b>90,036</b>	<b>825</b>	<b>(1,461)</b>	-	-	<b>89,400</b>

The consolidated result aggregates the financial results of Centuria Capital Limited corporate entities and the benefit funds.

## CENTURIA CAPITAL LIMITED AND CONTROLLED ENTITIES

### Notes to the Interim Financial Statements

For the half year ended 31 December 2011

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#### Corporate information

The interim financial report of Centuria Capital Limited for the half year ended 31 December 2011 was authorised for issue in accordance with a resolution of the Directors. Centuria Capital Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

#### 1. Basis of Preparation

##### Statement of compliance

The interim financial report is 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 interim financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the annual financial report of the Group as at and for the year ended 30 June 2011.

This condensed consolidated interim financial report was approved by the Directors on 24 February 2012.

The Company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order, amounts in the interim financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

##### Estimates

In preparing this consolidated interim financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2011.

##### Significant accounting policies

The accounting policies and methods of computation adopted in the preparation of the interim financial report are consistent with those adopted and disclosed in the Group's annual financial report for the financial year ended 30 June 2011.

##### Comparatives

In order to increase understandability for the main stakeholders of the Group (namely, the shareholders and the policyholders), the financial statements have been restated to show net revenue or net expenses from the benefit funds as a single line, and total assets and total liabilities relating to the benefit funds have also been presented separately. Comparatives and disclosure notes have been restated to reflect this change in presentation.

#### 2. Revenue, income and expense items

The following is an analysis of the Group's revenue for the period:

	Half year ended	
	31-Dec-11	31-Dec-10
	\$'000	\$'000
(i) Revenue		
Interest revenue	9,012	8,753
Dividend revenue	14	4
Fees from property funds	4,589	4,104
Rental income	1,591	1,579
	<u>15,206</u>	<u>14,440</u>

CENTURIA CAPITAL LIMITED AND CONTROLLED ENTITIES

**Notes to the Interim Financial Statements**

For the half year ended 31 December 2011

2. Revenue, income and expense items (cont'd)

	Centuria Life Limited \$'000	Benefit Funds \$'000		31-Dec-11 Total \$'000
<b>Income</b>				
Investment income	258	6,245		6,503
Management fee income	6,258	-		6,258
Application for bonus funds (DPF only)	-	6,338		6,338
	6,516 (i)	12,583		19,099
<b>Expenses</b>				
Redemption Expense (DPF only)	-	31,022		31,022
Net movement in policyholder liabilities	-	(23,242)		(23,242)
Management fee expense	-	5,209		5,209
Bad debts - mortgage loans	-	300		300
Management fund operating expenses	2,674 (i)	-		2,674
	2,674	13,289		15,963
<b>Profit/(loss) before tax</b>	<b>3,842</b>	<b>(706)</b>	<b>(i)</b>	<b>3,136</b>
Income tax (expense)/benefit	(1,783)	706	(i)	(1,077)
<b>Profit after tax</b>	<b>2,059</b>	<b>-</b>		<b>2,059</b>
<hr/>				
	Centuria Life Limited \$'000	Benefit Funds \$'000		31-Dec-10 Total \$'000
<b>Income</b>				
Investment income	159	18,068		18,227
Management fee income	6,677	-		6,677
Application for bonus funds (DPF only)	-	3,249		3,249
	6,836 (i)	21,317		28,153
<b>Expenses</b>				
Redemption Expense (DPF only)	-	27,668		27,668
Net movement in policyholder liabilities	-	(16,910)		(16,910)
Management fee expense	-	5,620		5,620
Bad debts - mortgage loans	-	2,794		2,794
Management fund operating expenses	2,537 (i)	-		2,537
	2,537	19,172		21,709
<b>Profit before tax</b>	<b>4,299</b>	<b>2,145</b>	<b>(i)</b>	<b>6,444</b>
Income tax expense	(1,910)	(2,145)	(i)	(4,055)
<b>Profit after tax</b>	<b>2,389</b>	<b>-</b>		<b>2,389</b>

(i) These numbers have also been included in the condensed consolidated Statement of Comprehensive Income on page 7.

	Half year ended	
	31-Dec-11 \$'000	31-Dec-10 \$'000
<b>(iii) Profit/(loss) before income tax expense</b>		
The amount in the income statement is represented by:		
- Profit/(loss) before income tax expense relating to shareholders	2,470	(2,243)
- (Loss)/profit before income tax expense relating to benefit funds	(706)	2,145

CENTURIA CAPITAL LIMITED AND CONTROLLED ENTITIES

**Notes to the Interim Financial Statements**  
For the half year ended 31 December 2011

**3. Other financial assets – Residential Mortgages**

	31-Dec-11	30-Jun-11
	\$'000	\$'000
Opening balance	198,194	200,214
Repayments	(14,197)	(13,406)
Fair value hedge movements	9,751	905
Capitalised interest	8,481	8,389
Drawdowns	1,389	2,047
Other	(103)	45
<b>Closing balance</b>	<b>203,515</b>	<b>198,194</b>

**4. Borrowings**

	31-Dec-11	30-Jun-11
	\$'000	\$'000
NAB working capital facility (i)	8,100	8,100
Residential mortgage bill facilities and notes - secured (ii)	157,863	164,799
Investment property facilities - secured (iii)	23,500	24,000
	<b>189,463</b>	<b>196,899</b>

Terms and conditions relating to the working capital facility and bill facilities above are:

- (i) Centuria has a financing facility with the National Australia Bank (NAB) in the amount of \$15.6 million maturing on 28 February 2013. The facility is made up of two tranches of \$10.4 million and \$5.6 million. The \$10.4 million tranche is drawn to \$8.1 million at 31 December 2011, and the facility limit is reducing at a rate of \$400,000 per quarter. The \$5.6 million tranche is undrawn at 31 December 2011, and the facility limit is reducing at a rate of \$400,000 per quarter commencing with the first payment on 31 May 2012. This is a non-current liability as at 31 December 2011.
- (ii) The Group has \$157.9 million (30 June 2011: \$164.8 million) non-recourse notes on issue to the ANZ Bank secured over the Residential Mortgages and maturing on 31 March 2013. This is a non-current liability as at 31 December 2011.
- (iii) As a wholly owned entity, the National Leisure Trust (NLT) has a \$23.5 million bank bill owing to the NAB which matures on 28 March 2013. This facility is secured by way of a fixed or floating charge over the assets of NLT and its underlying property located at Moonah Links, Fingal, Victoria (Moonah Links) and Pepper Sands Resort Torquay, Victoria (Torquay). The facility is non-recourse to the wider Group and has continued to remain in breach of two loan covenants since reported on 30 June 2009. NAB has noted this position whilst reserving its rights. The balance sheet records the fair value of these assets at the current level of the non-recourse debt. This is a current liability as at 31 December 2011.

**5. Issued Capital**

As a result of recent changes to the Corporations Act 2001, on 30 September 2011, Centuria resolved to transfer \$11.476 million from issued capital to retained earnings to clear the Group's accumulated losses balance.

**6. Dividends**

Dividends of \$1.945 million were paid and \$0.804 million issued under the current dividend reinvestment plan (2010: \$1.884 million and \$0.454 million respectively).

**7. Contingent assets, liabilities and commitments**

There are no material contingent liabilities, contingent assets or commitments.

CENTURIA CAPITAL LIMITED AND CONTROLLED ENTITIES

Notes to the Interim Financial Statements

For the half year ended 31 December 2011

8. Operating Segments

The Group has eight reportable segments, as described below, which are the divisions used to report to the Board for the purpose of resource allocation and assessment of performance. For each of the divisions, the Group's CEO (the chief operating decision maker) reviews internal management reports on a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- (a) Centuria Life and Benefit Funds – a range of financial products, including single and multi-premium investments.
- (b) Insurance – general, home and contents, motor vehicle and travel insurance agency.
- (c) Commercial Mortgages – providing debt funding secured by mortgages.
- (d) Residential Mortgages – reverse mortgage debt funding secured by first ranking security over residential property.
- (e) Mortgageport – equity accounted investment in money manager and mortgage broker.
- (f) Property Investments – National Leisure Trust.
- (g) Property Funds Management – Centuria Property Funds Limited and Centuria Strategic Property Limited.
- (h) Corporate.

The accounting policies of these reportable segments are the same as the Group's accounting policies.

The following is an analysis of the Group's revenue and results by reportable operating segment for the current period under review:

	Half year ended 31 December 2011									
31-Dec-11	Centuria Life \$'000	Benefit Funds (i) \$'000	Insurance \$'000	Commercial Mortgages \$'000	Residential Mortgages \$'000	Mortgageport \$'000	Property Investments \$'000	Property Funds Management \$'000	Corporate \$'000	CONSOLIDATED \$'000
<b>Revenue</b>										
Interest, dividends and other investment income	258	-	-	-	8,523	-	46	181	263	9,271
Management, risk and establishment fees	6,258	-	-	-	-	-	-	4,161	100	10,519
Rent and other	-	-	628	-	43	-	1,385	697	267	3,020
<b>Total segment revenue</b>	<b>6,516</b>	<b>-</b>	<b>628</b>	<b>-</b>	<b>8,566</b>	<b>-</b>	<b>1,431</b>	<b>5,039</b>	<b>630</b>	<b>22,810</b>
<b>Profit/(loss) before tax</b>	<b>3,842</b>	<b>(706)</b>	<b>481</b>	<b>-</b>	<b>1,640</b>	<b>(201)</b>	<b>(81)</b>	<b>741</b>	<b>(3,952)</b>	<b>1,764</b>
Income tax (expense)/benefit	1,783	706	(144)	-	(492)	-	24	(162)	(2,499)	(784)
<b>Net profit</b>										<b>980</b>

(i) Net revenue received from the benefit funds has been presented as a single line item. See note 2(iii) for further information.

CENTURIA CAPITAL LIMITED AND CONTROLLED ENTITIES

Notes to the Interim Financial Statements

For the half year ended 31 December 2011

8. Operating Segments (cont'd)

Half year ended 31 December 2010

31-Dec-10	Centuria Life \$'000	Benefit Funds (i) \$'000	Insurance \$'000	Commercial Mortgages \$'000	Residential Mortgages \$'000	Mortgageport \$'000	Property Investments \$'000	Property Funds Management \$'000	Corporate \$'000	CONSOLIDATED \$'000
<b>Revenue</b>										
Interest, dividends and other investment income	159	-	-	185	8,453	-	4	22	93	8,916
Management, risk and establishment fees	6,677	-	-	-	(844)	-	-	3,607	-	9,440
Rent and other	-	-	646	33	183	48	1,380	1,380	194	3,864
<b>Total segment revenue</b>	<b>6,836</b>	<b>-</b>	<b>646</b>	<b>218</b>	<b>7,792</b>	<b>48</b>	<b>1,384</b>	<b>5,009</b>	<b>287</b>	<b>22,220</b>
<b>Profit/(loss) before tax</b>	<b>4,299</b>	<b>2,145</b>	<b>502</b>	<b>401</b>	<b>1,058</b>	<b>48</b>	<b>(6,155)</b>	<b>1,877</b>	<b>(4,273)</b>	<b>(98)</b>
Income tax (expense)/benefit	(1,910)	(2,145)	(151)	(120)	(313)	(220)	1,599	(580)	1,394	(2,446)
<b>Net loss</b>										<b>(2,544)</b>

(i) Net revenue received from the benefit funds has been presented as a single line item. The information for 2010 has been restated to be in line with current period's presentation. See note 2(iii) for further information.

9. Assets and liabilities in respect of benefit funds

	31-Dec-11 \$'000	30-Jun-11 \$'000
<b>Assets</b>		
Cash	33,809	19,076
Trade and other receivables	203	866
Financial assets at fair value	438,059	479,690
Income tax receivable	4,969	5,501
Deferred tax assets	3,730	3,831
	<b>480,770</b>	<b>508,964</b>
<b>Liabilities</b>		
Trade and other payables	12	561
Policyholders' funds	479,364	506,539
Deferred tax liabilities	1,394	1,864
	<b>480,770</b>	<b>508,964</b>

10. Subsequent events

On 24 February 2012, the Company declared an interim dividend of 1.25 cents per share franked at 100%. The dividend is expected to be paid on 30 March 2012.

Prior to 31 December 2011, the Company entered into commercial discussions with a party to dispose of its 50% interest in the Mortgageport business. At the date of finalising this financial report, documents in respect of the planned disposal have been drafted and the expectation is that the transaction will proceed shortly. The Company intends to disclose details of the sale to the market once the underlying transaction documents have been executed.

11. Related party transactions

On 29 July 2011, Centuria Life Limited as Trustee for the Centuria Income Accumulation Fund lent \$5.680 million to the Aristocrat Joint Venture for a period of 24 months at a variable rate plus a margin, secured against the assets of the Joint Venture. The Aristocrat Joint Venture is managed by a wholly-owned Centuria Capital Limited entity.