

27/2/2004

Company Announcements Office
 Australian Stock Exchange Limited
 Level 10, Exchange Centre
 20 Bond St
 Sydney NSW 2000

Appendix 4D Report – 31 December 2003

Dear Sir/Madam,

Please find following for release to the market the Company's Appendix 4D - Half Year Report for the six months ending 31 December 2003.

Results for announcement to the market

	First half 2003	First half 2002	Change
Revenues from ordinary activities	5,904,921	7,249,085	-18.5%
Profit/(loss) from ordinary activities after tax attributable to members	162,483	(1,088,541)	+114%
Net profit/(loss) from ordinary activities after tax attributable to members	162,483	(1,088,541)	+114%
Dividends	Nil	Nil	Nil

Yours faithfully

Anthony Begovich
 (Company Secretary)

Wentworth Mutual Limited

ACN 080 167 264

Financial Report for the Half-Year Ended 31 December
2003

Wentworth Mutual Limited

Financial Report
for the Half-Year Ended 31 December 2003

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Wentworth Mutual Limited

Directors' Report

The Directors of Wentworth Mutual Limited submit herewith the financial report for the half-year ended 31 December 2003. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

The names of the Directors of the company during or since the end of the half year are:

Name

Mr Reginald Gillard

Mr Glenn Wheeler

Mr Jong Kan Foo

The above named Directors held office during and since the end of the half year except for:

- Mr Reginald Gillard - resigned 27 February 2004
- Mr David Armstrong - appointed 26 February 2004

Review of operations

The consolidated entity ('Wentworth') recorded a profit of \$162,483 for the half year ending 31 December 2003 compared with a loss of \$1,088,541 for the corresponding period in 2002.

After allowing for one off adjustments the result for the half year was a loss of \$923,012 compared, on a like for like basis, with a loss of \$575,541 for the 2002 half year.

A detailed review of Wentworth's result by individual business segments is set out below.

Property Asset Management business

The Property Asset Management business recorded a loss of \$811,070 for the six months to 31 December 2003 an improvement of 5% on the previous corresponding period's loss of \$849,631. Revenues for the half year, before one off items, rose 59% to \$127,141 compared with the 2002 half year. The result is in line with the business model which forecasts Wentworth to achieve profitability in the latter half of 2004.

Since inception in the second half of 2002 the Property Asset Management business has steadily progressed towards being the pre-eminent company of choice for property asset management services. As an indication of the progress being made by Wentworth revenue earned for the first two months following the current half year alone is expected to be more than \$120,000.

In December 2003 Wentworth finalised the acquisition of two property asset management businesses situated in the south west of Western Australia, which now operate under the name of Wentworth Beach Houses and Country Homes. These strategic acquisitions which include both permanent and holiday rental property accommodation have enabled Wentworth to establish a presence in an area that is experiencing strong growth and has allowed it to tap into the growing holiday market.

Wentworth Mutual Limited

Directors' Report

Property Asset Management business (continued)

In order to provide the service demanded by property owners a new team has been established that is based in Dunsborough in the brand new Dunsborough Centrepoint Shopping Centre on Dunn Bay Road. A separate website has also been created www.wentworthbeachhouses.com to promote these new services and to facilitate bookings.

At the same time Wentworth has, via its subsidiary, also finalised the acquisition and fit out of its new Head Office in Subiaco, Western Australia. The new office is centrally located and provides excellent accessibility for clients and customers as well as providing more efficient and effective service.

The last six months has also seen a continuation of good levels of organic growth via Wentworth's unique innovative 'mutual' ownership acquisition system with net organic growth of more than 38% being achieved.

Another property asset management business located in the Perth metropolitan area was acquired in February 2004 for a consideration of up to \$100,000 which complements the existing operations as well as providing exposure to the management of commercial and strata property assets.

As a result of the acquisitions and the organic growth experienced during the period the Property Asset Management business now has almost 400 properties under management which are estimated to be worth in excess of \$120,000,000.

Seminar and Publishing business

The Seminar and Publishing business, which is operated by Vision Pursuit Pty Ltd, recorded a loss of \$111,943 for the four month period ending 31 October 2003 compared to a loss of \$203,401 for the six month period ending 31 December 2002. On 31 October 2003, following Wentworth's partial sale of its remaining interest in Vision Pursuit Pty Ltd, control effectively passed to third parties.

The intention previously announced by the Board of Directors and approved by shareholders to sell Wentworth's interest in the Seminar and Publishing business was executed during the half year period.

Wentworth received a net cash inflow of \$120,992 from the partial sale of its interest in Vision Pursuit Pty Ltd. An arrangement has also been entered into to sell Wentworth's remaining 16% interest in Vision Pursuit Pty Ltd for \$196,220 which is expected to be finalised during the current financial year.

Wentworth recognised a gain of \$1,085,496 from the sale of Seminar and Publishing business being the proceeds from the disposal and other adjustments to reflect the deconsolidation of Vision Pursuit Pty Ltd from Wentworth's results.

Wentworth Mutual Limited

Directors' Report

Dividends

No dividends have been paid or declared since the start of the half year and the Directors do not recommend the payment of a dividend in respect of the half year ended 31 December 2003.

Signed in accordance with a resolution of Directors.

On behalf of the Directors



Glenn Wheeler
Director

Perth, 26 February 2004

INDEPENDENT REVIEW REPORT TO THE MEMBERS
OF WENTWORTH MUTUAL LIMITED

Scope

We have reviewed the financial report of Wentworth Mutual Limited for the half-year ended 31 December 2003 as set out on pages 5 to 14. The financial report includes the consolidated financial statements of the consolidated entity comprising the disclosing entity and the entities it controlled at the end of the half-year or from time to time during the half-year. The disclosing entity's directors are responsible for the financial report. We have performed an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 1029 "Interim Financial Reporting" and other mandatory professional reporting requirements in Australia and statutory requirements, so as to present a view which is consistent with our understanding of the consolidated entity's financial position, and performance as represented by the results of its operations and its cash flows, and in order for the disclosing entity to lodge the financial report with the Australian Securities and Investments Commission.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of the entity's personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Statement

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 Wentworth Mutual Limited is not in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2003 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Peter McIver

Peter McIver

Partner

Chartered Accountants

Perth, 26 February 2004

Wentworth Mutual Limited

Directors' Declaration

The Directors declare that:

- (a) the attached financial statements and notes thereto comply with Accounting Standards;
- (b) the attached financial statements and notes thereto give a true and fair view of the financial position and performance of the consolidated entity;
- (c) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001; and
- (d) in the Directors' opinion, 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 the Directors made pursuant to s. 303(5) of the Corporations Act 2001.

On behalf of the Directors


Glenn Wheeler
Director

Perth, 26 February 2004

Wentworth Mutual Limited

Consolidated Statement of Financial Performance for the Half-Year Ended 31 December 2003

	Note	Half-Year Ended 31 December 2003 \$	Half-Year Ended 31 December 2002 \$
Revenue from ordinary activities	2	6,316,141	7,249,085
Employee benefits expense		(1,070,835)	(1,081,744)
Depreciation and amortisation expense		(159,888)	(258,920)
Borrowing costs		(52,559)	(41,206)
Other expenses from ordinary expenses	2	(4,870,979)	(7,061,246)
<i>Profit/(Loss) from ordinary activities before income tax expense</i>		161,880	(1,194,032)
Income tax expense relating to ordinary activities		-	-
<i>Net Profit/(Loss)</i>		161,880	(1,194,032)
Net Profit/(Loss) attributable to outside equity interests		(603)	(105,491)
<i>Net Profit/(Loss) attributable to members of the parent entity</i>		162,483	(1,088,541)
Increase/(decrease) in asset revaluation reserve arising on revaluation of non-current assets		105,000	-
<i>Total revenue, expense and valuation adjustments attributable to members of the parent entity recognised directly in equity</i>		105,000	-
<i>Total changes in equity other than those resulting from transactions with owners as owners</i>		267,483	(1,088,541)
<i>Earnings per share:</i>			
Basic (cents per share)		0.09	(0.71)
Diluted (cents per share)		0.09	(0.71)

Wentworth Mutual Limited

Consolidated Statement of Financial Position as at 31 December 2003

	Note	31 December 2003 \$	30 June 2003 \$
<i>Current assets</i>			
Cash assets		310,635	582,674
Receivables		43,943	695,492
Inventories		-	98,447
Other financial assets		398,517	176,598
Investments		196,220	-
Other		20,953	625,893
<i>Total Current assets</i>		970,268	2,178,704
<i>Non-Current assets</i>			
Property, plant and equipment		2,220,669	365,786
Intangibles		894,184	1,449,455
<i>Total Non-Current assets</i>		3,114,853	1,815,241
<i>Total Assets</i>		4,085,121	3,993,945
<i>Current liabilities</i>			
Payables		583,652	1,366,321
Interest-bearing liabilities		80,384	-
Provisions		26,676	152,259
Other		75,432	1,257,329
<i>Total Current liabilities</i>		766,144	2,775,909
<i>Non-Current liabilities</i>			
Interest-bearing liabilities		3,190,125	829,858
<i>Total Non-Current liabilities</i>		3,190,125	829,858
<i>Total liabilities</i>		3,956,269	3,605,767
<i>Net assets</i>		128,852	388,178
<i>Equity</i>			
Contributed equity	3	9,008,390	8,802,489
Reserves		105,000	-
Accumulated losses		(8,991,234)	(9,153,717)
Parent entity interest		122,156	(351,228)
Outside equity interest		6,696	739,406
<i>Total Equity</i>		128,852	388,178

Wentworth Mutual Limited

Consolidated Statement of Cash Flows for the Half-Year Ended 31 December 2003

Note	Inflows/(Outflows)	
	Half-Year Ended 31 December 2003 \$	Half-Year Ended 31 December 2002 \$
<i>Cash Flows from operating activities</i>		
Receipts from customers	3,827,246	7,241,546
Payments to suppliers and employees	(5,020,317)	(8,475,192)
Interest and other items of similar nature received	3,462	2,137
Interest and other costs of finance paid	(45,490)	(41,135)
Net cash provided by/(used in) operating activities	(1,235,099)	(1,272,644)
<i>Cash Flows from investing activities</i>		
Proceeds on sale of investment securities	120,992	-
Payment for intangible assets	(43,890)	(198,125)
Payment for property, plant and equipment	(1,933,719)	(40,531)
Net cash provided by/(used in) investing activities	(1,856,617)	(238,656)
<i>Cash Flows from financing activities</i>		
Proceeds from issues of equity securities	255,000	999,920
Payment for share issue costs	-	(103,897)
Proceeds from issue of debt securities	634,227	-
Payment for debt issue costs	(26,201)	-
Proceeds from borrowings	1,957,021	245,000
Repayment of borrowings	(370)	(145,000)
Other	-	1,159
Net cash provided by/(used in) financing activities	2,819,677	1,046,179
<i>Net Increase/(Decrease) in cash held</i>	(272,039)	(465,121)
<i>Cash at the beginning of the half-year</i>	582,674	626,053
<i>Cash at the end of the half-year</i>	310,635	160,932

Wentworth Mutual Limited

Notes to the Financial Statements for the Half-Year Ended 31 December 2003

1. Basis of preparation

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 1029 "Interim Financial Reporting". The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the 2003 Annual Financial Report.

Significant accounting policies

The accounting policies adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the 2003 Annual Financial Report except for note 1 (b).

(a) Going concern

The consolidated entity has recorded a profit of \$162,483 for the half year ending 31 December 2003. It has however incurred net cash outflows from operating activities of \$1,235,099.

Notwithstanding this, the Directors have formed the view that the going concern basis of preparation is appropriate for the following reasons:

- The parent entity has previously raised approximately \$800,000 by way of a Convertible Note issue and a further raising of up to \$1,200,000 is anticipated by the end of the financial year;
- Revenue is expected to increase substantially in the Property Asset Management business as a result of recent acquisitions and a continuation of the organic growth of property assets under management experienced during the period. In addition, revenue is also expected to increase from the finalisation of a number of strategic acquisitions that are either currently being negotiated or to be negotiated over the next twelve months;
- The sale of the consolidated entity's remaining interest in Vision Pursuit Pty Ltd for approximately \$196,000. The sale is expected to be completed by the end of the current financial year;
- A loan of approximately \$120,000 to Vision Pursuit Pty Ltd is expected to be repaid over the next twelve months; and
- Additional financing of up to \$2,000,000 via a combination of equity, debt securities and third party financing.

Wentworth Mutual Limited
Notes to the Financial Statements
for the Half-Year Ended 31 December 2003

(b) Property assets under management

Property assets under management are measured on the fair value basis. Fair value is determined on the basis of an independent valuation prepared by external valuation experts, based on discounted cash flows or capitalisation of net income (as appropriate), and does not take capital gains tax into account. The fair values are recognised in the financial statements of the consolidated entity, and are reviewed at the end of each reporting period to ensure that the carrying value of property assets under management is not materially different from their fair values.

Revaluation increments and decrements arising from recognising property assets under management at their fair values are offset against one another within the class of assets. Net revaluation increments in the carrying amounts of property assets under management are recognised directly in the asset revaluation reserve, except to the extent that the increment reverses a decrement that was previously recognised as an expense in net profit or loss in respect of the same class of assets, in which case the increment is recognised as revenue in net profit or loss. Net revaluation decrements in the carrying amounts of property assets under management are recognised as an expense in net profit or loss, except to the extent that the decrement reverses a previous revaluation increment in respect of the same class of assets credited directly to the asset revaluation reserve, in which case the decrement is debited directly to the reserve to the extent that a credit exists in respect of the same class of assets.

Change in accounting policy for the measurement of property assets under management

The policy of revaluation was adopted with effect from 1 July 2003. The previous policy was to carry property assets under management in the financial statements at cost and amortise on a straight line basis over a maximum period of 20 years. The new policy was adopted to provide more relevant information about property assets under management.

The change in the accounting policy resulted in an increase of \$105,000 in the carrying amount of property assets under management as at 31 December 2003 with a corresponding increase in the asset revaluation reserve, total assets, net assets and total equity. The change had no effect on revenues or expenses in the statement of financial performance.

The effect of the change in the accounting policy on the results of prior periods was negligible.

Wentworth Mutual Limited

Notes to the Financial Statements for the Half-Year Ended 31 December 2003

	Half-Year Ended 31 December 2003 \$	Half-Year Ended 31 December 2002 \$
2. Profit/(Loss) from ordinary activities		
Revenue		
<i>Operating revenue:</i>		
Rendering of services	4,994,049	7,036,181
Sale of goods	226,880	209,536
	5,220,929	7,245,717
Interest revenue	9,716	3,368
	5,230,645	7,249,085
<i>Non-Operating revenue:</i>		
Gain on sale and deconsolidation of controlled entity	1,085,496	-
	6,316,141	7,249,085
Expenses		
<i>Other expenses from operating activities:</i>		
Cost of sales	3,656,609	7,019,342
Operating lease rental expense	176,235	195,796
Other administrative expenses	1,038,135	1,123,649
	4,870,979	7,061,246
	31 December 2003 \$	30 June 2003 \$
3. Equity		
Contributed equity		
190,290,187 fully paid ordinary shares (30 June: 177,964,310)	9,008,390	8,802,489
Fully paid ordinary shares		
Balance at beginning of financial year/period	8,802,489	7,564,107
Share issues	105,595	1,279,920
Less: share issue costs	(9,094)	(132,338)
Shares issued to employees	109,400	90,800
Balance at end of year	9,008,390	8,802,489

Wentworth Mutual Limited

Notes to the Financial Statements for the Half-Year Ended 31 December 2003

	31 December 2003 \$	30 June 2003 \$
3. Equity		
Fully paid ordinary shares		
Balance at beginning of financial year/period	177,964,310	102,490,000
Share issues	4,325,877	70,974,310
Shares issued to employees	8,000,000	4,500,000
Balance at end of year	<u>190,290,187</u>	<u>177,964,310</u>
4. Net tangible assets per security		
Net Tangible Assets per Security *	<u>(0.001)</u>	<u>(0.003)</u>

* Net tangible assets per security includes the capitalised costs associated with the acquisition of property assets under management.

5. Significant transactions

Property Asset Management acquisitions

In December 2003 two property asset management businesses located in the south west of Western Australia were acquired from third parties for a consideration of up to \$175,000.

Acquisition of premises

The Company's subsidiary Wentworth Mutual Holdings Pty Ltd finalised the acquisition of the group's new head office in Subiaco during December 2003 for \$1.65 million. The acquisition was financed via a combination of cash, convertible notes and loan funds.

Sale of Vision Pursuit Pty Ltd

During the period the company finalised the sale of part of its remaining interest in Vision Pursuit Pty Ltd for a net cash inflow of cash consideration of \$120,992. The sale resulted in credit to the Statement of Financial Performance of \$1,085,496.

The company has entered into an arrangement to sell its remaining 16% interest in Vision Pursuit Pty Ltd for \$196,220. The sale is expected to be finalised during the current financial year.

Wentworth Mutual Limited

Notes to the Financial Statements for the Half-Year Ended 31 December 2003

6. Subsequent events

Property Asset Management acquisitions

In February 2004 the Company's subsidiary Wentworth Mutual Investment Management Pty Ltd acquired from third parties a property asset management business located in Perth Western Australia for a consideration of up to \$100,000.

7. Segment information

	Seminar & Publishing		Property Asset Management		Unallocated		Eliminations		Total	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Total operating revenue	5,104	7,141	127	108	1,085	-	-	-	6,316	7,249
Segment result	(112)	(203)	(811)	(850)	1,085	(141)	-	-	162	(1,194)

The Consolidated entity operates its businesses in Australia.

8. Changes in the Composition of the Consolidated Entity

Controlled entities

Name of Entity	Principal Activity	Date of Acquisition	Ownership interest		Cost of Acquisition \$
			2003 %	2002 %	
Wentworth Mutual Investment Management Pty Ltd	Property Management Asset	15/7/2002	100	100	1
Wentworth Beach Houses and Country Homes Pty Ltd	Property Management Asset	28/8/2003	100	-	1
Wentworth Mutual Holdings Pty Ltd	Holding	13/8/2003	94	-	150,000
Subiaco Property Securities Pty Ltd	Financial	20/11/2003	100	-	1
Vision Pursuit Pty Ltd	Seminar & Publishing	1/12/2000	16	40	196,220

Wentworth Mutual Limited

Notes to the Financial Statements for the Half-Year Ended 31 December 2003

9. Contingent Liabilities

Litigation

In September 2003 the Goodwill Group Pty Ltd (a minority shareholder of Vision Pursuit Pty Ltd) commenced proceedings against Wentworth Mutual Limited and Vision Pursuit Pty Ltd (a related company) regarding the validity of approximately 7% of Wentworth Mutual Limited's sale of a 25% shareholding in Vision Pursuit Pty Ltd during the financial year ending 30 June 2003. On advice from the Company's solicitors the Directors continue to believe that there is no basis for the claim and will defend any action should it proceed.