

# WAM LEADERS LIMITED

ABN 33 611 053 751

## Appendix 4D Half Year Report

for the half year ended 31 December 2019

### Results for Announcement to the Market

All comparisons to the half year ended 31 December 2018

|  | \$         | up/down | % mvmt |
|--|------------|---------|--------|
| Revenue from ordinary activities                             | 66,667,704 | up      | 212.7% |
| Profit from ordinary activities before income tax expense    | 56,246,150 | up      | 185.8% |
| Net profit from ordinary activities after income tax expense | 43,336,027 | up      | 201.9% |

| Dividend information                  | Cents per share | Franked amount per share | Tax rate for franking |
|---------------------------------------|-----------------|--------------------------|-----------------------|
| 2020 Interim dividend cents per share | 3.25c           | 3.25c                    | 30%                   |
| 2019 Final dividend cents per share   | 3.0c            | 3.0c                     | 30%                   |

#### Interim dividend dates

|                                |               |
|--------------------------------|---------------|
| Ex dividend date               | 15 April 2020 |
| Record date                    | 16 April 2020 |
| Last election date for the DRP | 20 April 2020 |
| Payment date                   | 28 April 2020 |

#### Dividend Reinvestment Plan

The Dividend Reinvestment Plan ("DRP") is in operation and the recommended fully franked interim dividend of 3.25 cents per share qualifies. Participating shareholders will be entitled to be allotted the number of shares (rounded to the nearest whole number) which the cash dividend would purchase at the relevant issue price. The relevant issue price will be calculated as the VWAP (volume weighted average market price) of shares sold on the ASX over the four trading days commencing on the ex-dividend date for the relevant dividend.

|  | 31 Dec 19 | 31 Dec 18 |
|--|-----------|-----------|
| Net tangible asset backing (after tax) per share | \$1.25    | \$1.10    |

This report is based on the Half Year Financial Report which has been subject to independent review by the Auditors, Pitcher Partners. All the documents comprise the information required by Listing Rule 4.2A. This information should be read in conjunction with the 30 June 2019 Annual Financial Report.



W | A | M *Leaders*

# Financial Report

For the half year ended 31 December 2019

ABN 33 611 053 751

# WAM Leaders Limited

WAM Leaders Limited (WAM Leaders or the Company) is a listed investment company and is a reporting entity. It is primarily an investor in equities listed on the Australian Securities Exchange.

## Directors

Geoff Wilson AO (Chairman)  
Lindsay Mann  
Melinda Snowden  
Ross Finley  
Kate Thorley

## Company Secretary

Linda Vo

## Investment Manager

MAM Pty Limited  
Level 26, Governor Phillip Tower  
1 Farrer Place  
Sydney NSW 2000  
(part of Wilson Asset Management)

## Auditor

Pitcher Partners

## Country of Incorporation

Australia

## Registered Office

Level 26, Governor Phillip Tower  
1 Farrer Place  
Sydney NSW 2000

## Contact Details

Postal Address: GPO Box 4658  
Sydney NSW 2001  
T: (02) 9247 6755  
F: (02) 9247 6855  
E: [info@wilsonassetmanagement.com.au](mailto:info@wilsonassetmanagement.com.au)  
W: [wilsonassetmanagement.com.au](http://wilsonassetmanagement.com.au)

## Share Registry

Boardroom Pty Limited  
Level 12, 225 George Street  
Sydney NSW 2000  
T: (02) 9290 9600  
F: (02) 9279 0664

For enquiries relating to shareholdings, dividends (including participation in the dividend reinvestment plan) and related matters, please contact the share registry.

## Australian Securities Exchange

WAM Leaders Limited  
Ordinary Shares (WLE)

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## Directors' Report to shareholders for the half year ended 31 December 2019

The Directors present their report together with the financial report of WAM Leaders Limited for the half year ended 31 December 2019.

### Directors

The following persons were Directors of the Company during the financial period and up to the date of this report:

Geoff Wilson AO (Chairman – Non-independent)

Lindsay Mann (Director – Independent)

Melinda Snowden (Director – Independent)

Ross Finley (Director – Independent)

Kate Thorley (Director – Non-independent)

### Principal activity

The principal activity of the Company is making investments in listed companies. The Company's investment objectives are to deliver a stream of fully franked dividends, provide capital growth and preserve capital. No change in this activity took place during the period or is likely in the future.

### Operating and financial review

Investment operations during the half year resulted in an operating profit before tax of \$56,246,150 (2018: operating loss before tax of \$65,548,853) and an operating profit after tax of \$43,336,027 (2018: operating loss after tax of \$42,538,647). The profit for the period is reflective of the solid investment portfolio performance over the six months to 31 December 2019. The investment portfolio increased 6.6% in the six months to December 2019, outperforming the S&P/ASX 200 Accumulation Index by 3.5%.

The operating profit for the period includes unrealised gains or losses arising from changes in the market value of the investments held in the portfolio during the period. This movement in the market value of investments can add to or reduce the realised gains and losses on the investment portfolio and other revenue from operating activities (such as dividend and interest income) in each period. Because of this treatment under the Accounting Standards, this can cause large variations in reported operating profits between periods.

The operating profit or loss for each financial period is reflective of the underlying investment portfolio performance and is important to understand with context to the overall performance of equity markets in any given period. As a result, we believe the more appropriate measures of the financial results for the period are the investment portfolio performance, the change in net tangible assets (NTA) and fully franked dividends, together with total shareholder return.

WAM Leaders' NTA before tax increased 4.0% for the six months to 31 December 2019, including the 3.0 cents per share fully franked dividend paid to shareholders during the period. This increase is after corporate tax paid of 2.1 cent per share or 1.7% during the period. Corporate tax payments made throughout the period were the major item of difference between the investment portfolio performance of 6.6% and the NTA performance. The franking credits attached to corporate tax payments are available for distribution to shareholders through fully franked dividends. Other items contributing to

the change in value of the assets during the period were management fees of 0.5%, performance fee accrued of 0.3% and other company related expenses of 0.1%.

The NTA before tax as at 31 December 2019 amounted to \$1.28 per share (June 2019: \$1.26). The NTA after tax was \$1.25 per share (June 2019: \$1.22). These figures are after the record 3.0 cents per share fully franked final dividend paid to shareholders during the period.

The total shareholder return for the Company for the period to 31 December 2019 was 13.6%. This was reflective of WAM Leaders' solid investment portfolio performance and the reduction in the share price discount to NTA. As at 31 December 2019, the share price discount to NTA was 4.4% (June 2019: discount of 12.4%). This measure does not value the potential benefit of franking credits distributed to shareholders through fully franked dividends.

### **Dividends**

The Board declared a fully franked interim dividend of 3.25 cents per share, representing a 22.6% increase on the FY2019 fully franked interim dividend, to be paid on 28 April 2020. A fully franked final dividend of 3.0 cents per share was paid during the period. Since inception in May 2016, WAM Leaders has paid 13.65 cents per share in fully franked dividends to shareholders.

The Board is committed to paying an increasing stream of fully franked dividends to shareholders, provided the Company has sufficient profits reserve and franking credits and it is within prudent business practices.

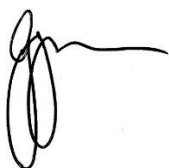
### **Rounding of amounts to nearest dollar**

In accordance with ASIC Corporations (rounding in Directors' Reports) Instrument 2016/191, the amounts in the Directors' Report have been rounded to the nearest dollar, unless otherwise indicated.

### **Auditor's independence declaration**

A copy of the Auditors' Independence Declaration as required under Section 307C of the *Corporations Act 2001* in relation to the review for the half year is set out on page 6 of this Financial Report.

Signed in accordance with a resolution of the Board of Directors.



**Geoff Wilson AO**  
**Chairman**

Dated in Sydney this 7<sup>th</sup> day of February 2020

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201 Sussex Street  
Sydney NSW 2000

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GPO Box 1615  
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**Auditor's Independence Declaration  
To the Directors of WAM Leaders Limited  
ABN 33 611 053 751**

In relation to the independent auditor's review of WAM Leaders Limited for the half year ended 31 December 2019, to the best of my knowledge and belief there have been:

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



**S M Whiddett**  
Partner

**Pitcher Partners**  
Sydney

7 February 2020

## Statement of comprehensive income for the half year ended 31 December 2019

|  | Note | December 2019<br>\$ | December 2018<br>\$ |
|--|------|---------------------|---------------------|
| Net realised and unrealised gains/(losses) on financial assets               |      | 50,729,479          | (75,018,608)        |
| Other revenue from operating activities                                      | 2    | 15,938,225          | 15,876,652          |
| Management fees  |      | (5,176,019)         | (4,227,640)         |
| Performance fees   |      | (2,631,108)         | -                   |
| Directors fees   |      | (62,500)            | (45,000)            |
| Brokerage expense on share purchases   |      | (1,811,099)         | (1,656,516)         |
| Expenses paid on borrowed stock  |      | (222,194)           | (51,209)            |
| Custody fees   |      | (44,191)            | (39,447)            |
| ASX listing and chess fees   |      | (119,276)           | (109,857)           |
| Share registry fees  |      | (76,112)            | (76,321)            |
| Disbursements, mailing and printing  |      | (111,201)           | (72,497)            |
| ASIC industry funding levy   |      | (18,793)            | -                   |
| Other expenses from ordinary activities                                      |      | (149,061)           | (128,410)           |
| <b>Profit/(loss) before income tax</b>                                       |      | <b>56,246,150</b>   | <b>(65,548,853)</b> |
| Income tax (expense)/benefit   |      | (12,910,123)        | 23,010,206          |
| <b>Profit/(loss) after income tax attributable to members of the Company</b> | 6    | <b>43,336,027</b>   | <b>(42,538,647)</b> |
| <b>Other comprehensive income</b>  |      |                     |                     |
| Other comprehensive income for the period, net of tax                        |      | -                   | -                   |
| <b>Total comprehensive income/(loss) for the period</b>                      |      | <b>43,336,027</b>   | <b>(42,538,647)</b> |
| <b>Basic and diluted earnings/(loss) per share</b>                           |      | <b>5.52 cents</b>   | <b>(6.05) cents</b> |

The accompanying notes form part of these financial statements.

## Statement of financial position as at 31 December 2019

|                                      | Note | December 2019<br>\$  | June 2019<br>\$      |
|--------------------------------------|------|----------------------|----------------------|
| <b>Current assets</b>                |      |                      |                      |
| Cash and cash equivalents            |      | 63,200,809           | 103,286,855          |
| Trade and other receivables          |      | 6,821,182            | 20,593,122           |
| Financial assets                     | 7    | 942,415,397          | 916,086,548          |
| <b>Total current assets</b>          |      | <b>1,012,437,388</b> | <b>1,039,966,525</b> |
| <b>Non-current assets</b>            |      |                      |                      |
| Deferred tax assets                  |      | 493,431              | 499,099              |
| <b>Total non-current assets</b>      |      | <b>493,431</b>       | <b>499,099</b>       |
| <b>Total assets</b>                  |      | <b>1,012,930,819</b> | <b>1,040,465,624</b> |
| <b>Current liabilities</b>           |      |                      |                      |
| Financial liabilities                | 7    | -                    | 11,098,328           |
| Trade and other payables             |      | 4,087,010            | 37,747,526           |
| Current tax liabilities              |      | 7,120,121            | 11,838,485           |
| <b>Total current liabilities</b>     |      | <b>11,207,131</b>    | <b>60,684,339</b>    |
| <b>Non-current liabilities</b>       |      |                      |                      |
| Deferred tax liabilities             |      | 20,198,648           | 19,514,460           |
| <b>Total non-current liabilities</b> |      | <b>20,198,648</b>    | <b>19,514,460</b>    |
| <b>Total liabilities</b>             |      | <b>31,405,779</b>    | <b>80,198,799</b>    |
| <b>Net assets</b>                    |      | <b>981,525,040</b>   | <b>960,266,825</b>   |
| <b>Equity</b>                        |      |                      |                      |
| Issued capital                       | 4    | 860,467,439          | 859,028,500          |
| Profits reserve                      | 5    | 132,030,073          | 101,808,668          |
| Accumulated losses                   | 6    | (10,972,472)         | (570,343)            |
| <b>Total equity</b>                  |      | <b>981,525,040</b>   | <b>960,266,825</b>   |

The accompanying notes form part of these financial statements.



## Statement of changes in equity for the half year ended 31 December 2019

|  | Note | Issued capital<br>\$ | Accumulated losses<br>\$ | Profits reserve<br>\$ | Total equity<br>\$ |
|--|------|----------------------|--------------------------|-----------------------|--------------------|
| <b>Balance at 1 July 2018</b>                |      | <b>768,405,765</b>   | <b>(570,343)</b>         | <b>68,621,380</b>     | <b>836,456,802</b> |
| Loss for the half year                       |      | -                    | (42,538,647)             | -                     | (42,538,647)       |
| Transfer to profits reserve                  |      | -                    | (7,293,438)              | 7,293,438             | -                  |
| Other comprehensive income for the half year |      | -                    | -                        | -                     | -                  |
| <b>Transaction with owners:</b>              |      |                      |                          |                       |                    |
| Shares issued via dividend reinvestment plan | 4(b) | 1,051,607            | -                        | -                     | 1,051,607          |
| Dividends paid                               | 3(a) | -                    | -                        | (17,580,103)          | (17,580,103)       |
| <b>Balance at 31 December 2018</b>           |      | <b>769,457,372</b>   | <b>(50,402,428)</b>      | <b>58,334,715</b>     | <b>777,389,659</b> |
| <b>Balance at 1 July 2019</b>                |      | <b>859,028,500</b>   | <b>(570,343)</b>         | <b>101,808,668</b>    | <b>960,266,825</b> |
| Profit for the half year                     |      | -                    | 43,336,027               | -                     | 43,336,027         |
| Transfer to profits reserve                  | 5    | -                    | (53,738,156)             | 53,738,156            | -                  |
| Other comprehensive income for the half year |      | -                    | -                        | -                     | -                  |
| <b>Transaction with owners:</b>              |      |                      |                          |                       |                    |
| Shares issued via dividend reinvestment plan | 4(b) | 1,438,939            | -                        | -                     | 1,438,939          |
| Dividends paid                               | 3(a) | -                    | -                        | (23,516,751)          | (23,516,751)       |
| <b>Balance at 31 December 2019</b>           |      | <b>860,467,439</b>   | <b>(10,972,472)</b>      | <b>132,030,073</b>    | <b>981,525,040</b> |

The accompanying notes form part of these financial statements.

## Statement of cash flows for the half year ended 31 December 2019

|  | Note | December 2019<br>\$ | December 2018<br>\$ |
|--|------|---------------------|---------------------|
| <b>Cash flows from operating activities</b>                  |      |                     |                     |
| Proceeds from sale of investments                            |      | 1,809,296,414       | 1,500,816,770       |
| Payments for purchase of investments                         |      | (1,822,652,316)     | (1,506,708,464)     |
| Dividends received   |      | 17,062,003          | 16,978,445          |
| Interest received  |      | 546,480             | 965,420             |
| Other investment income received                             |      | 2,422,192           | 458,486             |
| Management fee (GST inclusive)                               |      | (5,536,505)         | (4,621,780)         |
| Performance fee (GST inclusive)                              |      | -                   | (3,561,265)         |
| Brokerage expense on share purchases (GST inclusive)         |      | (1,943,239)         | (1,777,725)         |
| Payments for administration expenses (GST inclusive)         |      | (806,439)           | (616,857)           |
| Income tax paid  |      | (16,938,631)        | (6,955,938)         |
| GST on brokerage expense on share sales                      |      | (137,988)           | (120,108)           |
| Net GST received from the ATO                                |      | 679,795             | 816,284             |
| <b>Net cash used in operating activities</b>                 |      | <b>(18,008,234)</b> | <b>(4,326,732)</b>  |
| <b>Cash flows from financing activities</b>                  |      |                     |                     |
| Dividends paid – net of reinvestment                         |      | (22,077,812)        | (16,528,497)        |
| <b>Net cash used in financing activities</b>                 |      | <b>(22,077,812)</b> | <b>(16,528,497)</b> |
| <b>Net decrease in cash and cash equivalents held</b>        |      | <b>(40,086,046)</b> | <b>(20,855,229)</b> |
| Cash and cash equivalents at the beginning of the half year  |      | 103,286,855         | 119,611,538         |
| <b>Cash and cash equivalents at the end of the half year</b> |      | <b>63,200,809</b>   | <b>98,756,309</b>   |
| <b>Non- cash transactions:</b>                               |      |                     |                     |
| Shares issued via dividend reinvestment plan                 |      | 1,438,939           | 1,051,607           |

The accompanying notes form part of these financial statements.

# Notes to the financial statements for the half year ended 31 December 2019

## 1. Summary of significant accounting policies

These interim financial statements and notes for the half year represent those of WAM Leaders Limited.

The half year financial report was authorised for issue on 7 February 2020 by the Board of Directors.

### Basis of preparation

The half year financial statements are general purpose financial statements that have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34: *Interim Financial Reporting*.

The half year report does not include full disclosures of the type normally included in an annual financial report. It is recommended that the half year financial report be read in conjunction with the Annual Financial Report for the year ended 30 June 2019 and any public announcements made by the Company during the half year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical cost with the exception of certain financial assets and liabilities that have been measured at fair value.

In accordance with ASIC Corporations (rounding in financial reports) Instrument 2016/191, the amounts in the financial report have been rounded to the nearest dollar, unless otherwise indicated.

The accounting policies have been consistently applied by the Company throughout the period and are consistent with those applied in the 30 June 2019 Annual Financial Report.

## 2. Other revenue

|                              | December 2019<br>\$ | December 2018<br>\$ |
|------------------------------|---------------------|---------------------|
| Australian sourced dividends | 13,783,695          | 13,644,910          |
| Trust distributions          | 1,569,116           | 1,189,860           |
| Interest                     | 461,490             | 935,061             |
| Foreign sourced dividends    | 123,924             | 13,763              |
| Underwriting fees            | -                   | 93,058              |
|                              | <b>15,938,225</b>   | <b>15,876,652</b>   |

### 3. Dividends

#### a) Ordinary dividends paid during the period

|   | December 2019<br>\$ | December 2018<br>\$ |
|---|---------------------|---------------------|
| Final Dividend FY2019: 3.0 cents per share fully franked at 30% tax rate paid<br>25 October 2019 (Final dividend FY2018: 2.5 cents per share fully franked) | <b>23,516,751</b>   | <b>17,580,103</b>   |

#### b) Dividends not recognised at period end

|  | December 2019<br>\$ | December 2018<br>\$ |
|--|---------------------|---------------------|
| Since the end of the period, the Directors have declared a fully franked interim dividend of 3.25 cents per share payable on 28 April 2020 (Interim dividend FY2019: 2.65 cents per share fully franked) | <b>25,517,141</b>   | <b>20,743,042</b>   |

### 4. Issued capital

#### a) Paid-up capital

|   | December 2019<br>\$ | June 2019<br>\$    |
|---|---------------------|--------------------|
| 785,142,815 ordinary shares fully paid (June 2019: 783,890,791) | <b>860,467,439</b>  | <b>859,028,500</b> |

#### b) Movement in issued capital

|  | December 2019<br>\$ | June 2019<br>\$    |
|--|---------------------|--------------------|
| Balance at the beginning of the period   | 859,028,500         | 768,405,765        |
| 1,252,024 ordinary shares issued on 25 October 2019<br>under a dividend reinvestment plan  | 1,438,939           | -                  |
| 932,212 ordinary shares issued on 26 October 2018<br>under a dividend reinvestment plan  | -                   | 1,051,607          |
| 78,620,134 ordinary shares issued on 5 March 2019<br>as scrip consideration for the acquisition of Century Australia Investments | -                   | 88,447,651         |
| 1,134,752 ordinary shares issued on 26 April 2019<br>under a dividend reinvestment plan  | -                   | 1,247,337          |
| Share issue costs (net of tax)   | -                   | (123,860)          |
| At reporting date  | <b>860,467,439</b>  | <b>859,028,500</b> |

## 5. Profits reserve

|                 | December 2019<br>\$ | June 2019<br>\$    |
|-----------------|---------------------|--------------------|
| Profits reserve | <b>132,030,073</b>  | <b>101,808,668</b> |

The profits reserve is made up of amounts transferred from current period profit which are preserved for future dividend payments.

|  | December 2019<br>\$ | June 2019<br>\$    |
|--|---------------------|--------------------|
| <b>Movement in profits reserve</b>               |                     |                    |
| Balance at the beginning of the reporting period | 101,808,668         | 68,621,380         |
| Transfer of profits during the period            | 53,738,156          | 71,510,433         |
| Final dividend paid (refer to note 3(a))         | (23,516,751)        | (17,580,103)       |
| Interim dividend paid (refer to note 3(b))       | -                   | (20,743,042)       |
| At reporting date                                | <b>132,030,073</b>  | <b>101,808,668</b> |

## 6. Accumulated losses

|  | December 2019<br>\$ | June 2019<br>\$  |
|--|---------------------|------------------|
| Balance at the beginning of the reporting period             | (570,343)           | (570,343)        |
| Profit for the period attributable to members of the Company | 43,336,027          | 71,510,433       |
| Transfer to profits reserve                                  | (53,738,156)        | (71,510,433)     |
| At reporting date  | <b>(10,972,472)</b> | <b>(570,343)</b> |

## 7. Financial instruments measured at fair value

AASB 13: Fair Value Measurement requires the disclosure of fair value information using a fair value hierarchy reflecting the significance of the inputs in making the measurements. The fair value hierarchy consists of the following levels:

**Level 1:** Quoted prices in active markets for identical assets or liabilities.

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices).

**Level 3:** Inputs for the asset or liability are not based on observable market data (unobservable inputs).

Included within Level 1 of the hierarchy are listed investments. The fair values of these financial assets and liabilities have been based on the closing quoted last prices at the end of the reporting period, excluding transaction costs.

Included within Level 2 of the hierarchy is WAM Leader's investment in an unlisted investment company, Century Australia Investments (CYA). The fair value of the unlisted investment company has been based on its net asset backing, being the underlying residual cash and cash equivalents at the end of the reporting period.

## 7. Financial instruments measured at fair value (cont'd)

The following table presents the Company's financial assets and liabilities measured and recognised at fair value at 31 December 2019:

| 31 December 2019             | Level 1<br>\$      | Level 2<br>\$    | Level 3<br>\$ | Total<br>\$        |
|------------------------------|--------------------|------------------|---------------|--------------------|
| <b>Financial assets</b>      | 939,796,172        | 2,619,225        | -             | 942,415,397        |
| <b>Financial liabilities</b> | -                  | -                | -             | -                  |
| <b>Total</b>                 | <b>939,796,172</b> | <b>2,619,225</b> | <b>-</b>      | <b>942,415,397</b> |

| 30 June 2019                 | Level 1<br>\$      | Level 2<br>\$    | Level 3<br>\$ | Total<br>\$        |
|------------------------------|--------------------|------------------|---------------|--------------------|
| <b>Financial assets</b>      | 913,454,713        | 2,631,835        | -             | 916,086,548        |
| <b>Financial liabilities</b> | (11,098,328)       | -                | -             | (11,098,328)       |
| <b>Total</b>                 | <b>902,356,385</b> | <b>2,631,835</b> | <b>-</b>      | <b>904,988,220</b> |

There were no transfers between Level 1 and Level 2 during the period (June 2019: nil).

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.

## 8. Segment reporting

The Company currently engages in investing activities, including cash, term deposits and equity investments. It has no other reportable business or geographic segments.

## 9. Capital commitments

There were no capital commitments entered into by the Company before period end which settle after period end (June 2019: nil).

## 10. Contingent liabilities

There are no contingent liabilities for the Company as at 31 December 2019 (June 2019: nil).

## 11. Events subsequent to reporting date

Since the end of the period, the Directors declared a fully franked interim dividend of 3.25 cents per share to be paid on 28 April 2020.

No other matter or circumstance has arisen since the end of the period, other than already disclosed, which significantly affect or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial periods.

## Directors' Declaration

The Directors of WAM Leaders Limited declare that:

- 1) The financial statements and notes as set out in pages 7 to 14, are in accordance with the *Corporations Act 2001*, including:
  - a) complying with Australian Accounting Standard AASB 134: *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - b) giving a true and fair view of the financial position of the Company as at 31 December 2019 and of its performance for the period ended on that date.
- 2) 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 Board of Directors.



**Geoff Wilson AO**  
**Chairman**

Dated in Sydney this 7<sup>th</sup> day of February 2020

**Independent Auditor's Review Report  
to the Members of WAM Leaders Limited  
ABN 33 611 053 751****Report on the Half Year Financial Report**

We have reviewed the accompanying half year financial report of WAM Leaders Limited ("the Company"), which comprises the statement of financial position as at 31 December 2019, statement of comprehensive income, statement of changes in equity and statement of cash flows for the half year ended on that date, a summary of significant accounting policies, other selected explanatory notes 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 half year 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 *Corporation Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2019 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 WAM Leaders Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of the half year financial report consists of making enquiries, primarily of persons responsible for the 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 WAM Leaders Limited is not in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 31 December 2019 and of its performance for the half year ended on that date; and
- (ii) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.



**S M Whiddett**  
Partner

7 February 2020



**Pitcher Partners**  
Sydney

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