

# WAM LEADERS LIMITED

ABN 33 611 053 751

## Appendix 4D Half Year Report

for the period from 1 March 2016 (date of incorporation) to 31 December 2016

### Results for Announcement to the Market

\$

Revenue from ordinary activities	29,387,603
Profit from ordinary activities before income tax expense	24,212,185
Net profit from ordinary activities after income tax expense	17,809,974

\*The amount and percentage change up or down from the previous period are not disclosed as this is the first reporting period.

Dividend information	Cents per share	Franked amount per share	Tax rate for franking
2017 Interim dividend cents per share	1.0c	1.0c	30%

#### Interim dividend dates

Ex dividend date	13 April 2017
Record date	18 April 2017
Last election date for the DRP	20 April 2017
Payment date	28 April 2017

#### Dividend Reinvestment Plan

The Dividend Reinvestment Plan ('DRP') is in operation and the recommended fully franked interim dividend of 1.0 cent 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 16

Net tangible asset backing (after tax) per share	\$1.13
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\*The NTA figures are not diluted for the options on issue with an exercise price of \$1.10.

This report is based on the 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.

W | A | M *Leaders*



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**Financial Report**

For the period from 1 March 2016 to 31 December 2016

# 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 (Chairman)  
Lindsay Mann  
Melinda Snowden  
Kate Thorley  
Chris Stott

## Company Secretary

Linda Vo

## Investment Manager

MAM Pty Limited  
Level 11, 139 Macquarie Street  
Sydney NSW 2000

## Auditor

Pitcher Partners

## Country of Incorporation

Australia

## Registered Office

Level 11, 139 Macquarie Street  
Sydney NSW 2000

## Contact Details

Postal Address: GPO Box 4658  
Sydney NSW 2001  
T: (02) 9247 6755  
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E: [info@wilsonassetmanagement.com.au](mailto:info@wilsonassetmanagement.com.au)  
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## 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)  
WAM Leaders Limited  
Options (WLEO)

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## Directors' Report to shareholders for the period ended 31 December 2016

The Directors present their report together with the financial report of WAM Leaders Limited for the period from 1 March 2016 (date of incorporation) to 31 December 2016.

### Directors

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

- Geoff Wilson, Chairman – Non-independent (appointed 1 March 2016)
- Lindsay Mann, Director – Independent (appointed 1 March 2016)
- Melinda Snowden, Director – Independent (appointed 1 March 2016)
- Kate Thorley, Director – Non-independent (appointed 1 March 2016)
- Chris Stott, Director – Non-independent (appointed 1 March 2016)

### Principal activity

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

### Initial Public Offering

The Company concluded its Initial Public Offering ('IPO') in accordance with the Replacement Prospectus dated 18 April 2016. The Company raised \$394.3 million by the issue of 358,463,577 ordinary fully paid shares at an issue price of \$1.10 per share and 358,463,577 attaching options exercisable at \$1.10 per option on or before 17 November 2017. The shares and options were allotted on 24 May 2016. The shares are currently trading under the ASX code WLE and the options under WLEO. At the end of the period, 1,250,800 shares had been allotted from the exercise of options.

The Company was registered with the Australian Securities and Investments Commission (ASIC) on 1 March 2016 and commenced operations on 23 May 2016.

### Operating and financial review

Investment operations during the period resulted in an operating profit before tax of \$24,212,185 and an operating profit after tax of \$17,809,974. Following the \$394.3 million IPO in May 2016, the Company deployed the capital under its research and market-driven investment processes, achieving full investment in August. The investment portfolio has returned 7.1% since commencing operations.

The most appropriate measure of financial results for a listed investment company is the change in Net Tangible Asset (NTA) per share including dividends paid during the period. The after tax NTA increased 3.0% for the first seven months of operations to 31 December 2016. The NTA after tax for each share as at 31 December 2016 amounted to \$1.13 per share. The NTA before tax was \$1.14 per share. There were no dividends paid during the period. The total shareholder return for the Company for the period to 31 December 2016 was 9.2%.

**Dividends paid or recommended**

The Board is committed to paying fully franked dividends to shareholders, provided the Company has sufficient profit reserves and franking credits and it is within prudent business practices. A maiden fully franked interim dividend of 1.0 cent per share has been declared by the Board and will be paid on 28 April 2017.

**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.

**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 period is set out on page 6 of this financial report.

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



**Geoff Wilson**  
**Chairman**

Dated in Sydney this 3<sup>rd</sup> day of February 2017

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF WAM LEADERS LIMITED  
ABN 33 611 053 751**

In relation to the independent auditor's review for the period 1 March 2016 to 31 December 2016, 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.

This declaration is in respect of WAM Leaders Limited during the period.



CHRIS CHANDRAN  
Partner

PITCHER PARTNERS  
Sydney

3 February 2017

## Statement of comprehensive income for the period ended 31 December 2016

	Note	For the period 1 March 2016 to 31 December 2016 \$
Net realised and unrealised gains on financial assets		22,787,326
Other revenue from operating activities	2	6,600,277
Management fees		(2,470,963)
Performance fees		-
Directors' fees		(53,607)
Brokerage expense on share purchases		(1,785,464)
Expenses paid on borrowed stock		(487,125)
Custody fees		(17,145)
ASX listing and chess fees		(134,822)
Share registry fees		(93,307)
Disbursements, mailing and printing		(23,501)
Payroll tax		(2,923)
Other expenses from ordinary activities		(106,561)
<b>Profit before income tax</b>		<b>24,212,185</b>
Income tax expense		(6,402,211)
<b>Profit attributable to members of the Company</b>	<b>6</b>	<b>17,809,974</b>
<b>Other comprehensive income</b>		
Other comprehensive income for the period, net of tax		-
<b>Total comprehensive income for the period</b>		<b>17,809,974</b>
<b>Basic earnings per share</b>		<b>4.96 cents</b>
<b>Diluted earnings per share</b>		<b>4.82 cents</b>

The accompanying notes form part of these financial statements.

## Statement of financial position as at 31 December 2016

	Note	December 2016 \$
<b>Current assets</b>		
Cash and cash equivalents		77,819,505
Trade and other receivables		540,050
Current tax asset		1,129,697
Financial assets		343,399,600
<b>Total current assets</b>		<b>422,888,852</b>
<b>Non-current assets</b>		
Deferred tax assets		1,548,222
<b>Total non-current assets</b>		<b>1,548,222</b>
<b>Total assets</b>		<b>424,437,074</b>
<b>Current liabilities</b>		
Financial liabilities		6,929,678
Trade and other payables		2,302,920
<b>Total current liabilities</b>		<b>9,232,598</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities		6,879,110
<b>Total non-current liabilities</b>		<b>6,879,110</b>
<b>Total liabilities</b>		<b>16,111,708</b>
<b>Net assets</b>		<b>408,325,366</b>
<b>Equity</b>		
Issued capital	4	390,515,392
Reserves	5	17,809,974
Retained earnings	6	-
<b>Total equity</b>		<b>408,325,366</b>

The accompanying notes form part of these financial statements.



## Statement of changes in equity for the period ended 31 December 2016

	Note	Issued capital \$	Retained earnings \$	Profit reserve \$	Total equity \$
<b>Balance at 1 March 2016</b>		-	-	-	-
Profit for the period		-	17,809,974	-	17,809,974
Transfer to profit reserve		-	(17,809,974)	17,809,974	-
Other comprehensive income for the period		-	-	-	-
Transaction with owners:					
Share issued on incorporation	4(b)	1	-	-	1
Shares issued via initial public offering	4(b)	394,309,934	-	-	394,309,934
Shares issued via exercise of options	4(b)	1,375,880	-	-	1,375,880
Share issue costs (net of tax)	4(b)	(5,170,423)	-	-	(5,170,423)
<b>Balance at 31 December 2016</b>		<b>390,515,392</b>	<b>-</b>	<b>17,809,974</b>	<b>408,325,366</b>

The accompanying notes form part of these financial statements.

## Statement of cash flows for the period ended 31 December 2016

	For the period 1 March 2016 to 31 December 2016 \$
Note	
<b>Cash flows from operating activities</b>	
Proceeds from sale of investments	878,784,405
Payments for purchase of investments	(1,190,679,438)
Dividends received	3,921,329
Interest received	1,826,209
Other investment income received	456,013
Management fees (inclusive of GST)	(2,273,278)
Brokerage expense on share purchases (inclusive of GST)	(1,915,570)
Payments for administration expenses (inclusive of GST)	(1,281,257)
GST on brokerage expense on share sales	(83,410)
Net GST received from the ATO	750,130
<b>Net cash used in operating activities</b>	<b>(310,494,867)</b>
<b>Cash flows from financing activities</b>	
Proceeds from issue of shares	395,685,815
Payments for issue of shares	(7,371,443)
<b>Net cash provided by financing activities</b>	<b>388,314,372</b>
<b>Net increase in cash and cash equivalents held</b>	<b>77,819,505</b>
Cash and cash equivalents at the beginning of the period	-
<b>Cash and cash equivalents at the end of the period</b>	<b>77,819,505</b>

The accompanying notes form part of these financial statements

## Notes to the financial statements for the period ended 31 December 2016

### 1. Summary of significant accounting policies

WAM Leaders Limited was incorporated in Australia on 1 March 2016.

The registered office of the Company is located at Level 11, 139 Macquarie Street, Sydney NSW 2000.

The financial report for the period 1 March 2016 to 31 December 2016 was authorised for issue on 3<sup>rd</sup> February 2017 by the Board of Directors.

The Company was registered with the Australian Securities and Investments Commission (ASIC) on 1 March 2016 and commenced operations on 23 May 2016. In accordance with section 323D(5) of the *Corporations Act 2001* ('Act'), a half year for a company is the first six months of a financial year and there are related reporting requirements imposed under the Act. Therefore under the Act the Company's first half year ended on 1 September 2016 and the Company is required to prepare audit review accounts for the period. The requirements with respect to the Company's first half year create the need for two sets of half year reports; one for the period from 1 March 2016 to 1 September 2016 and another for the period from 1 March 2016 to 31 December 2016. The Company's view is that two sets of accounts partially overlapping the same periods could cause confusion with regard to the Company's financial position and performance. On 7 April 2016 ASIC granted the Company's application requesting relief from the reporting requirements under the Act for the period ending 1 September 2016. As a result of the ASIC relief, the Company has prepared and will lodge one financial report for the period 1 March 2016 to 31 December 2016 and the Company's first annual report will be issued in respect of the period commencing 1 March 2016 and ending on 30 June 2017.

### Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standard AASB 134: *Interim Financial Reporting*, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The report for the financial period does not include full disclosures of the type normally included in an annual financial report. It is recommended that the financial report be read in conjunction with any public announcements made by the Company during the interim reporting period in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

Australian Accounting Standards set out the accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the Company's financial statements and notes also comply with International Financial Reporting Standards (IFRS) as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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.

## 1. Summary of significant accounting policies (cont'd)

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.

### a) Financial instruments

#### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes party to the contractual provisions to the instrument. For financial assets, trade date accounting is adopted, which is equivalent to the date that the Company commits itself to purchase or sell the assets.

Financial instruments are initially measured at fair value. Transaction costs related to financial instruments are expensed to the Statement of comprehensive income immediately.

#### Classification and subsequent measurement

Financial instruments are subsequently measured at fair value. Current market prices for all quoted investments are used to determine fair value. For all unlisted securities that are not traded in an active market, valuation techniques are applied to determine fair value, including recent arm's length transactions and reference to similar instruments.

The Company classifies its financial instruments into the following categories:

#### (i) Financial assets at fair value through profit or loss

Financial assets are classified 'at fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking. Realised and unrealised gains and losses arising from changes in fair value are included in the Statement of comprehensive income in the period in which they arise.

#### (ii) Financial liabilities at fair value through profit or loss

Financial liabilities such as borrowed stock are classified 'at fair value through profit or loss'. Realised and unrealised gains and losses arising from changes in fair value are included in the Statement of comprehensive income in the period in which they arise.

#### Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or have expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in the Statement of comprehensive income.

### b) Income tax

The charge of current income tax expense is based on profit for the period adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantially enacted at the reporting date. Current tax liabilities/(assets) are measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

## 1. Summary of significant accounting policies (cont'd)

### b) Income tax (cont'd)

Deferred tax is accounted for using the balance sheet method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the Statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred tax assets relating to temporary differences and unused tax losses are recognised, to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset only where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are only offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

### c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, at call deposits with banks or financial institutions and term deposits maturing within four months or less.

### d) Revenue and other income

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established. All revenue is stated net of the amount of goods and services tax (GST).

### e) Trade and other receivables

Trade and other receivables are non-derivative financial assets and are initially recognised at fair value. They are subsequently stated at amortised cost, less any provision for impairment. Refer to Note 1(g) for further detail.

### f) Trade and other payables

Trade and other payables are non-derivative financial liabilities and are stated at amortised cost.

## 1. Summary of significant accounting policies (cont'd)

### g) Impairment of assets

At each reporting date, the Company reviews the carrying values of its non-financial assets to determine whether there is any indication that those assets may be impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of comprehensive income.

### h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of financial position.

Cash flows are presented in the Statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

### i) Comparative figures

As this is the Company's first period of operations, there are no comparatives.

### j) Profit reserve

The profit reserve is made up of amounts transferred from current and retained earnings that are preserved for future dividend payments.

### k) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### l) Dividends

Dividends are recognised when declared during the financial period.

### m) Critical accounting estimates and judgments

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and the best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data.

There are no estimates or judgments that have a material impact on the Company's financial results for the period ended 31 December 2016. All material financial assets are valued by reference to quoted prices and therefore no significant estimates or judgments are required in respect to their valuation.

### n) New standards and interpretations not yet adopted

There are no new and revised accounting requirements significantly affecting the period's financial statements. The accounting policies have been consistently applied by the Company throughout the period and are consistent with those disclosed in the Replacement Prospectus dated 18 April 2016.

## 2. Other revenue

December 2016  
\$

Australian sourced dividends	3,882,066
Interest	1,981,413
Trust distributions	515,937
Foreign sourced dividends	209,208
Underwriting fees	11,653
	<b>6,600,277</b>

## 3. Dividends

### a) Dividends not recognised during the period

December 2016  
\$

Since period end, the Directors have declared an interim fully franked dividend of 1.0 cent per share payable on 28 April 2017 which has not been recognised as a liability at the end of the financial period.	<b>3,597,144</b>
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## 4. Issued capital

### a) Paid-up capital

December 2016  
\$

359,714,378 ordinary shares fully paid	<b>390,515,392</b>
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### b) Movement in issued capital

December 2016  
\$

1 ordinary share issued on 1 March 2016 (incorporation date)	1
358,463,577 ordinary shares issued on 24 May 2016 under the initial public offering	394,309,934
1,250,800 ordinary shares issued under the exercise of options exercise price \$1.10	1,375,880
Share issue costs (net of tax)	(5,170,423)
At reporting date	<b>390,515,392</b>

### c) Share issue

On 27 May 2016, the Company announced the lodgement of a Replacement Prospectus dated 18 April 2016 that sought to raise up to \$209 million under its Initial Public Offer ('IPO'), with the ability to accept an additional \$165 million in oversubscriptions. The Company raised \$394.3 million pursuant to the offer by the issue of 358,463,577 ordinary fully paid shares at an issue price of \$1.10 per share and 358,463,577 attaching options.

#### 4. Issued capital (cont'd)

##### d) Options

During the period, 358,463,577 options were issued under the Company's IPO to acquire fully paid ordinary shares, exercisable at \$1.10 per option. The options were allotted on 24 May 2016 and are currently trading on the ASX under the code WLEO.

As at 31 December 2016, 1,250,800 shares had been allotted from the exercise of options for a total consideration of \$1,375,880. Monies amounting to \$6,600 from the exercise of 6,000 options had been received and were not allotted by period end. 357,206,777 options remain unexercised and can be exercised at any time on or before 17 November 2017.

#### 5. Reserves

December 2016  
\$

Profit reserve	<b>17,809,974</b>
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The profit reserve is made up of amounts transferred from current period profit and are preserved for future dividend payments.

December 2016  
\$

##### Movement in profit reserve

Balance at the beginning of the reporting period	-
Transfer from retained earnings	17,809,974
At reporting date	<b>17,809,974</b>

#### 6. Retained earnings

December 2016  
\$

Balance at the beginning of the reporting period	-
Profit for the period attributable to members of the Company	17,809,974
Transfer to profit reserve	(17,809,974)
At reporting date	-



## 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.

In valuing unlisted investments, included in Level 2 of the hierarchy, valuation techniques such as those using comparisons to similar investments for which market observable prices are available or the last sale price have been adopted to determine the fair value of these investments.

The following table presents the Company's financial assets and liabilities measured and recognised at fair value at 31 December 2016:

31 December 2016	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Financial assets</b>	343,399,600	-	-	343,399,600
<b>Financial liabilities</b>	(6,929,678)	-	-	(6,929,678)
<b>Total</b>	<b>336,469,922</b>	-	-	<b>336,469,922</b>

## 8. Contingent liabilities

There are no contingent liabilities for the Company as at 31 December 2016.

## 9. Capital commitments

There were no capital commitments entered into by the Company before period end which settle after period end.

## 10. Segment reporting

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

## 11. Events subsequent to reporting date

Since the end of the period, the Directors declared an interim dividend of 1.0 cent per share fully franked to be paid on 28 April 2017.

No other matter or circumstance has arisen since the end of the period 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 report as set out in pages 7 to 17, 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 2016 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**  
**Chairman**

Dated in Sydney this 3<sup>rd</sup> day of February 2017

**Independent Auditor's Review Report  
to the Members of WAM Leaders Limited  
ABN: 33 611 053 751**

**Report on the period of Half Year Financial Report**

We have reviewed the accompanying period of 1 March 2016 to 31 December 2016 financial report of WAM Leaders Limited ("the company"), which comprises the statement of financial position as at 31 December 2016, statement of comprehensive income, statement of changes in equity and statement of cash flows for the period of 1 March 2016 to 31 December 2016, a summary of significant accounting policies, other selected explanatory notes and the directors' declaration of the company.

**Directors' Responsibility for the period of 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 *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2016 and its performance for the period of 1 March 2016 to 31 December 2016; 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 2016 and of its performance for the period of 1 March 2016 to 31 December 2016; and
- (ii) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.



CHRIS CHANDRAN  
Partner



PITCHER PARTNERS  
Sydney

3 February 2017



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