Australasian Wealth Investments Limited ACN 111 772 359
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24 February 2016

Attention: Company Announcements
ASX Limited

By E-Lodgement

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Appendix 4D - Half-year report for period ended 31 December 2015

Name of Entity	**Australasian Wealth Investments Limited**
ABN	62 111 772 359
Period Ended	31 December 2015
Previous Corresponding Reporting Period	31 December 2014

This page and the following 19 pages comprise the half-year information provided pursuant to Listing Rule 4.2A.3. This information should be read in conjunction with the Interim Consolidated Financial Report for the half-year ended 31 December 2015.

	31 December 2015 $'000	**31 December 2014 $'000**	**Percentage increase /(decrease) over previous corresponding period**
Revenues from continuing operations	5,932	(5,896)	200.6
Profit for the period after tax attributable to members	210	(6,954)	103.0
Net profit for the period after tax attributable to members	210	(6,954)	103.0

Dividend

It is not proposed to pay a dividend.

Net tangible assets per share

	31 December 2015	**31 December 2014**
Net tangible asset backing per share	1.64 cents	27.2 cents

Net tangible assets have fallen from 31 December 2014 to 31 December 2015, as the Group has changed from investment account to consolidated reporting, as noted in the 2015 Annual Report. This has resulted in tangible assets changing to goodwill and intangible assets. Goodwill and intangibles equate to 25.76 cents per share as at 31 December 2015.

Australalasian Wealth Investments Limited

ABN 62 111 772 359

Consolidated Interim Financial Report

For the half year ended 31 December 2015

Contents

Directors' Report

The directors of Australasian Wealth Investments Limited present the financial report on Australasian Wealth Investments Limited ('the Company") and its controlled subsidiaries (the "Group"), for the half-year ended 31 December 2015.

Directors

The names of the directors of the Company during or since the end of the half-year are:

John O'Connell (resigned 31 August 2015)
Paul Clitheroe AM (Chairman)
Michael Shepherd AO
Ron Hodge (Executive Director) (appointed 31 August 2015)

Principal activities

The Group operates financial services businesses in Australia. On 21 January 2015, the Company changed its investment strategy from its intention to provide dividend income and capital gains from its investments with an aim to sell those investments in the future, to retaining its investments and integrating their operations, and giving the Company the rights to the variable returns arising from those investments. As a result of that change, the condensed statement of comprehensive income for the current and future years will be consolidated, and will include amortisation and/or impairment costs for intangibles and goodwill respectively. The prior period comparatives show the Company results on an unconsolidated basis.

Financial results for the year

The Group incurred an operating profit of $210,067 (2014: operating loss $6,953,905) for the period ended 31 December 2015. The Company has not declared any dividends for the period ended 31 December 2015. The Directors do not recommend the payment of an interim dividend.

Strategy and future outlook

The Company will continue to pursue its financial objectives which are to increase the profitability of the Group over time by increasing the performance of its operations.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Company during the half year.

Presentation of Financial Information for the prior period

The results shown in the financial statements for the period to 31 December 2014 are unconsolidated, as the investment strategy for the period required subsidiaries to be treated as investments held at fair value. Following the change in investment strategy on 21 January 2015, the financial results for the period to 31 December 2015 are shown on a consolidated basis. For ease of comparison, the table below shows the consolidated performance of the Company and its wholly-owned investments for the period to 31 December 2014. This information is unaudited for the period and only shows earnings before tax, and amortisation of goodwill and intangibles, and includes the costs of the Long Term Incentive Plan shares.

Extract from Statement of Consolidated Comprehensive Income

	Half year to 31 December 2015 $	Half year to 31 December 2014 $
Continuing operations		
Operating income	5,928,220	6,390,203
Change in fair value of financial assets at fair value through profit and loss	3,530	(7,490,036)
Total Income	**5,931,750**	**(1,099,833)**
Total operating expenses	**5,089,978**	**6,075,359**
Profit/ (Loss) before income tax and amortisation	**841,772**	**(7,175,192)**

Matters subsequent to the end of the financial period

No matter or circumstances have arisen since 31 December 2015 that has significantly affected, or may significantly affect:

(a) the Company's operations in future financial years, or
(b) the results of those operations in future financial years, or
(c) the Company's state of affairs in future financial years.

Likely developments and expected results of operations

Further information on likely developments in the operations of the Company and the expected results of operations have not been included in this annual financial report because the directors believe it would be likely to result in unreasonable prejudice to the Company.

Auditor's Independence Declaration

The auditors' independence declaration as required under section 307C of the Corporations Act 2001 is included on page 5 of the half-year report.

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

Paul Clitheroe
Chairman
Dated this 24th day of February 2016

Building a better working world

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Auditor's Independence Declaration to the Directors of Australasian Wealth Investments Limited

As lead auditor for the audit of Australasian Wealth Investments Limited for the half-year ended 31 December 2015, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Australasian Wealth Investments Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

Jonathan Pye

Jonathan Pye
Partner
Sydney
24 February 2016

Consolidated Statement of Comprehensive Income

	Notes	Half year ended 31 December 2015 Consolidated $	2014 $
Continuing operations			
Commission and subscription income		5,767,474	-
Dividend income		-	1,350,000
Interest income from financial assets		9,368	43,680
Change in fair value of financial assets at fair value through profit and loss		3,530	(7,490,036)
Other income		151,228	200,000
Total Income		**5,931,600**	**(5,896,356)**
Commission rebates		995,259	-
Accounting and administrative costs		112,870	18,444
Audit fees		55,620	23,050
Directors' fees		103,785	80,292
Employee costs		2,254,614	645,140
Employee benefit expense	5	308,336	63,743
IT expense		302,654	-
Travel and accommodation		9,977	32,910
Rent		173,841	16,534
Legal, insurance and statutory expenses		81,131	93,221
Marketing expense		363,080	-
Other expenses		280,623	84,215
Depreciation		48,188	-
Amortisation of intangibles		562,300	-
Total operating expenses		**5,652,278**	**1,057,549**
Profit/(Loss) before income tax		**279,322**	**(6,953,905)**
Income tax (expense)/ benefit	6	(69,255)	-
Profit/(Loss) for the half year		**210,067**	**(6,953,905)**
Other comprehensive income, net of income tax		-	-
Total comprehensive profit/(loss) for the half year		**210,067**	**(6,953,905)**
Earnings per share			
Basic earnings per share (cents)	10	**0.19**	**(6.27)**
Diluted earnings per share (cents)	10	**0.16**	**(6.27)**

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

	Notes	As at 31 December 2015 $	As at 30 June 2015 $
ASSETS			
Cash and cash equivalents		3,530,848	3,292,828
Trade and other receivables		679,628	785,899
Prepayments		176,755	163,284
Rental deposit		100,604	93,290
Financial assets at fair value through profit and loss	7	1,735,106	1,711,576
Fixed assets, including software less accumulated depreciation		222,990	265,679
Deferred tax asset		528,075	765,596
Goodwill		21,595,696	21,595,696
Intangibles		8,885,400	9,447,700
Total Assets		**37,455,102**	38,121,548
LIABILITIES			
Trade payables		121,472	439,211
Other payables		1,336,408	1,347,544
Subscriptions received in advance		1,567,302	1,889,715
Trail commissions to rebate		1,377,097	1,741,968
Deferred tax liability		2,665,620	2,834,310
Total liabilities		**7,067,899**	8,252,748
Net assets		**30,387,203**	29,868,800
Equity			
Issued capital		58,522,440	58,522,440
Employee Benefit reserve	5	410,461	102,125
Retained earnings		(28, 545,698)	(28,755,765)
Total equity		**30,387,203**	29,868,800

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

	Issued Capital $	Retained earnings $	Employee Benefit Reserve $	Total Equity $
Balance as at 1 July 2014	**58,522,440**	**(21,570,201)**	**98,789**	**37,051,028**
Comprehensive loss for the year	-	(6,953,905)	-	(6,953,905)
Employee benefit reserve	-	-	63,743	63,743
Balance as at 31 December 2014	58,522,440	(28,524,106)	162,532	30,160,866
Balance as at 1 July 2015 (Consolidated)	**58,522,440**	**(28,755,765)**	**102,125**	**29,868,800**
Comprehensive profit for the year	**-**	**210,067**		**210,067**
Employee benefit share reserve	**-**	**-**	**308,336**	**308,336**
Balance as at 31 December 2015 (Consolidated)	**58,522,440**	**(28,545,698)**	**410,461**	**30,387,203**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

		Half year ended 31 December	
		2015	**2014**
		Consolidated	
	Notes	$	$
Cash flows from operating activities			
Operating income received		5,551,332	-
Interest received		9,368	43,680
Dividends received		-	2,100,000
Other income received		151,228	120,000
Payments to suppliers and employees		(5,441,095)	(961,645)
Net cash provided by operating activities		270,833	1,302,035
Cash flows from investing activities			
Purchase of fixed assets		(5,499)	-
Rental deposit paid		(7,314)	-
Purchase of investments		(20,000)	-
Advances to investee companies		-	(816,253)
Net cash provided by/(used in) investing activities		(32,813)	(816,253)
Cash flows from financing activities			
Issue of shares (net of capital raising costs)		-	-
Net cash (outflow)/inflow from financing activities		-	-
Net increase in cash and cash equivalents		**238,020**	485,782
Cash and cash equivalents at beginning of the period		3,292,828	3,383,947
Cash and cash equivalents at the end of the period		**3,530,848**	3,869,729

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

1. Reporting Entity

Australasian Wealth Investments Limited (the "***Company***") is domiciled in Australia and is the parent entity of the group (the "***Group***"). The consolidated financial statements of the Group are presented for the half year ended 31 December 2015. The Group is primarily involved in operating businesses delivering financial services to retail investors in Australia.

2. Summary of significant accounting policies

Statement of compliance

The half-year 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 half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted. The comparative numbers for the previous corresponding period have been prepared on an investment accounting basis, based on the investment policy of the Company for that period and AASB 10.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2015 annual financial report for the financial year ended 30 June 2015. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The results shown in the financial statements for the period to 31 December 2014 are unconsolidated, as the investment strategy for the period required subsidiaries to be treated as investments held at fair value. Following the change in investment strategy on 21 January 2015, the financial results for the period to 31 December 2015 are shown on a consolidated basis.

The financial statements were authorised for issue by the directors on 24 February 2016.

Changes in accounting policies, accounting standards and interpretations

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 June 2015, except for the adoption of new standards and interpretations noted below:

Amendments to AASB 11 Joint Arrangements: Accounting for Acquisitions of Interests

The amendments to AASB 11 require that a joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business, must apply the relevant AASB 3 principles for business combinations accounting. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to AASB 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party.

The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation and are prospectively effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. The adoption of these amendments had no material impact on the financial position or performance of the Group.

2. Summary of Significant accounting policies (continued)

Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments clarify the principle in IAS 16 and IAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are effective prospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted. The adoption of these amendments had no impact to the Group given that the Group has not used a revenue-based method to depreciate its non-current assets.

Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all the subsidiaries of Australasian Wealth Investments Limited ("the Company") as at 31 December 2015 and the results of all the subsidiaries for the period then ended.

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights and excludes those subsidiaries determined to be investments held for resale by the Board. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the group, or when they are established. They are de-consolidated from the date that control ceases.

Intercompany transactions and balances

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Where there is a change in ownership interest, there will be an adjustment between the carrying amounts of the controlling and non- controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Australasian Wealth Investments Limited.

When the Company acquires control through a change in investment policy, the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. Any amounts above net tangible assets are held as goodwill or intangibles at that point.

If the ownership interest in a jointly-controlled entity or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly-controlled entity or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

Earnings per share

Basic and diluted earnings per share are calculated by dividing profit attributable to members of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for any outstanding options over unissued shares, including the Long Term Incentive Plan (LTIP) shares.

2. Summary of Significant accounting policies (continued)

New and amended standards and interpretations

Australian Accounting Standards and Interpretations have recently been issued or amended, but are not yet effective, which have not been adopted by the Group in the presentation of this financial report.

1. AASB 15 - Revenue from Contracts with Customers

In May 2014, the IASB issued AASB 15 *Revenue from Contracts with Customers*, which replaces IAS 11 *Construction Contracts*, IAS 18 Revenue and related Interpretations (IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC-31 Revenue—Barter Transactions Involving Advertising Services).

The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

(a) Step 1: Identify the contract(s) with a customer
(b) Step 2: Identify the performance obligations in the contract
(c) Step 3: Determine the transaction price
(d) Step 4: Allocate the transaction price to the performance obligations in the contract
(e) Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

The Group has a liability to service customers who have purchased subscriptions in advance and recognises revenue when that subscription service has been delivered. AASB 2015-8 amended the AASB 15 effective date so it is now effective for annual reporting periods commencing on or after 1 January 2018. Early application is permitted. Management are still assessing the potential impact of implementation of this standard.

2. IFRS 16 - Leases

IFRS 16 ‘Leases’ amends the accounting for leases. The amendment removes the distinction between operating and finance leases. Lessees will be required to bring all leases onto the statement of financial position. Lessor accounting remains largely unchanged. IFRS 16 will be effective for annual periods beginning on or after 1 January 2019.

The Group is currently assessing the impact of this new standard but does not expect any material impact as a result of complying with the new requirements. Early adoption is currently not anticipated.

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. Estimates of future cash flows have been used to estimate fair value of the assets acquired and liabilities assumed in the business combination. In particular, the fair value of intangible assets have been calculated using management’s estimates of future cash flows from each entity’s identified intangible assets for the period of their expected useful life.

The residual goodwill arising from a business combination is tested for impairment at each balance date (30 June) and when circumstances indicate that the carrying value may be impaired. The Group bases its assumptions used to test the impairment of goodwill on detailed budgets and forecasts which are prepared for the Group’s cash generating unit (*CGU*). These budgets generally cover a five year period, and a long-term growth rate (net of inflation) is used for longer periods.

Any impairment of goodwill is determined by assessing the recoverable amount of the CGU to which the goodwill relates. The Group has determined that it has one CGU, and where the recoverable amount is less than the carrying value of goodwill, an irreversible impairment loss is recognised.

The Group has not recognised deferred tax assets relating to carried forward capital gain tax losses on the basis that it does not expect to derive sufficient future capital gains to utilise the current losses within a 3 to 5 year time period. It has not recognised deferred tax assets relating to carry forward tax losses, due to the complexities arising from utilising losses acquired in subsidiaries.

3. Segment Information

The Company is currently organised into one business segment. The Company is engaged solely in financial services conducted in Australia, deriving revenue from commission income and subscription income from its activities.

4. Revenue from continuing operations

	Half year ended 31 December	
	2015	2014
	$	$
Trail commission	4,124,892	-
Subscription income	1,642,582	-
Dividend from investments	-	1,350,000
Interest received	9,368	43,680
Other income	151,228	200,000
	5,928,070	1,593,680

5. Employee Benefit expense

	Half year ended 31 December	
	2015	2014
	$	$
Long Term Incentive Plan (LTIP)	308,336	67,591
Company issued options	-	(3,848)
	308,336	63,743

The cost of the LTIP shares and Company issued options have been estimated using Monte-Carlo simulation and the Black-Scholes methodology and amortised to their vesting dates.

6. Income tax

(a) Income tax expense recognised in the Statement of Comprehensive Income

	Half year ended 31 December	
	2015	2014
	$	$
The components of income tax expense:		
Current income tax expense (benefit)	165,912	(2,086,171)
Deferred tax income relating to the origination and reversal of temporary differences	(95,917)	2,086,171
Total income tax expense (benefit)	69,995	-

7. Financial Assets held at Fair Value

	As at	
	31 December 2015	30 June 2015
	$	$
AWI Ventures Pty Ltd investee companies	1,610,000	1,610,000
Investments in Separately Managed Accounts	125,106	101,576
Financial assets at fair value through profit and loss	1,735,106	1,711,576

The Separately Managed Accounts are issued by Praemium Australia Limited as the responsible entity and managed by InvestSMART Financial Services Pty Ltd.

8. Fair Value Hierarchy

AASB 13 requires the Group to classify fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices (unadjusted) 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 (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

There were no transfers between level 1 and level 2 during the year. Transfers between levels of the fair value hierarchy are deemed to occur only when changes in circumstances are identified to indicate a change in observable/unobservable inputs.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes ‘observable’ requires significant judgement by the Directors. The Directors consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

There has been no change in the Level 2 and Level 3 valuation techniques used for this report form previous reports. The table below sets out the Company’s financial assets (by class) measured at fair value according to the fair value hierarchy at 31 December 2015:

	Level 1	Level 2	Level 3	Total
At 31 December 2015	**$**	**$**	**$**	**$**
Financial assets				
Financial assets held at fair value through profit or loss	-	125,106	1,610,000	1,735,106
Total	-	125,106	1,610,000	1,735,106
At 30 June 2015				
Financial assets				
Financial assets held at fair value through profit or loss	-	101,576	1,610,000	1,711,576
Total	-	101,576	1,610,000	1,711,576

Investments classified within level 3 have significant unobservable inputs, as they are infrequently traded. Unlisted equities are classified within level 3.

Investments classified within level 2 have inputs based on quoted and unquoted prices. The level 2 investments held by the Group at 31 December 2015 relate to investments in Separately Managed Accounts issued by Praemium Australia Limited. The accounts hold primarily listed securities which are valued at the last closing price on the Australian Securities Exchange.

Description of significant unobservable inputs to valuation of Level 3 assets

The Group has invested into 11 start-up companies in the financial technology sector. These companies have little or no revenue and therefore cannot be valued using DCF. The fair value of the investee companies has been assessed as the price the unlisted shares were last traded at, their historic cost, the value at which each investee company raised a material amount of new capital, or the Directors’ valuation, if lower.

The table below shows the assumptions used by management in assessing fair value of its investments in unlisted equities. As there are no reasonably possible assumptions, therefore no sensitivity quantification has been disclosed.

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity to fair value
AWI Group investee companies	At Cost or Director's valuation	Last issue price of new equity, last traded price of equity	N/A	An issue of new equity, or trade in existing equity, at a higher or lower price may have significant effect on fair value

8. Fair Value Hierarchy (continued)

The following table shows a reconciliation of the movement in the fair value of financial instruments within Level 3 between the beginning and the end of the reporting period. The carrying value of all financial assets and liabilities approximate their fair value.

Balance as at 1 July 2015	1,610,000
Impairment charge on unlisted equities	-
Balance as at 31 December 2014	1,610,000

9. Issued capital

There were no movements in the ordinary share capital or other issued share capital of the Company in the current half-year. The LTIP shares to be issued to Ron Hodge, Nigel Poole and Alastair Davidson as noted in the 2015 Annual Report, were issued on 8 September 2015.

Under the Long Term Incentive Plan, the director or employee has the ability to repay the loan by forfeiting the shares issued under the LTIP. The LTIP shares will only vest when the Company's share price reaches certain hurdles or after certain time periods, and have therefore not been included in the issued share capital total.

10. Earnings per share

	As at 31 December 2015 cents	As at 31 December 2014 cents
Basic earnings per share		
From continuing operations attributable to ordinary shareholders	0.19	(6.27)
Diluted earnings per share		
From continuing operations attributable to ordinary shareholders	0.16	(6.27)

As the Company was in a loss position for the period to 31 December 2014, share based incentive plans do not affect the diluted earnings per share calculation as potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

Weighted average number of shares		
Weighted average number of shares used to calculate basic earnings per share	110,885,360	110,885,360
Weighted average number of shares used to calculate diluted earnings per share	127,385,358	124,779,744

11. Events occurring after reporting date

No matters or circumstances have occurred subsequent to the period end that have significantly affected, or may affect, the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent periods.

12. Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Related party transactions in the reporting period with key management personnel were: Webabout Pty Ltd (an entity controlled by R. Hodge, N. Poole and A. Davidson) provided web hosting services to the Group and received a total of $10,973 for the period, of which $10,973 was unpaid at 31 December 2015. In addition, Webabout will receive a final payment for contract termination of $400,000 due at 30 June 2016, as noted in the 30 June 2015 Financial Report.

13. Contingent liabilities and commitments

At 31 December 2015, the Group had commitments of $198,653 (2014: $110,230) for leased premises. The Company has leases over its offices at Level 2, 122 Pitt St, Sydney NSW, until 1 September 2016, at Gibraltor Square, Bowral NSW, until 28 February 2017 and the Esplanade, Manly NSW, until 30 September 2016.

There are no other material changes to commitments or contingent liabilities since those reported in the 2015 annual financial report.

Directors' Declaration

In accordance with a resolution of the Directors of Australasian Wealth Investments Limited, I state that:

1. In the opinion of the Directors:

   (a) the Interim Financial Statements and notes set out on pages 6 to 16 are in accordance with the *Corporations Act 2001*, including:

      (i) complying with AASB 134 Interim Financial Reporting, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and.

      (ii) giving a true and fair view of the entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date, and

   (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration has been made on behalf of the Board

Paul Clitheroe
Executive Chairman
Dated this 24th day of February 2016 at Sydney

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Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Australasian Wealth Investments Limited ("the Company"), which comprises the consolidated statement of financial position as at 31 December 2015, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, of the consolidated entity comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Interim 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 controls as the directors determine are 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 financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*. As the auditor of Australasian Wealth Investments Limited and the entities it controlled during the half-year, 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*. We have given to the directors of the Company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

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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 Australasian Wealth Investments Limited is not in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and

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

Ernst & Young

Ernst & Young

Jonathan Pye

Jonathan Pye
Partner
Sydney
24 February 2016