

CADENCE CAPITAL LIMITED
A.B.N. 17 112 870 096
APPENDIX 4D
HALF-YEAR REPORT
for the half-year ended 31 December 2013

RESULTS FOR ANNOUNCEMENT TO THE MARKET
All comparisons to the half-year ended 31 December 2012

	\$	up/down	% mvmt
Revenue from ordinary activities	23,562,842	Up	139 %
Profit from ordinary activities before tax attributable to members	21,746,374	Up	137 %
Profit from ordinary activities after tax attributable to members	16,104,696	Up	117 %
		Franked amount per share	Tax rate for franking
Dividend Information	Amt per share		
2014 Interim dividend per share	5.0c	5.0c	30%
2013 Final dividend per share	5.0c	5.0c	30%
2013 Special dividend per share	1.0c	1.0c	30%
2013 Interim dividend per share	5.0c	5.0c	30%
2012 Special dividend per share	4.0c	4.0c	30%
2012 Final dividend per share	4.0c	4.0c	30%
<p>The Dividend Re-Investment Plan (“DRP”) is in operation and the recommended half year dividend of 5.0c per share qualifies. The relevant issue price will be at a 3.0% discount to the price (calculated as the weighted average market price of shares sold on the ASX on the books closing date for the relevant dividend and the 3 trading days preceding that date, less the discount).</p>			
Interim dividend dates			
Ex dividend date			9 th April 2014
Record date			15 th April 2014
Payment date			24 th April 2014
		31 Dec 2013	31 Dec 2012
Net tangible asset backing after tax		\$1.44	\$1.37
<p><i>This report is based on the Half-year Financial Report which has been subject to independent review by the Auditors, Moore Stephens Sydney. All the documents comprise the information required by Listing Rule 4.2A. This information should be read in conjunction with the 30 June 2013 Annual Financial Report.</i></p>			

CADENCE CAPITAL LIMITED

A.B.N. 17 112 870 096

FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

COMPANY PARTICULARS

CADENCE CAPITAL LIMITED

A.B.N. 17 112 870 096

DIRECTORS:	Karl Siegling (Chairman) James Chirnside Wayne Davies Ronald Hancock
SECRETARY:	Karl Siegling
MANAGER OF THE FUND:	Cadence Asset Management Pty Limited ABN: 68 106 551 062
REGISTERED OFFICE:	Level 11, 131 Macquarie Street Sydney, NSW 2000
CONTACT DETAILS:	Level 11, 131 Macquarie Street Sydney, NSW 2000 Telephone: (02) 8298 2444 Fax: (02) 8298 2499 Email: info@cadencecapital.com.au Website: www.cadencecapital.com.au

For enquiries regarding net asset backing (as advised each month to the Australian Securities Exchange) refer to www.asx.com.au or call (02) 8298 2444

PRIME BROKER AND CUSTODIAN OF THE FUND:	Citigroup Global Markets Australia Pty Ltd Level 21, 2 Park Street Sydney Sydney New South Wales, 2000
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SHARE REGISTRAR:	Boardroom Pty Limited Mail Address: GPO Box 3993 Sydney NSW 2001 Telephone: (02) 9290 9600 Fax: (02) 9279 0664
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For all enquiries relating to shareholdings, dividends (including participation in the Dividend Reinvestment Plan) and related matters, please contact the share registrar.

AUDITORS:	Moore Stephens Sydney Level 15 135 King Street Sydney NSW 2000
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CADENCE CAPITAL LIMITED

A.B.N. 17 112 870 096

DIRECTORS' REPORT TO SHAREHOLDERS FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

The Directors present their report together with the financial report of Cadence Capital Limited (the Company) for the half-year ended 31 December 2013.

PRINCIPAL ACTIVITY

The principal activity of the Company was investing primarily in securities listed on the Australian Securities Exchange. The Company also takes short positions and deals in options over listed securities. No significant changes in the nature of these activities occurred during the half-year.

OPERATING RESULTS

Investment operations over the half-year resulted in an operating profit before tax of \$21,746,374 (December 2012: operating profit before tax of \$9,190,726) and an operating profit after tax of \$16,104,696 (December 2012: operating profit after tax of \$7,422,871).

REVIEW OF OPERATIONS

For the half year ended 31 December 2013, Cadence Capital Limited produced a gross performance of +14.07%. This performance was achieved with lower than market risk and exposure. Investments are valued continuously to market value. For the half-year ended 31 December 2013, net investments were valued at \$175,418,437 (June 2013: \$95,357,297). During December 2013 the Company issued 37,767,430 Ordinary shares at \$1.43 under a retail prospectus.

FINANCIAL POSITION

The net asset value of the Company for the half-year ended 31 December 2013 was \$229,482,421 (June 2013: \$164,382,606).

DIVIDENDS PAID OR RECOMMENDED

A fully franked interim dividend of 5.0 cents per share has been declared by the Board and will be paid on the 24th April 2014.

Dividends paid are as follows:

	\$
Fully franked 2013 final dividend of 5.0 cents per share was paid on 30 September 2013	6,027,806
Fully franked 2013 interim dividend of 5.0 cents per share was paid on 30 April 2013	5,794,811
Fully franked 2013 special dividend of 1.0 cents per share was paid on 30 April 2013	1,158,962
Fully franked 2012 final dividend of 3.0 cents per share was paid on 29 October 2012	2,561,779
Fully franked 2012 special dividend of 3.0 cents per share was paid on 29 October 2012	2,561,779
Fully franked 2012 interim dividend of 3.0 cents per share was paid on 2 April 2012	1,491,216
Fully franked 2012 special dividend of 0.5 cents per share was paid on 2 April 2012	186,402

DIRECTORS

The names of the Directors in office at any time during or since the end of the half-year are as follows:-

Karl Siegling – Chairman
James Chirnside – Non Executive Director
Wayne Davies – Non Executive Director
Ronald Hancock – Non Executive Director

The Directors have been in office since the start of the half-year to the date of this report unless otherwise stated.

AUDITORS' INDEPENDENCE DECLARATION

A copy of the Auditors' Independence Declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 6.

CADENCE CAPITAL LIMITED

A.B.N. 17 112 870 096

DIRECTORS' REPORT TO SHAREHOLDERS FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

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



KARL SIEGLING Director

Dated at Sydney this 14th of February 2014

Level 15, 135 King Street
Sydney NSW 2000

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F +61 (0)2 9233 4636

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**Auditor's Independence Declaration
to the Directors of Cadence Capital Limited**

As lead auditor for the review of Cadence Capital Limited for the half year ended 31 December 2013, I declare that 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 review; and
- b. no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Cadence Capital Limited during the period.

Moore Stephens Sydney
Chartered Accountants



Scott Whiddett
Partner

Dated in Sydney this 14th day of February 2014.

CADENCE CAPITAL LIMITED

A.B.N. 17 112 870 096

STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

	Notes	December 2013 \$	December 2012 \$
INCOME			
Proceeds from sale of investments		97,142,124	19,703,992
Cost of investments sold		<u>(83,419,883)</u>	<u>(22,523,275)</u>
Realised gain/ (loss) on investments		13,722,241	(2,819,283)
Unrealised gain on investments		5,771,623	8,796,912
Dividends received		3,503,434	3,382,406
Interest received		558,416	477,650
Underwriting fees		<u>7,128</u>	<u>7,262</u>
Total Income		23,562,842	9,844,947
EXPENSES			
Management fees		(925,676)	(386,948)
Directors fees		(75,000)	(30,000)
Brokerage expenses on share purchases		(366,145)	(122,730)
Auditors remuneration		(28,490)	(21,201)
Stock loan fees		(6,868)	(3,057)
Registry fees		(59,536)	(28,422)
Dividends on shorts		(63,660)	-
Finance costs		(106,776)	-
Legal fees		(106,386)	(2,230)
ASX fees		(45,106)	(15,164)
Other expenses		<u>(32,825)</u>	<u>(44,469)</u>
Total Expenses		(1,816,468)	(654,221)
Profit before income tax		21,746,374	9,190,726
Income tax expense		<u>(5,641,678)</u>	<u>(1,767,855)</u>
Profit attributable to members of the Company	4 (c)	<u>16,104,696</u>	<u>7,422,871</u>
Other comprehensive income			
Other comprehensive income for the period, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u>16,104,696</u>	<u>7,422,871</u>
Basic earnings per share		<u>12.9 cents</u>	<u>13.7 cents</u>
Diluted earnings per share		<u>12.9 cents</u>	<u>13.7 cents</u>

The accompanying notes form part of these financial statements.

CADENCE CAPITAL LIMITED

A.B.N. 17 112 870 096

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

	Note	December 2013 \$	June 2013 \$
ASSETS			
Cash and cash equivalents		58,602,137	66,337,963
Trade and other receivables		277,162	1,525,149
Financial assets		178,044,277	97,967,357
Deferred tax asset		3,917,802	3,719,668
TOTAL ASSETS		240,841,378	169,550,137
LIABILITIES			
Trade and other payables		1,309,805	726,677
Income tax payable		5,564,424	-
Financial liabilities		2,625,840	2,610,060
Deferred tax liabilities		1,858,888	1,830,794
TOTAL LIABILITIES		11,358,957	5,167,531
NET ASSETS		229,482,421	164,382,606
EQUITY			
Issued capital	3	210,589,550	155,566,625
Profits reserve	4 (b)	22,645,708	12,568,818
Accumulated losses	4 (c)	(3,752,837)	(3,752,837)
TOTAL EQUITY		229,482,421	164,382,606

The accompanying notes form part of these financial statements.

CADENCE CAPITAL LIMITED

A.B.N. 17 112 870 096

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

	Notes	December 2013 \$	December 2012 \$
Total equity as at 1 July 2013		164,382,606	52,153,951
Profit for the half-year attributable to members of the Company	4 (c)	16,104,696	7,422,871
Shares issued in the period	4	55,022,925	35,448,469
Total other comprehensive income for the period		-	-
		235,510,227	95,025,291
Dividends paid or provided for	2	(6,027,806)	(5,123,558)
Total equity as at 31 December 2013 attributable to members of the Company		229,482,421	89,901,733

The accompanying notes form part of these financial statements.

CADENCE CAPITAL LIMITED

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STATEMENT OF CASH FLOW FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

	December 2013 \$	December 2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Dividends received	4,248,537	3,559,577
Interest received	611,430	477,650
Other income received	7,128	7,262
Management fees paid	(814,117)	(250,557)
Performance fees paid	(41,411)	(441,634)
Brokerage expenses on share purchases	(366,145)	(122,730)
Dividends on shorts	(63,660)	-
Finance costs	(106,776)	-
Payments for administration expenses	(342,564)	(182,750)
NET CASH PROVIDED BY OPERATING ACTIVITIES	3,132,422	3,046,818
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sale of investments	97,515,363	19,711,957
Payments for the purchase of investments	(157,535,410)	(34,798,820)
NET CASH (USED IN) INVESTING ACTIVITIES	(60,020,043)	(15,086,863)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from shares issued	53,587,082	33,479,173
Dividends paid	(4,435,287)	(3,227,879)
NET CASH PROVIDED BY FINANCING ACTIVITIES	49,151,795	30,251,294
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS HELD	(7,735,826)	18,211,249
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE PERIOD	66,337,963	15,155,601
CASH AND CASH EQUIVALENTS AS AT END OF THE PERIOD	58,602,137	33,366,850

The accompanying notes form part of these financial statements.

CADENCE CAPITAL LIMITED

A.B.N. 17 112 870 096

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The half-year financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretation and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report was authorised for issue on 14 February 2014 by the Board of Directors.

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 2013 and any public announcements made by Cadence Capital Limited ("the Company") during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The financial statements have been prepared on an accruals basis and are based on historical costs with the exception of "held for trading" financial assets and certain other financial assets and liabilities which have been measured at fair value.

(b) Accounting Policies

Except as described in (d) below, the accounting policies applied in these interim financial statements are the same as those applied in the Company's financial statements as at and for the year ended 30 June 2013. Changes in accounting policies described in (d) below are also expected to be reflected in the Company's financial statements as at and for the year ending 30 June 2014.

The Statement of Financial Position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current.

(c) Details of Reporting Period

The current reporting period is the half-year ended 31 December 2013. For the Statement of Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow, the previous corresponding period is the period ended 31 December 2012. For the Statement of Financial Position, the previous corresponding date is 30 June 2013.

(d) New and Revised Accounting Requirements Applicable to the Current Half-Year Reporting Period

Fair Value Measurement

AASB 13 establishes a single framework for measuring fair value and making disclosures about fair value measurements, when such measurements are required or permitted by other AASBs. In particular, it unifies the definition of fair value as the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. It also replaces and expands the disclosure requirements about fair value measurements in other AASBs, including AASB 7 Financial Instruments: Disclosures. The Company has adopted AASB 13 Fair Value Measurement with effect from 1 July 2013. In accordance with the transitions provisions, AASB 13 has been applied prospectively from that date. As a result, the Company has adopted a new definition of fair value, as set out below. The change had no material impact on the measurement of the Company's assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

CADENCE CAPITAL LIMITED

A.B.N. 17 112 870 096

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) New and Revised Accounting Requirements Applicable to the Current Half-Year Reporting Period (Continued)

When applicable, the Company measures the fair value of an instrument using the quoted prices in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequent and volume to provide pricing information on an ongoing basis.

When there is no quoted price in an active market, the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value at initial recognition differs from the transaction price and the fair value of neither a quoted price in an active market for identical asset or liability nor based on a valuation technique that uses only data from observable markets, the financial instruments are initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is supported wholly by observable market data or the transaction is closed out.

(e) Segment Reporting

The half-year financial report is for the individual entity Cadence Capital Limited. It is a publicly listed company limited by shares, incorporated and domiciled in Australia. The Company is engaged in investment activities conducted predominantly in Australia and derives revenue and investment income from listed and unlisted securities and fixed interest securities.

The Company has a diversified portfolio of investments, with only the Company's investments in Arrium Ltd, Henderson Group Plc, Macquarie Group Ltd, RHG Ltd comprising more than 10% of the company's income in six months to December 2013. (2012: Bravura Solutions Ltd, Flexigroup Ltd, Macquarie Group Limited and RHG Limited)

2. DIVIDENDS

(a) Dividends paid during the period

5.0 cents per share fully franked (5.0c final) paid 30th September 2013 (2012: 8.0 cents per share fully franked (4.0c final and 4.0c special) paid 29th October 2012).

December 2013	December 2012
\$	\$
<u>6,027,806</u>	<u>5,123,558</u>

(b) Dividends not recognised during the period

Since the end of the half-year the Directors have declared a fully franked interim dividend of 5.0c per share payable on 24th April 2014. (2012: 6.0 cents per share fully franked (5.0c interim and 1.0c special) paid 2nd April 2012)

CADENCE CAPITAL LIMITED

A.B.N. 17 112 870 096

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

	December 2013	June 2013
3. ISSUED CAPITAL		
Paid-up Capital	\$	\$
159,505,830 shares fully paid (June 2013: 120,556,120)	212,626,922	157,026,984
Costs of share issue	(2,910,534)	(2,086,225)
Deferred tax asset on capitalised costs of share issue	873,162	625,866
	<u>210,589,550</u>	<u>155,566,625</u>

4. MOVEMENTS IN EQUITY

(a) Movement in ordinary share capital December 2013

Date	Details of issue	Share Price \$	No. of Shares	Issue value \$
Balance at the beginning of the year			120,556,120	157,026,984
30 September 2013	DRP	\$1.34699	1,182,280	1,592,513
16 December 2013	Placement	\$1.4300	37,767,430	54,007,425
At reporting date			<u>159,505,830</u>	<u>212,626,922</u>

June 2013

Date	Details of issue	Share Price \$	No. of Shares	Issue value \$
Balance at the beginning of the year			37,867,313	42,968,094
August 2012	Exercise of Options	\$1.2500	4,827,004	6,033,755
September 2012	Exercise of Options	\$1.2500	12,996,991	16,246,239
3/4 October 2012	Placement	\$1.3700	8,353,696	11,444,564
29 October 2012	DRP	\$1.33958	1,415,130	1,895,679
11 March 2013	Prospectus Tranche 1	\$1.4300	29,457,060	42,123,596
10 April 2013	Prospectus Tranche 1	\$1.4300	20,979,021	30,000,000
30 April 2013	DRP	\$1.35519	1,354,613	1,835,758
7 May 2013	DRP Shortfall Placement	\$1.35519	3,305,292	4,479,299
			<u>120,556,120</u>	<u>157,026,984</u>

	December 2013	June 2013
(b) Profits reserve	\$	\$
Opening balance	12,568,818	11,018,104
Transfer from retained earnings	16,104,696	13,628,045
Dividends paid (Note 2)	(6,027,806)	(12,077,331)
	<u>22,645,708</u>	<u>12,568,818</u>

A Profits reserve was created in prior years representing amounts allocated from retained earnings that are preserved for future dividend payments.

(c) Movement in Accumulated Losses

Opening balance	(3,752,837)	(1,507,140)
Profit attributable to members of the company	16,104,696	11,382,348
Transfer to Profits reserve	(16,104,696)	(13,628,045)
	<u>(3,752,837)</u>	<u>(3,752,837)</u>

CADENCE CAPITAL LIMITED

A.B.N. 17 112 870 096

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

5. EVENTS SUBSEQUENT TO REPORTING DATE

The Board declared a 5.0 cents fully franked interim dividend per share on 14 February 2014 payable on 24th April 2014. The Ex Date for the dividend is 9th April 2014.

On the 6th January 2014 the Company lodged an Option Prospectus with ASIC. The one for one Bonus Options that were issued to Shareholders for free on the 20th January 2014 give Option holders the right to acquire Ordinary Shares in the Company, on or before 31st August 2015, at \$1.43 per Ordinary Share.

Other than the above, there has not arisen in the interval between the end of the year and the date of this report any item, transaction or event of material and unusual nature likely, in the opinion of the Company, to significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity, in future financial years.

6. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

There were no capital commitments or contingent liabilities as at 31 December 2013 (June 2013: nil).

CADENCE CAPITAL LIMITED

ABN: 17 112 870 096

DIRECTORS' DECLARATION

The Directors of Cadence Capital Limited declare that:

1. The financial statements and notes, as set out on pages 7 to 14, are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting and the *Corporations Regulations 2001*; and
 - (b) giving a true and fair view of the financial position of the Company as at 31 December 2012 and of its performance for the half-year 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.



K. SIEGLING
Director

Dated at Sydney this 14th of February 2014

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF CADENCE CAPITAL LIMITED**

Report on the Half Year Financial Report

We have reviewed the accompanying half year financial report of Cadence Capital Limited (the company), which comprises the statement of financial position as at 31 December 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half year ended on that date, a statement 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 and fair presentation of the half year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the half year financial report that it is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 an Interim 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 *Corporation Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2013 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 Cadence Capital 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. It also includes reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report. 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.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Independence

In conducting our review, we have complied with the applicable 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 Cadence Capital 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 2013 and of its performance for the half year ended on that date; and
- (ii) complying with Accounting Standard AASB 134: "Interim Financial Reporting" and the *Corporations Regulations 2001*.

Moore Stephens Sydney
Chartered Accountants



Scott Whiddett
Partner

Dated in Sydney, this 14th day of February 2014.