

FORM: Half yearly/preliminary final report

Name of *issuer*

Illuminator Investment Company Limited

ACN or ARBN

107 470 333

Half yearly
(tick)

✓

Preliminary
final (tick)

Half year/financial year ended
(‘Current period’)

31st December 2010

For announcement to the market

Extracts from this statement for announcement to the market (see note 1).

				\$A
Operating Revenue (item 1.1)	Down	26%	To	27,723
Operating Profit (loss) before abnormal items and tax	Down	128%	To	(24,571)
Operating Profit (loss) for the period after tax but before minority equity interests (item 1.9)	Down	56,635%	To	(9,611)
Profit (loss) for the period attributable to security holders (item 1.11)	Down	1,066%	To	(9,611)
Income Distributions				
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				

Annual meeting*(Preliminary final statement only)*

The annual meeting will be held as follows:

Place

Date

Time

Approximate date the annual report will be available

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange (see note 13).

Identify other standards used

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2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.
3. This statement does/does not* (*delete one*) give a true and fair view of the matters disclosed (see note 2).
4. This statement is based on financial statements to which one of the following applies:
- | | |
|---|---|
| <input type="checkbox"/> The financial statements have been audited. | <input type="checkbox"/> The financial statements have been subject to review by a registered auditor (or overseas equivalent). |
| <input type="checkbox"/> The financial statements are in the process of being audited or subject to review. | <input type="checkbox"/> The financial statements have <i>not</i> yet been audited or reviewed. |
5. If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/will follow immediately they are available* (*delete one*). (*Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.*)
6. The *issue*/has/does not have* (*delete one*) a formally constituted audit committee.

Sign here:

Date:

(Director/Company secretary)

Print name: Shan D. K. H.



ILLUMINATOR INVESTMENT COMPANY LIMITED

ABN 48 107 470 333

INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31ST DECEMBER, 2010

Illuminator Investment Company Limited

ABN 48 107 470 333

Interim Financial Report

DIRECTORS' REPORT

Your directors submit the financial report of the Company for the half-year ended 31 December 2010.

Directors

The names of directors who held office during or since the end of the half-year:

Steven Pritchard

Daniel Di Stefano

Darval Warwick Thomas

Review of Operations

The Company's investment objectives are:

- Preservation of the capital of the Company;
- Achieve a high real rate of return, comprising both income and capital growth; and
- Deliver shareholders a secure income stream in the form of fully franked dividends.

The Company aims to achieve these objectives by seeking to invest for the medium to long-term in companies and construct an investment portfolio which will:

- Focus on the investment merits of individual stocks rather than market and economic trends;
- Invest in shares which it expects to yield dividends;
- Invest in securities which it assesses to be undervalued relative to their long term potential;
- Have the securities of between 20 and 60 issuers represented in its portfolio.

The Directors have established a number of key performance indicators that they use in their assessment of the Company's performance, including, earnings per share, dividends paid to shareholders and asset backing per share.

The Company presently has short term debt of \$402,354. At the 31st December 2010, approximately 1.83% of the Company's assets was in Cash.

The net loss after tax for the half year ended 31st December 2010 was \$9,611.

Auditor's Declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 3 for the half-year ended 31 December 2010.

This report is signed in accordance with a resolution of the Board of Directors.



Director

Steven Pritchard

Dated this 21st day of February 2011

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF ILLUMINATOR INVESTMENT COMPANY LIMITED**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Illuminator Investment Company Limited.

As lead audit partner for the review of the financial statements of Illuminator Investment Company Limited for the half-year ended 31 December 2010, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



FORSYTHES ASSURANCE & RISK



Martin Matthews
Partner
Chartered Accountants
Newcastle, 21 February 2011

Illuminator Investment Company Limited

ABN 48 107 470 333

Interim Financial Report

CONDENSED INCOME STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	Note	31.12.2010	31.12.2009
		\$	\$
Income from investment portfolio		27,753	28,802
Income from trading portfolio		(720)	8,789
Income from deposits		690	313
Total income from ordinary activities	2	27,723	37,904
Administration expenses		27,626	27,390
Finance costs		18,410	15,228
Management fees		6,258	6,053
		52,294	48,671
Operating (loss) before income tax and realised gains on the investment portfolio		(24,571)	(10,767)
Income tax credit relating to ordinary activities*		(14,960)	10,784
Operating profit/(loss) before realised gains on the investment portfolio		(9,611)	17
Realised gains on the investment portfolio		-	1,397
Income tax (expense) thereon*		-	(419)
		-	978
(Loss) / profit attributable to members of the company		(9,611)	995
Overall Operations			
Basic earnings per share (cents per share)		(0.36)	0.04
Diluted earnings per share (cents per share)		(0.36)	0.04
* Total Tax (Benefit)		(14,960)	(10,365)

The accompanying notes form part of these condensed financial statements.

Illuminator Investment Company Limited

ABN 48 107 470 333

Interim Financial Report

CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	Year to 31 December 2010			Year to 31 December 2009		
	Revenue	Capital	Total	Revenue	Capital	Total
	\$	\$	\$	\$	\$	\$
Operating profit/(loss) for the year	(9,611)	-	(9,611)	17	-	17
Other Comprehensive income						
Unrealised gains for the period on securities in the portfolio at 31 December		84,236	84,236		255,803	255,803
Deferred tax expenses on above	-	(25,271)	(25,271)	-	(76,741)	(76,741)
Cumulative gains for the period on securities realised after 31 December 2009	-	3,096	3,096	-	-	-
Tax expense on above	-	(929)	(929)	-	-	-
Transfer to Income statement of cumulative gains on investments realised prior to 31 December 2009		-	-	-	1,397	1,397
Tax expense on above	-	-	-	-	(419)	(419)
Total other comprehensive income*#	-	61,132	61,132	-	180,040	180,040
Total comprehensive income^	(9,611)	61,132	51,521	17	180,040	180,057

*Net Capital gains/(losses) not recorded through the Income Statement.

^This is the Company's Net Return for the year, which includes the Net Operating Profit plus the net realised and unrealised gains or losses on the Company's investment portfolio.

Total tax movement in other comprehensive income: 2010 - \$(26,200); 2009 -\$(77,161).

The accompanying notes form part of these financial statements.

Illuminator Investment Company Limited

ABN 48 107 470 333

Interim Financial Report

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

	Note	31.12.2010	30.06.2010
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		27,486	76,733
Trade and other receivables		2,208	4,242
Trading portfolio		16,040	16,830
Other		3,644	660
TOTAL CURRENT ASSETS		49,378	98,465
NON-CURRENT ASSETS			
Investment portfolio		1,210,110	1,114,790
Deferred tax assets		244,221	226,941
TOTAL NON-CURRENT ASSETS		1,454,331	1,341,731
TOTAL ASSETS		1,503,709	1,440,196
CURRENT LIABILITIES			
Trade and other payables		19,675	12,109
Borrowings		402,354	395,632
TOTAL CURRENT LIABILITIES		422,029	407,741
NON-CURRENT LIABILITIES			
Deferred tax liabilities		67,870	46,608
TOTAL NON-CURRENT LIABILITIES		67,870	46,608
TOTAL LIABILITIES		489,899	454,349
NET ASSETS		1,013,810	985,847
EQUITY			
Issued capital	4	1,225,624	1,222,974
Reserves		23,127	(11,797)
Accumulated losses		(234,941)	(225,330)
TOTAL EQUITY		1,013,810	985,847

The accompanying notes form part of these condensed financial statements.

Illuminator Investment Company Limited

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Interim Financial Report

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2010

	Issued Capital	Retained Earnings/ (Accumulated Losses)	Capital Profits Reserve	Investment Revaluation Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2009	1,178,505	(222,631)	53,379	(176,171)	833,082
Dividends paid and dividend reinvestment plan	14,316	-	(19,388)	-	(5,072)
Share issue net of costs	30,153	-	-	-	30,153
Total Transactions with the shareholders	44,469	-	(19,388)	-	25,081
Profit for the year	-	17	-	-	17
<i>Other comprehensive income for the year (net of tax)</i>					
Net capital profits for the year	-	978	-	-	978
Revaluation of investment portfolio (net of tax)	-	-	-	179,062	179,062
Transfers between reserves	-	(978)	978	-	-
Other comprehensive income for the year	-	-	978	179,062	180,040
Total comprehensive income	-	17	978	179,062	180,057
Balance at 31 December 2009	1,222,974	(222,614)	34,969	2,891	1,038,220
Balance at 1 July 2010	1,222,974	(225,330)	42,144	(53,941)	985,847
Dividends paid and dividend reinvestment plan	19,586	-	(26,208)	-	(6,622)
Share issue net of costs	(16,936)	-	-	-	(16,936)
Total Transactions with the shareholders	2,650	-	(26,208)	-	(23,558)
Profit for the year	-	(9,611)	-	-	(9,611)
<i>Other comprehensive income for the year (net of tax)</i>					
Net capital profits for the year	-	2,167	-	-	2,167
Revaluation of investment portfolio (net of tax)	-	-	-	58,965	58,965
Transfers between reserves	-	(2,167)	2,167	-	-
Other comprehensive income for the year	-	-	2,167	58,965	61,132
Total comprehensive income	-	(9,611)	2,167	58,965	51,521
Balance at 31 December 2010	1,225,624	(234,941)	18,103	5,024	1,013,810

The accompanying notes form part of these financial statements.

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CONDENSED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	31.12.2010	31.12.2009
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Sales from trading portfolio	-	10,274
Purchases for trading portfolio	-	(9,750)
Dividends received	29,661	30,746
Interest received	741	313
Other receipts	894	658
	31,296	32,241
Administration expenses	(27,566)	(26,583)
Bank charges	(152)	(217)
Finance costs	(18,142)	(14,875)
Management fees	(4,444)	(5,155)
Net cash used in operating activities	(19,008)	(14,589)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sales from investment portfolio	32,949	112,918
Purchases for investment portfolio	(40,938)	(61,055)
Net cash (used in) / provided by investing activities	(7,989)	51,863
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	19,586	31,000
Public offer costs	(22,082)	(1,210)
Proceeds from borrowings	39,376	41,137
Repayment of borrowings	(32,922)	(85,617)
Dividends paid	(26,208)	(5,071)
Net cash used in financing activities	(22,250)	(19,762)
Net (decrease) /increase in cash held	(49,247)	17,512
Cash at beginning of period	76,733	14,696
Cash at end of period	27,486	32,207

The accompanying notes form part of these condensed financial statements.

Illuminator Investment Company Limited

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Interim Financial Report

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED

31 DECEMBER 2010

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Condensed Financial Statements

The half-year condensed financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard *AASB 134: Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards IAS 34: Interim Financial Reporting.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2010 and any public announcements made by Illuminator Investment Company Limited during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The half-year report does not include full disclosures of the type normally included in an annual financial report. 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 2010 annual financial report for the financial year ended 30 June 2010.

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current reporting period.

New and revised Standards and amendments thereof and Interpretations effective for the current reporting period that are relevant to the Company include:

- Amendments to AASB 5, 8, 101, 107, 117, 118, 136 and 139 as a consequence of AASB 2009-5 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project*

AASB 2009-5 introduces amendments into Accounting Standards that are equivalent to those made by the IASB under its program of annual improvements to its standards. A number of the amendments are largely technical, clarifying particular terms, or eliminating unintended consequences. Other changes are more substantial, such as the current/non-current classification of convertible instruments, the classification of expenditures on unrecognised assets in the statement of cash flows and the classification of leases of land and buildings.

The adoption of these amendments has not resulted in any changes to the Company's accounting policies and have no effect on the amounts reported for the current or prior periods.

(a) Holdings of Securities

- (i) Statement of Financial Position classification

The Company has two portfolios of securities, the investment portfolio and the trading portfolio.

The investment portfolio relates to holdings of securities which the directors intend to retain on a long-term basis, and has been classified as a non-current asset.

The trading portfolio comprises securities held for short term trading purposes and is classified as a current asset.

- (ii) Valuation of investments

Securities, including listed and unlisted shares, notes and options, are initially brought to account at cost (including any associated transaction costs) and are continuously carried at fair value.

Fair value for the purposes of valuing holdings of securities is determined by reference to market prices prevailing at balance date, predominantly last sale price, where the securities are traded on an organised market. Where a security is not so traded, its fair value is determined by the Directors.

Illuminator Investment Company Limited

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Interim Financial Report

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

(iii) Gains and losses on investments

Investment portfolio

All gains and losses (realised and unrealised) on equity instruments held in the investment portfolio are reported as "Other Comprehensive Income".

Cumulative gains and losses are transferred from the investment revaluation reserve to retained profits or the realised capital gains reserve when the investments are sold. The realised capital gains reserve is used primarily to record gains upon which Capital Gains Tax has been or will be paid, and which consequently are available for distributions to shareholders as Listed Investment Company Capital gains, which enable many shareholders to claim some of this as a tax deduction.

Trading Portfolio

Realised and unrealised gains and losses arising from changes in the fair value of the trading investments are included in the Income Statement in the period in which they arise.

(iv) Income from holdings of securities

Distributions relating to listed securities are recognised as income when those securities are quoted ex-distribution basis. Distributions relating to unlisted securities are recognised as income when received unless the distributions are capital returns in which case the amount of the distribution is treated as an adjustment to the cost base of the securities.

(b) Income Tax

The Company adopts the liability method of tax-effect accounting whereby the income tax expense is based on the profit from ordinary activities adjusted for any non-assessable or disallowed items.

Deferred tax is accounted for using the balance sheet liability 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 income statement 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 income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(c) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(d) Excess of Current Liabilities over Current Assets

At 31 December 2010, the Company has current assets of \$49,378 and current liabilities of \$422,029, a deficiency of \$372,651. The financial report has been prepared on a going concern basis, which contemplates the realisation of assets and satisfaction of liabilities in the ordinary course of business. The Directors will realise a portion of the Company's investment portfolio to enable the Company to meet any debts as and when they fall due and payable if required. It is on this basis that the going concern assumption is appropriate.

Illuminator Investment Company Limited

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Interim Financial Report

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED

31 DECEMBER 2010

	31.12.2010 \$	31.12.2009 \$
NOTE 2: REVENUE		
Income from investment portfolio		
Dividends received	26,179	27,902
Trust distributions received	1,574	900
Total Income from investment portfolio	27,753	28,802
Income from trading portfolio		
Sales revenue	-	10,274
Cost of sales	(790)	(1,544)
Net gains/(losses) from trading portfolio sales	(790)	8,730
Dividends received	70	59
Total income from trading portfolio	(720)	8,789
Income from deposits		
Deposit income	690	313
Total income from deposits	690	313
Total Revenue	27,723	37,904

	31.12.2010 \$	31.12.2009 \$
NOTE 3: DIVIDENDS		
Dividends Paid		
Final fully franked ordinary dividend of 1.00 (2009: 0.75) cents per share paid on 27 October 2010.	26,208	19,388

NOTE 4: ISSUED CAPITAL

Movements in Issued Capital of the Company during the half-year were as follows:

Date	Details	Number of Shares	Issue Price \$	Issued Capital \$
01/07/2010	Opening balance	2,620,822		1,222,974
27/10/2010	Dividend Reinvestment Plan	50,256	0.39	19,586
Various	Transaction costs relating to share issues	-		(16,936)
31/12/2010	Balance	2,671,078		1,225,624

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Illuminator Investment Company Limited

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Interim Financial Report

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED

31 DECEMBER 2010

NOTE 5: SEGMENT REPORTING

The Company operates in one business segment, being that of a listed investment company. The Company operates in Australia only and therefore has only one geographical segment. However the Company has investment exposures in different countries which are shown below. The Company invests in securities listed on overseas stock exchanges. Details of the geographical exposures are as follows:

	For the half-year ended 31.12.2010		As at 31.12.2010	
	Revenue \$	Unrealised Gains/ (Losses) \$	Market Value \$	Portfolio %
Australia	25,444	68,830	1,063,433	86.73
Great Britain	1,033	(36,657)	70,285	5.73
New Zealand	318	(4,145)	17,400	1.42
United States of America	238	(29,831)	53,858	4.39
Sub Total	27,033	(1,803)	1,204,976	98.27
Investment portfolio cash and cash equivalents and receivables	690	-	21,174	1.73
Total	27,723	(1,803)	1,226,150	100.00

	For the half year ended 31.12.2009		As at 30.06.2010	
	Revenue \$	Unrealised Gains/ (Losses) \$	Market Value \$	Portfolio %
Australia	35,895	53,654	987,639	81.73
Great Britain	1,208	(27,454)	62,933	5.21
New Zealand	322	(2,225)	19,140	1.58
United States of America	166	(30,421)	61,908	5.12
Sub Total	37,591	(6,446)	1,131,620	93.64
Investment portfolio cash and cash equivalents and receivables	313	-	76,798	6.36
Total	37,904	(6,446)	1,208,418	100.00

NOTE 6: EVENTS SUBSEQUENT TO REPORTING DATE

Since 31 December 2010 to the date of this report there has been no event specific to the Company of which the Directors are aware which has had a material effect on the Company or its financial position. Changes in the value of the Company's investments are reflected in the Company's Net Asset Backing per share which is reported to the NSX monthly.

NOTE 7: KEY MANAGEMENT PERSONNEL

Remuneration arrangements of key management personnel are disclosed in the annual financial report.

Illuminator Investment Company Limited

ABN 48 107 470 333

Interim Financial Report

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	31.12.2010	31.12.2009
	\$	\$
NOTE 8: RELATED PARTY TRANSACTIONS		
Transactions with related parties:		
Expenses paid or payable by the company to:		
-Investment management fees paid to Pritchard & Partners Pty. Limited	6,258	6,053
- Brokerage paid to Pritchard & Partners Pty. Limited	465	1,333
-Accounting fees paid to Rees Pritchard Pty Limited	1,754	220
Steven Pritchard is interested in the above transactions as a director and a beneficial shareholder of Pritchard & Partners Pty. Limited.		
- Newcastle Capital Markets Registries Pty. Limited for share registry costs.	3,990	5,902
Steven Pritchard is interested in the above transaction as a director and beneficial shareholder of Newcastle Capital Markets Registries Pty. Limited		
The Company purchased 15,000 units in Fleet Professional Investors Fund	15,000	-
Steven Pritchard is interested in the above transaction as a director of Fleet Funds Management Pty Ltd.		
	-	-
The Company purchased 2,000 A class and 8,000 B class ordinary shares in Hamilton Securities Limited.	-	10,000
Steven Pritchard is interested in the above transaction as a director and beneficial shareholder of Hamilton Securities Limited		

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Illuminator Investment Company Limited

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Interim Financial Report

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 4 to 13:
 - a. comply with Accounting Standards and the Corporations Regulations; and
 - b. give a true and fair view of the entity's financial position as at 31 December 2010 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.

This declaration is made in accordance with a resolution of the Board of Directors pursuant to s.303 (5) of the Corporations Act 2001.



Steven Shane Pritchard

Dated this 21st day of February 2011

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ILLUMINATOR INVESTMENT COMPANY LIMITED

Report on the half year financial report

We have reviewed the accompanying half-year financial report of Illuminator Investment Company Limited, which comprises the condensed statement of financial performance as at 31 December 2010, and the condensed income statement, condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, a statement of accounting policies, other explanatory notes and the directors' declaration of the company.

Directors' responsibility for the 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 establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that 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 Australian Auditing Standard on Review Engagements ASRE 2410 *Review of 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 *Corporations Act 2001* including: giving a true and fair view of Illuminator Investment Company Limited's financial position at 31 December 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. As the auditor of Illuminator Investment Company Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of 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*.

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 Illuminator Investment Company Limited is not in accordance with the *Corporations Act 2001* including:

(i) giving a true and fair view of the Illuminator Investment Company Limited's financial position as at 31 December 2010 and of its performance for the half-year ended on that date; and

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

Forsythes Assurance & Risk

FORSYTHES ASSURANCE & RISK

MJ Matthews

MJ Matthews
Partner
Chartered Accountants
Newcastle, 21 February 2011