

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’)

30th June 2013

For announcement to the market

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

				\$A
Operating Revenue (item 1.1)	Down	24%	To	36,469
Operating Profit (loss) before abnormal items and tax	Up	22%	To	(26,927)
Operating Profit (loss) before realised gains/(losses) on the investment portfolio	Up	18%	To	(9,928)
Profit (loss) for the period attributable to security holders (item 1.11)	Up	18%	To	(9,928)
Dividends: Franking Rate Applicable		30%		
Current Period				
Previous Corresponding Period				
Record date for determining entitlements to the dividend (in the case of a trust distribution) (see item 15.2)				
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				

Dividends

15.1 Date the dividend is payable

15.2 Record Date to determine entitlements to the dividend (i.e. on the basis of registrable transfers received up to 5.00pm)

18.3 Amount per security

1.00 cents per share

		Franking rate applicable	39%	30%	33%
		<i>(Preliminary final statement only)</i>			
15.4	Final Dividend:	Current year			
15.5		Previous year			
		<i>(Preliminary final statement only)</i>			
15.6	Final Dividend:	Current year			
15.7		Previous year			

Total Annual Dividend (distribution) per security

(Preliminary final statement only)

15.8 Ordinary Securities

Current Year	Previous Year
1.00 cents per share fully franked dividend paid on 26 October 2012	1.00 cents per share fully franked dividend paid on 27 October 2011

The dividend or distribution plans shown below are in operation

Dividend Reinvestment Plan

Any other disclosures in relation to dividends (distribution)

Annual meeting*(Preliminary final statement only)*

The annual meeting will be held as follows:

Place

TBA

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

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:

- ☒ The financial statements have been audited. ☐ The financial statements have been subject to review by a registered auditor (or overseas equivalent).
- ☐ The financial statements are in the process of being audited or subject to review. ☐ The financial statements have *not* 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 issuer has/does not have* (*delete one*) a formally constituted audit committee.

Sign here:



Date:

9 September 2013

(Director)

Print name: Steven Pritchard

ILLUMINATOR INVESTMENT COMPANY LIMITED

ABN 48 107 470 333

2013 ANNUAL REPORT

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ILLUMINATOR INVESTMENT COMPANY LIMITED

HIGHLIGHTS

Key Financial Statistics

	2013	2012	2011	2010	2009
Net profit (loss) after tax	\$(9,928)	\$(12,117)	\$(13,921)	\$1,722	\$(125,800)
Earnings per Share (cents per share)	(0.36)	(0.44)	(0.52)	0.07	(5.17)
Dividends per Share (cents per share)	1.00	1.00	1.00	1.00	0.75
Total Assets	\$1,136,013	\$1,240,404	\$1,407,158	\$1,440,196	\$1,262,389
Total Liabilities	\$137,675	\$296,579	\$422,246	\$454,349	\$429,307
Shareholders Funds	\$998,338	\$943,825	\$984,912	\$985,847	\$833,082
Total Shareholders Return*	8.82%	(5.41%)	2.86%	9.09%	(21.51)%
Return on Shareholders Funds	(0.99%)	(1.23%)	(1.41)%	0.08%	(2.35)%
Net Asset backing per share	\$0.36	\$0.34	\$0.37	\$0.38	\$0.33
Shares on issue	2,802,299	2,756,372	2,682,983	2,620,822	2,491,048
Number of Shareholders	153	148	147	153	153

* Total shareholders return consists of the dividends paid together with the change in net asset backing per share.

Benefits of Investing in Illuminator Shares

Illuminator Investment Company Limited was incorporated in 2003, and listed on the Stock Exchange of Newcastle Limited on 18 June 2004. Illuminator Investment Company Limited was the first Newcastle based company to list on the Stock Exchange of Newcastle Limited and the first Newcastle based listed institutional investor. Some of the benefits of investing in Illuminator Investment Company Limited shares include:

- **Diversification of Risk**

In order to diversify the risk in its investment portfolio, Illuminator intends to manage its investment portfolio with a view to building the number of issuers in the Portfolio to a minimum of 20 and a maximum of 60.

- **Professional Management**

The investment portfolio of Illuminator is managed by Pritchard & Partners Pty. Limited, which is a participant of the National Stock Exchange of Australia Limited (NSX), formerly the Stock Exchange of Newcastle Limited and licensed by the Australian Securities & Investments Commission.

- **Fixed Capital Base Not Affected by Unexpected Cash Inflows or Outflows**

Illuminator is able to invest for the medium to long term, as it has a fixed capital base and does not need to manage constant inflows and outflows of additional capital.

- **Regular Reporting to the National Stock Exchange of Australia Limited**

Illuminator reports its performance to the NSX and shareholders on a bi annual basis and it announces its net asset backing to the NSX monthly. In addition, as a listed company, Illuminator complies with the continuous disclose requirements of the NSX. Copies of all announcements to the NSX are also posted on the Illuminator internet site www.illuminator.com.au.

ILLUMINATOR INVESTMENT COMPANY LIMITED

INVESTMENT MANAGER'S REPORT

Investment Objectives

The investment objectives of Illuminator Investment Company Limited, are to:

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

Investment Philosophy

The Manager, in order to achieve the Company's investment objectives, seeks to invest for the medium to long-term in companies and construct an investment portfolio for the Company 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; and
- Have the securities of between 20 and 60 issues represented in its portfolio.

The Manager does not intend to follow the weightings of any index.

Investment Manager's Comments

The Company took advantage of the stronger returns enjoyed by the Australian stock market during the year to realise a number of its investments.

However, more recently as global markets, started to factor in the prospect of the potential slowing of Chinese economic growth and reduced intervention by the Federal Reserve in the United States, the Australian stock market has given up some of its prior gains. Subdued business and consumer confidence, and the outlook for corporate profitability, together with the current political situation have all been weighing on investor sentiment.

Given these conditions, we believe that the results for the current year were satisfactory with the Company incurring a small operating loss of \$9,928 compared to a loss of \$12,117 in the prior year.

The Company's investment portfolio has continued to be reviewed and a number of holdings were either fully or partly realised during the financial year. The proceeds from these realisations were predominately used by the Company to reduce its interest bearing debt by 77%. At 30 June 2013 the Company's interest bearing debt was \$53,414 compared to \$231,158 at the end of the previous year.

Since the end of the financial year the Company has acquired small holdings in AMA Group Limited, Capitol Health Limited, Nanosonics Limited and Pental Limited, all of which are smaller companies which we believe have good growth prospects. We have accepted the takeover offer for shares in NYSE Euronext Inc and have sold shares in Royal Dutch Shell PLC.

ILLUMINATOR INVESTMENT COMPANY LIMITED

INVESTMENT MANAGER'S REPORT (CONTINUED)

The following table shows the progress of Illuminator Investment Company Limited since incorporation:

Year	Dividends Cents Per Share	Net Profit /(loss) \$	Issued Capital \$	Issued Ordinary Shares	Net Assets \$
2004	-	(528)	575,005	1,260,264	574,477
2005	0.50	18,601	596,809	1,273,189	608,839
2006	1.10	7,990	610,893	1,301,453	702,592
2007	1.35	49,632	1,053,631	2,214,261	1,325,173
2008	1.55	(20,794)	1,143,893	2,384,246	1,033,345
2009	0.75	(125,800)	1,178,505	2,491,048	833,082
2010	1.00	1,772	1,222,974	2,620,822	985,847
2011	1.00	(13,921)	1,229,554	2,682,953	984,912
2012	1.00	(12,117)	1,255,341	2,756,372	943,825
2013	1.00	(9,928)	1,271,400	2,802,299	998,338

Trading Portfolio

The Company continued to take a cautious approach to its short term trading activities and undertook no trading activities in the trading portfolio this year.

It remains the general policy of the Company's that the trading portfolio will not exceed 10% of the Company's total portfolio. At year end the total value of the Company's trading portfolio was \$Nil or 0.00% of the Company's total portfolio.

Investment Portfolio

Details of Investments Held as at 30 June 2013

Name of Investment	Holding	Market Value \$	Portfolio %
Investment Portfolio			
Australian Equities			
ANZ Banking Group Limited	100	2,858	0.34
ARB Corporation Limited	5,000	57,000	6.74
Aspen Group	40,000	7,000	0.83
Bendigo and Adelaide Bank Limited	100	1,007	0.12
Blackmores Limited	1,461	39,359	4.65
Cabcharge Australia Limited	3,000	12,090	1.43
Cochlear Limited	1,000	61,710	7.29
Commonwealth Bank Of Australia Limited	120	8,302	0.98
CSL Limited	1,000	61,580	7.28
Fairfax Media Limited	10,000	4,950	0.58
Florin Mining Investment Company Limited	270,891	35,216	4.16
Graincorp Limited A Class	2,500	31,425	3.71
Hamilton Securities Limited A Class Non Voting	2,000	600	0.07

ILLUMINATOR INVESTMENT COMPANY LIMITED

INVESTMENT MANAGER'S REPORT (CONTINUED)

Name of Investment	Holding	Market Value	Portfolio
		\$	%
Hamilton Securities Limited B Class	8,000	2,800	0.33
Hamilton Securities Limited B Class Options	13,158	263	0.03
Hills Holdings Limited	8,214	8,296	0.98
Hunter Hall International Limited	6,309	10,915	1.29
IOOF Holdings Limited	3,000	22,080	2.61
Ingenia Communities Group Units	40,000	13,800	1.63
Korvest Limited	5,000	29,000	3.34
Lycopodium Limited	5,000	21,350	2.52
Metcash Limited	6,000	21,120	2.50
National Australia Bank Limited	100	2,968	0.35
Platinum Asset Management Limited	8,000	43,760	5.17
Prime Financial Group Limited	60,000	5,700	0.67
Pritchard Equity Limited – A Ordinary	20,000	22,500	2.66
Pritchard Equity Limited – B Ordinary	10,000	11,000	1.30
Pritchard Equity Limited – Series 3 Options	3,125	-	-
Pritchard Equity Limited – Preferred Income Equity Securities	30	3,000	0.35
Reece Australia Limited	2,000	47,600	5.63
RNY Property Trust	50,000	14,250	1.68
Telstra Corporation Limited	10,000	47,700	5.64
Warrnambool Cheese & Butter Factory Company Holdings Limited	10,000	39,000	4.61
Westpac Banking Corporation	112	3,235	0.38
Total Australian Equities		693,433	81.94
International Equities			
Berkshire Hathaway Inc. Class B Common Stock	300	36,300	4.29
Conygar Investment Company PLC	4,000	7,913	0.94
Diageo PLC	1,000	30,994	3.66
McMullen & Sons Limited – Preferred Ordinary	2,500	15,456	1.83
NYSE Euronext Inc	200	8,952	1.06
Royal Dutch Shell PLC B Ordinary	500	17,937	2.12
Unilever PLC	500	21,943	2.59
Total International Equities		139,496	16.48
Total Investment Portfolio		832,929	98.43
Investment portfolio cash & cash equivalents & receivables			
Macquarie Bank Limited		7,176	0.85
Clydesdale Bank PLC		4,033	0.48
Income Accrued but not Paid		1,564	0.18
DRP cash balance		94	0.01
GST Refund account		425	0.05
Total Cash & Equivalents		13,291	1.57
Total Portfolios		846,220	100.00

ILLUMINATOR INVESTMENT COMPANY LIMITED

CORPORATE GOVERNANCE STATEMENT

The Board has the responsibility of ensuring the Company is properly managed so as to protect and enhance shareholders interests in a manner that is consistent with the Company's responsibility to meet its obligations to all parties with which it interacts. To this end, the Board has adopted what it believes to be appropriate corporate governance policies and practices having regard to its size and nature of activities.

The main corporate governance policies are summarised below.

Appointment and Retirement of Non-Executive Directors

It is the Board's policy to determine the terms and conditions relating to the appointment and retirement of non-executive directors on a case by case basis and on conformity with the requirements of the Listing Rules and the Corporations Act.

Director's Access to Independent Professional Advice

It is the Board's policy that any committees established by the Board should:

- Be entitled to obtain independent professional or other advice at the cost of the Company, unless the Board determines otherwise.
- Be entitled to obtain such resources and information from the Company including direct access to employees of and advisers to the Company as they might require.
- Operate in accordance with the terms of reference established by the Board.

Audit Committee

The Audit Committee meets with the external auditors at least once a year. This committee addresses the financial and compliance oversight responsibilities of the Board. The specific activities include assessing and monitoring:

- The adequacy of the Company's internal controls and procedures to ensure compliance with all applicable legal obligations.
- The adequacy of the financial risk management processes.
- The appointment of the external auditor, any reports prepared by the external auditor and liaising with the external auditor.

Board Participation in Management

Under the Management Agreements, the Manager has discretion to acquire and dispose of investments on behalf of the Company. Investments consistent with the Investment Guidelines may be undertaken without consultation with the Board.

Any proposed investment that does not fall within this Investment Guidelines or any change in the Investment Guidelines proposed by the Manager requires the prior approval of the Board which may be withheld in its absolute discretion.

ILLUMINATOR INVESTMENT COMPANY LIMITED

DIRECTORS' REPORT

Your directors present their report on the Company for the financial year ended 30 June 2013. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The names of directors in office at any time during or since the end of the year are:

Steven Shane Pritchard

Daniel Di Stefano

Darval Warwick Thomas

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

Company Secretary

The following persons held the position of company secretary at the end of the financial year:

Daniel Di Stefano held the position of joint company secretary at the end of the financial year. Further details in respect of the qualifications of the Company Secretary are contained in the information of Directors.

Enzo Pirillo held the position of joint company secretary at the end of the financial year. Enzo has a Bachelor of Commerce degree from the University of Newcastle and is a Certified Practising Accountant.

Principal Activities

The principal activity of the Company during the financial year was making medium to long term investments in securities.

There were no significant changes in the nature of the Company's principal activities during the financial year.

Operating Results

The loss of the Company after providing for income tax amounted to \$9,928 (2012: \$12,117).

Dividends Paid or Recommended

Dividends paid or declared for payment are as follows:

2012 Final ordinary dividend of 1.00 cents per share paid on 26 October 2012.	\$27,564
2013 Final ordinary dividend of 1.00 cents per share payable on 25 October 2013.	\$28,023

Listed Investment Company Capital Gains

In 2001 the Government made changes to Capital Gains Tax relating to Listed Investment Companies ("LIC's"). The changes affect the company in situations where the Company makes a taxable capital gain on the sale of equity securities from their investment portfolios which have been held for longer than one year. This means that Illuminator is able to pass on to certain classes of shareholders a special tax deduction which is attached to its dividend. Its purpose is to put shareholders into a similar after-tax position to that which would apply if the capital gain had been made by them directly.

Arising from the sale of some of our holdings, the company has made some taxed LIC capital gains this year. This year's final dividend will be sourced from these gains. The amount which shareholders may be able to claim as a tax deduction depends upon their individual situation. The shareholders should also refer to the information provided on the dividend statement.

Review of Operations

The Company incurred a loss of \$9,928 for the year compared to a loss of \$12,117 last year.

The amount of dividends and distributions received by the Company decreased by 23.39% to \$36,189 which was a decrease of \$11,046.

Shareholders equity increased during the year by \$54,513 to \$998,338 or 5.78%.

ILLUMINATOR INVESTMENT COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

Significant Changes in State of Affairs

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

After Balance Date Events

There have been no other activities which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in the future.

Future Developments, Prospects and Business Strategies

The Company will continue to pursue its investment objectives for the long-term benefit of members. This will require the continued review of the investment strategy that is in place and may from time to time require some changes to that strategy.

We do not believe it is possible or appropriate to make a prediction on the future course of markets or the performance of our investments. Accordingly, we do not provide a forecast of the likely results of our activities.

Environmental Issues

The Company's operations are not regulated by any significant environmental regulation under the law of the Commonwealth and State.

Information on Directors

Steven Shane Pritchard	—	Chairman (Executive)
Qualifications	—	Bachelor of Commerce, Certified Practising Accountant, Registered Tax Agent, Fellow Taxation Institute of Australia, Graduate Diploma Applied Finance and Investment, and Fellow of Financial Services Institute of Australasia
Experience	—	Appointed Chairman 2003. Board member since 2003
Interest in Shares	—	1,096,428 Ordinary Shares in Illuminator Investment Company Limited
Special Responsibilities	—	Steven Pritchard is a Member of the Audit Committee
Directorships held in other listed entities	—	Current director of Florin Mining Investment Company Limited (since 29 September 2004), Hamilton Securities Limited (since 08 July 2009), Pritchard Equity Limited (since 10 May 2002) and Winpar Holdings Limited (since 4 July 2004)
 Daniel Di Stefano	—	 Director (Executive)
Qualifications	—	Bachelor of Commerce, Certified Practising Accountant, Graduate Diploma of Applied Finance and Investment, and Fellow of Financial Services Institute of Australasia
Experience	—	Board member and company secretary since 2003
Interest in Shares	—	171,749 Ordinary Shares of Illuminator Investment Company Limited
Special Responsibilities	—	Daniel Di Stefano is a Member of the Audit Committee
Directorships held in other listed entities	—	Current director of Florin Mining Investment Company Limited (since 29 September 2004)

ILLUMINATOR INVESTMENT COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

Darval Warwick Thomas	—	Director (Non-Executive)
Qualifications	—	Fellow of CPA Australia, Registered Company Auditor, Registered Tax Agent
Experience	—	Board member since 2003
Interest in Shares	—	81,600 Ordinary Shares of Illuminator Investment Company Limited
Special Responsibilities	—	Darval Thomas is a Member of the Audit Committee

REMUNERATION REPORT

This report details the nature and amount of remuneration for each director of Illuminator Investment Company Limited, and for the executives receiving the highest remuneration.

Remuneration policy

All issues in relation to remuneration of both Executive Directors and Non-Executive Directors are dealt with by the board of the Company.

The constitution of Illuminator Investment Company Limited requires approval by the shareholders in general meetings of a maximum amount of remuneration per year to be allocated between Non-Executive Directors as they determine. In proposing the maximum amount for consideration in general meeting, and in determining the allocation, the Board takes account of the time demands made on Directors, together with such factors as the general level of fees paid to Directors. The amount of remuneration currently approved by shareholders for Non-Executive Directors is a maximum of \$45,000 per annum.

Non-Executive Directors hold office until such time as they retire, resign or are removed from office under the terms set out in the constitution of the Company.

Non-Executive Directors do not receive any performance based remuneration.

Remuneration Report

Details of remuneration for year ended 30 June 2013

The Company has only two executives, Steven S Pritchard and Daniel Di Stefano (2012: two executives), both of whom are Directors of the Company.

Details of the remuneration for each Director of the Company was as follows:

2013	Salary & Fees	Superannuation Contributions	Other	Total
	\$	\$	\$	\$
Steven Shane Pritchard	-	-	-	-
Daniel Di Stefano	-	-	-	-
Darval Warwick Thomas	-	-	-	-
	-	-	-	-

2012	Salary & Fees	Superannuation Contributions	Other	Total
	\$	\$	\$	\$
Steven Shane Pritchard	-	-	-	-
Daniel Di Stefano	-	-	-	-
Darval Warwick Thomas	-	-	-	-
	-	-	-	-

ILLUMINATOR INVESTMENT COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

Meetings of Directors

During the financial year, 4 meetings of directors (including committees) were held. Attendances were:

	DIRECTORS MEETINGS		AUDIT COMMITTEE MEETINGS	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Steven Shane Pritchard	5	5	1	1
Daniel Di Stefano	5	5	1	1
Darval Warwick Thomas	5	5	1	1

Shareholdings

Number of Shares Held by Directors

	Balance 1.7.2012	Received as Remuneration	Options Exercised	Net Change Other*	Balance 30.6.2013
Steven Shane Pritchard	1,075,669	-	-	20,759	1,096,428
Daniel Di Stefano	166,977	-	-	4,772	171,749
Darval Warwick Thomas	81,600	-	-	-	81,600
Total	1,324,246	-	-	25,531	1,349,777

* Net change other refers to shares purchased or sold during the financial year.

Options

At the date of this report, no options were outstanding.

Indemnifying Officers or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Company.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

The lead auditor's independence declaration is included on page 10 of the annual report.

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

Steven Shane Pritchard

Director

Dated this 6th day of September 2013.

**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 audit of the Illuminator Investment Company Limited financial report for the year ended 30 June 2013, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

Nexia Forsythes

Nexia Forsythes
Chartered Accountants

David Gallery

David Gallery
Partner
Newcastle, 6 September 2013



ILLUMINATOR INVESTMENT COMPANY LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

	Notes	2013 Revenue	2013 Capital	2013 Total	2012 Revenue	2012 Capital	2012 Total
		\$	\$	\$	\$	\$	\$
Income from investment portfolio	2a	36,189	-	36,189	47,235	-	47,235
Loss from trading portfolio	2b	-	-	-	-	-	-
Income from deposits	2c	280	-	280	670	-	670
Total income from ordinary activities		36,469	-	36,469	47,905	-	47,905
Administration expenses		(41,444)	-	(41,444)	(41,666)	-	(41,666)
Finance costs		(12,349)	-	(12,349)	(29,899)	-	(29,899)
Management fees		(9,603)	-	(9,603)	(10,759)	-	(10,759)
Operating loss before income tax	3	(26,927)	-	(26,927)	(34,419)	-	(34,419)
Income tax benefit relating to ordinary activities *	4b	16,999	-	16,999	22,302	-	22,302
Operating loss attributable to members of the company		(9,928)	-	(9,928)	(12,117)	-	(12,117)
Other comprehensive income							
Items that will not be reclassified subsequently to profit or loss							
Unrealised gains/(losses) for the period on securities in the portfolio at 30 June		-	115,047	115,047	-	(6,219)	(6,219)
Tax credit/ (expense) on above *	4	-	(34,514)	(34,514)	-	1,866	1,866
Cumulative realised losses for the period on securities		-	(6,553)	(6,553)	-	(33,406)	(33,406)
Tax credit on above *	4	-	1,966	1,966	-	10,022	10,022
Total other comprehensive income		-	75,946	75,946	-	(27,737)	(27,737)
Total net comprehensive income^		(9,928)	75,946	66,018	(12,117)	(27,737)	(39,854)

	2013	2012
* Total tax (expense)/ benefit	(15,549)	34,190

Overall Operations

Basic earnings per share (cents per share)	7	(0.36)	(0.44)
Diluted earnings per share (cents per share)	7	(0.36)	(0.44)

^This is the Company's net return for the year, which includes the net operating profit/(loss) plus the net realised and unrealised gains or losses on the Company's investment portfolio.

The accompanying notes form part of these financial statements.

ILLUMINATOR INVESTMENT COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	Note	2013 \$	2012 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	12,861	22,087
Trade and other receivables	9	1,583	936
Other current assets	10	813	850
TOTAL CURRENT ASSETS		15,257	23,873
NON-CURRENT ASSETS			
Investment portfolio	11	832,929	933,819
Deferred tax assets	12	287,827	282,712
TOTAL NON-CURRENT ASSETS		1,120,756	1,216,531
TOTAL ASSETS		1,136,013	1,240,404
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	14,426	16,250
Borrowings	14	53,414	231,157
TOTAL CURRENT LIABILITIES		67,840	247,407
NON-CURRENT LIABILITIES			
Deferred tax liabilities	15	69,835	49,172
TOTAL NON-CURRENT LIABILITIES		69,835	49,172
TOTAL LIABILITIES		137,675	296,579
NET ASSETS		998,338	943,825
EQUITY			
Issued capital	16	1,271,400	1,255,341
Reserves	17	98,862	17,681
Accumulated losses		(371,924)	(329,197)
TOTAL EQUITY		998,338	943,825

The accompanying notes form part of these financial statements.

ILLUMINATOR INVESTMENT COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

	Note	Issued Capital	Accumulated Losses	Capital Profits Reserve	Investment Revaluation Reserve	Total
		\$	\$	\$	\$	\$
Balance at 1 July 2011 as reported		1,229,554	(263,873)	30,020	(10,789)	984,912
Dividends paid and dividend reinvestment plan	16 & 17a	18,787	-	(27,020)	-	(8,233)
Issued capital	16a	7,000	-	-	-	7,000
Total transactions with the shareholders		25,787	-	(27,020)	-	(1,233)
Loss for the year		-	(12,117)	-	-	(12,117)
<i>Other comprehensive income for the year (net of tax)</i>						
Net capital losses for the year		-	(23,384)	-	-	(23,384)
Revaluation of investment portfolio (net of tax)	17b	-	-	-	(4,353)	(4,353)
Transfers to/(from) reserves	17a		(29,823)	29,823	-	-
Other comprehensive income for the year		-	(53,207)	29,823	(4,353)	(27,737)
Total comprehensive income		-	(65,324)	29,823	(4,353)	(39,854)
Balance at 30 June 2012		1,255,341	(329,197)	32,823	(15,142)	943,825
Balance at 1 July 2012 as reported		1,255,341	(329,197)	32,823	(15,142)	943,825
Dividends paid and dividend reinvestment plan	16 & 17a	16,059	-	(27,564)	-	(11,505)
Total transactions with the shareholders		16,059	-	(27,564)	-	(11,505)
Loss for the year		-	(9,928)	-	-	(9,928)
<i>Other comprehensive income for the year (net of tax)</i>						
Net capital losses for the year (net of tax)		-	(4,587)	-	-	(4,587)
Revaluation of investment portfolio (net of tax)	17b	-	-		80,533	80,533
Transfers to/(from) reserves	17a	-	(28,212)	28,212	-	-
Other comprehensive income for the year		-	(32,799)	28,212	80,533	75,946
Total comprehensive income		-	(42,727)	28,212	80,533	66,018
Balance at 30 June 2013		1,271,400	(371,924)	33,471	65,391	998,338

The accompanying notes form part of these financial statements.

ILLUMINATOR INVESTMENT COMPANY LIMITED

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Sales from trading portfolio		-	-
Dividends received		31,600	41,544
Interest received		280	670
Trust distributions		361	2,749
Other receipts		1,541	1,856
		<u>33,782</u>	<u>46,819</u>
Administration expenses		(42,673)	(41,083)
Bank charges		(321)	(270)
Finance costs		(12,349)	(29,899)
Management fees		(11,379)	(13,078)
Net cash used in operating activities	19	<u>(32,940)</u>	<u>(37,511)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Sales from investment portfolio		263,387	274,409
Purchases for investment portfolio		(50,425)	(133,607)
Net cash provided by investing activities		<u>212,962</u>	<u>140,802</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	7,000
Share issuance costs		-	-
Proceeds from borrowings		-	-
Repayment of borrowings		(177,744)	(115,722)
Dividends paid		(11,504)	(8,234)
Net cash used in financing activities		<u>(189,248)</u>	<u>(116,956)</u>
Net decrease in cash held		(9,226)	(13,665)
Cash at beginning of financial year		22,087	35,752
Cash at end of financial year	8	<u>12,861</u>	<u>22,087</u>

The accompanying notes form part of these financial statements.

ILLUMINATOR INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards and Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report covers Illuminator Investment Company Limited as an individual entity. Illuminator Investment Company Limited is a listed public company, incorporated and domiciled in Australia.

The financial statements comprise the consolidated financial statements of the Company

Accounting standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS'). Compliance with A-IFRS ensures that the financial statements and notes of the Company comply with International Financial Reporting Standards ('IFRS').

Illuminator Investment Company Limited has not applied any Australian Accounting Standards or AASB interpretations that have been issued at balance date but are not yet operative for the year ended 30 June 2013 ("the inoperative standards"). The inoperative standards are outlined below.

- AASB 13 *Fair value Measurement* and AASB 2011-8 *Amendments to Australian Accounting Standards arising from AASB 13* (effective date 1 January 2013).
- AASB 2011-4 *Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements* (effective date 1 July 2013).
- AASB 2012-5 *Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle* (effective 1 January 2013).
- AASB 2012-10 *Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments* (effective 1 January 2013).

The adoption of the various Australian Accounting Standards and Interpretations in issue but not yet effective will not impact the Company's accounting policies. However, the pronouncements will result in changes to information currently disclosed in the financial statements. The Company does not intend to adopt any of these pronouncements before their effective dates.

Basis of Preparation

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. All amounts are presented in Australian dollars, unless otherwise noted.

The financial statements were authorised for issue by the directors on 6 September 2013.

Accounting Policies

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a. Investment and Trading Portfolios

(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.

The trading portfolio comprises securities held for short term trading purposes.

The investment portfolio is classified as a 'non-current asset', whereas the trading portfolio is classified as a 'current asset'.

Ordinary securities within the investment portfolio are classified as 'financial assets measured at fair value through other comprehensive income', whilst securities within the trading portfolio are classified as 'assets measured at fair value through the Income Statement' in accordance with AASB 9.

ILLUMINATOR INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ii) Valuation of investment portfolio

Securities, including listed and unlisted shares and notes and options, are initially brought to account at cost, which is the cost of acquisition including transaction costs, and are revalued to market values continuously. Increments and decrements on Ordinary Securities are recognised as Comprehensive Income and taken to the Investment Revaluation Reserve.

Where disposal of an investment occurs, any revaluation increment or decrement relating to it is transferred from the Investment Revaluation Reserve to retained earnings. Subsequently, any revaluation or decrement to the extent of a capital profits reserve balance relating to the disposal of an investment is transferred to the Capital Profits Reserve.

(iii) Valuation of trading portfolio

Securities, including listed and unlisted shares and notes, are initially brought to account at cost which is the cost of acquisition including transaction costs and are revalued to market values continuously.

Increments and decrements on the value of securities in the trading portfolio are taken directly through to the Income Statement.

(iv) Determination of market value

Market value for the purposes of valuing holdings of the securities is determined by reference to market prices prevailing at balance date, predominantly the 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.

(v) Income from holding of securities

Distributions relating to listed securities are recognised as income when those securities are quoted ex-distribution basis and distributions relating to unlisted securities are recognised as income when received. If the distributions are capital returns on ordinary securities the amount of the distribution is treated as an adjustment to the carry value of the securities.

b. Fair Value of Financial Assets and Liabilities

The fair value of cash and cash equivalents, and non-interest bearing monetary financial assets and liabilities of the Company approximates their carrying value.

c. Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

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.

ILLUMINATOR INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

d. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments. Bank overdrafts are shown within borrowings in current liabilities and on the statement of financial position.

e. Public Offer Costs

The costs incurred in the establishment of the Company and its subsequent public offerings have been charged directly against issued capital.

f. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

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

g. Comparative Figures

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

h. Foreign Currency Transactions and Balances

Foreign currency transactions during the year are converted to Australian currency using the exchange rates applicable at the dates of the transactions. Amounts receivable and payable in foreign currencies at balance date are converted at the rates of foreign exchange ruling at that date.

i. Borrowings

The Company is party to an agreement under which BT Securities Limited have agreed to accept listed securities beneficially held by the Company as security under the loan facility.

j. Excess of Current Liabilities over Current Assets

At 30 June 2013, the Company has current assets of \$15,257 and current liabilities of \$67,840, deficiency of \$52,583. 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 considered appropriate.

k. Split between Revenue and Capital in Other Comprehensive Income

'Capital' relates to realised or unrealised gains (and the tax thereon) on securities within the Investment portfolio and excludes income in the form of distributions and dividends which are recorded as 'Revenue'. All other items, including expenses, are recorded as Net Operating profit, which is equivalent to 'Revenue'.

l. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The Board has been identified as the chief operating decision-maker, as it is responsible for allocating resources and assessing performance of the operating segments.

ILLUMINATOR INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

m. Critical Accounting Estimates and Judgements

The preparation of financial reports in conformity with AIFRS requires the use of certain critical accounting estimates. This requires the Board and management to exercise their judgement in the process of applying the Company's accounting policies.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. In accordance with AASB 112 Income Taxes, deferred tax liabilities have been recognised for Capital Gains Tax (CGT) on the unrealised gain in the Investment Portfolio at current tax rates.

As the directors do not intend to dispose of the portfolio, this tax liability may not be crystallised at the amount disclosed in Note 16. In addition, the tax liability that arises on disposal of these securities may be impacted by changes in tax legislation relating to treatment of capital gains and the rate of taxation applicable to such gains at the time of disposal.

The Company has recognised deferred tax assets in relation to carried forward revenue and capital losses and deductible temporary differences as disclosed in Note 12. The Company recognises these assets only if the Company considers it is probable that future taxable amounts will be available to utilise these temporary differences and losses. The Company intends to not dispose of portfolio assets until there are gains on the investments which the Directors believe will be sufficient to recoup the deferred tax assets.

Apart from these, there are no key assumptions or sources of estimation uncertainty that have a risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period.

ILLUMINATOR INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
NOTE 2: REVENUE		
a. Income from Investment Portfolio		
— dividends received	35,389	44,875
— trust distributions received	800	2,360
Total Income from Investment Portfolio	36,189	47,235
b. Income from Trading Portfolio		
— sales revenue	-	-
— cost of sales	-	-
— net losses from trading portfolio sales	-	-
— dividends received	-	-
Total loss from Trading Portfolio	-	-
c. Income from deposits		
— interest income	280	670
Total Income from deposits	280	670
Total revenue	36,469	47,905
NOTE 3: LOSS FOR THE YEAR		
Operating loss before income tax has been determined after:		
Expenses		
Bank expenses	321	270
Finance costs	12,349	29,899
Listing fees	9,379	7,563
Management fees	9,603	10,759
Other expenses	31,744	33,833
Loss from operating activities before income tax and realised gains on the investment portfolio	(26,927)	(34,419)

ILLUMINATOR INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
NOTE 4: INCOME TAX EXPENSE		
a. The components of tax expense comprise:		
Increase/(decrease) in deferred tax liabilities – other	(187)	(727)
Increase in deferred tax assets – other	(16,812)	(21,575)
	(16,999)	(22,302)
b. The prima facie tax on pre-tax accounting loss from ordinary activities before income tax is reconciled to the income tax as follows:		
Operating loss before income tax expense and realised gains on investment portfolio	(26,927)	(34,419)
Prima facie tax benefit on loss from ordinary activities before income tax at 30% (2012: 30%)	(8,078)	(10,326)
Adjustment to previous year's income tax expense	-	(8)
Add: Tax effect of		
— Imputation gross-up on dividends received	3,823	5,129
— Franking credits on dividends received	(12,744)	(17,097)
Income tax benefit on operating loss before realised gains/(losses) on investment portfolio	(16,999)	(22,302)
c. Amounts recognised directly in equity		
Increase / (decrease) in deferred tax liabilities relating to capital gains on the decrease in unrealised gains on securities in the investment portfolio	20,851	(8,913)
(Increase) / decrease in deferred tax assets relating to capital losses on the increase in unrealised losses on securities in the investment portfolio	13,663	7,047
(Increase) / decrease in deferred tax assets relating to capital raising costs	1,990	2,712
	36,504	846
d. Amounts recognised directly through Other comprehensive income		
(Decrease)/increase in deferred tax liabilities relating to capital (losses)/gains tax on the movement in unrealised gains in the investment portfolio	34,514	(1,866)
NOTE 5: AUDITORS' REMUNERATION		
Remuneration of the auditor of the company for:		
Forsythes		
— auditing or reviewing the financial report	16,335	15,862

ILLUMINATOR INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
NOTE 6: DIVIDENDS		
a. Dividends Paid		
Final fully franked ordinary dividend for the year ended 30 June 2012 of 1.00 (2012: 1.00) cents per share paid on 27 October 2012	<u>27,564</u>	<u>27,020</u>
b. Dividends Declared		
Final fully franked ordinary dividend of 1.00 (2012:1.00) cents per share payable on 27 October 2013. This dividend has not been brought to account in the financial statements for the year ended 30 June 2013 but will be recognised in subsequent financial reports.	<u>28,023</u>	<u>27,564</u>
c. Franking Account		
Balance of franking account at year end adjusted for franking credits arising from payment of provision for income tax and dividends recognised as receivables and it does not reflect the impact of dividends declared after balance date.	75,165	74,385
Impact on the franking account of dividends declared but not recognised as a liability at the end of the financial year	-	11,813
Net available	<u>75,165</u>	<u>62,572</u>

NOTE 7: EARNINGS PER SHARE

	2013 Number	2012 Number
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	2,786,822	2,740,198
Weighted average number of ordinary shares outstanding during the year used in calculation of dilutive earnings per share	2,786,822	2,740,198
a. Basic and diluted earnings per share	\$	\$
Loss attributable to members of the company	(9,928)	(12,117)
	Cents	Cents
Basic earnings per share including realised losses on the investment portfolio	(0.36)	(0.44)
Diluted earnings per share including realised losses on the investment portfolio	(0.36)	(0.44)

ILLUMINATOR INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
NOTE 7: EARNINGS PER SHARE (CONTINUED)		
b. Basic and diluted operating earnings per share excluding realised gains/(losses) on the investment portfolio		
Operating loss before realised losses on the investment portfolio	(9,928)	(12,117)
	Cents	Cents
Basic operating earnings per share excluding realised losses on the investment portfolio	(0.36)	(0.44)
Diluted operating earnings per share excluding realised losses on the investment portfolio	(0.36)	(0.44)

NOTE 8: CASH AND CASH EQUIVALENTS

Cash at bank and in hand	1,652	680
Deposits at call	11,209	21,407
	12,861	22,087

The effective interest rate on deposits at call was 3.50% (2012: 4.75%).

The credit risk exposure of the Company in relation to cash and cash equivalents is the carrying amount and any accrued unpaid interest.

Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	12,861	22,087
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NOTE 9: TRADE AND OTHER RECEIVABLES

Dividends and trust distributions receivable	880	624
Outstanding settlements – investment portfolio	-	-
Other debtors	703	312
	1,583	936

Receivables are non-interest bearing and unsecured.

The credit risk exposure of the Company in relation to receivables is the carrying amount.

NOTE 10: OTHER ASSETS

Prepayments	813	850
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ILLUMINATOR INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
NOTE 11: INVESTMENT PORTFOLIO		
Listed Investments, at market value		
- Options	263	263
- Shares	832,666	884,074
- Trust units	-	49,482
	832,929	933,819

The below list are those securities held in the investment portfolio that are valued at fair value through Other Comprehensive Income.

Australian Equities

ANZ Banking Group Limited	2,858	2,203
Aspen Group Limited	7,000	-
ARB Corporation Limited	57,000	63,700
Bendigo and Adelaide Bank Limited	1,007	18,525
BHP Billiton Limited	-	11,008
Blackmores Limited	39,359	36,776
Cabcharge Australia Limited	12,090	25,000
Cochlear Limited	61,710	65,840
Commonwealth Bank Of Australia Limited	8,302	6,053
CSL Limited	61,580	39,420
Fairfax Media Limited	4,950	5,550
Florin Mining Investment Company Limited	35,216	44,697
G.U.D. Holdings Limited	-	25,800
Graincorp Limited A Class	31,425	23,750
Hamilton Investment Fund Multi Strategy Portfolio	-	49,482
Hamilton Securities Limited A Class Non Voting	600	700
Hamilton Securities Limited B Class	2,800	2,800
Hamilton Securities Limited B Class Options	263	263
Harvey Norman Holdings Limited	-	19,500
Hills Holdings Limited	8,296	8,707
Hunter Hall International Limited	10,915	19,551
IOOF Holdings Limited	22,080	18,150
Ingenia Communities Group	13,800	-
Korvest Limited	29,000	23,250
Lycopodium Limited	21,350	61,604
Metcash Limited	21,120	37,070
National Australia Bank Limited	2,968	2,354
Platinum Asset Management Limited	43,760	31,120
Prime Financial Group Limited	5,700	6,600
Pritchard Equity Limited – A Ordinary	22,500	22,500

ILLUMINATOR INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
NOTE 11: INVESTMENT PORTFOLIO (CONTINUED)		
Pritchard Equity Limited – B Ordinary	11,000	11,000
Pritchard Equity Limited – Series 3 Options	-	-
Pritchard Equity Limited – Preferred Income Equity Securities	3,000	3,000
Reece Australia Limited	47,600	36,000
RNY Property Trust	14,250	13,500
Telstra Corporation Limited	47,700	36,900
Warnambool Cheese & Butter Factory Holdings Limited	39,000	34,000
Westpac Banking Corporation	3,235	2,198
Total Australian Equities	693,434	808,571
International Equities		
Berkshire Hathaway Inc. Class B Common Stock	36,300	24,594
Conygar Investment Company PLC	7,913	5,379
Diageo PLC	30,994	25,165
Dr. Pepper Snapple Group Inc.	-	10,330
Fletcher Building Limited	-	6,900
McMullen & Sons Limited – Preferred Ordinary	15,456	14,368
NYSE Euronext Inc	8,952	5,033
Royal Dutch Shell PLC B Ordinary	17,937	17,050
Unilever PLC	21,943	16,429
Total International Equities	139,495	125,248
Total Investment Portfolio	832,929	933,819

NOTE 12: DEFERRED TAX ASSETS

The deferred tax assets is made up of the following estimated tax benefits:

- Tax losses	177,141	158,338
- Capital losses	62,320	60,354
- Temporary differences	48,366	64,020
	287,827	282,712

ILLUMINATOR INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
NOTE 13: TRADE AND OTHER PAYABLES		
Sundry payables and accrued expenses	14,426	16,250
	<u>14,426</u>	<u>16,250</u>

Payables are non-interest bearing and unsecured.

NOTE 14: BORROWINGS

Short-term borrowings – secured	<u>53,414</u>	<u>231,157</u>
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The above short-term borrowings are secured by listed securities held in the Company's investment and trading portfolios. Repayment of the facility is done either through the use of cash received from dividends and distributions or the sale of securities. The effective interest rate on short term borrowings – secured was 7.62% (2012: 9.34%). The amount of the facility unused at year end is \$312,147 (2012: \$192,349).

NOTE 15: DEFERRED TAX LIABILITIES

Deferred tax liabilities attributable to:

- Temporary differences	-	187
- Deferred capital gains tax	69,836	48,985
	<u>69,836</u>	<u>49,172</u>

NOTE 16: ISSUED CAPITAL

2,802,299 (2012: 2,756,372) fully paid ordinary shares	16a	<u>1,271,400</u>	<u>1,225,341</u>
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a. Ordinary shares

At the beginning of reporting period	1,255,341	1,229,554
Shares issued during the year		
— 19,074 on 4 August 2011	-	7,000
— 54,345 on 27 October 2011	-	18,787
— 45,927 on 27 October 2012	16,059	-
	<u>1,271,400</u>	<u>1,255,341</u>
— Transaction costs relating to share issues	-	-
At the end of reporting period	<u>1,271,400</u>	<u>1,255,341</u>

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to 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.

Changes to the then Corporations Law abolished the authorised capital and par value concept in relation to share capital from 1 July 1998. Therefore, the company does not have a limited amount of authorised capital and does not calculate a par value for issued shares.

ILLUMINATOR INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

		2013 \$	2012 \$
NOTE 17: RESERVES			
Capital profits	17a	33,471	32,823
Investment revaluation	17b	65,391	(15,142)
		<u>98,862</u>	<u>17,681</u>

17a. Capital Profits Reserve

Movements During the Year

Opening balance	32,823	30,020
Transfer from retained earnings	28,212	29,823
Dividend paid during the year	(27,564)	(27,020)
Closing balance	<u>33,471</u>	<u>32,823</u>

The capital profits reserve records realised capital profits/(losses) made upon the sale of investments in the Company's investment portfolio.

17b. Investment Revaluation Reserve

Movements During the Year

Opening balance	(15,142)	(10,789)
Revaluation of investment portfolio (net of tax)	80,533	(4,353)
Closing Balance	<u>65,391</u>	<u>(15,142)</u>

The investment revaluation reserve records revaluations of the Company's investment portfolio.

NOTE 18: SEGMENT REPORTING

(a) Description of segments

The Board makes the strategic resource allocations for the Company. The Company has therefore determined the operating segments based on the reports reviewed by the Board, which are used to make strategic decisions. The Board is responsible for the Company's entire portfolio of investments and considers the business to have a single operating segment. The Board's asset allocation decisions are based on a single, integrated investment strategy, and the Company's performance is evaluated on an overall basis. The Company invests in equity securities and other instruments to provide shareholders with attractive investment returns through access to a steady stream of fully franked dividends and enhancement of capital invested.

(b) Segment information provided to the Board

The internal reporting provided to the Board for the Company's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of Australian Accounting Standards, except that net assets are reviewed both before and after the effects of capital gains tax on investments (as reported in the Company's Net Tangible Asset announcements to the NSX). The Board considers the Company's net operating profit after tax to be a key measure of the Company's performance. This amount excludes the impact of unrealised gains/losses on options and any gains or losses on the Company's investment portfolio and reconciles to the Company's profit before tax as follows:

ILLUMINATOR INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 18: SEGMENT REPORTING (CONTINUED)

	2013	2012
	\$	\$
Net operating loss after income tax benefit	(9,928)	(12,117)
Add back income tax benefit	(16,999)	(22,302)
Loss before tax	(26,927)	(34,419)

In addition, the Board regularly reviews the net asset value per share both before and after provision for deferred tax on the unrealised gains in the Company's long-term investment portfolio. Deferred tax is calculated as set out in notes 1(c) and 1(m). The relevant amounts as at 30 June 2013 and 30 June 2012 were as follows:

	2013	2012
	\$	\$
Net tangible asset backing per share		
Before tax	0.14	0.34
After tax	0.36	0.36

(c) Other segment information

The Company operates in one business segment, being that of a listed investment company. The Company operates from 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:

2013	Revenue \$	Unrealised gains/(losses) \$	Market value \$	Portfolio %
Australia	33,476	107,940	693,433	81.94
Great Britain	2,434	(12,698)	94,244	11.14
New Zealand	378	-	-	-
United States of America	309	(1,627)	45,252	5.35
Sub Total	36,597	93,615	832,929	98.43
Investment portfolio cash and cash equivalents and receivables	280	-	13,291	1.57
Total	36,877	93,615	846,220	100.00

2012	Revenue \$	Unrealised gains/(losses) \$	Market value \$	Portfolio %
Australia	43,879	27,394	808,571	84.60
Great Britain	2,200	(28,550)	78,391	8.20
New Zealand	745	(3,590)	6,900	0.72
United States of America	411	(16,886)	39,957	4.17
Sub Total	47,235	(21,632)	933,819	97.69
Investment portfolio cash and cash equivalents and receivables	670	-	22,155	2.31
Total	47,905	(21,632)	955,974	100.00

ILLUMINATOR INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
NOTE 19: CASH FLOW INFORMATION		
Reconciliation of Cash Flow from Operations with Loss after Income Tax		
Loss after income tax	(9,928)	(12,117)
Cash flows excluded from loss attributable to operating activities:		
Dividends reinvested	(3,750)	(6,486)
(Increase)/decrease in current receivables	(439)	3,699
(Increase)/decrease in the trading portfolio	-	-
Increase/(decrease) in current payables	(1,824)	(305)
Increase/(decrease) in income tax balances	(16,999)	(22,302)
Cash flow from operations	(32,940)	(37,511)

NOTE 20: RELATED PARTY TRANSACTIONS

Transactions with related parties:

Expenses paid or payable by the company to:

-Investment management fees paid to Pritchard & Partners Pty. Limited

9,603 10,758

- Brokerage paid to Cameron Stockbrokers Limited

2,288 1,995

Steven Pritchard is interested in the above transactions as a director and a beneficial shareholder of Cameron Stockbrokers. Limited.

- Newcastle Capital Markets Registries Pty. Limited for share registry costs.

9,526 9,424

Steven Pritchard is interested in the above transaction as a director and beneficial shareholder of Newcastle Capital Markets Registries Pty. Limited

- Rees Pritchard Pty. Limited for accounting services.

2,328 1,959

Steven Pritchard is interested in the above transaction as a director and beneficial shareholder of Rees Pritchard Pty. Limited

- The Company purchased Nil (2012:12,900) shares in Florin Mining Investment Company as part of Dividend Reinvestment Plan. Both Steven Pritchard and Daniel Di Stefano are directors and have a beneficial interest in the securities of Florin Mining Investment Company Limited.

- 2,580

- The Company purchased Nil (2012:33,625) units in Fleet Professional Investors Fund

- 35,696

- The Company redeemed Nil (2012: 48,721) units in Fleet Professional Investors Fund

- 53,515

Steven Pritchard is interested in the above transaction as a director of Fleet Funds Management Pty. Limited

- The Company purchased 64,337 units in Hamilton Investment Fund – Multi Strategy Portfolio

- 53,515

ILLUMINATOR INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 20: RELATED PARTY TRANSACTIONS (CONTINUED)

- The Company redeemed 64,337 units in Hamilton Investment Fund – Multi Strategy Portfolio	41,768	-
Steven Pritchard is interested in the above transaction as a director of Hamilton Asset Management Limited		

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

NOTE 21: DIRECTORS AND EXECUTIVES DISCLOSURE

In accordance with the Corporations Amendments Regulation 2005 (No.4) the Company has transferred the disclosure required by AASB 124 from the notes to the Financial Statements to the Directors' Report under the heading of Remuneration Report.

NOTE 22: INVESTMENT TRANSACTIONS

The total number of contract notes that were issued for transactions in investments during the year was 20 (2012: 20). Each contract note may involve multiple transactions. The total brokerage paid on these contract notes was \$1,092 (2012: \$1,995).

NOTE 23: COMPANY DETAILS

The registered office and principal place of business of Illuminator Investment Company Limited is:

10 Murray Street
HAMILTON NEW SOUTH WALES 2303

NOTE 24: FINANCIAL RISK MANAGEMENT

Accounting Standards identify three types of risk associated with financial instruments (i.e. the Company's investments, receivables, payables and borrowings):

a. Credit Risk

The standard defines this as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk is managed as noted in the Notes to the financial statements with respect to cash and trade and other receivables. None of these assets are over-due or considered to be impaired.

b. Liquidity Risk

The standard defines this as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company monitors its cash-flow requirements and ensures that it has either cash or access to short term borrowing facilities sufficient to meet any payments.

The assets of the Company are largely in the form of readily tradeable securities which can be sold on-market if necessary.

c. Interest Rate Risk

The Company is exposed to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates. The effective average of interest rates on short term borrowings was 7.62% (2012: 8.99%). A rise in interest rates of 1% will result in the company incurring additional finance costs of \$534 (2012: \$2,312), whilst a fall 1% will result in interest savings of \$534 (2012: \$2,312).

d. Capital Management

It is the Board's policy to maintain a strong capital base so as to maintain investors and market confidence.

To achieve this, the Board monitors the Company's net tangible assets, its levels of borrowings and its investment performance.

ILLUMINATOR INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 24: FINANCIAL RISK MANAGEMENT (CONTINUED)

The company seeks to raise additional capital by way of

- a dividend reinvestment plan; and
- issue of new shares by way of a prospectus.

The capital structure of the Company consists of Issued capital, reserves and retained earnings as disclosed in notes 16 and 17.

The Company is not subject to any externally imposed capital requirements.

e. Market Risk

The standard defines this as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market price.

By its nature as the Company invests a substantial proportion of its assets in tradeable securities the Company is always subject to market risk as it invests its capital in securities which are not risk free i.e. the market price of these securities can fluctuate.

A general fall in market prices of 5% and 10%, if spread equally over all assets in the total portfolio would lead to a reduction in the Company's equity of \$29,153 and \$58,305 (2012: \$32,684 and \$65,367) respectively, assuming a flat tax rate of 30%.

The Company seeks to minimise market risk by ensuring that it is not in the opinion of the Board, overly exposed to one company or one particular sector of the market. The relative weightings of the individual securities and relevant market sectors are reviewed regularly and risk can be managed by reducing exposure where appropriate. The Company does not have set parameters as to a minimum or maximum amount of the portfolio that can be invested in a single company or sector.

The Company's investments across industry sectors as at 30 June is as below	2013	2012
	%	%
Banks	2.17	3.28
Capital goods	12.56	11.12
Cash and equivalents	1.57	2.32
Commercial and Professional Services	1.43	-
Commercial services and supplies	-	2.62
Consumer durables and apparel	-	2.70
Diversified financials	19.71	22.48
Energy	2.12	1.78
Food and staples retailing	2.50	3.88
Food beverage and tobacco	13.81	12.98
Health care equipment and services	7.29	6.89
Household and personal products	7.24	3.85
Insurance	4.29	2.57
Materials	-	4.31
Media	0.58	0.58
Pharmaceuticals, biotech and life sciences	7.28	4.12
Real estate	5.08	1.97
Retailing	6.74	8.70
Telecommunication services	5.64	3.85
	100.00	100.00

ILLUMINATOR INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 24: FINANCIAL RISK MANAGEMENT (CONTINUED)

Securities representing over 5 per cent of the investment portfolio at 30 June were:	2013
	%
ARB Corporation Limited	6.74
Cochlear Limited	7.29
CSL Limited	7.28
Platinum Asset Management Limited	5.17
Reece Australia Limited	5.63
Telstra Corporation	5.64
	37.75

No other security represents over 5 per cent of the Company's investment and trading portfolios.

f. Fair value measurements

As of 1 July 2009, the group adopted the amendment to AASB 7 Financial Instruments: Disclosures which requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

1. quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
2. inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
3. inputs for the asset or liabilities that are not based on observable market data (unobservable inputs) (level 3).

30 June 2013	Level 1
	\$
Financial assets at fair value through other comprehensive income	
Investment Portfolio (Equities)	832,929
Financial assets at fair value through profit or loss	
Trading Portfolio	-
Total	832,929

The fair value of financial instruments traded in active markets (including publicly traded derivatives) is based on quoted market prices at the end of the reporting year. These instruments are included in level 1.

There were no transfers between Level 1, 2 and 3 in the period.

NOTE 25: EVENTS SUBSEQUENT TO REPORTING DATE

Since 30 June 2013 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.

ILLUMINATOR INVESTMENT COMPANY LIMITED

DIRECTORS' DECLARATION

The directors declare that:

- a) 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;
- b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 1 to the financial statements;
- c) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Company; and
- d) the directors have been given the declarations required by s.295A of the Corporations Act 2001.

Signed in accordance with a resolution of the directors made pursuant to s.295 (5) of the Corporations Act 2001.



Steven Shane Pritchard

Director

Dated this 6th day of September 2013

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

We have audited the accompanying financial report of Illuminator Investment Company Limited, which comprises the statement of financial position as at 30 June 2013, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the 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 the material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, that the financial report, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:


- (a) the financial report of Illuminator Investment Company Limited is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion the remuneration report of Illuminator Investment Company Limited for the year ended 30 June 2013, complies with section 300A of the Corporations Act 2001.



Nexia Forsythes
Chartered Accountants



David Gallery
Partner
Newcastle, 6 September 2013



ILLUMINATOR INVESTMENT COMPANY LIMITED

STOCK EXCHANGE INFORMATION

Top 20 Shareholders as at 5 August 2013

Shareholder	No. of Shares	% of Issued
Steven Pritchard	387,741	13.83
Pritchard Equity Limited	351,594	12.55
Henley Underwriting & Investment Company Pty Ltd	154,034	5.50
Melville King Pty Ltd	95,479	3.41
Pritchard & Partners Pty Limited	85,883	3.06
Hafoba Pty Ltd	81,600	2.91
Kerteh Holdings Pty Limited	79,596	2.84
Richardson Investment Holdings Pty Limited	60,000	2.14
Pirenz Nominees Pty Limited	53,398	1.91
Superannuation Nominees Pty Ltd	48,949	1.75
Lola Heddles & Murray Heddles	47,990	1.71
Newcastle Capital Markets Registries Pty Ltd	47,990	1.71
Gordon Elkington	44,598	1.59
Bond Street Custodians Limited	43,654	1.56
Selby Spears & Pamela Spears	37,620	1.34
Hall Nominee Company Pty Ltd	36,667	1.31
Cumarax Pty Ltd	36,256	1.29
Laurence Cable	34,747	1.24
Beavis Nominees Pty Ltd	33,600	1.20

Number of ordinary shares held

Number of Shareholders

1 – 1,000	19
1,001 – 5,000	43
5,001 – 10,000	34
10,001 – 100,000	54
100,001 and over	3
Total	153

Substantial Shareholders

As at 5 August 2013 the names and holdings of substantial shareholders as disclosed in notices received by the Company are as follows:-

Substantial Shareholder	No. of shares	% of total
Steven Pritchard	1,096,428	39.13
Daniel Di Stefano	171,749	6.13
Margaret Pritchard	170,305	6.08

ILLUMINATOR INVESTMENT COMPANY LIMITED

CORPORATE DIRECTORY

Directors	Steven Pritchard Daniel Di Stefano Darval Thomas
Company Secretaries	Enzo Pirillo Daniel Di Stefano
Registered Office	10 Murray Street Hamilton NSW 2303 Telephone 02 4920 2877 Facsimile 02 4920 2878 Email: mail@illuminator.com.au Web: www.illuminator.com.au
Manager	Pritchard & Partners Pty Limited 10 Murray Street Hamilton NSW 2303 Telephone 02 4920 2877 Facsimile 02 4920 2878
Share Registry	Newcastle Capital Markets Registries Pty Limited 10 Murray Street Hamilton NSW 2303 Telephone 02 4920 2877 Facsimile 02 4920 2878
Auditors	Nexia Forsythes Level 16 1 Market Street Sydney NSW 2000 Telephone 02 9251 4600 Facsimile 02 9251 7138
Solicitors	Baker & McKenzie Level 27, AMP Centre 50 Bridge Street Sydney NSW 1223 Telephone 02 9225 0200 Facsimile 02 9225 1595
Bankers	National Australia Bank Limited 31 Beaumont Street Hamilton NSW 2303