

# 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 2017

## For announcement to the market

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

				\$A
Operating Revenue (item 1.1)	Up	24%	To	43,928
Operating Profit (loss) before abnormal items and tax	Down	2%	To	(39,559)
Operating Profit (loss) before realised gains/(losses) on the investment portfolio	Up	847%	To	(173,594)
Profit (loss) for the period attributable to security holders (item 1.11)	Up	847%	To	(173,594)
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)

1.00 cents per share
----------------------

18.3 Amount per *security*

		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 payable on 6 November 2017	1.00 cents per share fully franked dividend paid on 7 November 2016

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: . 13/9/2017

(Director)

Print name: Steven Pritchard

**ILLUMINATOR INVESTMENT COMPANY LIMITED**

**ABN 48 107 470 333**

**2017 ANNUAL REPORT**

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# ILLUMINATOR INVESTMENT COMPANY LIMITED

## HIGHLIGHTS

### Key Financial Statistics

	2017	2016	2015	2014	2013
Net loss after tax	\$(173,594)	\$(18,327)	\$(9,695)	\$(8,027)	\$(9,928)
Earnings per Share (cents per share)	(4.64)	(0.60)	(0.34)	(0.28)	(0.36)
Dividends per Share (cents per share)	1.00	1.00	1.00	1.00	1.00
Total Assets	\$1,781,862	\$1,823,597	\$1,338,792	\$1,205,651	\$1,136,013
Total Liabilities	\$448,988	\$332,061	\$194,248	\$163,665	\$137,675
Shareholders Funds	\$1,332,874	\$1,491,536	\$1,144,544	\$1,041,986	\$998,338
Total Shareholders Return*	(10.26%)	2.56%	8.11%	5.56%	8.82%
Return on Shareholders Funds	(13.02%)	(1.23%)	(0.85%)	(0.77%)	(0.99%)
Net Asset backing per share	\$0.34	\$0.39	\$0.39	\$0.37	\$0.36
Shares on issue	3,896,772	3,831,512	2,898,210	2,846,746	2,802,299
Number of Shareholders	144	145	143	149	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 disclosure requirements of the NSX. Copies of all announcements to the NSX are also posted on the Illuminator internet site [www.illuminator.com.au](http://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

During the year we continued to seek to buy shares in companies that we know and understand and which we believe have favourable long term prospects. We consider the quality and commitment of management to be particularly important and see the effective re-investment of free cash flow to be one of the key sources of increased value for our investments.

We acquired an initial investments in Australian & International Holdings Limited, and Imperial Pacific Limited during the year as well as taking up our entitlement to the issue of new shares in Link Administration Holdings Limited, after balance date.

The value of our holding in Blackmores Limited fell considerably during the year, but still remains at a considerable multiple to our initial cost price.

We sold our holding in Fairfax Media Limited as well as accepting the buy back offer for our Hamilton Securities Limited options.

We will be looking at reducing the number of individual holdings during the course of the next financial year.

One of our major disadvantages is the size of our Company, relative to the fixed costs that we are currently incurring and which continue to increase. We continue to actively examine ways to increase our size in order to achieve greater economies of scale for the Company.

# 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
2014	1.00	(8,027)	1,287,918	2,846,746	1,041,986
2015	1.00	(9,695)	1,304,798	2,898,210	1,144,544
2016	1.00	(18,327)	1,602,238	3,831,512	1,491,536
2017	1.00	(173,594)	1,621,804	3,896,772	1,332,874



# ILLUMINATOR INVESTMENT COMPANY LIMITED

## INVESTMENT MANAGER'S REPORT (CONTINUED)

### Investment Portfolio

Details of Investments Held as at 30 June 2017

Name of Investment	Holding	Market Value \$	Portfolio %
<b>Investment Portfolio</b>			
<b>Australian Equities</b>			
1 <sup>st</sup> Available Limited	42,322	1,100	0.07
ARB Corporation Limited	5,000	78,550	4.93
Aspen Group	4,000	4,400	0.27
Australia & International Holdings Limited	2,070	6,106	0.38
Beacon Lighting Group Limited	15,000	19,500	1.22
Bellamy's Limited	2,000	13,820	0.87
Bendigo and Adelaide Bank Limited	500	5,540	0.35
Bisalloy Steel Group Limited	15,000	6,150	0.39
Blackmores Limited	1,000	95,840	6.02
Capitol Health Limited	56,220	14,617	0.92
Cochlear Limited	1,000	155,450	9.76
CSL Limited	1,000	138,030	8.67
Florin Mining Investment Company Limited	1,040,331	62,420	3.92
Graincorp Limited A Class	2,500	23,675	1.49
Hamilton Securities Limited	10,000	9,000	0.57
Hills Limited	8,214	1,273	0.08
Imperial Pacific Limited	14,700	15,582	0.98
Ingenia Communities Group	9,697	25,212	1.58
IOOF Holdings Limited	3,000	29,400	1.85
Korvest Limited	5,000	11,800	0.74
Link Administration Holdings Limited	3,139	24,798	1.56
Link Administration Holdings Limited Rights	1,142	1,308	0.08
Lycopodium Limited	3,000	9,450	0.59
Mach7 Technologies Limited	20,000	3,500	0.22
Metcash Limited	6,000	14,400	0.90
Nanosonics Limited	10,000	25,400	1.60
Ozforex Group Limited	6,000	9,660	0.61
Pental Limited	16,667	9,917	0.62
Platinum Asset Management Limited	5,000	23,150	1.45
Pritchard Equity Limited – A Ordinary	44,040	13,212	0.83
Pritchard Equity Limited – B Ordinary	12,000	3,600	0.23
Reece Australia Limited	2,000	84,000	5.27
Ruralco Holdings Limited	4,000	11,800	0.74
Shriro Holdings Limited	5,000	5,475	0.34
Telstra Corporation Limited	10,000	43,000	2.70
Thorney Opportunities Limited	30,000	20,850	1.31
Winpar Holdings Limited	421,680	349,994	21.98
<b>Total Australian Equities</b>		<b>1,370,979</b>	<b>86.09</b>

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## INVESTMENT MANAGER'S REPORT (CONTINUED)

Name of Investment	Holding	Market Value \$	Portfolio %
<b>International Equities</b>			
Berkshire Hathaway Inc. Class B Common Stock	300	66,109	4.15
Conygar Investment Company PLC	4,000	12,069	0.76
Diageo PLC	1,000	38,348	2.41
McMullen & Sons Limited – Preferred Ordinary	2,500	15,848	1.00
Rightmove PLC	400	28,737	1.80
Unilever PLC	500	35,118	2.21
<b>Total International Equities</b>		<b>196,229</b>	<b>12.33</b>
<b>Total Investment Portfolio</b>			
		<b>1,567,208</b>	<b>98.42</b>
<b>Investment portfolio cash &amp; cash equivalents</b>			
Cash on Hand		1	0.00
Macquarie Bank Limited		2,907	0.18
National Australia Bank		8,631	0.54
Clydesdale Bank PLC		13,713	0.86
<b>Total Cash &amp; Equivalents</b>		<b>25,252</b>	<b>1.58</b>
<b>Total Portfolios</b>		<b>1,592,460</b>	<b>100.00</b>

# 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 2017. 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 \$173,594 (2016: \$18,327). Included within the current year result was the write off of deferred tax assets of \$157,216.

### Dividends Paid or Recommended

Dividends paid or declared for payment are as follows:

2016 Final ordinary dividend of 1.00 cents per share payable on 7 November 2016.	\$38,315
2017 Final ordinary dividend of 1.00 cents per share payable on 6 November 2017.	\$38,968

### 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 \$173,594 after writing down the value of its deferred tax assets by \$157,216, for the year compared to a loss of \$18,327 last year. If the value of the deferred tax assets had not been written down during the period the comparable loss by the Company would have been \$16,389.

The amount of dividends and distributions received by the Company increased by \$8,652 or 24.55% to \$43,883.

The Shareholders equity decreased during the year by \$158,662 to \$1,332,874 or 10.64%.

# 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 activities which have 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

<b>Steven Shane Pritchard</b>	—	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	—	2,018,236 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)
<b>Daniel Di Stefano</b>	—	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	—	901,409 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)
<b>Darval Warwick Thomas</b>	—	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

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## DIRECTORS' REPORT (CONTINUED)

### 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 2017

The Company has only two executives, Steven S Pritchard and Daniel Di Stefano (2016: two executives), both of whom are Directors of the Company.

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

2017	Salary & Fees	Superannuation Contributions	Other	Total
Steven Shane Pritchard	\$ -	\$ -	\$ -	\$ -
Daniel Di Stefano	-	-	-	-
Darval Warwick Thomas	-	-	-	-
	-	-	-	-

2016	Salary & Fees	Superannuation Contributions	Other	Total
Steven Shane Pritchard	\$ -	\$ -	\$ -	\$ -
Daniel Di Stefano	-	-	-	-
Darval Warwick Thomas	-	-	-	-
	-	-	-	-

#### Meetings of Directors

During the financial year, 5 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	4	4	1	1
Daniel Di Stefano	4	4	1	1
Darval Warwick Thomas	4	4	1	1

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## DIRECTORS' REPORT (CONTINUED)

### Shareholdings

#### Number of Shares Held by Directors

	Balance 1.7.2016	Received as Remuneration	Options Exercised	Net Change Other*	Balance 30.6.2017
Steven Shane Pritchard	1,985,128	-	-	33,108	2,018,236
Daniel Di Stefano	893,066	-	-	8,343	901,409
Darval Warwick Thomas	81,600	-	-	-	81,600
<b>Total</b>	<b>2,959,794</b>	-	-	<b>41,451</b>	<b>3,001,245</b>

\* 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.

### Non- audit services

Details of the auditor's remuneration for auditing the company's accounts are set out in note 5 to the accounts. No amounts have been paid or payable to the auditors for non-audit services.

### Auditor's Independence Declaration

The lead auditor's independence declaration is included on page 11 of the annual report.

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

**Steven Shane Pritchard**

Director

11 September 2017



Illuminator Investment Company Limited

ACN: 107 470 333

## Auditor's Independence Declaration under section 307C of the Corporations Act 2001

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Illuminator Investment Company Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) No contraventions of any applicable code of professional conduct in relation to the audit.



PKF



MARTIN MATTHEWS  
PARTNER

11 SEPTEMBER 2017  
NEWCASTLE, NSW

PKF(NS) Audit & Assurance Limited Partnership

ABN 91 850 861 839

Liability limited by a scheme  
approved under Professional  
Standards Legislation

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# ILLUMINATOR INVESTMENT COMPANY LIMITED

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	Notes	2017 Revenue	2017 Capital	2017 Total	2016 Revenue	2016 Capital	2016 Total
		\$	\$	\$	\$	\$	\$
Income from investment portfolio	2a	43,883	-	43,883	35,231	-	35,231
Income from deposits	2b	45	-	45	149	-	149
<b>Total income from ordinary activities</b>		<b>43,928</b>	<b>-</b>	<b>43,928</b>	<b>35,380</b>	<b>-</b>	<b>35,380</b>
Administration expenses		(54,247)	-	(54,247)	(53,861)	-	(53,861)
Finance costs		(13,378)	-	(13,378)	(7,650)	-	(7,650)
Management fees		(15,862)	-	(15,862)	(12,611)	-	(12,611)
<b>Operating loss before income tax</b>	<b>3</b>	<b>(39,559)</b>	<b>-</b>	<b>(39,559)</b>	<b>(38,742)</b>	<b>-</b>	<b>(38,742)</b>
Income tax benefit relating to ordinary activities *	4b	(134,035)	-	(134,035)	20,415	-	20,415
<b>Operating loss attributable to members of the company</b>		<b>(173,594)</b>	<b>-</b>	<b>(173,594)</b>	<b>(18,327)</b>	<b>-</b>	<b>(18,327)</b>
<b>Other comprehensive income</b>							
<b>Items that will not be reclassified subsequently to profit or loss</b>							
Unrealised gains for the period on securities in the portfolio at 30 June		-	56,920	56,920	-	123,230	123,230
Tax expense on above *	4	-	(17,076)	(17,076)	-	(36,969)	(36,969)
Cumulative realised (losses)/ gains for the period on securities		-	(8,805)	(8,805)	-	15,144	15,144
Tax benefit/ (expense) on above *		-	2,642	2,642	-	(4,543)	(4,543)
<b>Total other comprehensive income</b>		<b>-</b>	<b>33,681</b>	<b>33,681</b>	<b>-</b>	<b>96,862</b>	<b>96,862</b>
<b>Total net comprehensive income<sup>^</sup></b>		<b>(173,594)</b>	<b>33,681</b>	<b>(139,913)</b>	<b>(18,327)</b>	<b>96,862</b>	<b>78,535</b>

	2017	2016
* Total tax benefit/ (expense)	(148,469)	(21,097)

### Overall Operations

Basic earnings per share (cents per share)	7	(4.64)	(0.60)
Diluted earnings per share (cents per share)	7	(4.64)	(0.60)

<sup>^</sup>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 2017

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	8	25,252	18,117
Trade and other receivables	9	1,334	1,561
Other current assets	10	5,885	742
<b>TOTAL CURRENT ASSETS</b>		<b>32,471</b>	<b>20,420</b>
<b>NON-CURRENT ASSETS</b>			
Investment portfolio	11	1,567,208	1,483,136
Deferred tax assets	12	182,183	320,041
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,749,391</b>	<b>1,803,177</b>
<b>TOTAL ASSETS</b>		<b>1,781,862</b>	<b>1,823,597</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	26,007	19,812
Borrowings	14	240,798	140,678
<b>TOTAL CURRENT LIABILITIES</b>		<b>266,805</b>	<b>160,490</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities	15	182,183	171,571
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>182,183</b>	<b>171,571</b>
<b>TOTAL LIABILITIES</b>		<b>448,988</b>	<b>332,061</b>
<b>NET ASSETS</b>		<b>1,332,874</b>	<b>1,491,536</b>
<b>EQUITY</b>			
Issued capital	16	1,621,804	1,602,238
Reserves	17	339,880	338,351
Accumulated losses		(628,810)	(449,053)
<b>TOTAL EQUITY</b>		<b>1,332,874</b>	<b>1,491,536</b>

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 2017

	Note	Issued Capital	Accumulated Losses	Capital Profits Reserve	Investment Revaluation Reserve	Total
		\$	\$	\$	\$	\$
<b>Balance at 1 July 2015 as reported</b>		<b>1,304,798</b>	<b>(406,166)</b>	<b>65,408</b>	<b>180,504</b>	<b>1,144,544</b>
Dividends paid and dividend reinvestment plan	16 & 17a	17,153	-	(28,982)	-	(11,829)
Shares issued during the year		280,287	-	-	-	280,287
<b>Total transactions with the shareholders</b>		<b>297,440</b>	<b>-</b>	<b>(28,982)</b>	<b>-</b>	<b>268,458</b>
Loss for the year		-	(18,327)	-	-	(18,327)
<i>Other comprehensive income for the year (net of tax)</i>						
Net capital gain for the year (net of tax)		-	10,601	-	-	10,601
Revaluation of investment portfolio (net of tax)	17b	-	-	-	86,260	86,260
Transfers to/(from) reserves	17a	-	(35,161)	35,161	-	-
Other comprehensive income for the year		-	(24,560)	35,161	86,260	96,861
Total comprehensive income		-	(42,887)	35,161	86,260	78,534
<b>Balance at 30 June 2016</b>		<b>1,602,238</b>	<b>(449,053)</b>	<b>71,587</b>	<b>266,764</b>	<b>1,491,536</b>
<b>Balance at 1 July 2016 as reported</b>		<b>1,602,238</b>	<b>(449,053)</b>	<b>71,587</b>	<b>266,764</b>	<b>1,491,536</b>
Dividends paid and dividend reinvestment plan	16 & 17a	19,566	-	(38,315)	-	(18,749)
<b>Total transactions with the shareholders</b>		<b>19,566</b>	<b>-</b>	<b>(38,315)</b>	<b>-</b>	<b>(18,749)</b>
Loss for the year		-	(173,594)	-	-	(173,594)
<i>Other comprehensive income for the year (net of tax)</i>						
Net capital loss for the year		-	(6,163)	-	-	(6,163)
Revaluation of investment portfolio (net of tax)	17b	-	-	-	39,844	39,844
Transfers to/(from) reserves	17a	-	-	-	-	-
Other comprehensive income for the year		-	(6,163)	-	39,844	33,681
Total comprehensive income		-	(179,757)	-	39,844	(139,913)
<b>Balance at 30 June 2017</b>		<b>1,621,804</b>	<b>(628,810)</b>	<b>33,272</b>	<b>306,608</b>	<b>1,332,874</b>

The accompanying notes form part of these financial statements.

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Dividends received		26,159	34,086
Interest received		45	149
Trust distributions		1,175	1,110
Other receipts		2,051	1,936
		<u>29,430</u>	<u>37,281</u>
Administration expenses		(48,991)	(55,560)
Bank charges		(438)	(402)
Finance costs		(12,940)	(7,650)
Management fees		(16,918)	(11,703)
<b>Net cash used in operating activities</b>	19	<u>(49,857)</u>	<u>(38,034)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Sales from investment portfolio		10,934	107,960
Purchases for investment portfolio		(35,314)	(425,183)
<b>Net cash used in investing activities</b>		<u>(24,380)</u>	<u>(317,223)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from the issue of shares		-	280,287
Proceeds from borrowings		100,121	95,000
Repayment of borrowings		-	(5,754)
Dividends paid		(18,749)	(11,830)
<b>Net cash provided by financing activities</b>		<u>81,372</u>	<u>357,703</u>
Net increase in cash held		7,135	2,446
Cash at beginning of financial year		<u>18,117</u>	<u>15,671</u>
<b>Cash at end of financial year</b>	8	<u>25,252</u>	<u>18,117</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 2017

### 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, and 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.

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'). The Company is a 'for profit entity'.

The Company has not applied any Australian Accounting Standards or AASB interpretations that have been issued as at balance date but are not yet operative for the year ended 30 June 2017 ("the inoperative standards"), except for AASB 9. The impact of the inoperative standards has been assessed and the impact has been identified as not being material. The Company only intends to adopt inoperative standards at the date at which their adoption becomes mandatory.

### 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 11 September 2017.

### 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 Portfolio**

##### (i) Statement of Financial Position classification

The Company has an investment portfolio.

The investment portfolio relates to holdings of securities which the directors intend to retain on a long-term basis.

The investment portfolio is classified as a 'non-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.

##### (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.

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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.

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.

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**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 2017 the Company has current assets of \$32,471 and current liabilities of \$266,805, deficiency of \$234,334. 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.

**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 15. 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 2017

	2017 \$	2016 \$
<b>NOTE 2: REVENUE</b>		
<b>a. Income from Investment Portfolio</b>		
— dividends received	42,793	34,116
— trust distributions received	1,090	1,115
<b>Total Income from Investment Portfolio</b>	<b>43,883</b>	<b>35,231</b>
<b>b. Income from deposits</b>		
— interest income	45	149
<b>Total Income from deposits</b>	<b>45</b>	<b>149</b>
<b>Total revenue</b>	<b>43,928</b>	<b>35,380</b>
<b>NOTE 3: LOSS FOR THE YEAR</b>		
Operating loss before income tax has been determined after:		
<b>Expenses</b>		
Bank expenses	9	402
Finance costs	12,940	7,650
Listing fees	13,493	11,261
Management fees	15,862	12,611
Other expenses	40,753	42,198
<b>Loss from operating activities before income tax and realised gains/ (losses) on the investment portfolio</b>	<b>(39,559)</b>	<b>(38,742)</b>



# ILLUMINATOR INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
<b>NOTE 4: INCOME TAX EXPENSE</b>		
<b>a. The components of tax expense comprise:</b>		
Increase in deferred tax liabilities – other	-	-
Increase in deferred tax assets – other	134,035	(20,415)
	<b>134,035</b>	<b>(20,415)</b>
<b>b. The prima facie tax on pre-tax accounting loss from ordinary activities before income tax is reconciled to the income tax as follows:</b>		
<b>Operating loss before income tax expense and realised gains on investment portfolio</b>	(39,559)	(38,742)
Prima facie tax benefit on loss from ordinary activities before income tax at 30% (2016: 30%)	(11,868)	(11,623)
Add: Tax effect of		
— Imputation gross-up on dividends received	4,849	3,768
— Franking credits on dividends received	(16,162)	(12,560)
— Write down of deferred tax asset	157,216	-
Income tax expense/ (benefit) on operating loss before realised gains/(losses) on investment portfolio	<b>134,035</b>	<b>(20,415)</b>
<b>c. Amounts recognised directly in equity</b>		
Increase in deferred tax liabilities relating to capital gains on the increase in unrealised gains on securities in the investment portfolio	10,499	48,222
Decrease/ (increase) in deferred tax assets relating to capital losses on the increase/ decrease in unrealised losses on securities in the investment portfolio	6,577	(11,253)
	<b>17,706</b>	<b>36,969</b>
<b>d. Amounts recognised directly through other comprehensive income</b>		
(Increase)/ decrease in deferred tax assets relating to capital gains tax on the movement in realised (losses)/ gains in the investment portfolio	<b>(2,642)</b>	<b>4,543</b>
<b>NOTE 5: AUDITORS' REMUNERATION</b>		
Remuneration of the auditor of the company for:		
PKF Newcastle		
— auditing or reviewing the financial report	<b>16,637</b>	<b>16,894</b>

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
<b>NOTE 6: DIVIDENDS</b>		
<b>a. Dividends Paid</b>		
Final fully franked ordinary dividend for the year ended 30 June 2016 of 1.00 (2015: 1.00) cents per share paid on 7 November 2016	<u>38,315</u>	<u>28,982</u>
<b>b. Dividends Declared</b>		
Final fully franked ordinary dividend of 1.00 (2016:1.00) cents per share payable on 6 November 2017. This dividend has not been brought to account in the financial statements for the year ended 30 June 2017 but will be recognised in subsequent financial reports.	<u>38,968</u>	<u>38,315</u>
<b>c. Franking Account</b>		
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.	62,906	63,170
Impact on the franking account of dividends declared but not recognised as a liability at the end of the financial year	<u>(16,700)</u>	<u>(16,421)</u>
<b>Net available</b>	<u><b>46,206</b></u>	<u><b>46,749</b></u>

## NOTE 7: EARNINGS PER SHARE

	2017 Number	2016 Number
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	3,873,644	3,063,928
Weighted average number of ordinary shares outstanding during the year used in calculation of dilutive earnings per share	3,873,644	3,063,928
<b>a. Basic and diluted earnings per share</b>	<b>\$</b>	<b>\$</b>
Loss attributable to members of the company	(173,594)	(18,327)
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share including realised gains/ (losses) on the investment portfolio	(4.64)	(0.25)
Diluted earnings per share including realised gains/ (losses) on the investment portfolio	(4.64)	(0.25)

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
<b>NOTE 7: EARNINGS PER SHARE (CONTINUED)</b>		
<b>b. Basic and diluted operating earnings per share excluding realised gains/(losses) on the investment portfolio</b>		
Operating loss before realised losses on the investment portfolio	(173,594)	(18,327)
	<b>Cents</b>	<b>Cents</b>
Basic operating earnings per share excluding realised losses on the investment portfolio	(4.48)	(0.60)
Diluted operating earnings per share excluding realised losses on the investment portfolio	(4.48)	(0.60)

## NOTE 8: CASH AND CASH EQUIVALENTS

Cash at bank and in hand	8,632	4,671
Deposits at call	16,620	13,446
	<b>25,252</b>	<b>18,117</b>

The effective interest rate on deposits at call was 1.40% (2016: 1.40%).

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	25,252	18,117
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## NOTE 9: TRADE AND OTHER RECEIVABLES

Dividends and trust distributions receivable	789	1,188
Other debtors	545	373
	<b>1,334</b>	<b>1,561</b>

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	660	742
Accrued Income	475	-
Application monies	4,750	-
	<b>5,885</b>	<b>742</b>

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
<b>NOTE 11: INVESTMENT PORTFOLIO</b>		
Listed Investments, at market value		
- Options	-	263
- Shares and Trust units	1,567,208	1,482,873
	<b>1,567,208</b>	<b>1,483,136</b>

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

### Australian Equities

1 <sup>st</sup> Available Limited	1,100	2,370
ARB Corporation Limited	78,550	83,700
Aspen Group	4,400	4,800
Australia & International Holdings Limited	6,106	-
Beacon Lighting Group Limited	19,500	20,400
Bellamy's Limited	13,820	20,420
Bendigo and Adelaide Bank Limited	5,540	4,800
Bisalloy Steel Group Limited	6,150	5,700
Blackmores Limited	95,840	131,390
Capitol Health Limited	14,617	5,567
Cochlear Limited	155,450	121,250
CSL Limited	138,030	112,180
Fairfax Media Limited	-	9,300
Florin Mining Investment Company Limited	62,420	40,893
Graincorp Limited A Class	23,675	21,575
Hamilton Securities Limited	9,000	10,200
Hamilton Securities Limited B Class Options	-	263
Hills Limited	1,273	2,012
Imperial Pacific Limited	15,582	-
Ingenia Communities Group	25,212	25,512
IOOF Holdings Limited	29,400	23,490
Korvest Limited	11,800	10,950
Link Administration Holdings Limited	24,798	25,646
Link Administration Holdings Limited Rights	1,308	-
Lycopodium Limited	9,450	6,330
Mach7 Technologies Limited	3,500	7,400
Metcash Limited	14,400	11,400
Nanosonic Limited	25,400	21,900
Ozforex Group Limited	9,660	13,920
Pental Limited	9,917	10,500
Platinum Asset Management Limited	23,150	28,800

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
<b>NOTE 11: INVESTMENT PORTFOLIO (CONTINUED)</b>		
Pritchard Equity Limited – A Ordinary	13,212	11,988
Pritchard Equity Limited – B Ordinary	3,600	3,600
Reece Australia Limited	84,000	74,000
Ruralco Holdings Limited	11,800	10,200
Shriro Holdings Limited	5,475	4,200
Telstra Corporation Limited	43,000	55,600
Thorney Opportunities Limited	20,850	17,400
Winpar Holdings Limited	349,994	341,835
<b>Total Australian Equities</b>	<b>1,370,979</b>	<b>1,301,491</b>
<b>International Equities</b>		
Berkshire Hathaway Inc. Class B Common Stock	66,109	58,348
Conygar Investment Company PLC	12,069	9,973
Diageo PLC	38,348	37,695
McMullen & Sons Limited – Preferred Ordinary	15,848	16,937
Rightmove PLC	28,737	26,362
Unilever PLC	35,118	32,330
<b>Total International Equities</b>	<b>196,229</b>	<b>181,645</b>
<b>Total Investment Portfolio</b>	<b>1,567,208</b>	<b>1,483,136</b>

### NOTE 12: DEFERRED TAX ASSETS

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

- Tax losses	-	232,007
- Capital losses	182,071	84,198
- Temporary differences	112	3,836
	<b>182,183</b>	<b>320,041</b>

### NOTE 13: TRADE AND OTHER PAYABLES

Sundry payables and accrued expenses	26,007	19,812
	<b>26,007</b>	<b>19,812</b>

Payables are non-interest bearing and unsecured.

### NOTE 14: BORROWINGS

Short-term borrowings – secured	<b>240,798</b>	<b>140,678</b>
---------------------------------	----------------	----------------

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 6.62% (2016: 6.87%). The amount of the facility unused at year end is \$286,437 (2016: \$371,701).

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
<b>NOTE 15: DEFERRED TAX LIABILITIES</b>		
Deferred tax liabilities attributable to:		
- Temporary differences	112	-
- Deferred capital gains tax	182,071	171,571
	<b>182,183</b>	<b>171,571</b>

### NOTE 16: ISSUED CAPITAL

3,896,772 (2016: 3,831,512) fully paid ordinary shares	16a	<b>1,621,804</b>	<b>1,602,238</b>
<b>a. Ordinary shares</b>			
At the beginning of reporting period		1,602,238	1,304,798
Shares issued during the year			
— 45,177 on 5 November 2015		-	17,153
— 888,125 on 5 May 2016		-	280,287
— 65,260 on 7 November 2016		19,566	-
		<b>1,621,804</b>	<b>1,602,238</b>
At the end of reporting period		<b>1,621,804</b>	<b>1,602,238</b>

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.

### NOTE 17: RESERVES

Capital profits	17a	33,272	71,587
Investment revaluation	17b	306,608	266,764
		<b>339,880</b>	<b>338,351</b>

#### 17a. Capital Profits Reserve

##### Movements During the Year

Opening balance	71,587	65,408
Transfer from retained earnings	-	35,161
Dividend paid during the year	(38,315)	(28,982)
<b>Closing balance</b>	<b>33,272</b>	<b>71,587</b>

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

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
<b>NOTE 17: RESERVES (CONTINUED)</b>		
<b>17b. Investment Revaluation Reserve</b>		
<b>Movements During the Year</b>		
Opening balance	266,764	180,504
Transfer from retained earnings	39,844	86,260
<b>Closing balance</b>	<b>306,608</b>	<b>266,764</b>

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:

<b>Net operating loss after income tax benefit</b>	(173,594)	(18,327)
Add back income tax expense/ (benefit)	134,035	(20,415)
<b>Loss before tax</b>	<b>(39,559)</b>	<b>(38,742)</b>

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 2017 and 30 June 2016 were as follows:

	2017 \$	2016 \$
<b>Net tangible asset backing per share</b>		
Before tax	0.34	0.35
After tax	0.34	0.39

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

### NOTE 18: SEGMENT REPORTING (CONTINUED)

#### (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:

2017	Revenue \$	Unrealised gains/(losses) \$	Market value \$	Portfolio %
Australia	41,402	370,534	1,370,980	86.09
Great Britain	2,481	25,330	130,119	8.17
United States of America	-	42,146	66,109	4.15
<b>Sub Total</b>	<b>43,883</b>	<b>438,010</b>	<b>1,567,208</b>	<b>98.41</b>
Investment portfolio cash and cash equivalents and receivables	45	(462)	25,232	1.59
<b>Total</b>	<b>43,928</b>	<b>440,334</b>	<b>1,592,440</b>	<b>100.00</b>

2016	Revenue \$	Unrealised gains/(losses) \$	Market value \$	Portfolio %
Australia	31,964	328,197	1,301,491	86.69
Great Britain	2,864	18,508	123,297	8.21
United States of America	-	34,385	58,348	3.89
<b>Sub Total</b>	<b>34,828</b>	<b>381,090</b>	<b>1,483,136</b>	<b>98.79</b>
Investment portfolio cash and cash equivalents and receivables	149	311	18,117	1.21
<b>Total</b>	<b>34,977</b>	<b>383,819</b>	<b>1,501,253</b>	<b>100.00</b>

2017  
\$

2016  
\$

### NOTE 19: CASH FLOW INFORMATION

#### Reconciliation of Cash Flow from Operations with Loss after Income Tax

Loss after income tax	(173,594)	(18,327)
Write down of deferred tax asset	157,216	-
Cash flows excluded from loss attributable to operating activities:		
Dividends reinvested	(16,375)	(682)
(Increase)/ decrease in current receivables	(118)	991
Increase in current payables	6,195	399
Decrease in income tax balances	(23,181)	(20,415)
<b>Cash flow from operations</b>	<b>(49,857)</b>	<b>(38,034)</b>



# ILLUMINATOR INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
<b>NOTE 20: RELATED PARTY TRANSACTIONS</b>		
Transactions with related parties:		
Expenses paid or payable by the company to:		
Investment management fees paid to Pritchard & Partners Pty. Limited	15,862	12,611
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.	10,079	9,853
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.	9,512	10,085
Steven Pritchard is interested in the above transaction as a director and beneficial shareholder of Rees Pritchard Pty. 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 5 (2016: 32). Each contract note may involve multiple transactions. The total brokerage paid on these contract notes was \$640 (2016: \$3,284).

### 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.

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

### NOTE 24: FINANCIAL RISK MANAGEMENT

#### b. Liquidity Risk

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 6.62% (2016: 6.87%). A rise in interest rates of 1% will result in the company incurring additional finance costs of \$2,408 (2016: \$1,407), whilst a fall 1% will result in interest savings of \$2,408 (2016: \$1,407).

#### 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.

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 \$78,360 and \$156,721 (2016: \$74,157 and \$148,314) 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.

<b>The Company's investments across industry sectors as at 30 June is as below</b>	<b>2017</b>	<b>2016</b>
	<b>%</b>	<b>%</b>
Automobiles & Components	4.93	5.58
Banks	0.35	0.32
Capital goods	6.61	6.08
Cash and equivalents	1.59	1.21
Consumer durables and apparel	0.34	-
Diversified financials	34.10	32.80
Food beverage and tobacco	5.76	6.44
Food and staples retailing	0.90	0.76
Health care equipment and services	12.56	10.56
Household and personal products	8.85	11.60
Insurance	4.15	3.89

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

### NOTE 24: FINANCIAL RISK MANAGEMENT (continued)

#### e. Market Risk

Materials	0.38	0.38
Media	-	0.62
Pharmaceuticals, biotech and life sciences	8.67	7.47
Real estate	4.42	4.44
Retailing	1.96	2.32
Software and services	1.65	1.70
Technology hardware and equipment	0.08	0.13
Telecommunication services	2.70	3.70
	<b>100.00</b>	<b>100.00</b>

<b>Securities representing over 5 per cent of the investment portfolio at 30 June were:</b>	<b>2017</b>
	<b>%</b>
Blackmores Limited	6.02
Cochlear Limited	9.76
CSL Limited	8.67
Reece Australia Limited	5.27
Winpar Holdings Limited	21.98
	<b>51.70</b>

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

#### f. Fair value measurements

The following table provides the fair values of the Company's asset and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value 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 2017	Note	Level 1	Level 2	Level 3	Total
		\$	\$	\$	\$
Financial assets at fair value through other comprehensive income					
Investment Portfolio (Equities)	11	1,567,208	-	-	1,567,208
Total		<b>1,567,208</b>	<b>-</b>	<b>-</b>	<b>1,567,208</b>

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 for assets measured at fair value on a recurring basis during the reporting period (2016: no transfers).

### NOTE 25: EVENTS SUBSEQUENT TO REPORTING DATE

There have been no activities which have 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.

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## DIRECTORS' DECLARATION

1. In the opinion of the Directors of Illuminator Investment Company Limited:
  - a. The financial statements and notes as set out on pages 2 to 30 are in accordance with the Corporations Act 2001, including:
    - (i) Giving a true and fair view of its financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and
    - (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
  - b. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
2. The financial statements comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors.



Steven Shane Pritchard  
Director

11 September 2017

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ILLUMINATOR INVESTMENT COMPANY LIMITED

#### Report on the Financial Report

##### Opinion

We have audited the accompanying financial report of Illuminator Investment Company Limited (the company), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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 2017 and of its performance for the year ended on that date; and
  - ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

##### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the Auditor's Responsibility section of our report.

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

##### Independence

We are independent of the Company in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period.

These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matters below, our description of how our audit addressed each matter is provided in that context.

#### PKF(NS) Audit & Assurance Limited Partnership Sydney

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Liability limited by a scheme  
approved under Professional  
Standards Legislation

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#### Newcastle

755 Hunter Street  
Newcastle West NSW 2302 Australia  
PO Box 2368 Dangar NSW 2309  
p +61 2 4962 2688  
f +61 2 4962 3245



## Key Audit Matters (cont'd)

### 1. Valuation & Existence of Investment Portfolio

#### Why significant

As at 30 June 2017, a significant proportion of the Company's assets comprised of investment securities. The fair value of financial assets is \$1,567,208 (2016: \$1,483,136) as disclosed in Note 11 of the financial report.

These financial assets are listed securities classified as 'level 1' financial instruments in accordance with the classification under Australian Accounting Standards where quoted prices in active markets are available for identical assets.

Refer to Note 1(a) for the accounting policy for these financial assets and Notes 11 and 24 for further detail regarding the balance recorded as at 30 June 2017.

Based on the above, we have considered the valuation and existence of financial assets to be a Key Audit Matter.

#### How our audit addressed the key audit matter

We used independent sources to perform substantive testing on a sample of financial assets. This included:

- agreeing the quantity of securities held and recognised in the financial report to external independent trading registers;
- confirming the market value as at 30 June 2017 using reputable and active trading websites; and
- reviewing reconciliations prepared by management and supporting documentation to confirm market movements. This included agreeing the gain/loss incurred throughout the period to transaction reports.

We also assessed the appropriateness of the related disclosures in Notes 1(a), 11 and 24.

### 2. Recognition and Valuation of Deferred Tax Assets

#### Why significant

As disclosed in Note 12 of the financial report, at 30 June 2017 the Company has recorded a deferred tax asset of \$182,183 relating to deductible temporary differences and tax losses incurred.

As noted in Note 1(c) of the financial report, deferred tax assets are only recognised if the Company considers it probable that future taxable income will be generated to utilise these temporary differences and losses.

Significant judgement is required in forecasting future taxable income.

Based on the above, we have considered the recognition and valuation of deferred tax assets to be a Key Audit Matter.

#### How our audit addressed the key audit matter

We have assessed and challenged management's judgements relating to the Company's ability to generate future taxable income, and also the recognition criteria under AASB 112.

Our procedures included but were not limited to:

- the reasonableness of key assumptions with respect to future income and expenditure;
- reviewing the nature of the deferred tax asset (i.e. temporary differences or revenue / capital losses) and its probability of being realised.

We have also assessed the appropriateness of the disclosures included in Note 12 in respect of the deferred tax balances.

## Other Information

The Directors are responsible for the other information. The other information comprises the information included in the company's Annual Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Directors' Responsibilities for the Financial Report

The Directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In Note 1, the Directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the Directors are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using a going concern basis of accounting unless the Directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individual or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.



## Auditor's Responsibilities for the Audit of the Financial Report (cont'd)

The procedures selected depend on the auditor's judgement, including 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 of the financial report that gives a true and fair view 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.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of 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 conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## Report on the Remuneration Report

### Opinion

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of Illuminator Investment Company Limited for the year ended 30 June 2017, complies with section 300A of the Corporations Act 2001.

### Responsibilities

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.



PKF  
CHARTERED ACCOUNTANTS



MARTIN MATTHEWS  
PARTNER

11 SEPTEMBER 2017  
NEWCASTLE, NSW

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## STOCK EXCHANGE INFORMATION

### Top 20 Shareholders as at 17 August 2017

Shareholder	No. of Shares	% of Issued
Hamilton Asset Management Limited	642,845	16.50
Pritchard Equity Limited	441,626	11.33
The Pritchard Family Company Pty Limited	349,232	8.96
Henley Underwriting & Investment Company Pty Ltd	172,865	4.44
Rosemary Isabel Elkington	159,600	4.10
Hall Nominee Company Pty Ltd	116,245	2.98
Pirenz Nominees Pty Limited	107,574	2.76
Newcastle Capital Markets Registries Pty Ltd	103,050	2.64
Pritchard & Partners Pty Limited	96,383	2.47
Hafoba Pty Ltd	81,600	2.09
Kerteh Holdings Pty Limited	79,596	2.04
Richardson Investment Holdings Pty Limited	60,000	1.54
Community & Regional Investment Company Pty Ltd	60,706	1.56
Pirenz Nominees Pty Limited	58,830	1.51
Superannuation Nominees Pty Ltd	54,935	1.41
Mrs Lola Bernice Heddles & Mr Murray Allan Heddles	53,859	1.38
Dr Gordon Bradley Elkington	50,051	1.28
Bond Street Custodians Limited	43,654	1.12
Mr Steven Shane Pritchard	43,219	1.11
Cumarax Pty Ltd	40,690	1.04
	2,816,560	72.26

### Number of ordinary shares held

### Number of Shareholders

1 – 1,000	18
1,001 – 5,000	36
5,001 – 10,000	29
10,001 – 100,000	53
100,001 and over	8
Total	144

### Substantial Shareholders

As at 17<sup>th</sup> August 2017 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	2,018,236	51.79
Pritchard Equity Limited	1,323,152	33.96
Daniel Di Stefano	901,409	23.13
Margaret Pritchard	565,091	14.50

# ILLUMINATOR INVESTMENT COMPANY LIMITED

## CORPORATE DIRECTORY

<b>Directors</b>	Steven Pritchard Daniel Di Stefano Darval Thomas
<b>Company Secretaries</b>	Enzo Pirillo Daniel Di Stefano
<b>Registered Office</b>	10 Murray Street Hamilton NSW 2303 Telephone 02 4920 2877 Facsimile 02 4920 2878 Email: <a href="mailto:mail@illuminator.com.au">mail@illuminator.com.au</a> Web: <a href="http://www.illuminator.com.au">www.illuminator.com.au</a>
<b>Manager</b>	Pritchard & Partners Pty Limited 10 Murray Street Hamilton NSW 2303 Telephone 02 4920 2877 Facsimile 02 4920 2878
<b>Share Registry</b>	Newcastle Capital Markets Registries Pty Limited 10 Murray Street Hamilton NSW 2303 Telephone 02 4920 2877 Facsimile 02 4920 2878
<b>Auditors</b>	PKF 755 Hunter Street Newcastle West NSW 2302 Telephone 02 4962 2688 Facsimile 02 4962 3245
<b>Solicitors</b>	Baker & McKenzie Level 27, AMP Centre 50 Bridge Street Sydney NSW 1223 Telephone 02 9225 0200 Facsimile 02 9225 1595
<b>Bankers</b>	National Australia Bank Limited 31 Beaumont Street Hamilton NSW 2303