



AUGUST INVESTMENTS PTY LTD
ACN 002 106 603

ANNUAL REPORT

2011

AUGUST INVESTMENTS PTY LTD

ANNUAL REPORT - 2011

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AUGUST INVESTMENTS PTY LTD

A. C. N. 002 106 6036

DIRECTORY

Registered Office: Level 1
81 Henry St
Penrith NSW 2750

Business Address: 74 Northumberland Ave
Stanmore NSW

Postal Address: PO Box 179
Westgate NSW 2048

Phone: 0428 650 601

Email: mail@augustinvestments.com.au

Web: www.augustinvestments.com.au

Directors: Damien Lynch
Victor Dolmark
Thomas Goodman

Advising Accountant: Neil Cottle
Lower Russell & Farr
Level 1, 81 Henry Street
Penrith NSW 2750

AUGUST INVESTMENTS PTY LTD
A.C.N. 002 106 603
MANAGING DIRECTOR'S REPORT
FINANCIAL YEAR 2010/11

Our financial result for the year was a small loss to shareholders of 2.95%. This was substantially made up of losses on the value of our investments. Dividend payments for the year were 4.76% (\$10 per share), based on the accounting value per share, as shown in the following table. We still have substantial profit reserves from previous years to continue paying a dividend at this level for some time yet.

Again it was a poor year on markets for sustainable energy shares. These made up the largest part of our equity portfolio and we can only hope that the proposed Carbon Trading legislation will generate some interest in this sector.

As mentioned during the year, it has been our policy to support potentially profitable ventures in the green and community sectors. With sustainable energy ventures, it is taking a long time to see any results from this support.

Some investors have suggested that we *increase* our investments in these declining industries in the knowledge that when they rebound, we will be well positioned to take advantage of this rebound. It is our opinion that the correct approach at the moment is to withhold making such investments until the regulatory and financial environment is correct, thus preserving our funds. We have been putting this revised approach into practice and therefore have substantial funds on deposit available to utilise once the investment environment improves.

Meanwhile, the pitfalls in attempting to be environmentally proactive were dramatically illustrated during the year. After some time supporting Coal Seam Gas as an intermediate technology towards a sustainable future, we totally reversed our assessment. Evidence emerged that the extraction of CSG has multiple negative social and environmental impacts. We removed all such investments from our portfolio. This included selling our long held investment in Origin Energy (completed in August, 2011).

Further discussion on this and other matters are found on our website www.augustinvestments.com.au . Details of significant investment changes are recorded on our Latest News page and your own comments are most welcome on the August Investments blog page.

Damien Lynch

AUGUST INVESTMENTS PTY LTD
ANNUAL REPORT - 2011/11

FINANCIAL SUMMARY

The following table summarises financial results for August Investments over the last five years.

Year to 30 June	2011	2010	2009	2008	2007
	\$	\$	\$	\$	\$
Operating profit (before capital items)	8,449	12,652	16,441	14,081	14,634
Gross profit/(loss) before tax (Note 1)	(31,870)	16,598	(69,124)	(77,836)	152,645
Tax paid	-	5,704	2,280	540	2,619
Profit/(loss) after tax	(31,870)	10,894	(71,404)	(78,376)	150,026
Net asset value	546,203	602,928	605,900	705,135	731,461

Notes

Note 1 Gross Profit before Tax includes realised capital gains and losses and other capital transactions.

AUGUST INVESTMENTS PTY LTD
INCREASES/DECREASE IN SHAREHOLDER VALUE

The following table shows results on a **per share** basis over the last five years.

Year to 30 June	2011	2010	2009	2008	2007
Net profit/(loss) per share (note 1)	(\$11.31)	\$3.88	(\$25.65)	(\$29.94)	\$59.11
Dividends per share (note 2)	\$10.00	\$8.00	\$12.00	\$13.00	\$9.00
Value per share (note 3)	\$193.81	\$210.01	\$217.71	\$253.37	\$296.13
Capital gain/(loss) per share	(7.71%)	(3.54%)	(14.07%)	(14.44%)	21.52%
Dividend yield (note 4)	<u>4.76%</u>	<u>3.67 %</u>	<u>4.74 %</u>	<u>4.39 %</u>	<u>3.69%</u>
Combined benefit/(loss) per share	<u>(2.95%)</u>	<u>0.13 %</u>	<u>(9.33%)</u>	<u>(10.05%)</u>	<u>25.21%</u>

Notes

Note 1 Earnings per share are based on the average number of shares on issue during the period.

Note 2 Dividends paid or provided for during the year

Note 3 At 30 June, based on net assets as shown in the Accounts. Franking credits carried forward (2011: \$23,544) and income tax benefits are not included.

Note 4 The dividend rate is based on dividends paid and provided on Ordinary shares divided by the value of shares at the end of the previous year.

AUGUST INVESTMENTS PTY LTD
A.C.N. 002 106 603
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2011

Your directors present their report on the company for the financial year Ended 30 June 2011. The names of the directors in office at any time during or since the end of the year are:

Damien Lynch
Victor Dolmark
Thomas Goodman

Directors have been in office since the start of the financial year to the date of this report, except as shown.

Activities

The profit/loss of the company for the financial year was a loss of \$31,870 (2010: loss of \$10,894). The Operating profit/loss of the company net of investment related and extraordinary Items was a profit of \$8,449 (2010: profit of \$12,582). The following financial statements have not been audited, in accordance with shareholder resolution of 19 December 2002. The company's Audit Committee has examined these accounts and has confirmed them to be true and fair, as outlined on page 16.

The principal activity of the company during the financial year was investment in environmentally positive shares and securities.

No significant changes in the company's state of affairs occurred during the financial year. No matters or circumstances have arisen since the end of the financial year 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 future financial years. No new developments have occurred in the affairs of the company which would have a significant impact on the company.

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

An interim dividend for the year of \$14,085 (\$5.00 per Ordinary Share) was paid on 1 June 2011 (2010: \$4 per share - \$11,268) and a final dividend of \$17,070 (\$5.00 per Ordinary Share) was provided for to be paid on 1 December 2011 (2010: \$4 per share - \$11,268).

Details of options over issued shares or interests in the company granted during or since the end of the financial year and outstanding at the date of this report are set below.

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 auditors of the 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 part of those proceedings. The company was not a party to such proceedings during the year.

AUGUST INVESTMENTS PTY LIMITED
ACN. 002 106 603
DIRECTORS REPORT - YEAR ENDED 30 JUNE 2011

Directors Information

Directors' remuneration during the last two years were:

	2010/11		2009/10	
	Fees	Shares to Value of	Fees	Shares to Value of
	\$	\$	\$	\$
Damien Lynch (Managing Director)	4,980	-	5,000	-
Elliot Hayman	-	-	-	-
Victor Dolmark	-	-	-	-
Thomas Goodman	-	-	-	-
	<u>4,980</u>	<u>-</u>	<u>5,000</u>	<u>-</u>

Directors of the company held the following shares and options (at current value to directors) to purchase shares in the company on 30th June:

	No of Shares	Options Number	Options* Value
Damien Lynch	432	40	0
Victor Dolmark	26	30	0
Thomas Goodman	<u>468</u>	<u>30</u>	<u>0</u>
	838	100	0

** The value of the above options is based on the value of current shares in the company (\$210.01 per share) derived from these accounts, less the exercise price of each option where the exercise price is less than that share value. Further details of these options are set out below.*

Directors of the company attended meetings of the company during the 2010/2011 year as follows:

<u>Name of Director</u>	<u>Meetings Entitled to Attend</u>	<u>Meetings Attended</u>
Damien Lynch	6	6
Victor Dolmark	5	5
Thomas Goodman	6	6

AUGUST INVESTMENTS PTY LIMITED
ACN. 002 106 603
DIRECTORS REPORT - YEAR ENDED 30 JUNE 2011

Options Information

There are 110 options unexpired at the end of the financial year. These options were issued to directors and contractors of the company; 50 to directors and former directors to purchase shares at \$280 expiring on 30/11/11 and 60 (40 to directors and former directors and 20 to contractors) to purchase shares at \$255 expiring on 30/11/14. No options were issued during the year.

Top 10 Shareholders

The ten shareholders having the largest number of shares in the company on 30th June are:

<u>Name</u>	<u>Total Shares Held</u>
D J Lynch	432
D W Pearson	385
T Goodman	370
S T & N Goodman	294
I R Hayman	188
E & B Thompson	178
Estate V Hayman	111
O Santa Clause	108
N Icton	106
S Fletcher	<u>91</u>
	<u>2,263</u>
Total Shares on issue:	<u>2,845</u>

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

Thomas Goodman (Chairman)

Victor Dolmark (Director)

Dated: 8 September 2011

AUGUST INVESTMENTS PTY LTD
ACN. 002 106 607
PROFIT & LOSS
FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011 \$	2010 \$
Sales revenue	2	22,626	24,631
Profit from investments	2	<u>39,151</u>	<u>45,894</u>
Total Revenue		<u>61,777</u>	<u>70,525</u>
Administration expenses		6,718	5,957
Brokerage fees		1471	819
Depreciation		637	613
Management costs	4	4,980	5,000
Forestry contract expenses		162	(658)
Interest paid		209	318
Losses on investments	3	<u>79,470</u>	<u>41,878</u>
Total Expenses		<u>93,647</u>	<u>53,927</u>
Profit (Loss) from ordinary activities before income tax expense		(31,870)	16,598
Income tax benefit / (expense) relating to ordinary activities	5	<u> -</u>	<u>(5,704)</u>
Net profit (Loss) from ordinary activities after income tax attributable to members of the company		(31,870)	10,894

The accompanying notes form part of these financial statements.

AUGUST INVESTMENTS PTY LTD

ACN. 002 106 607

BALANCE SHEET**As at 30 June 2011**

	Note	2011 \$	2010 \$
CURRENT ASSETS			
Cash assets		8,470	56,711
Accrued income		<u>1,232</u>	<u>1,425</u>
TOTAL CURRENT ASSETS		9,702	58,136
INVESTMENTS		558,768	575,517
NON-CURRENT ASSETS			
Property, plant and equipment		675	1,018
Other		<u>100</u>	<u>-</u>
TOTAL NON-CURRENT ASSETS		775	1,018
TOTAL ASSETS		<u>569,245</u>	<u>634,671</u>
CURRENT LIABILITIES			
Payables		(286)	(699)
Provision for dividend	6	17,070	11,268
Shareholder current accounts		6,258	15,649
Sundry creditors and accruals		-	-
Tax liabilities	7	<u>-</u>	<u>5,525</u>
TOTAL CURRENT LIABILITIES		23,042	31,743
NON-CURRENT LIABILITIES		-	-
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>23,042</u>	<u>31,743</u>
NET ASSETS		<u>546,203</u>	<u>602,928</u>
EQUITY			
Share Equity	8	508,570	502,270
Reserves	9	(59,114)	(25,575)
Retained profits	10	<u>96,747</u>	<u>126,233</u>
TOTAL EQUITY		<u>546,203</u>	<u>602,928</u>

The accompanying notes form part of these financial statements.

AUGUST INVESTMENTS PTY LTD
ACN. 002 106 607
STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2011

	Notes	Share Capital \$	Reserves \$	Retained Profits \$	Total \$
Year 2009/2010					
Opening balances at 1 July 2009		493,600	(14,450)	126,750	605,900
Shares issued	8	8,670			8,670
Profit/(loss) for year				10,894	10,894
Reserve transfers (unrealised profits)	9		(11,125)	11,125	-
Dividends paid/provided for				(22,536)	(22,536)
Closing balances 30 June 2010		<u>502,270</u>	<u>(25,575)</u>	<u>126,233</u>	<u>602,928</u>
Year 2010/2011					
Opening balances at 1 July 2010		502,270	(25,575)	126,233	602,928
Shares issued	8	6,300			6,300
Profit/(loss) for year				(31,870)	(31,870)
Reserve transfers (unrealised profit/loss)	9		(33,539)	33,539	-
Dividends paid/provided for				(31,155)	(31,155)
Closing balances 30 June 2011		<u>508,570</u>	<u>(59,114)</u>	<u>96,747</u>	<u>546,203</u>

The accompanying notes form part of these financial statements.

AUGUST INVESTMENTS PTY LTD

ACN. 002 106 607

CASH FLOW STATEMENT**As at 30 June 2011**

	Note	2011 \$	2010 \$
Cash Flows from Operating Activities			
Dividends received		8,364	11,799
Interest received		11,984	8,688
Distributions received		2,276	1,246
Payments to suppliers		(13,330)	(11,436)
Income tax paid		<u>(5,704)</u>	<u>(1,966)</u>
Net cash provided by operating activities	11	3,590	9,804
Cash Flows from Investing Activities			
Decrease/(Increase) in debtors		413	-
Payment for property, plant and equipment		(295)	(946)
Gain/(Loss) on investments		(6,779)	103,698
Decrease/(Increase) in Investments		<u>(11,725)</u>	<u>(23,652)</u>
Net cash provided by/ (used in) investing activities		(23,386)	79,100
Cash Flows from Financing Activities			
Proceeds from share issues		-	8,670
Movements in borrowings		(11,821)	1,216
Dividends paid		<u>(16,623)</u>	<u>(25,183)</u>
Net cash used in financing activities		(28,444)	(17,729)
Net Increase/(Decrease) In Cash Held		(48,241)	71,175
Cash at Beginning of the Financial Year		<u>56,711</u>	<u>(14,464)</u>
Cash at the End of the Financial Year	11	<u>8,470</u>	<u>56,711</u>

The accompanying notes form part of these financial statements.

AUGUST INVESTMENTS PTY LIMITED

ACN. 002 106 603

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report as the directors have determined that the company is a reporting entity.

The financial report has been prepared in accordance with applicable Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report is that of August Investments Pty Ltd as an individual entity. August Investments Pty Limited is a company limited by shares, incorporated and domiciled in Australia.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

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. Income Tax

The company adopts the liability method of tax-effect accounting whereby the income tax expense is based on the profit from ordinary activities adjusted for any permanent differences.

Timing differences, which arise due to the different accounting periods in which items of revenue and expense are included in the determination of accounting profit and taxable income, are brought to account as either a provision for deferred income tax or as a future income tax benefit at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond any reasonable doubt. Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit.

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 tax legislation and the anticipation that the company will derive sufficient future assessable income and comply with the conditions of deductibility imposed by the law.

b. Property, Plant and Equipment and Other Non Current Assets

Each class of property, plant and equipment is carried at cost, less any accumulated depreciation.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amounts.

The depreciable amount of all fixed assets are depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Asset	Depreciation Rate
Plant and equipment	16% to 33%

AUGUST INVESTMENTS PTY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

c. Investments

Investments are shown separately in the Statement of Financial Position on the basis they may be held either for the short or long term. Investments are measured on a market value basis, except that woodlot contracts are valued as follows: contracts Great southern Plantations are valued at 25 % of the most recent valuation received from the company and Macquarie Eucalypt and TFS Sandalwood Projects are valued at initial cost. It is noted that there is some risk to the value of forestry assets based upon the current state of the market for woodchip, ongoing housing markets and the high Australian dollar. It is noted that new units in the Woodlawn Property Trust are being offered to unitholders under their dividend reinvestment scheme at \$0.80 per unit.

Unrealised capital profits (losses) on these investments are transferred to the Unrealised Profits Reserve. Tax effect accounting is not applied.

The carrying value of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments.

The recoverable amount is assessed from the quoted market value for shares in listed companies and for non-listed shares whichever is the most recent of either 90% of the most recent issue price of shares by the relevant company or the most recent price at which such shares were traded. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

d. Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates would be accounted for in accordance with the equity method of accounting.

Fees for the rendering of a service are recognised upon the delivery of the service.

All revenue is stated net of the amount of goods and services tax (GST).

Capital gains on the sale of investments are recognised at the time of disposal.

Net gains from the revaluation of investments are recognised on the basis set out in note 1c above.

NOTE 2: REVENUE

	Note	2011	2010
		\$	\$
Operating activities			
- Dividends received – franked		7,869	11,350
- Dividends received – unfranked		475	449
- Interest received		12,182	9,919
- Trust Distributions		<u>2180</u>	<u>2,913</u>
Operating income		22,626	24,631
- Capital gain/profit on the sale of investments		64,050	61,652
- Revaluation gains on investments		(24,899)	(24344)
- Forestry Contract distributions		<u>-</u>	<u>8,586</u>
Capital items income		39,151	45,894
Total Revenue from ordinary activities		<u>61,777</u>	<u>70,525</u>

AUGUST INVESTMENTS PTY LIMITED
ACN. 002 106 603

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

NOTE 3: EXPENSES

Profit from ordinary activities before income tax Expense has been determined after the following items are included, but not separately shown on the face of the Statement of Financial Performance:

	Note	2011 \$	2010 \$
Investment related expenses			
Capital loss on disposal of investments		70,829	37,213
Revaluation loss on investments		<u>8,641</u>	<u>4,665</u>
		<u>79,470</u>	<u>41,878</u>

Employee Entitlements

The company had no permanent employees during the year

NOTE 4: REMUNERATION AND RETIREMENT BENEFITS

	2011 \$	2010 \$
a. Remuneration of Directors		
Remuneration received or receivable by all directors of the company from the company or any related party in connection with the management of the company	4,980	5,000

The names of directors who have held office during the financial year:

Damien Lynch, Victor Dolmark and Thomas Goodman

Number of directors whose income from the entity or any related parties was within the following bands:

\$0	2	3
\$1-\$9999	1	1

b. Retirement Benefits

Amounts paid to a superannuation plan for the provision of retirement benefits for any person: - -

AUGUST INVESTMENTS PTY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
NOTE 5: INCOME TAX EXPENSE		
Prima facie tax payable on profit from ordinary activities before income tax at 30%	(9,650)	3,922
Add: Non Taxable items:		
Capital losses – accounting	2,034	-
interest accrued (net)	29	(81)
under/(over) provision for tax	-	97
Imputation credits	1,014	1,459
writedown of investments	-	-
capital losses carried forward	10,062	-
Less: Tax effect of:		
forestry contracts	-	3,523
Tax deferred & other trust distributions	<u>(861)</u>	<u> </u>
Total Income Tax Expenses	2,716	10,576
Less Imputation credits	3,381	4,865
- Tax credits from trusts	(2,872)	8
Excess franking credits converted to losses	<u>(671)</u>	<u> </u>
Net Income Tax Expense	<u> </u>	<u>5,703</u>

Tax related Capital losses of \$6,778 were carried forward to offset against future capital gains.

Balance of franking account at year end	23,544	26,168
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NOTE 6: DIVIDENDS

Ordinary dividend paid and/or provided	31,155	22,536
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NOTE 7: TAX LIABILITIES

Income Tax - current year	-	5,703
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NOTE 8: CONTRIBUTED EQUITY

Movements in share capital - fully paid ordinary shares

	Number of Shares	Amount \$
Opening Balance @ 1/7/2009	2,783	493,600
3 December 2009 – shares issued @ \$255	34	8,670
Closing Balance @ 30/6/2010	2,817	502,270
Opening Balance @ 1/7/2010	2,817	502,270
14 June 2010 – shares issued @ \$225	28	6,300
Closing Balance @ 30/6/2010	2,845	508,570

Average Capital for period: 2818.2 shares (2009/10: 2802.8).

AUGUST INVESTMENTS PTY LIMITED

ACN. 002 106 603

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

NOTE 8: CONTRIBUTED EQUITY (Continued)

Options

At 30 June 2011 there are 110 options unexpired. These options were issued to directors and contractors of the company; 50 to purchase shares at \$280 expiring on 30/11/11 and 60 to purchase shares @255 expiring on 30/11/2014.

NOTE 9: RESERVES

	2011 \$	2010 \$
Unrealised profits reserve		
Movements during the year		
Opening balance	62,461	49,242
Transfer to/(from) Profit & Loss:	<u>(24,898)</u>	<u>13,219</u>
Closing Balance	<u>37,563</u>	<u>62,461</u>
Unrealised loss reserve		
Movements during the year		
Opening balance	(88,036)	(63,692)
Transfer to/(from) Profit & Loss:	<u>(8,641)</u>	<u>(24,343)</u>
Closing Balance	<u>(96,677)</u>	<u>(88,036)</u>
Total Reserves	(59,114)	(25,575)

NOTE 10: RETAINED PROFITS

Retained profits (accumulated losses) at the beginning of the financial year	126,233	126,750
Net profit (loss) attributable to members of the Company	(31,870)	10,894
Transfer (to)/from unrealised profits reserve 9	24,898	(13,219)
Transfer (to)/from capital loss reserve 9	8,641	24,219
Dividends provided for and/or paid 6	<u>(31,155)</u>	<u>(22,536)</u>
Retained profits (accumulated losses) at the end of the financial year	96,747	126,233

AUGUST INVESTMENTS PTY LIMITED

ACN. 002 106 603

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

NOTE 11: CASH FLOW INFORMATION

Reconciliation of net profit/(loss) after tax to the cash flows from operations

	2011	2010
	\$	\$
Net Profit/(Loss)	(31,870)	10,894
Non-cash items:		
Interest received	(97)	1,233
Interest paid	209	
Distributions received	96	192
Depreciation	637	(613)
Income tax paid	(5704)	(3,735)
Changes in assets and liabilities:		
Capital Gains/(Losses) on investments	(6779)	(1,159)
Revaluation/(Write Down) of investments	33,539	(779)
Other (2009/10)	<u>-</u>	<u>3,773</u>
Net cash from operating activities	<u>3,590</u>	<u>9,804</u>

In previous years Cash included short term deposits and short term mortgage fund deposits. The 2009/10 amounts have been adjusted here to remove these amounts as Cash.

NOTE 12: CAPITAL COMMITMENTS

Nil Nil

NOTE 12: CONTINGENT LIABILITIES

Nil Nil

NOTE 14: EVENTS SUBSEQUENT TO BALANCE DATE

No matters have occurred since balance date that would be required to be reflected in these financial statements. However, it should be noted that the market values of investments may have varied between the balance date and the date of signing this financial report. Such variances, positive and negative, will be booked to the Statement of Financial Performance for the next year.

NOTE 15: RELATED PARTY TRANSACTIONS

There were no related party transactions

NOTE 16: COMPANY DETAILS

The registered office of the company is: 81 Henry St, Penrith, NSW, 2750. The principal place of business is: 74 Northumberland Ave, Stanmore, NSW, 2048.

The principal activities of the company are investing in financial assets.

AUGUST INVESTMENTS PTY LTD
A.C.N. 002 106 603
DIRECTORS DECLARATION

The directors of August Investments Pty Limited have determined that the Company is a reporting entity and declare that:

1. the financial statements and notes, as set out on pages 6 to 9 are in accordance with the Corporations Act 2001,
 - comply with Accounting Standards and the Corporations Regulations 2001; and
 - give a true and fair view of the financial position of the Company at 30 June 2011 and of the performance for the year ended on that date.
2. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Thomas Goodman (Chairman)

Victor Dolmark (Director)

Dated: 8 September 2011

AUGUST INVESTMENTS PTY LTD
A.C.N. 002 106 603
AUDIT COMMITTEE REPORT

We have examined the financial statements of August Investments Pty Ltd for the financial year ended 30 June 2011, questioned the company manager in relation to aspects of these statements and have examined documentation in relation to a selection of transactions underlying these statements. This examination is as authorised by the shareholders' resolution of 19 December 2002.

Based on the above examinations, it is our opinion that the financial statements of August Investments Pty Ltd gives a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the year ended on that date.

This Report is signed in accordance with a resolution of the Audit Committee.

Thomas Goodman

Barry Thompson

Dated: 8 September 2011