



***AUGUST INVESTMENTS PTY LTD***  
ACN 002 106 603

***ANNUAL REPORT***

***2015***

# ***AUGUST INVESTMENTS PTY LTD***

## ***ANNUAL REPORT - 2015***

### ***CONTENTS***

	<b>Page Number</b>
<b>Managers Report</b>	<b>3</b>
<b>Financial Summary</b>	<b>4</b>
<b>List of Investments</b>	<b>5</b>
<b>Directors' Report</b>	<b>6</b>
<b>Remuneration Report</b>	<b>8</b>
<b>Profit and Loss</b>	<b>9</b>
<b>Balance Sheet</b>	<b>10</b>
<b>Statement of Changes in Equity</b>	<b>11</b>
<b>Cash Flow Statement</b>	<b>12</b>
<b>Notes to Accounts</b>	<b>13</b>
<b>Directors' Declaration</b>	<b>21</b>
<b>Audit Committee Report</b>	<b>21</b>
<b>Other Information - Shareholders</b>	<b>22</b>
<b>- Directory</b>	<b>23</b>

**AUGUST INVESTMENTS PTY LTD**  
*A.C.N. 002 106 607*  
**MANAGING DIRECTOR'S REPORT**  
**FINANCIAL YEAR 2014/15**

Some highlights from financial year are:

- Shareholder value based on these accounts increased by 23.5%. (That does not include the positive effect of Franking Credits held, which would add another 1.4%.)
- Our benchmark return of 12.7% was almost doubled.
- Green equities have been again difficult to find. However, excising such investments have continue to performed well, despite the current political situation.
- After discussion with shareholders we decided to go ahead with investments in selected overseas-based green equities. No action has been taken on this decision yet.
- The final dividend has been increased from \$4.00 to \$5.00 per share. This dividend is due on 1 December 2015.
- Details of changes to our investments are listed on the [News](#) page of our website. If you prefer to receive these changes by mail from time to time, please let us know.
- We do not expect to have another rights issue in the near future. However, existing shareholders are able to add to their investment at any time. Contact us for details.

Damien Lynch  
Managing Director

**AUGUST INVESTMENTS PTY LTD**  
**ANNUAL REPORT - 2014/15**

**FINANCIAL SUMMARY**

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

Year to 30 June	2015	2014	2013	2012	2011
	\$	\$	\$	\$	\$
Operating profit (before capital items)	10,766	13,076	11,185	9,475	8,449
Gross profit/(loss) before tax (note 1)	204,645	122,943	97,071	(52,922)	(31,870)
Less Tax paid	(29,890)	(18,492)	-	-	-
Profit/(loss) after tax	174,755	104,451	97,071	(52,922)	(31,870)
Net asset value	955,153	743,859	592,577	481,178	546,203

**Notes**

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

**AUGUST INVESTMENTS PTY LTD**  
**TOTAL SHAREHOLDER RETURN**

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

Year to 30 June	2015	2014	2013	2012	2011
Net profit/(loss) per share (note 1)	\$49.94	\$33.10	\$32.75	(\$18.27)	(\$11.31)
Dividends per share (note 2)	\$4.00	\$8.00	\$8.00	\$9.00	\$10.00
Value per share (note 3)	\$263.71	\$216.68	\$193.24	\$166.15	\$193.81
Capital gain/(loss) per share	21.70%	12.13%	16.30%	(14.43%)	(7.71%)
Dividend yield (note 4)	<u>1.85%</u>	<u>4.14%</u>	<u>4.81%</u>	<u>4.64%</u>	<u>4.76%</u>
Total benefit/(loss) per share	<u>23.55%</u>	<u>16.27%</u>	<u>21.11%</u>	<u>(9.29%)</u>	<u>(2.95%)</u>

**Notes**

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

Note 2 Dividends paid or provided for during the year. In 2015 the practice of providing for the final dividend in the accounts was discontinued. This dividend is expected to be \$5.00 per share.

Note 3 At 30 June, based on net assets as shown in the Accounts divided by the number of shares (see Note 10 to the attached Annual Accounts). Franking credits 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****LIST OF INVESTMENTS  
AS AT 30 JUNE 2015**

<b>INTEREST BEARING DEPOSITS</b>	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Bendigo Bank	30,000	30,000
ING Bank	26,050	50,000
ME Bank	50,000	20,000
Bendigo Bank Red. Pref. Notes	29,100	-
NAB Floating Preference Notes	-	33,285
Other	-	<u>32,000</u>
	135,150	165,285
<b>TRUST INVESTMENTS</b>		
Australian Unity Office Property Fund	12,523	14,859
La Trobe Term Mortgages	28,000	40,000
Trilogy Income Fund	40,000	20,000
Westlawn Property Trust	<u>20,800</u>	<u>23,680</u>
	101,323	98,539
<b>LISTED SHARES</b>		
Australian Ethical Investments	35280	18,603
Amcom Telecommunications	13260	17,028
Bendigo & Adelaide Bank	24,520	-
Blackmores	48,926	-
Beacon Lighting	27,000	7,245
Carnegie Wave Energy	4,050	13,875
Capilano Honey	69,120	9,760
Energy Action	-	17,640
Hansen Technologies	34,856	19,987
Infigen Energy Stapled	21,440	16,080
iiNet Ltd	-	11,696
JB Hi-Fi	38,960	-
Mobile Embrace	22,785	-
Meridian Energy	22,420	25,300
My Net Fone	29,414	22,264
Mesoblast Ltd	9,400	4,470
Mighty River Power	27,500	16,432
Redflow Ltd	13,440	9,900
SMS Management & Technology	-	21,948
Select Harvest	14,740	-
Touchcorp	13,727	-
TFS Corporation	19,581	40,425
Tassal Group	37,962	54,812
Technology One	21,170	24,030
TPG Telecom	45,747	30,305
Vmoto Ltd	12,150	13,060
Other	<u>16,235</u>	<u>18,918</u>
	637,873	413,777
<b>UNLISTED SHARE</b>		
Hepburn Wind	8,480	10,100
Maleny Credit Union	30,000	30,000
Other	-	<u>1,861</u>
	38,480	41,961
<b>FORESTRY CONTRACTS</b>		
Macquarie Forestry and Land	14,172	14,180
TFS Sandalwood	<u>11,750</u>	<u>11,750</u>
	25,922	25,930
<b>Total Investments</b>	<b>928,748</b>	<b>745,492</b>

**AUGUST INVESTMENTS PTY LTD**  
*A.C.N. 002 106 603*  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2015**

Your directors present their report on the company for the financial year Ended 30 June 2015. The names of the directors in office at any time during or since the end of the year are:

Thomas Goodman  
Damien Lynch  
Elliot Hayman

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 profit of \$174,755 (2014: \$104,451). The Operating profit/loss of the company net of investment related and extraordinary items was a profit of \$10,766 (2014: profit of \$13,076). 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 21](#).

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 \$14,366 (\$4.00 per Ordinary Share) was paid on 1 June 2015 (2014: \$4 per share - \$12,568, plus a final dividend of \$13,676 - \$4.00 per share). No final dividend is provided for in these accounts. Since 30<sup>th</sup> June a final dividend of \$5.00 per share to be paid on 1 December 2015 has been declared by directors with an expected value of \$18,110.

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.

**DIRECTORS REPORT - YEAR ENDED 30 JUNE 2015****Directors' shareholdings**

Directors of the company and/or their immediate family held the following shares and options (at current value to directors) to purchase shares in the company on 30<sup>th</sup> June:

	Number of Shares	Number of Performance Rights	Estimated value of Performance Rights
			\$
Damien Lynch	718	8	1,101
Elliot Hayman	14	8	1,101
Thomas Goodman	<u>792</u>	<u>8</u>	<u>1,101</u>
	1,524	24	3,303

For details of Performance Rights, see the following Remuneration Report.

**Directors' meetings**

Directors of the company attended meetings of the company during the 2014/15 year as follows:

<u>Name of Director</u>	<u>Meetings Entitled to Attend</u>	<u>Meetings Attended</u>
Damien Lynch	8	8
Elliot Hayman	7	7
Thomas Goodman	8	8

**Options Information**

No options were issued during the year and there are no outstanding options.

**REMUNERATION REPORT  
FOR THE YEAR ENDED 30 JUNE 2015**

Directors do not receive cash payments. However, they are remunerated from time to time by the issue of Performance Rights to be granted shares at a future date as approved by shareholders.

The company's Managing Director is entitled to receive an annual fee of \$6,000, but may elect not to draw down the full amount.

Continued over ....

**AUGUST INVESTMENTS PTY LTD**  
A.C.N. 002 106 603  
**REMUNERATION REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2015**  
**(CONTINUED)**

Directors' remuneration paid or granted during the last two years were:

	2014/15		2014/15	
	Wages & Super	Share Based Payments*	Fees	Share Based Payments*
	\$	\$	\$	\$
Damien Lynch (Managing Director)	4,380	463	4,000	1,010
Elliot Hayman	-	463	-	1,010
Thomas Goodman	-	463	-	1,010
	<u>4,380</u>	<u>1,389</u>	<u>4,000</u>	<u>3,030</u>

*\*The Share Based payments above relate to the issue of Performance Rights to Directors as set out below.*

Details of Performance Rights on issue to directors, including those issued during the current period, are as follows:

Vesting Date	Number Granted	Vesting Price	Estimated Probability of Vesting	Estimated Current Value
30/6/2017	12	\$215.00	62%	\$1,914
30/8/2019	<u>12</u>	\$240.00	54%	<u>\$1,389</u>
	<u>24</u>			<u>\$3,303</u>

Performance Rights vested during the current period and shares issued to directors are as follows:

Vesting Date	Number	Vesting Price	Value of Shares
30/6/2015	12	\$215.00	\$2,580

No retirement benefits for directors were paid or provided for.

The Directors' Report and the Remuneration Report were signed in accordance with a resolution of the Board of Directors:

Elliot Hayman (Director)

Damien Lynch (Managing Director)

Dated: 19 August 2015



**AUGUST INVESTMENTS PTY LTD**  
ACN. 002 106 603  
**PROFIT & LOSS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
Sales revenue	2	30,984	26,315
Profit from investments	2	<u>237,306</u>	<u>135,690</u>
<b>Total Revenue</b>		268,290	162,005
Administration expenses		6,569	5,679
Brokerage fees		1,727	1,777
Depreciation		-	68
Directors' fees and entitlements	6	5,882	-
Managers remuneration		4,380	4,000
Forestry contract expenses		1,498	1,435
Interest paid		162	117
Losses on investments	3	<u>43,427</u>	<u>25,985</u>
<b>Total Expenses</b>		<u>63,645</u>	<u>39,062</u>
Profit (Loss) from ordinary activities before income tax expense		204,645	122,943
Income tax benefit / (expense) relating to ordinary activities	4	<u>(29,890)</u>	<u>(18,492)</u>
<b>Net profit (Loss) from ordinary activities after income tax attributable to members of the company</b>		<b><u>174,755</u></b>	<b><u>104,451</u></b>
<i>Earnings per shares</i>		\$49.94	\$33.10

The accompanying notes form part of these financial statements.

**AUGUST INVESTMENTS PTY LTD**

ACN. 002 106 603

**BALANCE SHEET****As at 30 June 2015**

	Note	2015 \$	2014 \$
<b>CURRENT ASSETS</b>			
Cash assets	11	53,274	36,419
Accrued income		2,186	3,309
Other		<u>521</u>	<u>152</u>
<b>TOTAL CURRENT ASSETS</b>		<b>55,981</b>	<b>39,880</b>
<b>NON-CURRENT ASSETS</b>			
<b>INVESTMENTS</b>		<b>938,748</b>	<b>745,492</b>
<b>OTHER NON-CURRENT ASSETS</b>			
Property, plant and equipment		-	-
Other		<u>-</u>	<u>-</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<b>938,748</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b><u>994,729</u></b>	<b><u>785,372</u></b>
<b>CURRENT LIABILITIES</b>			
Payables		3,469	(88)
Provision for dividend	8	-	13,676
Shareholder current accounts		7032	9,478
Tax liabilities	5	<u>29,075</u>	<u>18,271</u>
<b>TOTAL CURRENT LIABILITIES</b>		<b>39,576</b>	<b>41,513</b>
<b>NON-CURRENT LIABILITIES</b>			
		<u>-</u>	<u>-</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b><u>39,576</u></b>	<b><u>41,179</u></b>
<b>NET ASSETS</b>		<b><u>955,153</u></b>	<b><u>743,859</u></b>
<b>EQUITY</b>			
Share Capital	6	682,795	631,920
Reserves	7	132,862	19,842
Retained profits		<u>139,496</u>	<u>92,097</u>
<b>TOTAL EQUITY</b>		<b><u>955,153</u></b>	<b><u>743,859</u></b>
<i>Net Tangible Assets per share</i>		<i>\$263.71</i>	<i>\$216.68</i>

The accompanying notes form part of these financial statements.

**AUGUST INVESTMENTS PTY LTD**

ACN. 002 106 603

**CASH FLOW STATEMENT****AS AT 30 JUNE 2015**

	Note	2015 \$	2014 \$
<b>Cash Flows from Operating Activities</b>			
Dividends received		17,270	11,162
Distributions received		10,126	4,414
Interest received		5,157	8,009
Payments to suppliers		(13,848)	(10,714)
Income tax paid		<u>(18,271)</u>	<u>-</u>
Net cash provided by operating activities	11	<b>434</b>	<b>12,871</b>
<b>Cash Flows from Investing Activities</b>			
Decrease/I(Increase) in debtors		15,467	1,566
Decrease/I(Increase) in Creditors		(88)	88
Payment for property, plant and equipment		-	-
Capital Gain on investments		81,487	162,748
Capital Loss on investments			(33,199)
Decrease/I(Increase) in Investments held		<u>(80,864)</u>	<u>(190,408)</u>
Net cash provided by/ (used in) investing activities		<b>(14,932)</b>	<b>(59,205)</b>
<b>Cash Flows from Financing Activities</b>			
Proceeds from share issues		41,145	61,363
Movements in borrowings		(678)	(92)
Dividends paid		<u>(9,114)</u>	<u>(17,323)</u>
Net cash used in financing activities		<b>31,353</b>	<b>43,948</b>
<b>Net Increase/(Decrease) In Cash Held</b>		<b>16,855</b>	<b>(2,386)</b>
<b>Cash at Beginning of the Financial Year</b>		<b><u>36,419</u></b>	<b><u>38,805</u></b>
<b>Cash at the End of the Financial Year</b>	11	<b><u>53,274</u></b>	<b><u>36,419</u></b>

The accompanying notes form part of these financial statements.

**AUGUST INVESTMENTS PTY LTD**  
ACN. 002 106 603  
**STATEMENT OF CHANGES IN EQUITY**  
**As at 30 June 2015**

	Notes	Share Capital \$	Reserves \$	Retained Profits \$	Total \$
<b>Year 2013/14</b>					
<b>Opening balances at 1 July 2013</b>		558,845	12,788	20,944	592,577
Shares issued	6	73,075			73,075
Profit/(loss) for year				104,451	104,451
Reserve transfers (unrealised profit/loss) 7			7,054	(7,054)	-
Dividends paid/provided for				(26,244)	(26,244)
<b>Closing balances 30 June 2014</b>		<b><u>631,920</u></b>	<b><u>19,842</u></b>	<b><u>92,097</u></b>	<b><u>743,859</u></b>
<b>Year 2014/15</b>					
<b>Opening balances at 1 July 2014</b>		631,920	19,842	92,097	743,859
Shares issued	6	50,875			50,875
Profit/(loss) for year				174,755	174,755
Reserve transfers (unrealised profit/loss) 7			113,020	(113,020)	-
Dividends paid/provided for				(14,336)	(14,336)
<b>Closing balances 30 June 2015</b>		<b><u>682,795</u></b>	<b><u>132,862</u></b>	<b><u>139,496</u></b>	<b><u>955,153</u></b>

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 2015**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial report is a special 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 investments and 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%

No value is attributed to the August Investments name or the August Investments business.

**AUGUST INVESTMENTS PTY LIMITED**

**ACN. 002 106 603**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015**

**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 with 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.

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, except that Hepburn Community Wind Co-Op is valued at the most recent net tangible asset value per unit. 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.

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.

**e. Ordinary shares**

The company currently has only Ordinary shares on issue. These all rank equally, providing dividends to shareholders, one vote per share at shareholder meetings of the company and a equal right to the assets of the company in the event of winding up.

In arriving at an asset value for each Ordinary share in the company, the company provides a value based on the actual number of shares of issue (the Base Value) and an adjusted value based on the probable dilutive effect of Performance Rights to directors being exercised at future times (the Diluted Value). This adjustment takes into account the number of Performance Rights to be vested, the time to vesting and the probability that vesting will occur.

**f. Comparative figures**

When required, comparative figures have been adjusted to conform with changes in presentation for the current financial period.

**AUGUST INVESTMENTS PTY LIMITED**

ACN. 002 106 603

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015**

**NOTE 2: REVENUE**

	2015	2014
	\$	\$
Operating activities		
- Dividends received	18,086	11,382
- Interest received	9,577	9,474
- Trust Distributions	<u>3,321</u>	<u>5,459</u>
Operating income	30,984	26,315
- Capital gain/profit on the sale of investments	151,660	106,268
- Revaluation gains on investments	85,434	27,057
- Forestry Contract distributions	<u>212</u>	<u>2,365</u>
Capital items income	<u>237,306</u>	<u>135,690</u>
Total Revenue from ordinary activities	<u>268,290</u>	<u>162,005</u>

**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:

	2015	2014
	\$	\$
<b>Investment related expenses</b>		
Capital loss on disposal of investments	49,342	18,770
Revaluation loss on investments	<u>(5,915)</u>	<u>7,215</u>
	<u>43,427</u>	<u>25,985</u>

**Employee Entitlements**

The company had no permanent employees during the year.

Details of directors' entitlements are shown in Note 6.

**AUGUST INVESTMENTS PTY LIMITED**  
**ACN. 002 106 603**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015**

**NOTE 4: INCOME TAX EXPENSE**

	2015	2014
	\$	\$
Prima facie tax payable on profit from ordinary activities before income tax at 30%	61,394	36,882
Add Tax effect of:		
Capital losses – accounting interest accrued (net)	-	(8,153)
Imputation credits	337	(753)
Revaluation of investments	1,531	1,113
	(27,405)	(5,952)
Less: Tax effect of:		
forestry contracts	-	-
Tax deferred & other trust distributions	<u>863</u>	<u>935</u>
Total Income Tax expense	34,993	22,203
Less Imputation credits	5,103	3,713
<b>Net Income Tax Expense</b>	<b><u>29,890</u></b>	<b><u>18,492</u></b>

There were no tax related Capital losses to be carried forward (2014: zero).

<b>Balance of imputation credits at 30 June</b>	<b>12,608</b>	<b>1,248</b>
Current Year provision for Income tax	29,075	18,271
<b>Total available imputation credits</b>	<b><u>41,693</u></b>	<b><u>19,520</u></b>

**NOTE 5: TAX LIABILITIES**

<b>Income Tax - current year</b>	<b>29,890</b>	<b>18,271</b>
----------------------------------	---------------	---------------



**AUGUST INVESTMENTS PTY LIMITED**

ACN. 002 106 603

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015****NOTE 6: CONTRIBUTED EQUITY****Movements in share capital - fully paid ordinary shares**

	Number of Shares	Amount \$
Opening Balance @ 1/7/2013	3,092	558,845
Shares issued 5/12/2013 @ \$215	50	10,750
Shares issued 13/5/2014 @ \$225	<u>277</u>	<u>62,325</u>
Closing Balance @ 30/6/2014	3,419	631,920

Opening Balance @ 1/7/2014	3,419	631,920
Shares issued during year at average of \$241.14 p.s.	<u>203</u>	<u>50,875</u>
Closing Balance @ 30/6/2015	3,622	682,795

**Performance Rights**

Performance rights are issued to directors of the company in lieu of other payment. The following conditions must be met for performance rights to be exercised:

- a. The growth in the share price of August Investments, adjusted for dividend, franking and tax amounts paid, shall be greater than the growth in unitholder value for the IREES Wholesale Unit Trust Growth Index over a period the vesting date.
- b. A director must have been in such office for at least 12 months during the life of the Performance Right and must have attended at least 75% of the company meeting they are required to attend.

At 30 June 2015 the following performance Right authorised by shareholders are yet to be vested:

Vesting Date	Number Granted	Vesting Price	Estimated Probability of Vesting	Estimated Current Value
30/6/2017	12	\$215.00	62%	\$1,914
30/8/2019	<u>12</u>	\$240.00	54%	<u>\$1,389</u>
	<u>24</u>			<u>\$3,303</u>

**NOTE 7: RESERVES**

	2015 \$	2014 \$
<b>Unrealised profits reserve</b>		
Opening balance	27,056	46,199
Transfer to/(from) Profit & Loss:	<u>131,634</u>	<u>(19,143)</u>
Closing Balance	<u>158,690</u>	<u>27,056</u>
<b>Unrealised loss reserve</b>		
Opening balance	(7,214)	(33,411)
Transfer to/(from) Profit & Loss:	<u>(18,614)</u>	<u>26,197</u>
Closing Balance	<u>(25,828)</u>	<u>(7,214)</u>
<b>Total Reserves</b>	<b><u>132,862</u></b>	<b><u>19,842</u></b>

**AUGUST INVESTMENTS PTY LIMITED**  
**ACN. 002 106 603**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015**

**NOTE 8: DIVIDENDS**

	<b>Dollars per share</b>	<b>Total amount \$</b>	<b>Date of payment</b>
<b>2013/14</b>			
Interim 2014	4.00	12,568	3/6/2014
Final 2014 (provision)	4.00	<u>13,676</u>	1/12/2014
Total 2013/14		26,244	
<b>2014/15</b>			
Interim 2015	4.00	14,336	1/6/2015

All dividends declared are fully franked. Franking Credit details are shown in Note 4. Shareholders may elect to have their dividends reinvested in new shares in the company.

**Unrecognised amount – final dividend**

The final dividend for the current year has not been recognised in the accounts. It is expected that directors will declared a final dividend of \$5.00 per share (estimated total amount: \$\$18,110) to be paid on 1 December 2015.

**NOTE 9: EARNINGS PER SHARE**

	<b>2015</b>	<b>2014</b>
Profit attributed to shareholders	174,755	104,451
Weighted average number of shares on issue during the year (Number)	<u>3,499.5</u>	<u>3,155.8</u>
Earnings/(loss) per Ordinary share	<b>\$49.94</b>	<b>\$33.10</b>

**NOTE 10: NET TANGIBLE ASSETS PER SHARE**

Net Tangible Assets	955,153	743,859
Number of shares on issue @ 30/6/15	3,622	3,419
<b>Basic Net Tangible Assets per share</b>	<b>\$263.71</b>	<b>\$217.57</b>
<b>Diluted Net Tangible Assets per share</b>	<b>N/A*</b>	<b>\$216.68</b>

\*From the 2014/15 financial year directors' entitlements based on the estimated future value of Performance Rights are included in the accounts so that their dilutive effect is not treated separately. The number of shares used to determine the 2013/14 Diluted Net Tangible Assets was 3,432.9 shares.

The company has no intangible assets, therefore net assets and net tangible assets are the same.

**AUGUST INVESTMENTS PTY LIMITED**

ACN. 002 106 607

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015****NOTE 11: CASH FLOW INFORMATION****Reconciliation of net profit/(loss) after tax to the cash flows from operations**

	2015	2014
	\$	\$
<b>Net Profit/(Loss)</b>	174,756	104,451
<b>Non-cash items:</b>		
Dividends received	(815)	(221)
Distributions received	549	(1,044)
Interest received	1,834	(1,465)
Interest paid	162	117
Directors' remuneration	5,882	-
Depreciation	-	68
Income tax paid	11,619	18,492
Other	114	2,177
<b>Changes in investments included in profit/loss:</b>		
Capital Gains/(Losses) on investments	(102,318)	(87,498)
Revaluation/(Write Down) of investments	(91,350)	(22,207)
Forestry investment treated as expense	<u>-</u>	<u>1,435</u>
<b>Net cash from operating activities</b>	<b><u>434</u></b>	<b><u>12,871</u></b>

**NOTE 12: CAPITAL COMMITMENTS**

	Nil	Nil
--	-----	-----

**NOTE 13: CONTINGENT LIABILITIES**

	Nil	Nil
--	-----	-----

**AUGUST INVESTMENTS PTY LIMITED**

ACN. 002 106 603

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015**

**NOTE 14: EVENTS SUBSEQUENT TO BALANCE DATE**

A final dividend of \$5.00 per share (estimated total amount: \$18,110) to be paid on 1 December 2015 was declared by directors after the balance date.

Apart from the above, 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**

Director Damien Lynch receives remuneration as Managing Director and all directors have been issued with Performance Rights. There were no other 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 9 to 20 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 2015 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.

Elliot Hayman (Director)

Damien Lynch (Managing Director)

Dated: 19 August 2015

**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 2015, 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 give a true and fair view of the company's financial position as at 30 June 2015 and of its performance for the year ended on that date.

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

Claude Walker

Geraldine Savins

Dated: 14 August 2015

**AUGUST INVESTMENTS PTY LTD**  
*A.C.N. 002 106 603*  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2015**

**OTHER INFORMATION**

**Top 20 Shareholders**

The twenty shareholders having the largest number of shares in the company on 30<sup>th</sup> June are:

<u>Name</u>	<u>Total Shares Held</u>
D J Lynch	631
D W Pearson	424
T Goodman	394
I R Hayman	342
S T & N Goodman	294
Estate N Icton	232
O Santa Clause	203
E & B Thompson, trustees	178
Arnon Pty Ltd	114
H Creamer	81
B&L McCallum	68
D Lynch & M Gee	67
Brindle Grange Pty Ltd trustee	54
S Amies	51
R Dawson	50
R Stephenson	40
A Gleeson	35
C Walker	32
S Fletcher	31
H Thompson & M Kenny trustees	26
Shares held by top 20 shareholders:	<u>3,347</u>
Total Shares on issue:	3,622
Total number of shareholders	39

**AUGUST INVESTMENTS PTY LTD**  
*A.C.N. 002 106 603*  
**ANNUAL REPORT**

***DIRECTORY***

Registered Office: Level 1  
81 Henry St  
Penrith NSW 2750

Business Address: 74 Northumberland Ave  
Stanmore NSW 2048

Postal Address: PO Box 179  
Westgate NSW 2048

Phone: 0428 650 601

Email: [mail@augustinvestments.com.au](mailto:mail@augustinvestments.com.au)

Web: [www.augustinvestments.com.au](http://www.augustinvestments.com.au)

Directors: Thomas Goodman (Chairman)  
  
Damien Lynch  
  
Elliot Hayman

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

