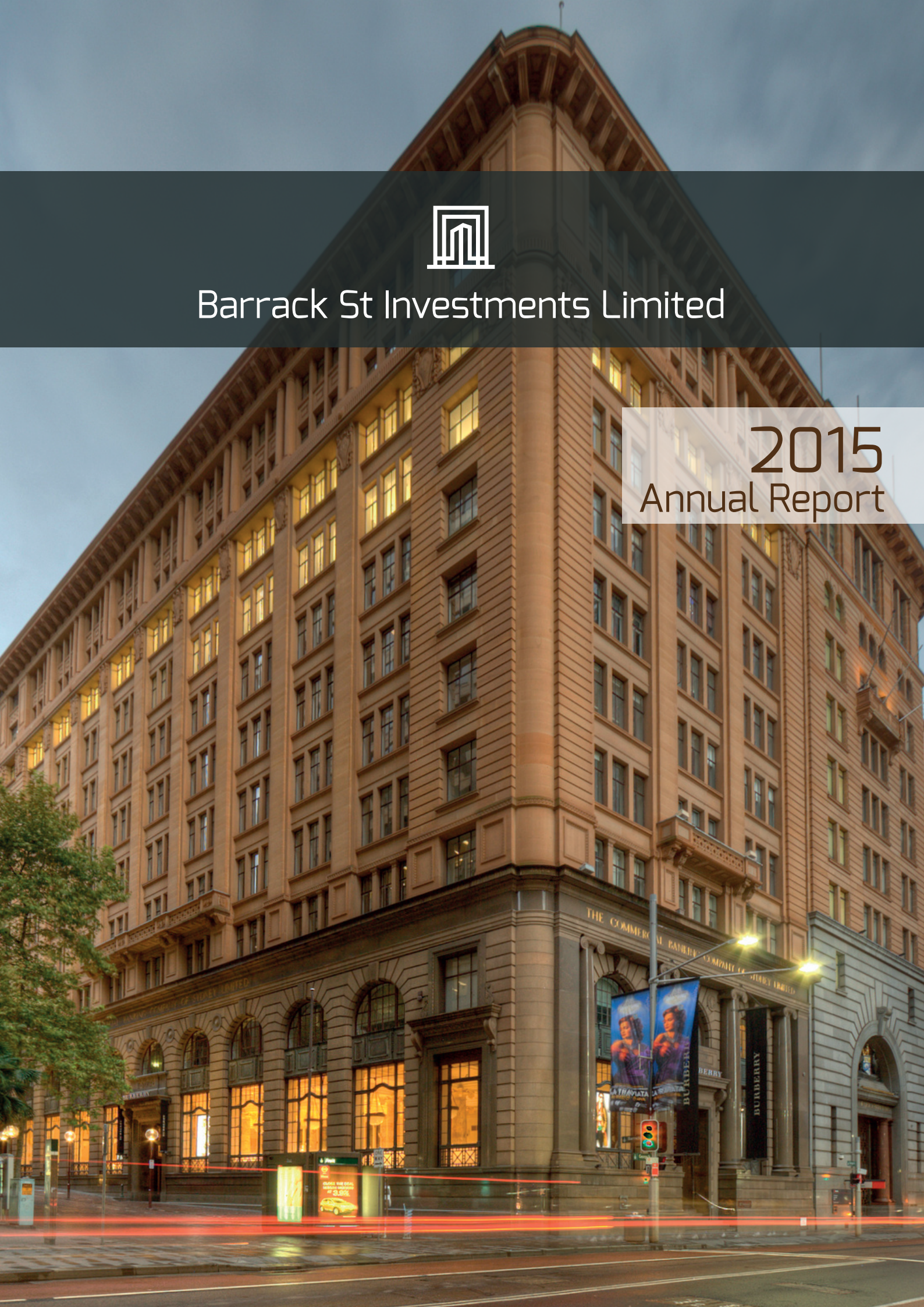




Barrack St Investments Limited

2015 Annual Report





FINANCIAL CALENDAR

FINANCIAL YEAR END

30 June 2015

DIVIDEND BOOKS CLOSE

25 September 2015

DIVIDEND PAYMENT

09 October 2015

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of
Barrack St Investments Limited:

WILL BE HELD AT:

The offices of
Rothsay Chartered Accountants
Level 1, 12 O'Connell Street
SYDNEY NSW

TIME:

2.00 pm (NSW Time)

DATE:

Wednesday 11 November 2015

INVESTING IN BARRACK ST INVESTMENTS LIMITED

Investors can purchase shares in
Barrack St Investments Limited
through the Australian Securities
Exchange (ASX).

ASX code: BST

Barrack St Investments Limited
ABN 30 167 689 821
Registered in Australia
23 January 2014 and listed on ASX
In August 2014



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CHAIRMAN'S REPORT

Dear Shareholder

I am pleased to present the 2nd Annual Chairman's Report of Barrack St Investments Limited for the financial year ended 30 June 2015.

The Year in Review:

The Company was listed on the ASX on 14 August 2014 and was formed to satisfy a growing appetite for access to boutique investment managers with an expertise in small and mid-cap companies. Stapled securities were issued under an Initial Public Offering (IPO) at \$ 1 each per share (together with one option for every one share issued). The total issued share capital of company was \$ 16,028,500 after the IPO. The Net Tangible Asset (NTA) value per share of the Company at 31 August 2014 was 96.70 cents and this increased steadily until 31 May 2015 when it reached 102.20 cents per share. At 30 June 2015 NTA fell back to 96.38 cents but continues to climb again and is now back above 101 cents per share. In spite of the volatility in global markets, the company has performed well.

ECP Asset Management, led by Dr Manny Pohl (Chief Investment Officer) and who has a long and successful track record in investment management, manages the portfolio of investments of the Company. Your board believes that the investment philosophy implemented by the Manager is sound and the performance to date demonstrates this.

The Market Outlook

Whilst markets around the world experienced periods of volatility in part driven by the Greek debt crisis, problems in China and general softening in emerging markets your board remains optimistic about the future and believes that companies with good strong management and healthy balance sheets will continue to perform well and reward our shareholders over the longer term.

Dividend

The company paid an interim dividend in April 2015 of 0.5 cents per share fully franked and the board has approved a final dividend for the year of 0.5 cents per share, fully franked. The Company offered a Dividend Reinvestment Plan (DRP) with each dividend and 9,332 shares were issued under the DRP.

The Board has approved a final dividend for the year of 0.5 cents per share. It represents an overall dividend of 1.0 cents per share, fully franked.

Share Buy-Back Scheme

No share buy-back scheme has operated in the 2015 year.

The Board

I wish to thank my fellow board members and company secretary for the input and support in the past year and in particular thanks must go to the Manager, ECP Asset Management Pty Ltd for the outstanding contribution made by the committed individuals headed by Dr Manny Pohl.

I thank Shareholders for your on-going support and look forward to a good year ahead.

Yours sincerely

Murray H d'Almeida
Chairman



DIRECTORS' REPORT

Your Directors present their report on Barrack St Investments Limited for the financial year ended 30 June 2015.

1. DIRECTORS

The Directors of Barrack St Investments Limited from the beginning of the financial year until the date of this report are:

Name	Date of Appointment
Murray H. d'Almeida	23 January 2014
Emmanuel C. Pohl	23 January 2014
David Crombie	9 June 2014
Jared D. Pohl (alternate)	23 June 2014

2. INFORMATION ON DIRECTORS

Murray H d'Almeida

FAICD

Chairman, Independent Director

Member of Audit and Risk Committee

Experience and expertise

Over 35 years of diverse national and international business experience. After working for a firm of Chartered Accountants, moved into the commercial world in which held a broad range of commercial and financial positions with multinational companies. Founded the Retail Food Group and developed a presence in seven overseas countries. Has maintained operating and board positions within a range of financial services, mining, commercial, academic, government and sporting businesses and organisations.

Other Current directorships

Chairman of Pacific Environment Limited

Chairman of Management Resource Solutions PLC

Chairman of BPS Technology Limited

Councillor Southern Cross University

Trustee of Currumbin Wildlife Foundation

Member of Gold Coast Light Rail Business Advisory Board

Former Listed Company directorships in last 3 years

None

Interest in Shares

5,000 ordinary shares

Dr Emmanuel (Manny) C Pohl

Pr Eng, B.Sc (Eng), MBA, DBA, FAICD, MSA, F Fin

Executive Director

Experience and expertise

Executive Director since the inception of the Company in 2014.

Over 27 years experience in the funds management industry initially as a director and head of research with leading South African broking firm Davis Borkum Hare. He was a member of the 1991 South African delegation to the Annual Meeting of the Board of Governors of the World Bank and the International Monetary Fund in Bangkok. He was a member of the South African Accounting Practices Board until he left South Africa in 1994. After arriving in Australia he joined Westpac Investment Management prior to founding Hyperion Asset Management in 1996. He resigned from Hyperion in 2012 and established ECP Asset Management, a boutique funds management business focused on quality small and mid-cap companies. He has served on the Board of a number of major corporations in South Africa and Australia.

Other current directorships

Managing Director of Global Masters Fund Limited

Executive Director of Barrack Street Investments Limited

Chair of Athelney Trust Plc

Chairman of EC Pohl & Co Pty Ltd

Chairman of ECP Asset Management Pty Ltd

Chairman of EC Pohl & Co Private Equity Limited

Chairman of Pohl Pty Ltd

Chairman & President of Bond University Rugby Club

Director of Huysamer International Holdings (Pty) Ltd

Member of Bond University, Institute of Sustainable

Development & Architecture Academic Advisory Panel

Trustee of Currumbin Wildlife Hospital Foundation

Former Listed Company directorships in last 3 years

None.

Interest in Shares

5,006,000 ordinary shares

Has a relevant interest in shares in the Company over which he holds a Power of Attorney arrangement with a number of Shareholders.



DIRECTORS' REPORT (Continued).

David Crombie

AM

Non-Executive Director

Chair of Audit and Risk Committee

Experience and expertise

Founding partner in GRM International, with 1600 professional staff engaged on development projects in 26 countries across a range of sectors including health, education, agricultural services and capacity building for AusAid, DIFID and USAid plus multilateral and Government / private sector clients managing development projects in northern Australia and overseas. Retired as Managing Director in 2000 and remains on the Board. Former President of the National Farmers Federation and received an AM for services to agriculture, communities and sport in the Australia Day Awards in 2014. Former President of Australian Rugby Union

Other current directorships

Director of Australian Agricultural Company (AAC)
Director of Alliance Aviation Services (AQZ)
Director of Palladium Group

Former Listed Company directorships in last 3 years

None

Interest in Shares

64,382 ordinary shares

Company Secretary

Mr Brian Jones (B.COM CA AICD) was appointed company secretary on 23 January 2014. He has had many years of commercial and financial experience and has served as the company secretary and director of listed public companies in the past.

Directors' Meetings

The number of Board meetings and the number of meetings attended by each of the directors of the Company held during the time the directors held office during the year are:

Director	Meetings Held	Meetings Attended
Mr MH d' Almeida	6	6
Dr EC Pohl	6	6
Mr D Crombie	6	6



The number of Audit Committee meetings and the number of Audit Committee meetings attended by each of the members of the Audit Committee held since the listing in August 2014 are:

Director	Meetings Held	Meetings Attended
Mr D Crombie	4	4
Dr EC Pohl	4	4
Mr MH d' Almeida	4	4

Corporate Information

Corporate Structure

Barrack St Investments Limited is a company listed by shares that is incorporated and domiciled in Australia.

Principal Activity

The Company is a listed investment company which invests in small and mid-cap size companies quoted on ASX which have a history of profitability and growth. The Company anticipates moderate to high portfolio returns over the long-term. The philosophy described in the Prospectus has been implemented by the Manager.

Review and Results of Operations

The Company made a net profit after income tax of \$ 39,959

Dividends

An interim dividend (fully franked) of 0.5 cents per share was paid in April 2015 (total amount cash paid: \$ 72,360 and DRP \$ 7,782) and a final dividend (fully franked) of 0.5 cents per share will be paid in October 2015. A dividend reinvestment plan (DRP) is applicable to both these dividends and 9,229 shares have been issued under the DRP.

Financial Position

The net assets of the Company in dollar terms include cash in the bank, available-for-sale-assets, deferred tax and establishment costs of the Company.

Environmental Legislation

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

Event Subsequent to the Reporting Date

Apart from the dividend declared of 0.5 cents per share (fully franked) payable in October 2015, no other matter or circumstance not otherwise dealt with in the Directors' Report or Financial Report, has arisen since the end of the year that has 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.

Indemnification of Officers and Auditors

During the year, a Directors and Officers insurance policy was put in place indemnifying against any liability any person who is or has been an officer of the Company.

Proceedings of Behalf of the Company

The Company was not a party to any such proceedings during the year.

Remuneration Report

Remuneration Policy

The full Board is responsible for determining and reviewing compensation arrangements for the Directors. The Board assess the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board.

Details of the nature and amount of each element of the emoluments of each director of the Company for the year ended 30 June 2015 are as follows:

Director	Base Fee \$	Total \$
Mr MH d' Almeida	46,125	46,125
Dr EC Pohl	41,000	41,000
Mr D Crombie	41,000	41,000

Brian Edward Jones, the Company Secretary, will be paid fees through Rothsays Chartered Accountants, a firm of which he is a partner.

Directors' Interest in Contracts

There are no Directors' interests in contracts other than as disclosed in this report.

Non-audit Services

No non-audit services were performed by the auditors during the year ended 30 June 2015

Auditor's Independence Declaration

The Auditor's Independence Declaration as required by Section 307 of the Corporations Act 2001 is set out on page 6 and forms part of this Report for the year ended 30 June 2015.

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the directors support the principles of corporate governance and have applied these principles where appropriate.

The Company's corporate governance statement is contained in the following section of this annual financial report.

Signed in accordance with a resolution of directors:

Murray d'Almeida
Chairman

Date: 27 August 2015



AUDITOR'S INDEPENDENCE DECLARATION

The Chairman
Barrack St Investments Limited
Suite 5 Level 3
Barrack House
16-20 Barrack St
SYDNEY NSW 2000

Attention: Mr M H d'Almeida

Dear Sir

DECLARATION OF INDEPENDENCE BY LESLIE PINES TO THE DIRECTORS OF BARRACK ST INVESTMENTS LIMITED

As auditor of Barrack St Investments Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Leslie Pines'.

Leslie Pines

Chartered Accountant

Sydney, 27th August 2015



CORPORATE GOVERNANCE STATEMENT: FOR THE YEAR ENDED 30 June 2015

Core Business and Investment Strategy

The core business and investment strategy of the Company is to provide investors with access to boutique investment managers with expertise in small and mid-cap companies. The Company's objective is to achieve moderate to high portfolio returns over the long term through investment in small and mid-cap companies quoted on ASX with a history of profitability and a superior growth profile.

Corporate Governance

The Directors support and are committed to the principles of best practice in corporate governance, applied in a manner that is suitable to the Company's particular circumstances.

The ultimate objective of the Company's core business and investment strategy is the achievement of long-term growth and profitability. The Company's corporate governance practices and procedures are directed to providing an appropriate framework for pursuit of that objective, while protecting the rights and interests of shareholders and ensuring that the Company is lawfully and ethically governed.

The Company has adopted the revised ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, second edition.

Set out below are the eight principles of good corporate governance and how the Board has sought to comply with the best practice recommendations for each. Where the Company's corporate governance practices do not correlate with the practices recommended by the ASX, due to the nature and scope of its activities, the reasons for any departures will be explained.

Principle 1: Lay solid foundations for Management and Oversight.

The first principle requires the Company to establish and disclose the respective roles and responsibilities of board and management.

Roles of the Board and Management

The Board is accountable to shareholders for the activities and performance of the Company and has overall responsibility for furtherance of the Company's core business and investment strategy together with its corporate governance. There is no split of functions between individual board members. All decisions are made collectively. There are no senior executives in the company as the company is not of a size to justify having senior executives. The key investment decisions and instructions of the company are made by the Board and advised to the company secretary for implementation.

Due to the nature and size of the business it has been deemed unnecessary to directly employ management personnel. The responsibility for the administrative and accounting functions of the company has been outsourced to the chartered accountancy firm of the company secretary. The performance and efficiency of these functions is reviewed by the Board on an annual basis. A formal engagement notice is in place setting out the terms and conditions of the appointment.

Commitments

Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a director of the Company.

Education and induction

New directors undergo an induction process in which they are given a full briefing on the Company. In order to achieve continuing improvement in Board performance, all directors are encouraged to undergo continual professional development.

Independent professional advice

The Board collectively and each director has the right to seek independent professional advice at the Company's expense, up to predetermined limits, to assist them to carry out their responsibilities.

A copy of the Board Charter of the Company is contained on the Company's website.

Principle 2: Structure the Board to add value.

The principle requires the Company to have a Board of an effective composition, size and commitment to adequately discharge its responsibilities and duties.

Composition of the Board

The Board has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties. The current Board has three directors, two of whom are non-executive and independent (Mr Murray H d'Almeida and Mr David Crombie). Dr Manny Pohl is an executive director but does not receive remuneration as an executive director. He does receive a director's fee. The names of the directors and their qualifications and experience are stated together with the term of office held by each of them. Directors are appointed based on their industry experience and commercial acumen as well as the specific governance skills required by the Company and the independence of their decision-making and judgment. The CEO function of the company is undertaken by the board and decisions made by the Board are advised to the CFO and Company Secretary (Brian Jones) for implementation.

The Board's criterion for determining the independence of a Director is whether the Director is independent of management and free from any business or other relationship that could materially interfere with (or could reasonably be perceived to materially interfere with) the exercise of unfettered and independent judgement.



In considering independence, the Board distinguishes between a relationship that may occasionally give rise to a particular discrete conflict of interest that can be addressed by appropriate conflict of interest procedures, and a relationship that may more generally impair the Director's objectivity and conflict of mind.

The composition of the Board is reviewed on an ongoing basis to ensure that the Board has an appropriate balance of expertise and experience. When a vacancy arises or where the Board considers that it would benefit from the services and skills of a new director, the Board considers potential candidates with appropriate expertise and experience.

Nomination committee

The Company has not established a formal nomination committee as the principle recommends, as the Board considers that due to the scope and nature of the Company's activities, the whole Board should undertake this responsibility.

Criteria for selection of directors

Directors are appointed based on the specific governance skills required by the Company. Given the size of the Company and the business that it operates, the Company aims at all times to have at least one director with experience in the Company's industry, appropriate to the Company's market. In addition, directors should have the relevant blend of personal experience in accounting and financial management and other commercial acumen.

Responsibilities of the Board

The principal function and responsibilities of the Board include the following:

- Leadership of the Organisation: overseeing the Company and establishing codes that reflect the values of the Company and guide the conduct of the Board.
- Strategy Formulation: setting and reviewing the overall strategy and goals for the Company and ensuring that there are policies in place to govern the operation of the Company.
- Overseeing Planning Activities: overseeing the development of the Company's strategic plan and approving that plan as well as budgets.
- Shareholder Liaison: ensuring effective communications with shareholders through an appropriate communications policy and promoting participation at general meetings of the Company.
- Monitoring, Compliance and Risk Management: overseeing the Company's risk management, compliance, control and accountability systems and monitoring and directing the financial and operational performance of the Company.
- Company Finances: approving expenses in excess of those approved in the annual budget and approving and monitoring investment performance and financial and other reporting.
- Delegation of Authority: delegating appropriate powers to ensure the effective day-to-day management of the Company and establishing and determining the power and functions of the Committees of the Board.

Full details of the Board's role and responsibilities are contained in the Board Charter, a copy of which is contained on the Company's website.

Performance Review and Evaluation

Each year, the Board reviews and evaluates its performance and the individual performance of each director, including the Chairman.

The general management and oversight of the evaluation process, including identification and formulation of appropriate performance assessment issues and criteria is the responsibility of the Chairman. Primarily, the review is carried out through consultation by the Chairman with each of the other directors.

Having regard to the nature of the Company's business and the Board's composition, the Board believes this approach to performance evaluation is more useful than seeking to apply predetermined measurable performance indicators or engaging an external facilitator.

Principle 3: Promote ethical and responsible decision-making.

The principle requires the Company to actively promote ethical and responsible decision-making.

Company Code of Conduct

The Board has adopted a Corporate Code of Conduct to establish and encourage observance by the Company's Directors and officers of standards of ethical and responsible decision making and behaviour that are necessary to maintain confidence in the Company's integrity and to recognise and guide compliance with legal and other obligations to the Company's shareholders and other legitimate stakeholders.

The Corporate Code of Conduct is posted on the Company's website.

Trading in company shares

The Board has adopted a Share Trading Policy that sets out principles to be observed by the Company's directors and officers in relation to buying, selling and dealing in the Company's shares.

The overriding principle is that directors and officers cannot deal in the Company's shares at any time when they possess price sensitive information.

The Share Trading Policy also precludes directors and officers from dealing in securities included in the Company's investment portfolio at any time when they possess information that is price sensitive in relation to such securities or to the detriment of the Company's investment portfolio.

The Share Trading Policy is posted on the Company's website.



Principle 4: Safeguard integrity in financial reporting.

The principle requires that the Company should have a structure to independently verify and safeguard the integrity of their financial reporting.

Audit and Risk Committee

The Board has established an Audit and Risk Committee which provides assistance to the Board in fulfilling its corporate governance and oversight responsibilities in relation to the Company's financial reporting, internal control systems, risk management systems, regulatory compliance and external audit.

The committee must have at least three members, therefore all of the directors currently serve on the committee. The committee is chaired by an independent director (Mr David Crombie) who is not the chairman of the Board. At least one member must have financial expertise and some members shall have an understanding of the industry in which the Company operates.

The principal roles of the committee are to:

- Assess whether the accounting methods and statutory reporting applied by management are consistent and comply with accounting standards and applicable laws and regulations;
- Make recommendations on the appointment of the external auditors, assess their performance and independence and ensure that management responds to audit findings and recommendations;
- Discuss the adequacy and effectiveness of the Company's internal control systems and policies to assess and manage business risks and its legal and regulatory compliance programmes; and
- Ensure effective monitoring of the Company's compliance with its code of conduct and Board policy statements.

The external auditor attends the audit committee meetings which are held before each board meeting. The committee is authorised to seek information from any external party and obtain legal or other professional advice.

The composition of the audit committee is reviewed on an ongoing basis to ensure that the committee has an appropriate balance of expertise and experience. When a vacancy arises or where the committee considers that it would benefit from the services and skills of a new committee member the committee considers potential candidates with appropriate expertise and experience.

The committee has established a formal Charter, a copy of which is contained on the Company's website.

Principle 5: Make timely and balanced disclosure.

The principle requires the promotion of timely and balanced disclosure of all material matters concerning the company.

Board Policies

Continuous disclosure

The Board has put in place mechanisms designed to ensure compliance with the ASX Listing Rules Disclosure Requirements and the company has timetables in place to ensure accountability at a senior level for that compliance.

Confidentiality

In accordance with legal requirements and agreed ethical standards, directors have agreed to keep confidential information received in the course of the exercise of their duties and will not disclose non-public information except where disclosure is authorised or legally mandated.

Conflicts of interest

Directors must disclose to the Board actual or potential conflicts of interest that may or might reasonably be thought to exist between the interests of the director and the interests of any other party in carrying out the activities of the Company. If a Director cannot or is unwilling to remove a conflict of interest then the director must, as per the *Corporations Act 2001*, absent himself or herself from the room when discussion and/or voting occurs on matters about which the conflict relates.

Related party transactions

Related party transactions include any financial transaction between a director and the Company and are reported in writing to each Board meeting. Unless there is an exemption under the *Corporations Act 2001* from the requirement to obtain shareholder approval for the related party transaction, the Board cannot approve the transaction.

Principle 6: Respect the rights of shareholders.

The principle requires the Company to respect the rights of shareholders and facilitate the effective exercise of those rights.

Shareholder communication

The Company is committed to effective shareholder communication:

- Through releases to the market via ASX, the Company's website, information mailed to shareholders and general meetings of the Company;
- Providing balanced and understandable information about the Company and its investment strategy;
- Encouraging shareholders to participate in general meetings of the Company; and
- Requesting the external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

The Company also makes available a telephone number and email address for shareholders to make enquiries of the Company.



Principle 7: Recognise and Manage Risk.

The principle requires the Company to establish a sound system of risk oversight and management and internal control.

Identification of material business risks are discussed at the audit and risk committee meetings and a formal policy on risk oversight and management of material business risks is being formulated and a copy will soon be available on the Company's website.

Investment Risk

The Board is responsible for dealing with issues arising from investment risk. By its nature the Company will always carry risk because it must invest its capital in securities which are not risk free. The Company's charter is to invest in shares listed on ASX outside of the top 50, accepting the risks associated with these investments.

Attestations by Chairman and CFO

In accordance with the Board's policy and in terms of the declaration required under section 295 A of the Corporations Act 2001, the Chairman and CFO have prior to the Board signing the Annual Report, made the attestation that:

- the integrity of the financial statements is founded on a sound system of risk management and internal compliance and control which implements the policies determined by the Board, and
- the company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects

The Board is also not aware of any departures from best practice recommendations.

Principle 8: Remunerate fairly and responsibly.

The principle requires the Company should ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to performance is clear.

Remuneration committee

The company has not established a remuneration committee as the principle recommends. The Board consider that due to the scope and nature of the Company's activities, the whole Board should undertake this responsibility. The remuneration of the directors is reviewed annually by the Board as detailed in the Board Charter, a copy of which is posted on the Company's website.

Remuneration policy

The Company does not deem it necessary to have a Senior Executive Remuneration Policy as no personnel are employed directly. All executive and administrative services are provided to the Company by the company secretary and his chartered accountancy firm of which he is a partner.

Non-executive director remuneration policy

Non-executive directors are paid their fees out of the maximum aggregate amount approved by shareholders for the remuneration of non-executive directors. Non-executive directors do not receive performance based bonuses and do not participate in equity schemes of the Company. No additional schemes for retirement benefits exist for the directors.



FINANCIAL REPORT

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This financial report covers Barrack St Investments Limited as an individual entity. There are no controlled entities.

Barrack St Investments Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Barrack St Investments Limited
Suite 5, Level 3
Barrack House
16-20 Barrack St
SYDNEY NSW 2000

The financial report was authorised for issue by the Directors on 27 August 2015.

A description of the nature of the entity's operations and its principal activities is included in the Annual Report.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete and available globally at minimum cost to the Company. All media releases, financial reports and other information are available from the Company at the above address or from our website:

www.barrackst.com



FINANCIAL REPORT

BARRACK ST INVESTMENTS LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015 \$	2014 \$
Income	4	408,172	2
Expenses	5	(524,264)	2
Profit/(Loss) before income tax		(116,092)	2
Income tax income	6	156,051	-
Profit after income tax for the year		39,959	2
Other Comprehensive Income			
<i>Items that will not be reclassified subsequently to profit & loss</i>			
Changes in fair value of Financial Assets at fair value through Other Comprehensive Income		113,228	-
Income Tax Expense relating to components of Other Comprehensive Income		(33,968)	-
Other Comprehensive Income for the year, net of tax		79,260	-
Total Comprehensive Income for the year		119,219	2
Earnings per share:			
		Cents	Cents
Basic and diluted earnings per share – profit after tax	21	0.249	-
Total Comprehensive Income	21	0.743	-

The above statement of comprehensive income should be read in conjunction with the notes to the financial statements.



FINANCIAL REPORT

BARRACK ST INVESTMENTS LIMITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Notes	2015 \$	2014 \$
ASSETS			
Cash and Cash Equivalents	7	1,870,652	375
Trade and Other Receivables	8	14,356	5,627
Available-for-sale Financial Assets at fair value	9 & 10	13,548,767	-
Deferred Tax Asset	11	122,083	-
Total Assets		15,555,858	6,002
LIABILITIES			
Trade and Other Payables	12	10,000	-
Total Liabilities		10,000	-
Net Assets		15,545,858	6,002
EQUITY			
Contributed Equity	13	15,506,779	6,000
Reserves	14	(882)	-
Retained earnings		39,961	2
Total Equity		15,545,858	6,002

The above statement of financial position should be read in conjunction with the notes to the financial statements



FINANCIAL REPORT

BARRACK ST INVESTMENTS LIMITED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2015

	Note	Contributed Equity	Retained Earnings	Asset Revaluation Reserve	TOTAL
		\$	\$	\$	\$
Balance at 23 January 2014		-	-	-	-
Total Comprehensive Income					
Profit for Year		-	2	-	2
Other Comprehensive Income		-	-	-	-
Total Comprehensive Income		-	2	-	2
Transactions with Owners in their capacity as owners					
Shares issued during period	13(b)	6,000	-	-	6,000
		6,000	-	-	6,000
Balance at 30 June 2014		6,000	2	-	6,002
Balance at 1 July 2014		6,000	2	-	6,002
Total Comprehensive Income					
Profit for Year		-	39,959	-	39,959
Other Comprehensive Income		-	-	79,260	79,260
Total Comprehensive Income		-	39,959	79,260	119,219
Transactions with Owners in their capacity as owners					
Shares issued during period	13(b)	16,030,282	-	-	16,030,282
Capital raising costs		(529,503)	-	-	(529,503)
Dividends paid or provided for	15(a)			(80,142)	(80,142)
		15,500,779	-	(80,142)	15,420,637
Balance at 30 June 2015		15,506,779	39,961	(882)	15,545,858

The above statement of changes in equity should be read in conjunction with the notes to the financial statements.



FINANCIAL REPORT

BARRACK ST INVESTMENTS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015 \$	2014 \$
Cash flows from operating activities			
Dividends received		380,021	
Interest received		28,151	2
Other payments (inclusive of GST)		(358,214)	(5,627)
Net cash inflow/(outflow)from operating activities	20	49,958	(5,625)
Cash flows from investing activities			
Proceeds from sale of investments		5,183,559	
Payments for investments		(18,783,877)	
Net cash inflow/(outflow)from investing activities		(13,600,318)	
Cash flows from financing activities			
Shares issued for cash payment		16,022,500	6,000
Capital raising costs		(529,503)	
Dividends paid		(72,360)	
Net cash inflow/(outflow) from financing activities		15,420,637	6,000
Net increase in cash and cash equivalents		1,870,277	375
Cash and cash equivalents at the beginning of the year		375	-
Cash and cash equivalents at end of year	7	1,870,652	375

The above statement of cash flows should be read in conjunction with the notes to the financial statements.



FINANCIAL REPORT

BARRACK ST INVESTMENTS LIMITED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) BASIS OF PREPARATION

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the *Corporations Act 2001*.

Australian Accounting Standards include Australian Equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report of Barrack St Investments Limited complies with International Financial Reporting Standards (IFRS).

These financial statements have been prepared under the historical cost convention, except for Financial Assets at fair value through Other Comprehensive Income or profit and loss, which are measured at fair value.

Unless otherwise stated, all amounts are presented in Australian dollars. Barrack St Investments Limited is a for-profit entity for the purpose of preparing these financial statements.

(B) STATEMENT OF FINANCIAL POSITION FORMAT

The Statement of Financial Position is in a liquidity format. The adoption of a liquidity format results in the removal of the terms "current asset" and "non-current asset" from the Statement of Financial Position, in favour of the general term "assets".

(C) REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable net of the amount of Goods and Services Tax (GST). The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

(i) Dividend Revenue

Dividend revenue is recognised when the right to receive the dividend has been established.

(ii) Interest Revenue

Interest revenue is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest revenue. Interest revenue on impaired loans is recognised using the original effective interest rate.

(D) INCOME TAX

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the income tax rate adjusted by changes in deferred tax assets and tax liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Statement of Financial Position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(E) FINANCIAL INSTRUMENTS

Financial Assets At Fair Value Through Profit Or Loss

Financial assets at fair value through profit or loss are Financial Instruments convertible into Equity Instruments. A financial asset is classified in this category if it is so designated by management and within the requirement of AASB 9 *Financial Instruments*. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the profit or loss in the period in which they arise.

Financial Assets At Fair Value Through Other Comprehensive Income

The Company is a long-term investor in equity instruments. Under AASB 9, these investments are classified as fair value through Other Comprehensive Income. After initial recognition at fair value (being cost), the Company has elected to present in Other Comprehensive Income changes in the fair value of equity instrument investments.

Unrealised gains and losses on investments are recognised in the Asset Revaluation Reserve until the investment is sold or otherwise disposed of, at which time the cumulative gain or loss is transferred to the Asset Realisation Reserve.

The Company derecognises an investment when it is sold or it transfers the investment and the transfer qualifies for derecognition in accordance with AASB 9. Upon derecognition, unrealised gains/losses net of tax relating to the investment are transferred from the revaluation reserve to the realisation reserve.



FINANCIAL REPORT

BARRACK ST INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

Available-For-Sale Financial Assets

These investments are measured at fair value.

Unrealised gains and losses arising from changes in the fair value of these assets are taken directly to Other Comprehensive Income and accumulated in Equity.

When these financial assets are sold, the accumulated fair value adjustments are reclassified from Equity to the profit or loss as gains and losses on sale.

Available-For-Sale Financial Assets are assessed at each reporting date to determine whether there is any objective evidence that it is impaired. In the case of Available-For-Sale Financial Instruments, a significant or prolonged decline in the value of the instrument below cost is considered to be evidence of whether or not impairment has arisen.

Any cumulative impairment loss in respect of an Available-For-Sale Financial Assets previously recognised in equity is reclassified to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For Available-For-Sale Financial Assets that are debt securities, the reversal is recognised in profit or loss. For equity securities, the reversal is recognised in Other Comprehensive Income.

Loans and Receivables

Loans and receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are due for settlement no more than 30 days from the date of recognition.

Collectability of loans and receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the profit or loss in other expenses.

Fair Value Estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and securities) is based on quoted market prices at the Statement of Financial Position date. The quoted market price used for financial assets held by the Company is the current bid price. The appropriate quoted market price for financial liabilities is the current bid price.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

(F) CASH AND CASH EQUIVALENTS

For Statement of Cash Flows purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(G) TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Other liabilities are measured at amortised cost using the effective interest method.

(H) CONTRIBUTED EQUITY

Ordinary shares are classified as Equity.

Incremental costs directly attributable to the issue of new shares or options are shown in Equity as a deduction, net of tax, from the proceeds.

(I) DIVIDENDS

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

(J) GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating low.

(K) ROUNDING OF AMOUNTS

The Company rounds off amounts in financial report to the nearest dollar, unless otherwise stated.



FINANCIAL REPORT

BARRACK ST INVESTMENTS LIMITED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

(L) KEY JUDGEMENTS

The preparation of financial reports in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. This requires the Board 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 and deferred tax assets have been recognised for Capital Gains Tax (CGT) on the unrealised gains/losses in the investment portfolio at current tax rates.

As the Directors do not intend to dispose of the portfolio, this tax liability/benefit may not be crystallised at the amount disclosed in Note 11. In addition, the tax liability/benefit 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/losses at the time of disposal.

The Company has an investment process (see below for explanation) which is anticipated will deliver medium to long-term capital growth - minimum investment period is three to five years. The deferred tax asset has been carried forward as it believed that this process will deliver growth over this period to utilise the deferred tax asset.

The Company does not hold any securities for short term trading purposes. Therefore the investment portfolio is classified as Financial Assets at fair value through Other Comprehensive Income.

(M) KEY ASSUMPTIONS AND SOURCES OF ESTIMATION UNCERTAINTY

There are no key assumptions or sources of estimation uncertainty that have a risk of causing material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period as investments are carried at their market value.

(N) NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET MANDATORY OR EARLY ADOPTED

Australian Accounting Standards and Interpretations that have recently been issued or amended, but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2015. The Company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Company, are set out below.

Annual Improvements to IFRSs 2010-2012 Cycle

These amendments are applicable to annual reporting periods beginning on or after 1 July 2014 and affects several Accounting Standards as follows: Clarifies that the issuance of AASB 13 'Fair Value Measurement' and the amending of the AASB 139 'Financial Instruments: Recognition and Measurement' and the AASB 9 'Financial Instruments' did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amount, if the effect of discounting is immaterial. The adoption of these amendments from 1 July 2014 did not have a material impact on the Company.

2. FINANCIAL RISK MANAGEMENT

The activities of the Company expose it to a variety of financial risks as discussed below:

The Company's overall risk management program focuses on the volatility of the financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. Risk governance is managed through the Board which provides direct oversight on the Company's risk management framework and overall risk management performance.

The Board provides written principles for risk management covering investment portfolio composition. Risk is managed by the professional, disciplined management of the investment portfolio by ECP Asset Management Pty Ltd (the Manager).

The Company held the following financial instruments:

	30 June 2015 \$	30 June 2014 \$
Financial assets		
Cash and cash equivalents	1,870,652	375
Trade and Other Receivables	14,356	5627
Financial Assets at fair value through Other Comprehensive Income.	13,548,767	-
Financial Assets at fair value through Profit or Loss	122,083	-
Total	15,555,858	6,002
Financial liabilities		
Trade and Other Payables	10,000	-
Total	15,545,858	6,002

(A) MARKET RISK

(i) Foreign exchange risk

The Company operates entirely within Australia and is not exposed to material foreign exchange risk.

(ii) Equity market risk

The Company is exposed to risk of market price movement through its investments in Australian listed equity securities. Equity investments held by the Company are classified on the Statement of Financial Position as Financial Assets at fair value through Other Comprehensive Income and any movement in the listed equity securities is reflected in Other Comprehensive Income.

The risk to Shareholders is that adverse equity securities market movements have the potential to cause losses in Company earnings or the value of its holdings of financial instruments. The Manager's investment strategy centres on the view that investing in proven high quality businesses with growth opportunities arising from their sustainable competitive advantage will outperform over the longer-term. Consistent with this approach, the Manager has an established risk management framework that includes procedures, policies and functions to ensure constant monitoring of the quality of the investee companies. The objective of the risk management framework is to manage and control risk exposures within acceptable parameters while optimising returns.

Equity market risk is measured as a percentage change in the value of equity instruments held in the portfolio, as compared to the total market index for the same period.



FINANCIAL REPORT

BARRACK ST INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

(A) MARKET RISK *(continued)*

Sensitivity Analysis

Increases/decreases in an equity securities price, affect the Company's asset revaluation reserve and Other Comprehensive Income for the year. The analysis is based on the assumption that the Financial Assets at fair value through Other Comprehensive Income had increased/decreased by 5% (2014 - NIL) with all other variables held constant.

Impact on Equity and Other Comprehensive Income for the year:-

2015 +/- \$20,408

2014 +/- NIL

Impact on profit or loss is nil.

(iii) Cash flow interest rate risk

The Company is exposed to cash flow interest rate risk from holding cash and cash equivalents at variable rates. The objective of the Company is to minimise the potential adverse effects of interest rate risk.

In order to minimise the potential adverse effects of this risk, the Manager reviews the interest rate exposure as part of cash flow management and takes into consideration liquidity and yields as part of cash flow management. The cash and cash equivalents held are subject to an insignificant level of risk of changes in value.

As at the reporting date, the Company had the following cash and cash equivalents:

30 June 2015: Balance \$ 1,870,652

Weighted average interest rate 2.26%

30 June 2014: Balance \$ 375

Weighted average interest rate 1.49%

(B) RELATIVE PERFORMANCE RISK

The Manager aims to outperform the risk free cash rate over the long-term. However, as the portfolio consists of equity investments these will tend to be more volatile than cash, so there will likely be periods of relative under and over performance compared to the benchmark risk free rate.

Over the long-term the Manager is confident that the portfolio can achieve outperformance through an investment selection process that invests in companies that have a sound business model, display a sustainable competitive advantage and have proven quality management.

(C) CREDIT RISK

Credit risk is the risk of a counterparty defaulting on their financial obligations resulting in a loss to the Company. The objective of the Company is to minimise credit risk exposure. Credit risk arises from cash and cash equivalents and Financial Assets at fair value through Other Comprehensive Income. Credit risk is managed by the Manager.

Credit risk arising from cash and cash equivalents is managed by only transacting with counterparties independently rated with a minimum rating of A. The providers of financial services to the Company are rated as AA by Standard and Poor's. Credit risk on cash and cash equivalents is deemed to be low.

Credit risk arising from Financial Assets at fair value through Other Comprehensive Income relates to the risk of counterparties on the ASX defaulting on their financial obligations on transactions for Australian listed equity securities. The credit risk for these transactions is deemed to be low.

The maximum credit risk exposure of the Company at year end is the carrying value of the assets in the Statement of Financial Position.

There is no concentration of credit risk with respect to financial assets in the Statement of Financial Position.

(D) LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The objective of the Company is to ensure as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and distressed conditions.

Prudent liquidity risk management implies maintaining sufficient cash and marketable Australian listed equity securities.

The Manager controls liquidity risk by continuously monitoring the balance between equity securities and cash or cash equivalents and the maturity profiles of assets and liabilities to ensure this risk is minimal.



FINANCIAL REPORT

BARRACK ST INVESTMENTS LIMITED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

(E) FAIR VALUE MEASUREMENTS

The following assets and liabilities are recognised and measured at fair value on a recurring basis:

- Financial Assets at fair value through Other Comprehensive Income.
- Financial Assets At fair value through Profit or Loss.
- Available-for-sale Financial Assets.

Assets classified as held for sale are measured at fair value on a non recurring basis.

Assets and liabilities are measured and disclosed using the three level hierarchy:

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

The following table sets out the Company's assets and liabilities that are measured and recognised at fair value in the financial statements.

Company – at 30 June 2015	Level 1	Level 2	Level 3	TOTAL
Assets	\$	\$	\$	\$
Recurring fair value measurements.				
<i>Financial Assets</i>				
Financial Assets at fair value through Other Comprehensive Income	13,548,			13,548,
- Listed Equity Securities	767	-	-	767
Financial Assets at fair value through Profit or Loss	-	-	-	-
Total Financial Assets	13,548,7	67	-	13,548,7

Company – at 30 June 2014	Level 1	Level 2	Level 3	TOTAL
Assets	\$	\$	\$	\$
Recurring fair value measurements.				
<i>Financial Assets</i>				
Financial Assets at fair value through Other Comprehensive Income	-	-	-	-
- Listed Equity Securities	-	-	-	-
Financial Assets at fair value through Profit or Loss	-	-	-	-
Total Financial Assets	-	-	-	-

There were no transfers during the year between Level 1 and Level 2 for recurring fair value measurements.



The Company's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused the transfer occurred.

Due to their short-term nature, the carrying amount of trade receivables and payables are assumed to approximate their fair values.

The carrying amount of current trade and other payables disclosed in Note 12 are assumed to approximate their fair values because the impact of discounting is not significant.

(F) CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The capital structure of the Company consists of equity attributable to members of the Company. The Board monitors the return on capital, which is defined as net operating income divided by total Shareholders' Equity. The Board also monitors the level of dividends to Shareholders.

The capital of the Company is invested by the Investment Manager in accordance with the investment policy established by the Board. The Company has no borrowings. It is not subject to any externally imposed capital requirements.

The Company has continued the on-market buy-back of its own shares during the year. This assists in maintaining the alignment between the market price and the Net Asset Value of the Company.

There were no changes in the Company's approach to capital management during the year.

3. SEGMENT INFORMATION

OPERATING SEGMENT

The Company operates in the investment industry. Its core business focuses on investing in Australian equities to achieve medium to long-term capital growth and income.

Operating segments have been determined on the basis of reports reviewed by the Executive Director. The Executive Director is considered to be the chief operating decision maker of the Company. The Executive Director considers the business from both a product and geographic perspective and assesses performance and allocates resources on this basis. The Executive considers the business to consist of just one reportable segment.



BARRACK ST INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015 \$	2014 \$'
4. REVENUE			
Dividends		380,021	-
Interest		28,151	2
		408,172	2
5. OTHER EXPENSES			
Profit / (loss) before income tax includes the following specific expenses:			
ASX listing and other fees		11,133	-
Audit fees		12,050	-
Directors fees		128,125	-
Insurance		15,000	-
Share registry		15,657	-
Other		342,299	-
		524,264	-
6. INCOME TAX INCOME			
(a) Income tax income			
Deferred tax		(156,051)	-
Total income tax income in profit or loss		(156,051)	-
Deferred income tax income included in income tax expense comprises:			
Decrease (increase) in deferred tax assets	11	(122,083)	-
(Decrease) increase in deferred tax liabilities	11	(33,968)	-
		(156,051)	-
(b) Reconciliation of income tax income to prima facie tax payable			
Profit / (loss) before income tax income		(116,092)	-
Tax at the Australian tax rate of 30% (2014 - 30%)		(34,828)	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:			
Dividend franking credits		(121,223)	-
		(156,051)	-
		-	-
Income tax income		(156,051)	-



FINANCIAL REPORT

BARRACK ST INVESTMENTS LIMITED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$

7. CASH AND CASH EQUIVALENTS

Cash at bank and on hand	1,870,652	375
	1,870,652	375

8. TRADE AND OTHER RECEIVABLES

Other receivables	9,240	511
Establishment costs	5,116	5,116
	14,356	5,627

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Listed Securities, at fair value

At beginning of year	-	-
Additions (at cost) net of disposals (at fair value)	13,469,507	-
Revaluation	79,260	-
		-
Closing Balance at 30 June	13,548,767	-
Australian listed equity securities	13,548,767	-

For listed equity securities, fair value is determined by reference to closing bid prices on the Australian Securities Exchange.

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

At beginning of year	-	-
Additions (at cost)	-	-
Revaluation	-	-
Closing Balance at 30 June	-	-
	-	-



FINANCIAL REPORT

BARRACK ST INVESTMENTS LIMITED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$

11. DEFERRED TAX ASSETS / LIABILITIES

The deferred tax assets balance comprises temporary differences attributable to:

Amounts recognised in profit or loss

Tax losses – revenue	122,083	-
Tax losses – capital	-	-
	122,083	-

Reconciliations

Gross Movements:

The overall movement in deferred tax asset accounts is as follows:

Opening balance	-	-
(Charged)/credited directly to the profit or loss	156,051	-
(Charged)/credited to Other Comprehensive Income	(33,968)	-
Closing balance	122,083	-

12. TRADE AND OTHER PAYABLES

Accrued expenses	10,000	-
	10,000	-

Contractual cash flows from trade and other payables approximate their carrying amount.
Trade and other payables are all contractually due within six months of reporting date



FINANCIAL REPORT

BARRACK ST INVESTMENTS LIMITED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

	2015 Shares	2014 Shares	2015 \$	2014 \$
13. CONTRIBUTED EQUITY				
(a) Share Capital				
Ordinary shares Fully paid	16,038,278	6,000	15,506,779	6,000
Total Share Capital	16,038,278	6,000	15,506,779	6,000

The Company does not have an authorised capital value or par value in respect of its issued shares.

(b) Movements in ordinary share capital:

Date	Details	Number of shares	Price	\$
30 June 2014	Balance	6,000		6,000
14 August 2014	Issue of shares under IPO	16,028,500	\$1.00	16,028,500
14 August 2014	Capital raising costs			(529,503)
14 April 2015	Dividend Reinvestment Plan issues	9,289	\$0.8378	7,782
30 June 2015	Balance	16,037,789		15,506,779

(c) Ordinary shares

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

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.



FINANCIAL REPORT

BARRACK ST INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

14. RESERVES

Asset Revaluation Reserve

Increments or decrements on the revaluation of long-term investments after provision for deferred tax are recorded in the Asset Revaluation Reserve. When an investment has been sold or de-recognised, the realised gains and losses (after tax) are transferred from the revaluation reserve to the Asset Realisation Reserve.

Asset Realisation Reserve

The Asset Realisation Reserve records realised gains and losses from the sale of investments which are transferred from the Asset Revaluation Reserve.

	2015	2014
	\$	\$

15. DIVIDENDS

(a) Dividends paid

Interim dividend of 0.50 cents (2014 – nil) per fully paid share paid on 14 April 2015

Fully franked based on tax paid @ 30% - 0.50 cents per share

80,822	-
--------	---

Total dividends provided for or paid

80,822	-
--------	---

Dividends paid in cash or satisfied by the issue of shares under the dividend reinvestment plan during the years ended 30 June 2015 and 2014 were as follows:

Paid in cash

72,360	-
--------	---

Satisfied by issue of shares

7,782	-
-------	---

80,822	-
--------	---

(c) Franked dividends

The franked portions of the final dividends recommended after 30 June 2015 will be franked out of existing franking credits or out of franking credits arising from the payment of income tax or franking credits received on dividends in the year ending 30 June 2016.

Balance as at 30 June 2015 of the franking account after allowing for the receipt of dividends.

19,413



FINANCIAL REPORT

BARRACK ST INVESTMENTS LIMITED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$

15. DIVIDENDS (continued)

(d) Dividends not recognised at year end

In addition to the above dividends, since year end the Directors have recommended the payments of a:

- final dividend of 0.5 cents per fully paid ordinary share, (2014 – NIL) fully franked based on tax paid at 30%.

The amount of the proposed dividends to be paid on 11 October 2015, but not recognised as a liability at year end.

- final dividend	80,189	-
	80,189	-
The impact on the franking account of dividends recommended after year end but before the financial statements were authorised for issue and not recognised as a liability at year end will be a reduction on the franking account	19,367	-

	2015	2014
	\$	\$

16. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Other Key Management Personnel

The Directors of Barrack St Investments Limited from the beginning of the financial year until the date of this report are:

Name	Date of Appointment
Murray H. d'Almeida	23 January 2014
Emmanuel C. Pohl	23 January 2014
David Crombie	9 June 2014
Jared D. Pohl (alternate)	23 June 2014

The Company's Secretary and Chief Financial Officer (Brian Jones) is a partner of Rothsay Chartered Accountants. The Company has no other staff and therefore has no Key Management Personnel other than the Directors.

Key Management Personnel hold options over shares in the Company in terms of the IPO.

There have been no other transactions with Key Management Personnel or their related entities other than those disclosed in Note 19.

(b) Key Management Personnel (Directors) Compensation

Short-term Employment benefits	128,125	-
Total remuneration	128,125	-

Detailed remuneration disclosures are provided in remuneration report on page 7



FINANCIAL REPORT

BARRACK ST INVESTMENTS LIMITED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
17. REMUNERATION OF AUDITORS		
During the year the following fees were paid or payable for services provided by the auditor:		
Provision of accounting advice	-	-
Audit and review of financial reports and other audit work under the <i>Corporations Act 2001</i>	12,050	-
Total remuneration of auditors	12,050	-

19. RELATED PARTY TRANSACTIONS

The following transactions occurred with other related parties:

Expenses paid or payable by the Company to:

– ECP Asset Management Pty Ltd for Management Fee	126,444	-
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A Management Fee was payable in accordance with the Management Services Agreement as detailed in Note 22.

Dr E C Pohl has an interest in the transaction as during the year Dr E C Pohl was a Director, employee and Shareholder of EC Pohl & Co Pty Ltd the licensor of ECP Asset Management .

All related party transactions are made on an arm's length basis using the standard terms and conditions.



FINANCIAL REPORT

BARRACK ST INVESTMENTS LIMITED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$

20. RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

Profit / (Loss) for the year	39,958	2
Unrealised (Gain)/loss on Financial Assets at fair value through Profit or Loss		-
Changes in Operating Assets/Liabilities		
Increase /(Decrease) in trade and other payables	10,000	-
Net cash inflow /(outflow) from operating activities	49,958	2

21. EARNINGS PER SHARE.

(a) Earnings used in the calculation of basic and diluted earnings per share.

(i) Profit / (loss) from continuing operations attributable to the owners of the Company	39,959	2
(ii) Total Comprehensive Income	119,219	2

	Cents	Cents
(b) Basic and diluted earnings per share		
(i) Profit / (loss) from continuing operations attributable to the owners of the Company	0.249	0.03
(ii) Total Comprehensive Income	0.743	0.03

	Number	Number
(c)–Weighted average number of ordinary shares used in the calculation of earnings per share	16,037,789	6,000

Total Comprehensive Income is a more appropriate base for determining earnings per share as it includes profit after income tax and changes in fair value of financial assets.

22. MANAGEMENT SERVICES AGREEMENT

In accordance with a Management Services Agreement approved by Shareholders in 2014 the terms of which were contained in the prospectus the Company has agreed to engage the Manager to provide primary and secondary management services, including:

- 1) managing the investment of the Company's portfolio, including keeping it under review;
- 2) ensuring investments by the Company are only made in authorised investments;
- 3) complying with the investment policy of the Company;
- 4) identifying, evaluating and implementing the acquisition and disposal of authorised investments;
- 5) provide the Company with monthly investment management reporting;
- 6) manage the company's public and regulatory announcements and notices;
- 7) promoting investment in the Company by the general investment community;
- 8) providing investor relationship services; and
- 9) provision of accounting, human resources, corporate and information technology services support.



FINANCIAL REPORT

BARRACK ST INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

22. MANAGEMENT SERVICES AGREEMENT (continued)

The agreement may be terminated if:

- a) either party ceases to carry on business, or
- b) either party enters into liquidation voluntarily or otherwise, or
- c) either party passes any resolution for voluntary winding-up, or
- d) a receiver of the property of either party, or any part thereof, is appointed, or
- e) the Shareholders of the Company at an abnormal meeting called in for that purpose, resolve by binding resolution to terminate the operations, or
- f) if the Company provides written notes to the Manager in the event of any material and substantial breach of the agreement by the Manager or if the Manager fails to remedy a breach of this agreement within 14 days following written notice of the breach.
- g) if the Manager provides written notice to the Company in the event of any material and substantial breach of the agreement by the Company or if the Company fails to remedy a breach of this agreement within 14 days following written notice of the breach.
- h) In recognition of the roles and personal expertise of senior executives retained by the Manager for the purpose of providing the primary services described in clause 3 of the Agreement, the parties agree that the agreement may be terminated, at the option of the Company, if there are major changes to senior executives (or their roles) providing the primary services. The Company shall be entitled to give the Manager a written termination notice upon or after the occurrence of a major change of the kind mentioned and such notice, if given, shall be effective at the end of the calendar month next following the giving of such notice unless the Company and the Manager mutually agree upon another date at which this agreement will terminate.

Under the terms of this agreement a management fee of \$ 126,444 (excl GST) was paid or payable during the year ended 30 June 2015 (2014 - \$ nil).

23. SUBSEQUENT EVENTS

No events have arisen, subsequent to balance date that would require amendment of, or disclosure of, in the financial statements.

24. CONTINGENT ASSETS AND LIABILITIES

The Company has no known contingent assets or liabilities.



DIRECTORS' DECLARATION

The Directors of the Company declare that:

- (a) the Financial Statements and Notes set out on pages 13 to 31 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
 - (ii) give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date; and

in the Directors' opinion,

- (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; and
- (c) the remuneration disclosures set out on pages 13 and 14 of the Directors' Report (as part of the audited remuneration report) for the year ended 30 June 2015 comply with section 300A of the *Corporations Act 2001*.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors and is signed for and on behalf of the Directors by:

A handwritten signature in black ink, appearing to read 'Murray H d'Almeida', with a long horizontal line extending to the right.

Murray H d'Almeida
Chairman

27 August 2015



INDEPENDENT AUDITOR'S REPORT

To the members of Barrack St Investments Limited

Report on the Financial Report

We have audited the accompanying financial report of Barrack St Investments Limited, which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and comprehensive income, statement of changes in equity and 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.

Directors' Responsibility 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 Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company'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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Barrack St Investments Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

- (a) the financial report of Barrack St Investments 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 2015 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included on pages 13 and 14 in the directors' report for the year ended 30 June 2015. 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.

Opinion

In our opinion the Remuneration Report of Barrack St Investments Limited for the year ended 30 June 2015, complies with section 300A of the *Corporations Act 2001*.

Leslie Pines

Chartered Accountant

Sydney, 27th August 2015



SHAREHOLDER INFORMATION

The Shareholder information set out below was applicable as at 31 July 2015.

1. DISTRIBUTION OF SECURITIES:

Distributions	No. of Shareholders
1 to 1,000	8,583
1,001 to 5,000	249,253
5,001 to 10,000	659,126
10,001 to 100,000	6,918,854
100,001 and over	8,201,973
Total	16,073,789

Holdings of less than a marketable parcel	22
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BOND STREET CUSTODIANS LIMITED <CORHNW - V07068 A/C>	100,000	0.62
MR WILLIAM ROBERT WISE	100,000	0.62
ALPAN PTY LIMITED	100,000	0.62
LAVER HOLDINGS PTY LTD <LAVER SUPER FUND A/C>	100,000	0.62
BOBBYMOON PTY LTD <THE	100,000	0.62
MCCLELLAND S/FUND A/C>		
MR PAUL BASTER & MS CATHERINE BELLEMORE	100,000	0.62
Total	9,201,973	57.38

3. TWENTY LARGEST SHAREHOLDERS

Shareholders	Ordinary Shares	%
Citicorp Nominees Pty Limited	4,823,716	30.08
Brisan Projects Pty Ltd	500,000	3.12
Mr Christopher Beard Est George Beard	458,695	2.86
MR JS PAGE & MRS GK PAGE <PAGE EMPLOYEES S/F A/C>	449,795	2.81
MR CHRISTOPHER ANDREW BEARD & MRS MICHELLE MARGARET BEARD <SUPA A/C>	251,490	1.57
MS JULIE HELEN CRANSHAW & MRS MARIE HELEN TURNER	222,000	1.38
DAVNAT SUPER FUND	201,192	1.25
ROMADAK PTY LTD <THE JOMAR A/C>	150,894	0.94
MR CORNELIUS LAUBIUS VISSER LAUBSCHER	150,654	0.94
GARRY JOHN FIRTH & GRETTE LORRAINE FIRTH <THE FIRTH SUPER FUND A/C>	150,000	0.94
KAMILAROI INVESTMENTS PTY LTD <JP & MK GILLAN FAMILY A/C>	150,000	0.94
DE LEEUW HOLDINGS PTY LTD <DE LEEUW SUPER FUND A/C>	150,000	0.94
MAURBRU SUPER PTY LTD <MAURBRU SUPER FUND A/C>	150,000	0.94
B SMARTYPANTS PTY LTD <B & K SMARTYPANTS A/C>	150,000	0.94
MR FRANCO DI LORENZO & MRS ANGELA DI LORENZO	125,553	0.78
LOTUS RESEARCH PTY LTD	117,984	0.74
BOND STREET CUSTODIANS LIMITED <CORBC - I14410 A/C>	100,000	0.62
STOCKYARD INVESTMENTS PTY LTD <PRIOR SUPER FUND A/C>	100,000	0.62
MR ANGUS DOUGLAS	100,000	0.62



3. SUBSTANTIAL SHAREHOLDINGS

The names of the Shareholders who have notified the Company of a substantial holding in accordance with section 671B of the *Corporations Act 2001* are:

Substantial Shareholder	No. of shares	% of total
Dr E C Pohl *	4,823,716	30.01

- * Has the power to control voting and/or the disposal of securities in accordance with a Power Of Attorney in relation to 3,804,702 shares.

4. VOTING RIGHTS

On a show of hands every Shareholder present in person or by proxy shall have one vote and upon a poll each share shall have one vote.



INVESTMENTS

(1) HOLDINGS OF SECURITIES AS AT 30 JUNE 2015

Individual investments at 30 June 2015 are listed below. The list should not, however, be used to evaluate portfolio performance or to determine the net asset backing per share at other dates. Individual holdings in the portfolio may change during the course of the year.

Company		Shares	Market Value \$	%
	ORDINARY SHARES			
ARP	ARB Corporation Limited	46,486	605,712.58	4.47
AUB	Austbrokers Holdings Limited	51,227	461,043.00	3.40
BEN	Bendigo and Adelaide Bank Limited	114,193	1,400,006.1	10.33
BGL	Bigair Group Limited	869,229	534,575.84	3.95
BLA	Blue Sky Limited	164,077	674,356.47	4.96
CAT	Catapult Group Int Ltd	604,632	628,817.28	4.64
CRZ	Carsales.com Limited	173,996	1,773,019.4	13.09
DMP	Domino's Pizza Enterprises Limited	40,212	1,435,166.3	10.59
IPH	IPH Limited	99,232	466,390.40	
NVT	Navitas Limited	158,871	681,556.59	5.03
PTM	Platinum Asset Management Limited	205,911	1,540,214.3	11.37
REA	REA Group Ltd	45,860	1,798,170.6	13.27
SRX	Sirtex Medical Limited	20,380	592,039.00	4.37
TME	Trade Me Group Limited	317,119	957,699.1	7.09
	TOTAL	2,911,425	13,548,767	100.00
	CASH			
	Cash		1,870,652	
	TOTAL		15,419,419	

(2) TRANSACTIONS AND BROKERAGE

There were 40 (2014: NIL) transactions in securities during the year on which brokerage of \$ 41,710 (2014: NIL) was paid.

[illegible]



CORPORATE DIRECTORY

BARRACK ST INVESTMENTS LIMITED
ABN 30 167 689 821
REGISTERED IN AUSTRALIA ON
23 JANUARY 2014

BOARD OF DIRECTORS

Murray H d'Almeida
Non-Executive Chairman
Dr Emmanuel (Manny) C Pohl
Executive Director
David Crombie
Non-Executive Director

SECRETARY

Brian E Jones
Level 1, 12 O'Connell Street
Sydney NSW

PRINCIPAL PLACE OF BUSINESS

Suite 305 Level 3
Barrack House
16-20 Barrack Street
SYDNEY NSW

MANAGER

ECP Asset Management Pty Ltd
ACN 26 158 827 582
Level 12
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2 Corporate Court
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Tel: +61 (0) 7 5644 4405
Fax: +61 (0) 7 5574 1457

SOLICITORS

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Fax: +61 (0) 7 3229 9949

AUDITORS

Leslie Pines
Suite 1
102 Spofforth Street
CREMORNE SYDNEY NSW

SHARE REGISTRY

Boardroom Pty Limited
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Toll Free: 1300 850 505
International: +61 (0) 3 9415 4000
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REGISTERED OFFICE

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