SAVILL HICKS CORP. PTY LIMITED

AND ITS CONTROLLED ENTITIES

ACN 009 392 125

FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

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SAVILL HICKS CORP. PTY LIMITED
AND ITS CONTROLLED ENTITIES
ACN 009 392 125

DIRECTORS' REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

The directors of Savill Hicks Corp. Pty Limited (the "Company") submit herewith the financial report of the Company for the financial year ended 30 June 2012. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The name of the Directors in office at any time during or since the end of the financial year are:

Mr Stefan Ronald Hicks Managing Director and Company Secretary

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

The consolidated loss of the economic entity for the financial year after providing for income tax amounted to $15,708.

No significant change in the economic entity's state of affairs occurred during the financial year.

The principal activities of the company in the course of the financial year was the operation of insurance broker and there was no significant change in the nature of that activity during the year.

There has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Company or its controlled entities, the results of those operations, or the state of affairs of the Company and its controlled entities in future financial years.

The operations of the Company and its controlled entities are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law. The Directors are not aware of any significant breaches during the period covered by this report.

No dividends were paid or proposed during the financial year.

No options over issued shares or interests in the Company and its controlled entities were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

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

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DIRECTORS' REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

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

Signed in accordance with a resolution of Directors.

Stefan Ronald Hicks
Managing Director

Dated at Sydney, this 25th Oct 2012.

DUNCAN DOVICO

AUDITORS' INDEPENDENCE DECLARATION

In accordance with section 307C of the Corporations Act 2001, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2012 there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit

This declaration is in respect of Savill Hicks Corp Pty Limited and its controlled entities during the period.

DUNCAN DOVICO CHARTERED ACCOUNTANTS

Rosemary Megale
Partner
Dated in Sydney, this 25th day of October 2012.

DUNCAN DOVICO CHARTERED ACCOUNTANTS
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SAVILL HICKS CORP. PTY LIMITED
AND ITS CONTROLLED ENTITIES
ACN 009 392 125

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2012

	Note	Consolidated 2012 $	Consolidated 2011 $
Revenue from ordinary activities	4	2,043,756	2,012,752
Depreciation and amortisation	5	26,941	95,287
Finance costs	6	61,975	82,758
Employee benefits expense	5	1,098,045	996,160
Occupancy costs	5	118,228	92,273
Other expenses	5	740,572	621,408
Profit/(loss) before income tax		(2,005)	124,866
Income tax expense/(benefit) relating to ordinary activities		(13,703)	(909)
Profit/(loss) for the year		(15,708)	123,957
Other comprehensive income		(83,293)	-
Total comprehensive income for the year		(99,001)	123,957

The above consolidated statement of comprehensive income should be read in conjunction with the accompany not

SAVILL HICKS CORP. PTY LIMITED
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30TH JUNE 2012

	Note	Consolidated 2012 $	Consolidated 2011 $
Current assets			
Cash and cash equivalents	23(a)	1,052,037	1,081,392
Trade and other receivables	9	992,012	781,854
Other current assets	10	3,260	4,388
Total current assets		**2,047,309**	**1,867,634**
Non-current assets			
Trade and other receivables	9	193,768	-
Other financial assets	11	328,256	412,202
Property, plant and equipment	12	57,568	63,990
Other non-current assets	13	31,105	31,105
Other intangible assets	14	-	144,952
Total non-current assets		**610,697**	**652,249**
Total assets		**2,658,006**	**2,519,883**
Current liabilities			
Trade and other payables	15	2,168,901	1,897,986
Income tax provision	8	15,521	909
Borrowings	16	25,524	-
Employee entitlements	18	22,143	14,668
Total current liabilities		**2,232,089**	**1,913,563**
Non-current liabilities			
Borrowings	16	114,325	214,671
Employee entitlements	18	33,808	14,864
Total non-current liabilities		**148,133**	**229,535**
Total liabilities		**2,380,222**	**2,143,098**
Net assets		**277,784**	**376,785**
Equity			
Issued capital	20	120,200	120,200
Reserves	21	(8,843)	74,450
Retained earnings	22	166,427	182,135
Total equity		**277,784**	**376,785**

The above consolidated statement of financial position should be read in conjunction with the accompany notes

SAVILL HICKS CORP. PTY LIMITED
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2012

Consolidated

	Fully paid ordinary shares $	Retained Earnings $	Investment Revaluation Reserve $	Total $
Balance at 1 July 2011	**120,200**	**182,135**	**74,450**	**376,785**
Other comprehensive income	-	-	(83,293)	**(83,293)**
Loss for the year	-	(15,708)	-	**(15,708)**
Total comprehensive income for the year	-	(15,708)	(83,293)	**(99,001)**
Balance at 30 June 2012	**120,200**	**166,427**	**(8,843)**	**277,784**

	Fully paid ordinary shares $	Retained Earnings $	Investment Revaluation Reserve $	Total $
Balance at 1 July 2010	**120,200**	**58,178**	**22,827**	**201,205**
Other comprehensive income	-	-	51,623	**51,623**
Profit for the year	-	123,957	-	**123,957**
Total comprehensive income for the year	-	123,957	51,623	**175,580**
Balance at 30 June 2011	**120,200**	**182,135**	**74,450**	**376,785**

The above consolidated statement of changes in equity should be read in conjunction with the accompany notes

SAVILL HICKS CORP. PTY LIMITED
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2012

	Note	Consolidated 2012 $	Consolidated 2011 $
Cash flows from operating activities			
Receipts from customers		1,787,708	2,563,490
Payments to suppliers and employees		(1,659,512)	(2,524,883)
Interest received		54,842	54,006
Interest paid		(61,975)	(82,758)
Income tax paid		909	14,086
Net cash provided by/(used in) operating activities	23(b)	121,973	23,940
Cash flows from investing activities			
Payments for property, plant & equipment		(10,821)	(218,184)
Payments for intangible		-	(6,620)
Proceeds from sales of intangible		149,020	-
Proceeds from sales of investments		(214,705)	(82,312)
Net cash provided by/(used in) investing activities		(76,506)	(307,116)
Cash flows from financing activities			
Repayment of borrowings		-	21,108
Proceeds from borrowings		(74,822)	-
Repayment of hire purchase		-	(45,382)
Net cash provided by/(used in) financing activities		(74,822)	(24,274)
Net (decrease)/increase in cash and cash equivalents		(29,405)	(307,450)
Cash at the beginning of the financial year		1,081,392	1,388,842
Cash at the end of the financial year	23(a)	1,052,037	1,081,392

The above consolidated statement of cash flows should be read in conjunction with the accompany notes

Notes to financial statements

1. General Information

Savill Hicks Corp. Pty Limited ACN 009 392 125 ('the Company') is incorporated and operating in Australia. The Company is the controlling entity of Savill Hicks Corp. (NSW) Pty Limited and Savill Hicks Corp. Pty Limited's principal activity was the operation of insurance broker.

Savill Hicks Corp. Pty Limited registered office and its principal place of business is as follows:

Registered Office	**Principal Place of Business**
Level 2	Level 2
2 Glen Street	2 Glen Street
Milsons Point NSW 2061	Milsons Point NSW 2061
Australia	Australia

Statement of compliance

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

The financial report includes the separate financial statements of the Company and the consolidated financial statements of the Group.

The financial statements of Savill Hicks Corp. Pty Ltd and its controlled entities also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis of Preparation

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involve a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Adoption of new and revised Accounting Standards

In the current year, the Company and its controlled entities has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. Details of the impact of the adoption of these new accounting standards are set out in the individual accounting policy notes set out below. The Company and its controlled entities has also adopted the following Standards as listed below which only impacted on the Company and its controlled entities financial statements with respect to disclosure.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2012 reporting periods. The directors' assessment of the impact of these new standards and interpretations is set out on the following page.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

Principles of consolidation
The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The result of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

The Group applies a policy of treating transactions with non-controlling interests as transactions with parties external to the Group. Disposals to non-controlling interests result in gains and losses for the Group that are recorded in the statement of comprehensive income. Purchases from non-controlling interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of identifiable net assets of the subsidiary.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income and statement of financial position respectively.

Investments in subsidiaries are accounted for at cost in the individual financial statements of Savill Hicks Corp. Pty Limited.

2. Summary of significant accounting policies

(a) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, 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. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

2. Summary of significant accounting policies (Continued)

(b) Financial assets

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below:

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of assets are included in the statements of comprehensive income in the period in which they arise.

Loans and receivables

Trade receivables, loans, and other receivables that have a fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest income is recognised by applying the effective interest rate.

Held-to-maturity investments

These investments have fixed maturities, and it is the entity's intention to hold these investments to maturity. Any held-to-maturity investments held by the entity are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arms length transactions, reference to similar instruments and option pricing models.

Impairment of financial assets

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired.

3. Summary of significant accounting policies (Continued)

(c) Accounts Payable

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the entity. These amounts are unsecured.

(d) Goods and Services Tax

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 balance sheet.

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 cash flows.

(e) Provisions

Provisions for legal claims and make good obligations are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

(f) Property, Plant and Equipment

All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on assets is calculated using the straight-line method to allocate their cost or re-valued amounts, net of their residual values, over their estimated useful lives. Depreciation rates on major categories of property, plant and equipment are as follows:

Plant and equipment 37.5%-50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

2. Summary of significant accounting policies (Continued)

(g) Employee Benefits

Short Term Obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave are expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Long Term Obligations

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period.

Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or to providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(h) Income Tax

The income tax expense or revenue from the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and 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 end of the reporting period 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.

2. Summary of significant accounting policies (Continued)

Income Tax (Continued)

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.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(i) Leased Assets

Leases where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.

2. Summary of significant accounting policies (Continued)

(j) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

The company recognises premium 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 company bases its estimates on historical results, taking into consideration the type of transaction and the specifics of each arrangement.

Interest income

Interest income is recognised using the effective interest method. When a receivable is impaired, the company reduces the carrying amount to its recoverable amount.

(k) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the group 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 are considered indicators that the trade receivable is impaired. The amount of the impairment allowance 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 impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(l) Investments

All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment.

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Company has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification.

2. Summary of significant accounting policies (Continued)

Investment (Continued)

Other long-term investments that are intended to be held-to-maturity, such as bonds, are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition, over the period to maturity.

For investments carried at amortised cost, gains and losses are recognised on income when the investments are derecognised or impaired, as well as through the amortisation process.

(m) 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. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

(n) Intangible Assets

Research and development – Software

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life.

(o) Going concern

The financial statements are prepared on a going concern basis, which contemplates the continuation of normal business activity and the realisation of assets and liabilities in the normal course of business.

As at 30 June 2012 the consolidated entity's net assets position was $277,784, however its total current liabilities exceed its total current assets by $184,780. Notwithstanding this, the company has listed, unencumbered securities of $270,900. Whilst these have been classified as fair value through equity and recorded as non current, it is part of the strategy of the directors to realise these funds in the unlikely event that there is any shortfall of assets.

As a result, the directors continue to adopt the going concern assumption as appropriate.

2. Summary of significant accounting policies (Continued)

(p) Comparative financial periods
Accounting policies adopted in the financial statements are consistent with those of the prior year, unless otherwise stated.

(q) New accounting standards and interpretations
The accounting policies adopted are consistent with those of the previous financial year except the following which the entity adopted from 1 July 2011:

AASB 124 Related Party Disclosures (December 2009) simplifies the definition of a related party, clarifying its intended meaning and eliminating inconsistencies from the definition; effective 1 January 2011.

AASB 2009-12 Amendments to Australian Accounting Standards (AASB 5, 8, 108, 110, 112, 119, 133, 137 & 139 and interpretations 2, 4, 16, 1039 & 1052) making numerous editorial changes; effective 1 January 2011.

AASB 2010-4 Amendments to Australian Accounting Standards arising from the Annual Improvements Project (AASB1, 7, 101, 134 and interpretation 13) emphasises the interaction between quantitative and qualitative AASB 7 disclosures and the nature and extent of risks associated with financial instruments; effective 1 January 2011.

AASB 2010-5 Amendments to Australian Accounting Standards (AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and interpretations 112, 115, 127, 132 & 1042) making numerous editorial changes; effective 1 January 2011.

AASB 1054 Australian Additional Disclosures this standard, with AASB 2011-1 relocates all Australian specific disclosures from other standards to one place; effective 1 July 2011.

(r) New accounting standards and interpretations but not yet effective
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the entity for the annual reporting period ended 30 June 2012. The new standards, interpretations and amendments are not expected to have a significant impact on the financial statements.

AASB 9 Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) (effective from 1 January 2013). AASB 9 Financial Instruments addresses the classification, measurement and de-recognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2013 but is available for early adoption. When adopted, the standard will affect in particular the company's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading.

2. Summary of significant accounting policies (Continued)

(r) New accounting standards and interpretations but not yet effective

AASB 13 Fair Value Measurement (effective from 1 January 2013) establishes a single source of guidance for determining the fair value of assets and liabilities when fair value is required or permitted. Application may result in different fair values being determined for the relevant assets.

AASB 13 also expends the disclosure requirements for all assets or liabilities carried at fair value including assumptions made and the qualitative impact of those assumptions on the fair value determined.

AASB 119 Employee Benefits (effective from 1 January 2013). The revised standard changed the definition of short-term employee benefits. The distinction between short-term and other long-term employee benefits is now based on whether the benefits are expected to be settled wholly within 12 months after the reporting date.

3. Critical accounting estimates and judgements

Estimates and judgment are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Key judgments - Doubtful debts provision
Periodical review of debtors' recoverability is completed by the Company and its controlled entities. Provisions for doubtful debts are made if a debt or a part of it, is deemed unrecoverable.

There is nil provision for doubtful debts (2011: nil) included in accounts receivable at 30 June 2012 and in the income statement. The directors have determined that all accounts receivable balances are collectable.

	Consolidated 2012 $	Consolidated 2011 $

4. Revenue

An analysis of the Company and its controlled entities revenue for the year from continuing operations is as follows:

	Consolidated 2012 $	Consolidated 2011 $
Continuing operations		
Premium revenue	1,902,200	1,734,789
Interest	54,842	54,006
Other income	72,948	223,957
Gain on disposal of intangible assets	13,766	-
Total Revenue	2,043,756	2,012,752

5. Profit/(loss) for the year before tax

	Consolidated 2012 $	Consolidated 2011 $
Depreciation and amortisation of non-current assets		
Depreciation	17,243	38,461
Amortisation	9,698	56,826
Total depreciation and amortisation expense	26,941	95,287
Employee benefits expense		
Superannuation	90,660	80,812
Salary and wages	1,007,385	915,348
Total employee benefits expense	1,098,045	996,160
Other expenses		
Rent and outgoings	118,228	92,273
Accounting and audit fees	23,440	17,741
Other expenses	717,132	603,667
Total other expenses	858,800	713,681

6. Finance costs

	Consolidated 2012 $	Consolidated 2011 $
Finance expenses	61,975	82,758
Total finance expenses	61,975	82,758

7. Auditors remuneration

	Consolidated 2012 $	Consolidated 2011 $
Audit of the financial reports	16,500	12,000
	16,500	12,000

The financial report for the reporting period is audited by Duncan Dovico.

	Consolidated 2012 $	Consolidated 2011 $
8. Income tax		
(i) Tax expense/(income) comprises:		
Current tax expense/(income) in respect of the current year	17,496	41,619
Deferred tax income relating to the origination and reversal of tax losses not previously brought to account	(1,975)	(40,710)
	15,521	909

The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:

	Consolidated 2012 $	Consolidated 2011 $
Profit/(loss) before income tax	(185)	124,866
Income tax expense calculated at 30%	(56)	37,460
Effect of expenses that are not deductible in determining taxable profit		
Losses not previously brought to account	(2,064)	(40,711)
Other timing difference	17,641	4,160
Income tax expense	15,521	909

	Consolidated 2012 $	Consolidated 2011 $
(ii) Current tax liabilities		
Income tax expenses is made up of:		
Current income tax expense	15,521	909
Income tax payables	15,521	909

(iii) Deferred tax balance

The Consolidated Group has carried forward revenue tax losses amounting to $431 (30%: $129) (2011: $7,013) (2011: 30% $2,104) which have been brought to account as a deferred tax asset.

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in the corporate tax rate when compared with the previous reporting period..

	Consolidated 2012 $	Consolidated 2011 $
9. Trade and other receivables		
Current		
Insurance debtors	945,979	736,601
Other debtors	24,443	45,253
Loan – Ensurance IT Pty Limited	21,590	-
	992,012	781,854
Non-Current		
Loan – Ensurance IT Pty Limited	182,462	-
Loan – Ensurance Underwriting Pty Limited	10,275	-
Loan – Ensurance Capital Pty Limited	1,031	-
	193,768	-
10. Other current assets		
Current		
Prepayment	3,260	4,388
	3,260	4,388
11. Other financial assets		
Non-Current		
Financial assets carried at fair value through equity		
ASX listed shares	277,823	300,827
Leveraged ASX listed shares	13,943	84,990
Other financial assets		
5 ordinary shares – Steadfast Ins. Brokers	36,490	26,385
	328,256	412,202

12. Property, plant and equipment

	Consolidated Group			
	Low value pool	**Plant and equipment**	**Office furniture & equipment**	**Total**
	$	**$**	**$**	**$**
2012				
Balance at 30 June 2011	3,611	132,025	42,879	178,515
Additions	1,728	9,093	-	10,821
Disposals	(104)	(48,778)	-	(48,882)
Balance at 30 June 2012	**5,235**	**92,340**	**42,879**	**140,454**
Accumulated depreciation and impairment				
Balance at 30 June 2011	-	88,270	26,255	114,525
Depreciation expense	1,683	12,913	2,647	17,243
Disposals	-	(48,882)	-	(48,882)
Balance at 30 June 2012	**1,683**	**52,301**	**28,902**	**82,886**
Net book value				
As at 30 June 2011	3,611	43,755	16,624	63,990
As at 30 June 2012	**3,552**	**40,039**	**13,977**	**57,568**
2011				
Cost				
Balance at 30 June 2010	3,238	112,571	41,164	156,973
Additions	373	19,454	1,715	21,542
Balance at 30 June 2011	**3,611**	**132,025**	**42,879**	**178,515**
Accumulated depreciation and impairment				
Balance at 30 June 2010	-	60,356	19,652	80,008
Depreciation expense	-	27,914	6,603	34,517
Balance at 30 June 2011	**-**	**88,270**	**26,255**	**114,525**
Net book value				
As at 30 June 2010	3,238	52,215	21,512	76,965
As at 30 June 2011	**3,611**	**43,755**	**16,624**	**63,990**

	Consolidated 2012 $	Consolidated 2011 $
13. Other non-current assets		
Bonds on deposit	31,105	31,105
	31,105	31,105

14. Intangible assets

	Software Development $	Consolidated Group Software Development – In Use $	Total $
Cost			
Balance at 30 June 2011	47,233	210,545	257,778
Disposals	(47,233)	(210,545)	257,778
Balance at 30 June 2012	-	-	-
Accumulated amortisation and impairment			
Balance at 30 June 2011	-	(112,826)	(112,826)
Amortisation expense	-	(9,698)	(9,698)
Disposals	-	122,524	122,524
Balance at 30 June 2012	-	-	-
Net book value			
As at 30 June 2011	47,233	97,719	144,952
As at 30 June 2012	-	-	-

	Consolidated 2012 $	Consolidated 2011 $
15. Trade and other payables		
Trade payables and accrued expenses	240,165	216,170
Underwriter's liability	1,787,370	1,527,786
Unearned commissions	129,048	141,032
Accrued GST due on commissions	12,318	12,998
	2,168,901	1,897,986

	Consolidated 2012 $	Consolidated 2011 $
16. Borrowings		
Current		
Convertible note – B Graves (i)	18,000	-
Convertible note – S Hicks (iv)	7,524	-
	25,524	-
Non-current		
Convertible note – B Graves (ii)	42,209	62,007
Convertible note – I Graves (iii)	51,250	51,250
Convertible note – S Hicks (iv)	-	16,754
Leveraged Equities	20,866	84,660
	114,325	214,671

(i) The terms of the convertible notes were changed to extend the expiry date to 30 June 2013, from an initial expiry date of 20 February 2012.
(ii) The terms of the convertible notes were changed to extend the expiry date to 20 February 2014, from an initial expiry date of 20 February 2012.
(iii) The terms of the convertible notes were changed to extend the expiry date to 20 February 2014, from an initial expiry date of 20 February 2012.
(iv) The terms of the convertible notes were changed to extend the expiry date to 7 February 2013, from an initial expiry date of 7 February 2012.

17. Financial instruments

a) Capital risk management

The Company and its controlled entities manages its capital to ensure that it will be able to continue as a going concern.

The capital structure of the Company and its controlled entities includes cash and cash equivalents, investments and equity comprising of contributed equity and retained earnings.

Savill Hicks Corp. Pty Limited holds an Australian Financial Services Licensee ("AFSL") and is therefore subject to externally imposed capital requirements. Savill Hicks Corp. Pty Limited is required to adhere to certain base level financial requirements which are specified in the AFSL documentation.

Monthly monitoring reports are prepared and reviewed by management and the board of directors in order to ensure that all financial obligations under the AFS License are met.

Operating cash flows are also used to maintain and expand the Company and its controlled entities assets, as well as to make the routine outflows of tax, dividends and repayment of debt.

	Consolidated 2012 $	Consolidated 2011 $
17. Financial instruments (Continued)		
b) Categories of financial instruments		
Financial assets		
Cash and cash equivalent	1,052,037	1,081,392
Trade and other receivables	965,310	781,854
Other financial assets	-	-
Financial liabilities		
Trade and other payables	2,138,266	1,897,986
Borrowings	139,849	214,671

At the reporting date there are no significant concentrations of credit risk. The carrying amount reflected above represents the Company and its controlled entities maximum exposure to credit risk for loans and receivables.

c) Financial risk management objectives

The Directors overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include credit risk policies and future cash flow requirements.

d) Market risk

The Company and its controlled entities activities expose it primarily to the financial risks of interest rates. Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

e) Interest rate risk management

The Company and its controlled entities is exposed to interest rate risk as the Company and its controlled entities borrow funds at both fixed and floating interest rates. The Company and its controlled entities exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate risk is managed using fixed rate debt. At 30 June 2012 approximately 100% of the company debt is fixed.

17. Financial instruments (Continued)

e) Interest rate risk management (Continued)

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for cash deposits and investments at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. The analysis is based on the assumption that interest rates changed by +4.8%/-5.6% (2011: +3%/-5%) from the year end rates with all other variables held constant. The impact mainly arises from changes in the fair value of fixed interest investments.

	Consolidated Group			
	Increase 4.8%	Increase 5.6%	Decrease 4.8%	Decrease 5.6%
Net profit would increase / (decrease):				
2012	50,498	58,914	(50,498)	(58,914)
2011	32,442	54,070	(32,442)	(54,070)

This is mainly attributable to the consolidated entity's exposure to interest rates on its cash deposits and investments. The Company and its controlled entities exposure to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

g) Other price risks

The Company and its controlled entities are subject to changes in the share price of ASX listed securities.

h) Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company and its controlled entities. The Company and its controlled entities has adopted the policy of only dealing with creditworthy counterparties and obtaining other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company and its controlled entities measure credit risk on a fair value basis.

The carrying amount of financial assets recorded in the financial statements represents the Company and its controlled entities maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, who regularly review the Company and its controlled entities short, medium and long-term funding and liquidity management requirements.

Liquidity risk is the risk that the Company and its controlled entities will experience difficulty in either realising assets or otherwise raising sufficient funds to satisfy commitments associated with financial instruments. Cash flow risk is the risk that the future cash flows from holding financial instruments will fluctuate.

17. Financial instruments (Continued)

i) Liquidity risk management (Continued)

The Company managed liquidity risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- monitoring undrawn credit facilities.

	Consolidated Group Fixed Interest Rate Maturity						
	Weighted Average Interest Rate	**Less than 1 Month**	**1-3 Months**	**3 Months to 1 Year**	**1-5 Years**	**Non-Interest Bearing**	**Total**
30 June 2012	**%**	**$**	**$**	**$**	**$**	**$**	**$**
Assets							
Cash and cash equivalents	4.8%	552,037	500,000	-	-	-	**1,052,037**
Trade and other receivables	-	-	-	-	-	965,310	**965,310**
Total Assets		**552,037**	**500,000**	**-**	**-**	**965,310**	**2,043,999**
Liabilities							
Trade and other Payables	-	-	-	-	-	2,138,266	**2,138,266**
Financial liabilities – convertible notes	9.1%	-	-	25,524	114,325	-	**139,849**
Total Liabilities		**-**	**-**	**25,524**	**114,325**	**2,168,901**	**2,308,750**

	Consolidated Group Fixed Interest Rate Maturity						
	Weighted Average Interest Rate	**Less than 1 Month**	**1-3 Months**	**3 Months to 1 Year**	**1-5 Years**	**Non-Interest Bearing**	**Total**
30 June 2011	**%**	**$**	**$**	**$**	**$**	**$**	**$**
Assets							
Cash and cash equivalents	5.6%	581,392	500,000	-	-	-	1,081,392
Trade and other receivables	0.0%	-	-	-	-	781,854	781,854
Total Assets		**581,392**	**500,000**	**-**	**-**	**781,854**	**1,863,246**
Liabilities							
Trade and other Payables	0.0%	**-**	**-**	**-**	**-**	1,897,986	1,897,986
Financial liabilities – convertible notes	5.0%	-	-	-	214,671	-	214,671
Total Liabilities		**-**	**-**	**-**	**214,671**	**1,897,986**	**2,112,657**

	Consolidated 2012 $	Consolidated 2011 $
18. Employee entitlement		
Current		
Annual leave provision		
Opening balance at 1 July	14,668	16,668
Additional provisions raised during the period	7,475	(2,000)
Balance at 30 June	**22,143**	**14,668**
Non -Current		
Long service leave provision		
Opening balance at 1 July	14,864	13,990
Additional provisions raised during the period	18,944	874
Balance at 30 June	**33,808**	**14,864**

19. Contingent liabilities and contingent assets

The Company and its controlled entities is not aware of any other contingent assets or liabilities as at 30 June 2012.

	Consolidated 2012 $	Consolidated 2011 $
20. Issued capital		
2,105,263 fully paid ordinary shares (2011: 2,105,263)	120,200	120,200
	120,200	120,200
Ordinary shares		
Balance at the beginning of the financial period	2,105,263	2,105,263
At reporting date	2,105,263	2,105,263

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

20. Issued Capital (Continued)

Capital Management

Management controls the capital of the group in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and to ensure that the group can fund its operations and continue as a going concern.

The group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

There are no externally imposed capital requirements.

Management effectively manages the group's capital by assessing the group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the group since the prior year.

	Consolidated 2012 $	Consolidated 2011 $
Total borrowings	-	-
Trade and other payables	2,168,901	1,897,987
Less: Insurance debtors	(945,979)	(736,601)
Less: Cash and cash equivalents	(1,051,987)	(1,081,392)
Net debt	170,935	79,994
Total equity	120,200	120,200
Total capital	50,735	(40,206)

21. Reserves

Investment revaluation reserve	(8,843)	74,450
	(8,843)	74,450

22. Retained earnings

Balance at beginning of financial year	182,135	58,178
Net profit/(loss) attributable to members of the parent entity	(15,708)	123,957
Balance at end of financial year	**166,427**	**182,135**

23. Notes to the cash flow statement

(a) Reconciliation of cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

	Consolidated 2012 $	Consolidated 2011 $
Cash at bank	1,052,037	1,081,392
	1,052,037	1,081,392

(b) Reconciliation of profit for the period to net cash flows from operating activities

Profit from ordinary activities after income tax	(15,708)	123,957
Add/(less) non-cash items:		
Depreciation and amortisation expense	26,941	95,287
Profit on sale of intangible assets	(13,766)	-
Employee entitlement expense	26,419	(1,126)
Change in assets and liabilities:		
Decrease/(Increase) in trade and other receivables	(187,440)	602,432
Increase/(Decrease) in trade payables and accruals	11,331	(409,716)
Decrease/(Increase) in deferred tax	-	42,814
Increase/(Decrease) in income tax provision	14,612	(17,193)
Increase/(Decrease) in underwriters liabilities	259,584	(412,515)
Net cash provided by operating activities	121,973	23,940

24. Compliance of insurance assets versus insurance liabilities

The FSRA Legislation requires that the Insurance assets of the broker be equal to or exceed the brokers insurance liabilities. A summary is attached below:

	2012 $	2011 $
Assets		
Cash – (Trust Account)	482,757	450,061
Insurance Debtors	945,979	736,601
Macquarie Prescribed	500,000	500,000
Investment in listed companies net of any leverage	270,900	301,156
Total assets	**2,199,636**	**1,987,818**
Liabilities		
Premiums due to		
- Underwriter	1,787,370	1,527,786
- Unearned	129,048	141,032
- Accrued GST on Commissions	12,318	12,998
Total liabilities	**1,928,736**	**1,681,816**
Excess of Assets over Liabilities	**270,900**	**306,002**

25. Events occurring after the reporting period

There has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Company or its controlled entities, the results of those operations, or the state of affairs of the Company and its controlled entities in future financial years.

26.Capital and leasing commitments

	Consolidated 2012 $	Consolidated 2011 $
Operating lease commitments		
Payable minimum lease payments		
No later than 12 months	147,420	147,420
Between 12 months and five years	12,285	159,705
Greater than five years	-	-
Total	**159,705**	**307,125**

Operating lease is held over level 2 Glen St, Milsons Point, NSW. The period for the lease is a non cancellable 3 year period beginning on 31 July 2010.

27. Parents entity disclosures

	Parents Entity 2012 $	2011 $
(a) Assets		
Current assets	1,966,534	1,824,906
Non-current assets	522,125	433,998
Total assets	**2,488,659**	**2,258,904**
Liabilities		
Current liabilities	2,000,049	1,707,837
Non-current liabilities	114,325	214,670
Total liabilities	**2,114,374**	**1,922,507**
Net assets	**374,285**	**336,397**
Equity		
Issued capital	120,200	120,200
Reserves	(8,843)	74,450
Retained earnings	262,928	141,747
Total equity	**374,285**	**336,397**
(b) Financial performance		
Profit/(loss) for the year	(121,181)	11,498
Total comprehensive income	**(121,181)**	**11,498**

28.Key management personnel

The aggregate compensation made to directors and other members of key management personnel of the Company is set out below:

Short-term employee benefits	265,982	265,982
Post- employee benefits	-	-
Other long-term benefits	-	-
	265,982	**265,982**

29.Related parties transactions

(a) Equity interests in subsidiaries

Savill Hicks Corp. Pty Limited holds 100% of ordinary paid shares in Savill Hicks Corp. NSW Pty Limited (2011: 100%). Savill Hicks Corp. WA Pty Limited was deregistered on 23 February 2012. (2011: 100%).

(b) Transactions with key management personnel

Details of key management personnel compensation are disclosed in Note 28 to the financial statements.

(c) Transactions with other related parties

	2012 $	2011 $
Loans with related parties		
Ensurance IT Pty Limited	204,052	-
Ensurance Underwriting Pty Limited	10,275	-
Ensurance Capital Pty Limited	1,031	-
Transactions with related parties		
Ensurance IT Pty Limited – Administrations fee	-	11,000
Ensurance IT Pty Limited – Sale of Intellectual Property for Software Development	165,000	-

Ensurance IT Pty Limited, Ensurance Underwriting Pty Limited and Ensurance Capital Pty Limited are an entity jointly owned by Stefan Ronald Hicks (Director) and Brett Andrew Graves (CEO).

SAVILL HICKS CORP. PTY LIMITED
AND ITS CONTROLLED ENTITIES
ACN 009 392 125

DIRECTORS' DECLARATION

The Directors have determined that the Group is not a reporting entity. The Directors have determined that this general purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors declare that:

(a) In the directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable;

(b) In the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the company and the consolidated entity;

(c) In the directors' opinion, the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board; and

On behalf of the Directors

Stefan Ronald Hicks
Managing Director

Dated at Sydney, this 25th Oct 2012

DUNCAN DOVICO

Independent Auditor's Report to the members of Savill Hicks Corp. Pty Limited

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Savill Hicks Corp. Pty Limited and its controlled entities, which comprises the consolidated statement of financial position as at 30 June 2012, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes and the Directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretation) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

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

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

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

DUNCAN DOVICO

Auditor's Opinion

In our opinion:

a) the financial report of Savill Hicks Corp. Pty Limited and its controlled entities is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the company's and the consolidated entity's financial position as at 30 June 2012 and of its performance for the year ended on that date; and

   (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and

b) the consolidated financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

DUNCAN DOVICO CHARTERED ACCOUNTANTS

Rosemary Megale
Partner
Dated in Sydney, this 25th day of October 2012.