Savill Hicks Corp. Pty Limited and its controlled entities

ACN 009 392 125

Financial Statements

For the Year Ended 30 June 2013

Savill Hicks Corp. Pty Limited and its controlled entities
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For the Year Ended 30 June 2013

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Directors' Report
30 June 2013

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 2013. 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 $69,990.

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.

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.

Director: ....

Stefan Ronald Hicks
Managing Director

Dated 28 OCT 2013

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 2013 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

R. Megale

Rosemary Megale
Partner
Dated in Sydney, this 28th day of October 2013.

Savill Hicks Corp. Pty Limited and its controlled entities

ACN 009 392 125

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2013

		Consolidated	
		2013	**2012**
	Note	**$**	**$**
Revenue	4	**1,944,471**	1,970,808
Other income	4	**112,461**	72,948
Employee benefits expense		**(1,236,583)**	(1,170,118)
Depreciation and amortisation expense		**(12,335)**	(26,941)
Rent and outgoings		**(120,401)**	(118,228)
Intercompany expense		**(89,693)**	-
Legal and Professional Fees		**(8,233)**	(1,155)
Accounting and audit fees		**(42,713)**	(23,440)
Other expenses		**(570,241)**	(643,902)
Finance costs		**(44,522)**	(61,975)
Loss before income tax		**(67,789)**	(2,003)
Income tax expense		**(2,201)**	(13,703)
Loss from continuing operations		**(69,990)**	(15,706)
Loss for the year		**(69,990)**	(15,706)
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss		**-**	-
Items that will be reclassified to profit or loss when specific conditions are met			
Net fair value movements for available-for-sale financial assets		**(37,076)**	(83,293)
Other comprehensive loss for the year, net of tax		**(37,076)**	(83,293)
Total comprehensive loss for the year		**(107,066)**	(98,999)

The accompanying notes form part of these financial statements.

Savill Hicks Corp. Pty Limited and its controlled entities
ACN 009 392 125

Statement of Financial Position
30 June 2013

	Note	Consolidated 2013 $	2012 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	**1,040,276**	1,052,037
Trade and other receivables	8	**796,509**	986,899
Other assets	11	**36,951**	3,260
TOTAL CURRENT ASSETS		**1,873,736**	2,042,196
NON-CURRENT ASSETS			
Trade and other receivables	8	**645,687**	193,768
Financial assets	9	**87,946**	328,257
Property, plant and equipment	10	**45,233**	57,568
Other assets	11	**-**	31,105
TOTAL NON-CURRENT ASSETS		**778,866**	610,698
TOTAL ASSETS		**2,652,602**	2,652,894
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	**2,234,571**	2,138,267
Borrowings	13	**43,779**	25,524
Current tax liabilities	6	**34,296**	41,043
Employee benefits	14	**48,240**	22,143
TOTAL CURRENT LIABILITIES		**2,360,886**	2,226,977
NON-CURRENT LIABILITIES			
Borrowings	13	**100,541**	114,325
Employee benefits	14	**20,457**	33,808
TOTAL NON-CURRENT LIABILITIES		**120,998**	148,133
TOTAL LIABILITIES		**2,481,884**	2,375,110
NET ASSETS		**170,718**	277,784
EQUITY			
Issued capital	15	**120,200**	120,200
Reserves	16	**(45,919)**	(8,843)
Retained earnings	17	**96,437**	166,427
TOTAL EQUITY		**170,718**	277,784

The accompanying notes form part of these financial statements.

Savill Hicks Corp. Pty Limited and its controlled entities

ACN 009 392 125

Statement of Changes in Equity

For the Year Ended 30 June 2013

2013	Consolidated			
	Fully Paid Ordinary Shares	Retained Earnings	Investment Revaluation Reserve	Total
	$	$	$	$
Balance at 1 July 2012	**120,200**	**166,427**	**(8,843)**	**277,784**
Loss for the year	**-**	**(69,990)**	**-**	**(69,990)**
Total other comprehensive income for the year	**-**	**-**	**(37,076)**	**(37,076)**
Balance at 30 June 2013	**120,200**	**96,437**	**(45,919)**	**170,718**

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
Loss for the year	-	(15,708)	-	(15,708)
Total other comprehensive income for the year	-	-	(83,293)	(83,293)
Balance at 30 June 2012	120,200	166,427	(8,843)	277,784

The accompanying notes form part of these financial statements.

Statement of Cash Flows
For the Year Ended 30 June 2013

		Consolidated	
		2013	2012
	Note	$	$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**2,185,179**	1,787,709
Payments to suppliers and employees		**(1,968,108)**	(1,659,512)
Interest received		**39,450**	54,842
Interest paid		**(44,522)**	(61,975)
Income taxes paid		**(1,136)**	909
Net cash provided by (used in) operating activities	18	**210,863**	121,973
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		**-**	(10,821)
Proceeds from sales of intangible		**-**	149,020
Proceeds from sale of investments		**(227,095)**	(214,705)
Net cash used by investing activities		**(227,095)**	(76,506)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		**-**	(74,822)
Repayment of borrowings		**4,471**	-
Net cash used by financing activities		**4,471**	(74,822)
Net increase (decrease) in cash and cash equivalents held		**(11,761)**	(29,355)
Cash and cash equivalents at beginning of year		**1,052,037**	1,081,392
Cash and cash equivalents at end of financial year	7	**1,040,276**	1,052,037

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2013

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 2013 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:

1 General Information (Continued)

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.

(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 or 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 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.

2 Summary of Significant Accounting Policies (Continued)

(b) Financial assets (Continued)

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.

(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.

2 Summary of Significant Accounting Policies (Continued)

(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.

(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.

2 Summary of Significant Accounting Policies (Continued)

(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.

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 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.

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.

2 Summary of Significant Accounting Policies (Continued)

(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 2013 the consolidated entity's net assets position was $170,718, however its total current liabilities exceed its total current assets by $487,150 and incurred a net loss after tax of $69,990 and cash outflows from operating and investing activities of $16,232. Notwithstanding this, the company has listed unencumbered securities of $87,946 and receivables of $645,687. 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.

(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

During the current year, the Group adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these Standards and Interpretations has had on the financial statements of Savill Hicks Corp. Pty Limited and its controlled entities.

2 Summary of Significant Accounting Policies (Continued)

(q) New Accounting standards (Continued)

Standard Name	Impact
AASB 2011-9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income	The adoption of this standard has not change the reported financial position and performance of the entity, however the presentation of items in other comprehensive income has changed.
AASB 112 Income Taxes	There has been no impact on the reported financial position and performance
AASB 2011-3 Amendments to Australian Accounting Standards - Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments	There has been no impact due the entity not being a government department

(r) New Accounting Standards and Interpretations but not yet effective

Standard Name	Effective date for entity	Requirements	Impact
AASB 10 Consolidated Financial Statements / AASB 11 Joint Arrangements / AASB 12 Disclosures of Interests in Other Entities, AASB 127 Separate Financial Statements, AASB 128 Investments in Associates and AASB 2012-10 Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments	30 June 2014	AASB 10 includes a new definition of control, which is used to determine which entities are consolidated, and describes consolidation procedures. The Standard provides additional guidance to assist in the determination of control where this is difficult to assess. AASB 11 focuses on the rights and obligations of a joint venture arrangement, rather than its legal form (as is currently the case). IFRS 11 requires equity accounting for joint ventures, eliminating proportionate consolidation as an accounting choice. AASB 12 includes disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.	The Group will review its controlled entities to determine whether they should be consolidated under AASB 10, no changes are anticipated. All joint ventures of the group are equity accounted and therefore minimal impact is expected due to the adoption of AASB 11. Additional disclosures will be required under AASB 12 but there will be no changes to reported position and performance.
AASB 13 Fair Value Measurement. AASB 2011-8 - Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]	30 June 2014	AASB 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Accounting Standards but does not change when fair value is required or permitted. There are a number of additional disclosure requirements.	Fair value estimates currently made by the entity will be revised and potential changes to reported values may be required.

Notes to the Financial Statements
For the Year Ended 30 June 2013

2 Summary of Significant Accounting Policies (Continued)

(r) New Accounting Standards and Interpretations but not yet effective (Continued)

Standard Name	Effective date for entity	Requirements	Impact
AASB 2011-7 - Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]	30 June 2014	This standard provides many consequential changes due to the release of the new consolidation and joint venture standards.	The impact of this standard is expected to be minimal.

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 (2012: nil) included in accounts receivable at 30 June 2013 and in the income statement. The directors have determined that all accounts receivable balances are collectable.

4 Revenue and Other Income

(a) Revenue

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

	Consolidated	
	2013	2012
	$	$
Continuing operations		
- Provision of services	**1,897,809**	1,902,200
- Interest revenue	**39,450**	54,842
- Gain on disposal of intangible assets	**-**	13,766
- Other trading revenue	**7,213**	-
Total Revenue	**1,944,472**	1,970,808

Notes to the Financial Statements

For the Year Ended 30 June 2013

4 Revenue and Other Income (Continued)

(b) Other Income

	Consolidated	
	2013	2012
	$	$
Administration and management fees	**95,334**	-
Commissions	**10,422**	1,431
Rental income	**6,000**	6,000
Case Settlement	**-**	65,000
Other income	**704**	517
	112,460	72,948

5 Income Tax Expense

(a) The major components of tax expense (income) comprise:

	Consolidated	
	2013	2012
	$	$
Current tax expense		
Current tax expenses / (income) in respect of the current year	**2,201**	17,496
Deferred tax expense		
Deferred tax income relating to the origination and resversal of tax losses not previously brought to account	**129**	(1,975)
	2,330	15,521

(b) Reconciliation of income tax to accounting profit:

	Consolidated	
	2013	2012
	$	$
Loss before income tax	**(67,789)**	(2,003)
Income tax expense calculated at 30%	**(20,337)**	(601)
Tax effect of:		
- Losses not prevsiouly brought to account	**129**	(2,064)
- Other non-allowable items	**(248)**	-
- Other timing difference	**22,786**	18,186
Income tax expense	**2,330**	15,521

Notes to the Financial Statements
For the Year Ended 30 June 2013

6 Tax

(a) Current Tax Liability

	Consolidated 2013 $	Consolidated 2012 $
Income tax payable	**16,586**	15,521
GST payable	**17,710**	25,522
Current tax liabilities	**34,296**	41,043

(b) Deferred tax balance

The Consolidated Group has carried forward revenue tax losses amounting to $431 (30%: $129) (2012: $7,013) (2012 30%: $2,103) 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.

7 Cash and cash equivalents

	Consolidated 2013 $	Consolidated 2012 $
Cash at bank and in hand	**1,040,276**	1,052,037

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	Consolidated 2013 $	Consolidated 2012 $
Cash and cash equivalents	**1,187,817**	1,052,037
Bank overdrafts	**(147,541)**	-
Balance as per statement of cash flows	**1,040,276**	1,052,037

8 Trade and other receivables

	Consolidated 2013 $	Consolidated 2012 $
CURRENT		
Trade receivables	**17,694**	19,330
Loan - Ensurance IT Pty Limited	**-**	21,590
Insurance debtors	**778,815**	945,979
	796,509	986,899

8 Trade and other receivables (Continued)

	Consolidated	
	2013	**2012**
	$	**$**
NON-CURRENT		
Loan - Ensurance IT Pty Limited	**471,939**	182,462
Loan - Ensurance Underwriting Pty Limited	**148,942**	10,275
Loan - Ensurance Capital Pty Limited	**24,806**	1,031
	645,687	193,768

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

9 Financial assets

	Consolidated	
	2013	**2012**
	$	**$**
NON-CURRENT		
Financial assets carried at fair value through equity		
ASX listed shares	**36,081**	277,824
Other financial assets		
Leveraged ASX listed shares	**-**	13,943
5 ordinary shares - Steadfast Ins. Brokers	**51,865**	36,490
	87,946	328,257

Notes to the Financial Statements
For the Year Ended 30 June 2013

10 Property, plant and equipment

	Consolidated 2013 $	Consolidated 2012 $
Plant and equipment		
At cost	**92,339**	92,339
Accumulated depreciation	**(61,350)**	(52,301)
	30,989	40,038
Furniture, fixture and fittings		
At cost	**42,879**	42,879
Accumulated depreciation	**(30,951)**	(28,902)
	11,928	13,977
Office equipment		
Low value asset pool		
At cost	**2,316**	3,553
Accumulated depreciation	**-**	-
	2,316	3,553
Total property, plant and equipment	**45,233**	57,568

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

Consolidated	Plant and Equipment $	Furniture, Fixtures and Fittings $	Low Value Asset Pool $	Total $
Year ended 30 June 2013				
Balance at the beginning of year	**40,039**	**13,977**	**3,552**	**57,568**
Depreciation expenses	**(9,049)**	**(2,049)**	**(1,237)**	**(12,335)**
Balance at the end of the year	**30,990**	**11,928**	**2,315**	**45,233**
Year ended 30 June 2012				
Balance at the beginning of year	43,755	16,624	3,611	63,990
Additions	9,093	-	1,728	10,821
Disposals	104	-	(104)	-
Depreciation expenses	(12,913)	(2,647)	(1,683)	(17,243)
Balance at the end of the year	40,039	13,977	3,552	57,568

Notes to the Financial Statements

For the Year Ended 30 June 2013

11 Other assets

	Consolidated	
	2013	2012
	$	$
CURRENT		
Prepayments	**5,846**	3,260
Bonds on deposit	**31,105**	-
	36,951	3,260
NON-CURRENT		
Bonds on deposit	**-**	31,105
	-	31,105

12 Trade and other payables

	Consolidated	
	2013	2012
	$	$
CURRENT		
Trade payables	**287,389**	209,531
Underwriter's liability	**1,766,108**	1,787,370
Unearned commissions	**143,854**	129,048
Accrued GST due on commissions	**14,718**	12,318
Other payables	**22,502**	-
	2,234,571	2,138,267

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

13 Borrowings

	Consolidated 2013 $	Consolidated 2012 $
CURRENT		
Convertible notes - B Graves (i)	**18,000**	18,000
Convertible notes - S Hicks (iii)	**25,779**	7,524
	43,779	25,524
NON-CURRENT		
Convertible notes - B Graves (i)	**46,868**	42,209
Convertible notes - I Graves (ii)	**53,750**	51,250
Leveraged equities	**(77)**	20,866
	100,541	114,325

(i) 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 2013.

(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 2013.

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

14 Employee Benefits

	Consolidated 2013 $	Consolidated 2012 $
CURRENT		
Long service leave provision	**10,079**	-
Employee benefits provision	**3,469**	2,013
Annual leave provision	**34,692**	20,130
	48,240	22,143
NON-CURRENT		
Long service leave provision	**20,457**	33,808

15 Issued Capital

	Consolidated 2013 $	Consolidated 2012 $
2,105,263 fully paid ordinary shares (2012: 2,105,263)	**120,200**	120,200

Notes to the Financial Statements

For the Year Ended 30 June 2013

15 Issued Capital (Continued)

(a) Capital Management

Capital of the Group is managed 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.

	2013	2012
	$	$
Trade and other payables	**2,234,573**	2,138,266
Less: Insurance debtors	**(778,815)**	(945,979)
Less: Cash and cash equivalents	**(1,040,276)**	(1,052,037)
Net debt	**415,482**	140,250
Share capital	**120,200**	120,200
Total capital	**295,282**	20,050

16 Reserves

	2013	2012
	$	$
Investment revaluation reserves	**(45,919)**	(8,843)
	(45,919)	(8,843)

17 Retained Earnings

	Consolidated	
	2013	2012
	$	$
Balance at beginning of financial year	**166,427**	182,133
Net profit / (loss) attributable to members of the parent entity	**(69,990)**	(15,706)
Balance at end of financial year	**96,437**	166,427

Notes to the Financial Statements
For the Year Ended 30 June 2013

18 Cash Flow Information

(a) Reconciliation of cash and cash equivalents

Input 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	
	2013	**2012**
	$	**$**
Cash at bank	**1,040,276**	1,052,037
	1,040,276	1,052,037

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

	Consolidated	
	2013	**2012**
	$	**$**
Profit from ordinary activities after income tax	**(69,990)**	(15,706)
Add/ (less) non-cash items:		
Depreciation and amortisation expense	**12,335**	26,941
Profit on sale of intangible assets	**-**	(13,766)
Employee entitlement expense	**12,746**	26,419
Changes in assets and liabilities:		
(increase)/decrease in trade and other receivables	**165,111**	(187,440)
increase/(decrease) in trade and other payables	**68,334**	11,331
(increase)/decrease in deferred tax	**-**	-
increase/(decrease) in income tax provision	**1,065**	14,612
increase/(decrease) in underwriters liabilities	**21,262**	259,584
Net cash provided by operating activities	**210,863**	121,975

Notes to the Financial Statements
For the Year Ended 30 June 2013

19 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:

	2013	2012
	$	$
Assets		
Cash - (Trust Account)	**645,865**	482,757
Insurance Debtors	**778,715**	945,979
Macquarie Prescribed	**500,000**	500,000
Investment in listed companies net of any leverage	**36,158**	270,900
Total assets	**1,960,738**	**2,199,636**
Liabilities		
Premiums due to		
- Underwriter	**1,766,108**	1,787,370
- Unearned	**143,854**	129,048
- Accrued GST on commissions	**14,718**	12,318
Total liabilities	**1,924,680**	**1,928,736**
Excess of Assets over Liabilities	**36,058**	**270,900**

20 Financial Risk Management

(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.

Notes to the Financial Statements
For the Year Ended 30 June 2013

20 Financial Risk Management (Continued)

(b) Categories of financial instruments

	2013	2012
	$	$
Financial assets		
Cash and cash equivalents	**1,040,276**	1,052,037
Trade and other receivables	**796,509**	965,309
Other financial assets	**31,105**	-
Financial liabilities		
Trade and other payables	**2,234,573**	2,138,266
Borrowings	**25,524**	139,849

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 2013 approximately 100% of the company debt is fixed.

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% (2012: +4.8%/-5.6%) 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.

20 Financial Risk Management (Continued)

(e) Interest rate risk management (Continued)

	Consolidated Group			
	Increase 4.8%	**Increase 5.6%**	**Decrease 4.8%**	**Decrease 5.6%**
Net profit would increase / (decrease):				
2013	**49,933**	**58,255**	**(49,933)**	(58,255)
2012	50,498	58,914	(50,498)	(58,914)

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.

(f) Other price risks
The Company and its controlled entities are subject to changes in the share price of ASX listed securities.

(g) 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.

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.

Notes to the Financial Statements

For the Year Ended 30 June 2013

20 Financial Risk Management (Continued)

(g) Credit risk management (Continued)

	Weighted Average Interest Rate	Less than 1 Month	1-3 Months	Consolidated Fixed Interest 3 Months to 1 Year	Group Rate Maturity 1-5 Years	Non-Interest Bearing	Total
	%	$	$	$	$	$	$
30 June 2013							
Assets							
Cash and cash equivalents	**2.7%**	**687,817**	**500,000**	**-**	**-**	**-**	**1,187,817**
Bank overdraft	**12.3%**	**(147,541)**	**-**	**-**	**-**	**-**	**(147,541)**
Trade and other receivables	**0%**	**-**	**-**	**-**	**-**	**1,448,412**	**1,448,412**
Total Assets	**-**	**540,276**	**500,000**	**-**	**-**	**1,448,412**	**2,488,688**
Liabilities							
Trade and other payables	**-**	**-**	**-**	**-**	**-**	**2,272,884**	**2,272,884**
Financial liabilities - convertible notes	**10.0%**	**-**	**-**	**43,779**	**100,541**	**-**	**144,320**
Total Liabilities	**-**	**-**	**-**	**43,779**	**100,541**	**2,272,884**	**2,417,204**
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	2,017,347
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	**2,138,266**	**2,278,115**

Notes to the Financial Statements

For the Year Ended 30 June 2013

21 Key management personnel

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

	2013	2012
	$	$
Short-term employee benefits	**214,995**	265,982
Post-employee benefits	**-**	-
Other long-term benefits	**-**	-
	214,995	265,982

Other key management personnel transactions

For details of other transactions with key management personnel, refer to Note 26: Related Party Transactions.

22 Remuneration of Auditors

	Consolidated	
	2013	2012
	$	$
Remuneration of the auditor of the parent entity, Duncan Dovico Risk and Assurance Pty Limited, for:		
- auditing or reviewing the financial report	**21,550**	18,840

23 Capital and Leasing Commitments

	Consolidated	
	2013	2012
	$	$
Operating lease commitments		
Minimum lease payments under non-cancellable operating leases:		
- Not later than twelve months	**140,043**	147,420
- Between twelve months and five years	**309,747**	12,285
- Greater than five years	**-**	-
	449,790	159,705

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 1 August 2013.

Notes to the Financial Statements
For the Year Ended 30 June 2013

24 Parents Entity Disclosures

	2013	2012
	$	$
(a) Assets		
Current assets	**1,837,224**	1,966,534
Non-current assets	**566,946**	522,125
Total assets	2,404,170	2,488,659
Liabilities		
Current liabilities	**1,961,478**	2,000,049
Non-current liabilities	**100,541**	114,325
Total liabilities	**2,062,019**	2,114,374
Net assets	**342,151**	374,285
Equity		
Issued capital	**120,200**	120,200
Reserves	**(45,919)**	(8,843)
Retained earnings	**267,870**	262,928
Total equity	**342,151**	374,285
(b) Financial performance		
Loss for the year	**(4,943)**	(121,181)
Total comprehensive loss	**(4,943)**	(121,181)

25 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2013 (30 June 2012:None).

26 Related Parties Transactions

Related Parties

The Group's main related parties are as follows:

(a) Equity interests in subsidiaries

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

26 Related Parties Transactions (Continued)

(b) Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 21: Key Management Personnel Compensation.

(c) Transactions with other related parties

	2013	2012
	$	$
Transactions with other related parties		
- Ensurance Pty Limited - Administrations Fees	**27,000**	-
- Ensurance Underwriting Pty Limited - Administrations Fees	**68,334**	-
- Ensurance IT Pty Limited – Sale of Intellectual Property for Software Development	**-**	165,000
Loans with other related parties:		
- Ensurance IT Pty Limited	**471,939**	204,052
- Ensurance Underwriting Pty Limited	**148,942**	10,275
- Ensurance Capital Pty Limited	**24,806**	1,031

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).

27 Events Occurring After the Reporting Date

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.

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,

Director ....

Dated 28 OCT 2013

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 general 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 2013, 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.

CHARTERED ACCOUNTANTS
LEVEL 12, 90 ARTHUR STREET, NORTH SYDNEY NSW 2060 • PO BOX 1994, NORTH SYDNEY NSW 2059
T: 9922 1166 • F: 9922 2044 • E: email@duncandovico.com.au • ABN: 19 173 326 199

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 2013 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.

Basis of accounting and restriction on distribution

Without qualification to the opinion expressed above, we draw attention to Note 1 to the financial report, which describes the basis of preparation. The financial report has been prepared to assist of Savill Hicks Corp. Pty Limited and its controlled entities to meet the requirements of the *Corporations Act 2001* and the needs of the members. As a result, the financial report may not be suitable for another purpose.

DUNCAN DOVICO CHARTERED ACCOUNTANTS

R. Megale

Rosemary Megale
Partner
Dated in Sydney, this 28th day of October 2013