

# **Tamawood Limited**

**ABN: 56 010 954 499**

## **Consolidated Financial Statements**

**For the Half-Year Ended 31 December 2009**

# Tamawood Limited

For the Half-Year Ended 31 December 2009

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## **Independent Auditors Review Report to the members of Tamawood Limited**

### **Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Tamawood Limited ('the company'), which comprises the consolidated statement of financial position as at 31 December 2009, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the company comprising the disclosing entity and the entities it controlled at the half-year end or from time to time during the half-year.

### **Directors' Responsibility for the Half-Year Financial Report**

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year 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.

### **Auditor's Responsibility**

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the company's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Tamawood Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Independence**

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001 would be in the same terms if it had been given to the directors at the time that this auditor's review report was made.



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**Independent Auditors Review Report to the members of Tamawood Limited**  
**Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Tamawood Limited is not in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

BDO (QLD)

PA Gallagher  
Partner

Brisbane

12 February 2010

# Tamawood Limited

## Directors' Report

31 December 2009

Your Directors present their report on Tamawood Limited ("Tamawood") the company and its controlled entities ("Group") for the financial half year ended 31 December 2009.

### 1. General information

#### Directors

The names of the directors in office at any time during, or since the end of, the half year are:

<b>Names</b>	<b>Position</b>
KJ Daly	Independent non-executive chairman
L Mizikovsky	Managing director
R Dudurovic	Independent non-executive director
R Lynch	Independent non-executive director
A Thomas	Independent non-executive director

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

#### Principal Activities

During the year the principal continuing activities of the Group consisted of.

- home design, project management services and associated activities including home contract construction activities in selected markets;
- franchising and licensing operations in regional Queensland and New South Wales;
- construction and resale of "ready-to-occupy" homes; and
- generating and trading of renewable energy certificates associated with solar products.

The following significant change occurred during the financial half year:

Tamawood de-merged its 55% subsidiary AstiVita Bathrooms & Kitchens Pty Ltd ("AstiVita"), after a resolution was passed by its shareholders at the Tamawood Annual General Meeting on 9 October 2009.

AstiVita subsequent to its demerger reorganised into AstiVita Renewables Limited ("AIR"). AIR was listed on the Australian Stock Exchange Limited ("ASX") on 16 December 2009.

### 2. Business review

#### Operating Results

##### The Result

The Group achieved an after-tax profit of \$7.2M for the half-year to December 2009, representing a 35% increase on the previous corresponding period. This result includes a non-recurring \$2.1M after-tax capital gain arising from the demerger of AstiVita.

Earnings per share were 18.99 cents (December 2008: 14.12 cents).

# Tamawood Limited

## Directors' Report

31 December 2009

### 2. Business review continued

#### Operating Results continued

An interim fully franked dividend of 8.0 cents (December 2008: 8.0 cents) will be paid to shareholders on 18 May 2010. In October 2009, a special fully franked dividend was paid by way of an inspecie distribution of 3 shares in AIR for every 8 shares held in Tamawood. This special dividend represented approximately 36.0 cents per share, based on the current AIR share price.

The Group remains debt free with cash at bank of \$8.4M. This ensures that the Group has the flexibility to respond to growth opportunities, including the acquisition of home sites under our "ready-to-occupy" home and land package program.

#### Ready-to-Occupy Homes

This initiative supports our growth aspirations by delivering ready-to-occupy housing product to end-users who may not be otherwise able to source house construction finance from traditional sources.

It also complements our contract housing business segment, through the utilisation of existing construction capacity to construct homes in our own right, and sell them (as principal) to meet the demand for "ready-to-occupy" homes in selected areas within south east Queensland.

Importantly, this activity enables us to deploy excess working capital into superior yielding and short duration assets, generating superior economic returns for shareholders.

#### 2010 Financial Year Outlook

The under-supply of affordable new housing supported by strong migration trends, more people currently employed in Australia than at anytime in our history, rising consumer and business confidence and with housing affordability at reasonable levels by historical standards, the Board is confident of the medium term earnings outlook.

The limited supply of residential land may constrain construction activity over the next 1 to 2 years.

The 2010 financial year result comprises our contract project housing activities, our "ready-to-occupy" housing program and a non-recurring \$2.1M after-tax gain on the disposal of our shareholding in AstiVita. Our contract project housing activities should be sustained at current levels, subject to weather conditions. Forecasts from our "ready-to-occupy" housing program are less certain because recognition of earnings from this activity is dependent on settlement of each individual property.

Based on present indications, the Board anticipates an after-tax result of \$10.0M for the financial year ending 30 June 2010, including the non-recurring \$2.1M capital gain arising from the de-merger of AstiVita.

#### Dividends paid or declared

Dividends paid or declared since the start of the financial half year are as follows:

- A final dividend of 13.0 cents per share, fully franked of \$ 4.9M was paid on 23 October 2009.
- An inspecie dividend of 3 shares in AIR for every 8 shares held in Tamawood, fully franked of \$7.1M, paid in October 2009.
- An interim dividend of 8.0 cents per share, fully franked of \$ 3.0M was declared for payment on the 18 May 2010 for the half-year ended 31 December 2009.

# Tamawood Limited

## Directors' Report

31 December 2009

### 3. Other items

#### Significant Changes in State of Affairs

The following significant changes in the state of affairs of Tamawood occurred during the financial half year:

(i) De-merger of AstiVita and its subsidiaries.

Changes in the controlled entities and divisions:

(i) Listing of AIR on the ASX.

#### After balance day events

No matters or circumstances have arisen since the end of the financial half year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

#### Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out at page 21.

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

Independent non-executive chairman



KJ Daly

Dated 12 February 2010

# Tamawood Limited

## Directors' Declaration

The Directors of the Group declare that:

1. The financial statements and notes, as set out on pages 7 to 20, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
  - (b) give a true and fair view of the financial position as at 31 December 2009 and of the performance for the half-year ended on that date of the consolidated Group.
2. In the Directors' opinion, there are reasonable grounds to believe that the consolidated Group will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the Directors by the Managing Director in accordance with Section 295A of the Corporations Act 2001 for the half year ended 31 December 2009.

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



KJ Daly  
Independent non-executive chairman

Dated 12 February 2010



# Tamawood Limited

## Consolidated Statement of Comprehensive Income

For the Half-Year Ended 31 December 2009

	31 December 2009 \$'000	31 December 2008 \$'000
Revenue from continuing operations	54,863	82,695
Other income	103	-
Cost of sales	(42,937)	(70,392)
Employee benefits expenses	(2,061)	(2,424)
Depreciation and amortisation	(82)	(140)
Advertising	(1,097)	(896)
Prospectus costs	(205)	-
Consultants	(477)	(313)
Administration	(1,247)	(1,168)
Other operating expenses	33	-
<b>Profit before income tax</b>	<b>6,893</b>	<b>7,362</b>
Taxation	(1,854)	(2,332)
<b>Profit from continuing operations</b>	<b>5,039</b>	<b>5,030</b>
Profit from discontinued operations	2,150	496
<b>Profit for the period</b>	<b>7,189</b>	<b>5,526</b>
<b>Other comprehensive income</b>		
Revaluation of land and buildings to fair value	18	-
Income tax on items of other comprehensive income	6	-
Other comprehensive income for the half-year, net of tax	24	-
<b>Total comprehensive income for the half-year</b>	<b>7,213</b>	<b>5,526</b>
Profit for the half-year attributable to:		
Owners of the Tamawood Limited	7,189	5,306
Non-controlling interest	-	220
	<b>7,189</b>	<b>5,526</b>
Total comprehensive income for the half-year attributable to:		
Members of the parent entity	7,213	5,526
	<b>7,213</b>	<b>5,526</b>
<b>Earnings per share</b>		
Basic earnings per share (cents)	18.99	14.12
Diluted earnings per share (cents)	18.99	14.12

The Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes

# Tamawood Limited

## Consolidated Statement of Financial Position

As At 31 December 2009

	31 December 2009 \$'000	30 June 2009 \$'000
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	8,261	12,718
Trade and other receivables	10,736	7,805
Inventories	13,093	21,104
Other assets	17	708
<b>Total current assets</b>	<b>32,107</b>	<b>42,335</b>
<b>Non-current assets</b>		
Trade and other receivables	3,458	1,999
Property, plant and equipment	8,074	8,266
Deferred tax assets	523	561
<b>Total non-current assets</b>	<b>12,055</b>	<b>10,826</b>
<b>TOTAL ASSETS</b>	<b>44,162</b>	<b>53,161</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	4,584	5,374
Current tax liabilities	2,380	4,640
Short-term provisions	313	339
<b>Total current liabilities</b>	<b>7,277</b>	<b>10,353</b>
<b>Non-current liabilities</b>		
Trade and other payables	-	200
Deferred tax liabilities	2,000	2,128
Other long-term provisions	374	362
<b>Total non-current liabilities</b>	<b>2,374</b>	<b>2,690</b>
<b>TOTAL LIABILITIES</b>	<b>9,651</b>	<b>13,043</b>
<b>NET ASSETS</b>	<b>34,511</b>	<b>40,118</b>
<b>EQUITY</b>		
Issued capital	24,840	24,840
Reserves	2,157	2,027
Retained earnings	7,514	12,560
<b>Parent interest</b>	<b>34,511</b>	<b>39,427</b>
Minority equity interest	-	693
<b>TOTAL EQUITY</b>	<b>34,511</b>	<b>40,120</b>

\* The decline in the Net Assets of the Group compared to 30 June 2009 reflects payment of dividends including an in specie distribution of \$7.1M, representing Tamawood's shareholding in AIR following the demerger and subsequent reorganisation of AstiVita.

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes

# Tamawood Limited

## Consolidated Statement of Changes in Equity

For the Half-Year Ended 31 December 2009

	Contributed Equity \$'000	Retained Profits \$'000	Asset Revaluation \$'000	Staff Share Scheme Reserve \$'000	Total \$'000	Non- controlling Interest \$'000	Total Equity \$'000
Balance at 1 July 2009	24,840	12,558	2,133	(106)	39,425	694	40,119
<b>Comprehensive Income for the half-year</b>							
Profit for the half-year	-	7,189	-	-	7,189	-	7,189
Revaluation of land and buildings, net of tax	-	-	24	-	24	-	24
<b>Total comprehensive income for the half-year</b>	-	7,189	24	-	7,213	-	7,213
<b>Transactions with owners in their capacity as owners</b>							
Dividends paid	-	(11,962)	-	-	(11,962)	-	(11,962)
Reversal of opening retained earnings of AstiVita Renewables	-	(271)	-	-	(271)	(694)	(965)
Revaluation of staff shares	-	-	-	106	106	-	106
	-	(12,233)	-	106	(12,127)	(694)	(12,821)
<b>Balance at 31 December 2009</b>	<b>24,840</b>	<b>7,514</b>	<b>2,157</b>	<b>-</b>	<b>34,511</b>	<b>-</b>	<b>34,511</b>
Balance at 1 July 2008	23,783	11,302	2,991	272	38,348	411	38,759
<b>Comprehensive Income for the half-year</b>							
Profit for the half year	-	5,306	-	-	5,306	220	5,526
<b>Total comprehensive income for the half-year</b>	-	5,306	-	-	5,306	220	5,526
<b>Transactions with owners in their capacity as owners</b>							
Shares issued	1,721	-	-	-	1,721	-	1,721
Adjustment of retained earnings due to change in % shareholding in subsidiary	-	37	-	-	37	-	37
Transfer from retained earnings	-	100	(100)	-	-	-	-
Dividends paid	-	(5,125)	-	-	(5,125)	-	(5,125)
Revaluation of staff share scheme	-	-	-	(170)	(170)	-	(170)
	1,721	(4,988)	(100)	(170)	(3,537)	-	(3,537)
<b>Balance at 31 December 2008</b>	<b>25,504</b>	<b>11,620</b>	<b>2,891</b>	<b>102</b>	<b>40,117</b>	<b>631</b>	<b>40,748</b>

The Consolidated Statement of Changes In Equity should be read in conjunction with the accompanying notes

# Tamawood Limited

## Consolidated Statement of Cash Flows

For the Half-Year Ended 31 December 2009

	31 December 2009 \$'000	31 December 2008 \$'000
<b>Cash from operating activities:</b>		
Receipts from customers (GST inclusive)	56,838	104,219
Payments to suppliers and employees (GST inclusive)	(48,960)	(98,372)
Dividends received	24	-
Interest received	130	595
Interest paid	-	(50)
Income taxes paid	(6,123)	(1,828)
<b>Net cash provided by (used in) operating activities</b>	<b>1,909</b>	<b>4,564</b>
<b>Cash flows from investing activities:</b>		
Proceeds from sale of plant and equipment	74	422
Repayment/(funding) of loans to other entities	-	2
Purchase of property, plant and equipment	(42)	(149)
Purchase of equity interest in AstiVita Renewables Limited*	(4,000)	-
<b>Net cash provided by (used in) investing activities</b>	<b>(3,968)</b>	<b>275</b>
<b>Cash flows from financing activities:</b>		
Loans advanced to AstiVita Renewables Limited	(1,611)	-
Repayment of loans by AstiVita Renewables Limited*	4,000	-
Dividends paid	(4,788)	(2,809)
Receipt of funds under employee share scheme	-	18
<b>Net cash provided by (used in) financing activities</b>	<b>(2,399)</b>	<b>(2,791)</b>
<b>Net increase (decreases) in cash held</b>	<b>(4,458)</b>	<b>2,048</b>
Cash at beginning of financial year	12,719	9,297
<b>Cash at end of financial year</b>	<b>8,261</b>	<b>11,345</b>

\* The purchase by Tamawood of its shareholding in AstiVita Renewables Limited was funded by converting the loan owed by AstiVita Renewables Limited to Tamawood. The net effect of the two transactions on cashflow was nil.

The Consolidated Statement of Cashflows should be read in conjunction with the accompanying notes

# Tamawood Limited

## Notes to the Consolidated Financial Statements

for the Half-Year Ended 31 December 2009

### 1 Summary of Significant Accounting Policies

#### (a) Basis of preparation

These general purpose financial statements for the half-year reporting period ending ended 31 December 2009 have been prepared in accordance with Australian Accounting Standard 134 Interim Financial Reporting, and the *Corporations Act 2001*.

The historical cost basis have been used, except for investment properties, land and buildings, derivatives and available-for-sale financial assets which have been measured at fair value.

These half-year financial statements do not include all notes of the type normally included in the annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2009 any public announcements made by Tamawood during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The same accounting policies and methods of computation have generally been followed in these half-year financial statements as compared with the most recent annual financial statements.

#### (b) Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial half year.

#### (c) Rounding of Amounts

The Group satisfies the requirements of Class Order 98/100 issued by the Australian Securities and Investments Commission relating to "rounding off" of amounts in the Directors' report and the consolidated financial statements to the nearest thousand dollars. Amounts have been rounded off in the Directors' report and the consolidated financial statements in accordance with that Class Order.

#### (d) Principles of Consolidation

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have left the Group during the year, their operating results have been excluded from the date control was ceased.

# Tamawood Limited

## Notes to the Consolidated Financial Statements

for the Half-Year Ended 31 December 2009

### 2 Issued Capital

#### Summary Table

	31 December 2009 \$'000	30 June 2009 \$'000
37,839,466 (2009: 37,839,466) Ordinary fully paid shares	24,840	24,840
<b>Total</b>	<b>24,840</b>	<b>24,840</b>

#### (a) Capital Management

Management controls the capital of the Group with a view to providing shareholders with adequate returns and ensuring that the Group can fund its operations and continue as a going concern. The Group has no external interest bearing debt and maintains a zero debt to equity ratio.

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. The strategy of the Group is to be free of any external financial debt commitments. Total borrowings for the Group are zero, the Directors believe that this position will not change in the foreseeable future.

The gearing ratio (defined as Net Debt as a % of Total Equity) for the half year ended 31 December 2009 and 31 December 2008 was nil.

# Tamawood Limited

## Notes to the Consolidated Financial Statements

for the Half-Year Ended 31 December 2009

### 3 Revenue

	31 December 2009 \$'000	31 December 2008 \$'000
Sales revenue		
- Contract construction revenue	30,121	80,877
- Franchise revenue	288	633
- Renewable energy revenue	9,754	840
- Ready-to-Occupy	14,268	-
- Sub-lease revenue	110	43
- Other	25	194
	<hr/>	<hr/>
Total Revenue	54,566	82,587
Dividend revenue	24	-
	<hr/>	<hr/>
Total dividend revenue	24	-
	<hr/>	<hr/>
Interest revenue from:		
Interest non-related parties	273	108
	<hr/>	<hr/>
Total interest revenue on financial assets not at fair value through profit or loss	273	108
	<hr/>	<hr/>

### 4 Profit for the Year

#### (a) Significant Revenue and Expenses

The following significant revenue and expense items are relevant in explaining the financial performance:

Profit from discontinued operations after tax	2,150	496
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#### (b) Expenses

Profit from ordinary activities before income tax includes the following specific net gains and expenses:

Depreciation	82	140
	<hr/>	<hr/>
Total depreciation expense	82	140
	<hr/>	<hr/>

# Tamawood Limited

## Notes to the Consolidated Financial Statements

for the Half-Year Ended 31 December 2009

### 5 Segment information

The Group has adopted AASB 8 Operating Segments from 1 July 2009 whereby segment information is presented using a "management approach", i.e. segment information is provided on the same basis as information is used for internal reporting purposes by the Board.

#### Description of segments

Management has determined the operating segments based on reports reviewed by the Board and the chief operating decision maker for making strategic decisions. The Board monitor the business based on the business segments as identified in the principal activities in the Directors' Report.

- **Construction**

home design, project management services and associated activities including home contract construction activities in selected markets;

- **Franchising**

franchising and licensing operations in regional Queensland and New South Wales;

- **Ready-to-Occupy**

construction and resale of "ready-to-occupy" homes;

- **Renewable Energy**

generating and trading of renewable energy certificates associated with solar products; and

- **Other**

these activities constitute a minor element to the revenue of the Group and include sublease of various parts of a building owned by the Group, finance and realty commissions.

These reportable segments differ from the previous annual financial statements for the financial year ended 30 June 2009 which included financial data in respect of the merchandising segment. AstiVita was demerged from the Group pursuant to a resolution passed by Tamawood shareholders at the Annual General Meeting on 9 October 2009.



# Tamawood Limited

## Notes to the Consolidated Financial Statements

for the Half-Year Ended 31 December 2009

### 5 Segment information continued (a) Detailed table

	Construction		Ready-to-Occupy		Franchises		Renewable Energy		Other operations		Elimination		Consolidated	
	31 Dec 2009 \$'000	31 Dec 2008 \$'000	31 Dec 2009 \$'000	31 Dec 2008 \$'000	31 Dec 2009 \$'000	31 Dec 2008 \$'000	31 Dec 2009 \$'000	31 Dec 2008 \$'000	31 Dec 2009 \$'000	31 Dec 2008 \$'000	31 Dec 2009 \$'000	31 Dec 2008 \$'000	31 Dec 2009 \$'000	31 Dec 2008 \$'000
<b>REVENUE</b>														
Total revenue from external customers	<b>30,242</b>	80,059	<b>14,268</b>	-	<b>289</b>	633	<b>9,755</b>	840	<b>309</b>	91	-	-	<b>54,863</b>	81,623
Intersegments sales revenue	<b>2,625</b>	5,854	<b>110</b>	-	-	-	-	-	-	38	<b>(2,735)</b>	(5,892)	-	-
Other Revenue	-	390	-	-	-	4	-	8	<b>103</b>	670	-	-	<b>103</b>	1,072
<b>Total segment revenue</b>	<b>32,867</b>	86,303	<b>14,378</b>	-	<b>289</b>	637	<b>9,755</b>	848	<b>412</b>	799	<b>(2,735)</b>	(5,892)	<b>54,966</b>	82,695
Profit before tax from continuing operations	<b>1,936</b>	4,356	<b>3,783</b>	-	<b>8</b>	288	<b>266</b>	448	-	2,270	<b>900</b>	-	<b>6,893</b>	7,362
Profit from discontinued operations after tax	-	-	-	-	-	-	-	-	<b>2,150</b>	-	-	-	<b>2,150</b>	-
	<b>1,936</b>	4,356	<b>3,783</b>	-	<b>8</b>	288	<b>266</b>	448	<b>2,150</b>	2,270	<b>900</b>	-	<b>9,043</b>	7,362
Income tax expense	<b>540</b>	1,375	<b>1,054</b>	-	<b>2</b>	96	<b>74</b>	139	-	722	<b>184</b>	-	<b>1,854</b>	2,332
<b>Net profit for the half-year</b>	<b>1,396</b>	2,981	<b>2,729</b>	-	<b>6</b>	192	<b>192</b>	309	<b>2,150</b>	1,548	<b>716</b>	-	<b>7,189</b>	5,030

# Tamawood Limited

## Notes to the Consolidated Financial Statements

for the Half-Year Ended 31 December 2009

### 5 Segment information continued

#### (a) Detailed table continued

	Construction		Ready-to-Occupy		Franchises		Renewable Energy		Other operations		Elimination		Consolidated	
	31 Dec 2009 \$'000	June 30 2009 \$'000	31 Dec 2009 \$'000	June 30 2009 \$'000	31 Dec 2009 \$'000	June 30 2009 \$'000	31 Dec 2009 \$'000	June 30 2009 \$'000	31 Dec 2009 \$'000	June 30 2009 \$'000	31 Dec 2009 \$'000	June 30 2009 \$'000	31 Dec 2009 \$'000	June 30 2009 \$'000
<b>ASSETS</b>														
<b>Segment assets</b>	<b>13,096</b>	20,351	<b>12,002</b>	14,210	<b>185</b>	870	<b>6,464</b>	1,284	<b>8,015</b>	3,863	<b>4,400</b>	5,915	<b>44,162</b>	46,493
<b>LIABILITIES</b>														
<b>Segment liabilities</b>	<b>5,333</b>	11,968	<b>1,515</b>	1,156	<b>(35)</b>	268	<b>4,703</b>	459	<b>1,837</b>	(482)	<b>(3,702)</b>	(1,435)	<b>9,651</b>	11,934

# Tamawood Limited

## Notes to the Consolidated Financial Statements

for the Half-Year Ended 31 December 2009

### 6 Dividends

#### Dividends and distributions paid table

Distributions paid

	31 December 2009 \$'000	31 December 2008 \$'000
Final dividend of 13.0 cents (fully franked at 30%) per fully paid share paid 31 October 2009	4,891	-
Special dividend of 50.0 cents (fully franked at 30%) per fully paid share (3 AIR shares for 8 Tamawood shares)	7,071	-
Final dividend of 13.0 cents (fully franked at 30%) per fully paid share paid on 31 October 2008	-	4,819
Dividend paid by merchandising subsidiary	-	306
<b>Total</b>	<b>11,962</b>	<b>5,125</b>

### 7 Discontinued operations

#### (a) Disposal of Controlled Entities

On 9 October 2009 Tamawood shareholders approved the demerger by Tamawood of its 55% shareholding in AstiVita. A non-recurring after tax capital gain of \$2.1M was attributable to members of Tamawood as a result of the demerger. AstiVita subsequent to its demerger reorganised into AIR. AIR was listed on the ASX on 16 December 2009. The Group has no interest in AIR as at 31 December 2009.

# Tamawood Limited

## Notes to the Consolidated Financial Statements

for the Half-Year Ended 31 December 2009

### 7 Discontinued operations continued (b) Discontinued segment - Financial performance

	31 December 2009 \$'000	31 December 2008 \$'000
<b>Income Statement</b>		
Revenue	9,969	7,020
0	(9,969)	(6,302)
<b>Gross Profit</b>	-	718
Income tax expense	-	(222)
<b>Net profit attributable to discontinued operations</b>	-	496
Capital gain from de-merger	3,071	-
Income tax expense	(921)	-
<b>Profit from discontinued operations</b>	<u>2,150</u>	<u>496</u>

Cash flow information for the 4 months ended 31 October 2009 and the year ended 30 June 2009

Net cash inflow (outflow) from ordinary activities	(736)	287
Net cash inflow (outflow) from financing activities	<u>1,656</u>	(111)
Net cash increase in cash generated by the discontinuing division	<u>920</u>	<u>176</u>

Gain on disposal of the division included in gain from discontinued operations per the consolidated income statement.

### (c) Discontinued segment - Retained earnings detail

<b>Retained Earnings</b>		
Retained earnings at the beginning of the year	965	188
Profit after income tax	-	694
Dividends provided for or paid	-	(611)
Profit attributable to minority equity interest	(694)	694
Reversal of opening retained earnings of AstiVita	(271)	-
<b>Retained earnings at the end of the year</b>	<u>-</u>	<u>965</u>

# Tamawood Limited

## Notes to the Consolidated Financial Statements

for the Half-Year Ended 31 December 2009

### 7 Discontinued operations continued (d) Discontinued segment - Balance sheet detail

	31 October 2009 \$'000	30 June 2009 \$'000
<b>Balance Sheet</b>		
<b>Current Assets</b>		
Cash and cash equivalents	2,588	1,281
Trade and other receivables	5,044	1,751
Inventories	3,257	3,181
<b>Total Current Assets</b>	<b>10,889</b>	<b>6,213</b>
<b>Non Current Assets</b>		
Property, plant and equipment	84	61
Deferred tax	43	27
<b>Total Non Current Assets</b>	<b>127</b>	<b>88</b>
<b>Total Assets</b>	<b>11,016</b>	<b>6,301</b>
<b>Current Liabilities</b>		
Trade and other payables	2,969	976
Short-term borrowings	1,512	151
Current tax payable	88	(15)
<b>Total Current Liabilities</b>	<b>4,569</b>	<b>1,112</b>
<b>Non Current Liabilities</b>		
Long-term borrowings	-	4,229
<b>Total Non Current Liabilities</b>	<b>-</b>	<b>4,229</b>
<b>Total Liabilities</b>	<b>4,569</b>	<b>5,341</b>
<b>Net Assets</b>	<b>6,447</b>	<b>960</b>
<b>Equity</b>		
Issued Capital	4,200	1
Retained Earnings	2,247	959
<b>Total Equity</b>	<b>6,447</b>	<b>960</b>

### 8 Events after the end of the reporting period

The financial report was authorised for issue on 12 February 2010 by the Board of Directors.

# Tamawood Limited

## Notes to the Consolidated Financial Statements

for the Half-Year Ended 31 December 2009

### 9 Contingent Liabilities

From time to time the Group receives claims from its customers and third parties in relation to rectification to building faults and other claims. The Directors' believe that these types of claims currently outstanding are not material to the results of the financial half year statements and in any case can be resolved with the respective parties. Other legal claims are adequately covered by the Group's insurance policies and it is unlikely that the Group would be required to meet the costs of the claims, apart from the normal insurance excess requirements.

There have been no changes in contingent liabilities or contingent assets since the end of the previous annual reporting period, 30 June 2009.

### 10 Company Details

#### Registered office

The registered office of the company is:

Tamawood Limited  
1821 Ipswich Road  
Rocklea  
Brisbane QLD 4074



Tel: +61 7 3237 5999  
Fax: +61 7 3221 9227  
www.bdo.com.au

Level 18, 300 Queen St  
Brisbane QLD 4000  
GPO Box 457, Brisbane QLD 4001  
Australia

## Tamawood Limited

### Declaration of Independence Independent Auditor to the Directors of Tamawood Limited

As lead auditor for the review of Tamawood Limited for the half-year ended 31 December 2009, I declare that to the best of my knowledge and belief, 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 Tamawood Limited and the entities it controlled during the period.

BDO (QLD)

A handwritten signature in black ink, appearing to read 'Paul Gallagher', is written over a light grey rectangular background.

Paul Gallagher  
Partner

12 February 2010

Brisbane