ANNUAL REPORT 2013

Structural Systems

Structural Systems

FINANCIAL OVERVIEW

10 YEAR FINANCIAL SUMMARY

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
External sales of goods and rendering of services ($'000)	271,172	280,478	237,139	253,585	319,210	282,573	141,239	104,405	106,948	78,453
Profit (loss) before tax from continuing operations ($'000)	3,220	10,697	11,865	9,130	9,237	20,708	12,316	7,165	3,444	(8,231)
Profit (loss) after tax ($'000)[1]	3,218	7,996	4,472	3,270	8,887	15,182	8,824	5,345	2,142	(8,589)
Shareholders funds at end of year ($'000)	76,409	76,511	71,833	70,906	56,667	48,261	33,179	24,750	14,886	9,303
Net tangible assets ($'000)[1]	56,970	57,072	51,394	50,467	40,482	32,021	27,936	21,258	12,881	7,298
Return on shareholder's funds[1]	4.2%	10.5%	6.2%	4.6%	15.6%	31.5%	26.6%	21.6%	14.4%	(92.3%)
Return on sales	1.2%	2.9%	1.9%	1.3%	2.8%	5.4%	6.2%	5.1%	2.0%	(10.9%)
Basic earnings per share (cents)	5.1	12.5	7.0	5.3	18.1	31.9	21.2	15.2	8.4	(33.7)
Net tangible asset backing per share (cents)	90.5	89.7	80.4	79.0	82.4	65.3	60.3	54.6	50.3	28.5
Dividends declared for the year (cents)	4.0	5.0	4.0	2.5	-	11.5	10.0	7.5	1.5	-
Dividends times covered	1.28	2.5	1.75	2.1	N/A	2.8	2.1	2.0	5.6	N/A
Depreciation and amortisation ($'000)	11,011	10,931	9,158	7,717	7,148	5,699	4,102	2,946	2,418	2,408
Interest paid ($'000)	1,557	1,551	1,074	1,067	1,564	951	381	541	1,023	1,136
Interest received ($'000)	191	128	115	39	87	410	173	302	176	8
Share price at 30 June	$0.32	$0.71	$0.69	$0.48	$0.79	$2.55	$2.82	$1.04	$0.61	$0.48
Shares on issue at 30 June ('000)	62,959	63,646	63,884	63,884	49,142	49,142	46,438	38,950	25,631	25,624
Market capitalisation at 30 June ($'000)	20,147	45,189	44,080	30,664	38,822	125,312	130,955	40,508	15,635	12,300

[1] Adjusted for minority equity interests where applicable
Note: 2010 and 2011 adjusted for discontinued operations

CONTENTS

Annual General Meeting Details	
Date	28 November 2013
Time	10:30am
Place	River Room, Royal Perth Yacht Club, Australia II Drive, Crawley WA 6009

"I remain very positive about our outlook. In these difficult times it is doubly important to focus on those opportunities that deliver shareholder value."

CHAIRMAN'S REPORT

On behalf of your board of directors I am pleased to present the 26th Annual Report of Structural Systems Limited.

This has been a particularly difficult year, not just for Structural Systems but also for the construction and mining industry.

Within the construction industry, the reduction in the number of new opportunities has resulted in intensification of competition, which has put significant pressure on pricing and accordingly on margins.

It is now a well-acknowledged fact that mining is in a slow down, which is likewise taking its toll on new and existing projects. As noted in our half-year report our mining services division ROCK Australia responded to the changing landscape by introducing significant changes to its cost base. I am pleased to report that the second half of the financial year has seen a considerable improvement in outcome despite what remains a difficult operating environment.

While the current trading conditions have affected profitability and our result is down on last year, we are committed to protecting our balance sheet with low debt and maintaining strong cash flows. With a net debt to equity of 16.8% the company is in a sound position.

Our safety processes continue to improve as reflected in the outcomes achieved during the year. Particularly

pleasing was the number of divisions that finished the year LTI free.

I remain very positive about our outlook. In these difficult times it is doubly important to focus on those opportunities that deliver shareholder value. Not all opportunities are the same and we are committed to reducing our exposure to those operations within our group that are not able to provide desirable and consistently improving returns. This is reflected in our closing work in hand balance which, while being down on last year, is significantly more heavily weighted to those divisions within the group that have proven track records.

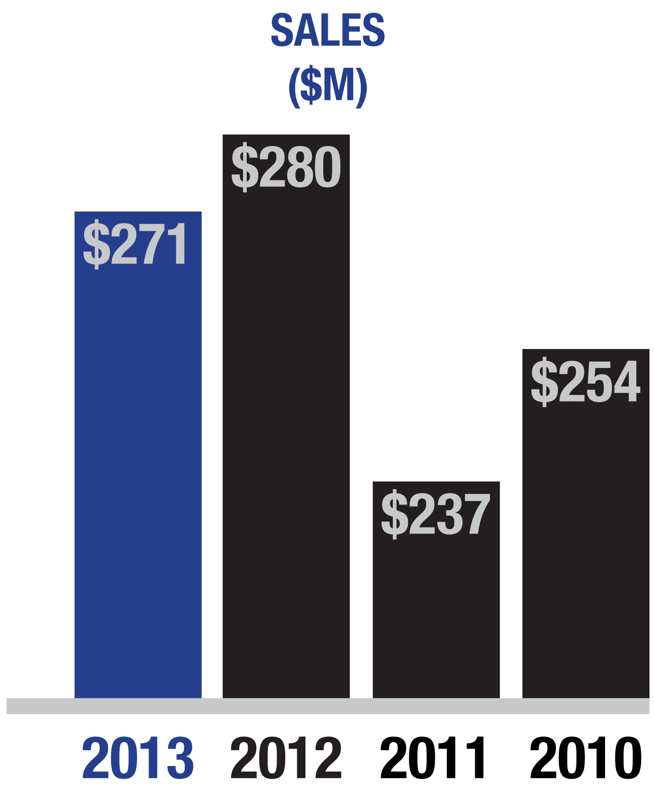
I would like to thank my fellow directors, the executive team, and our staff and workforce for their excellent contribution during a difficult year.

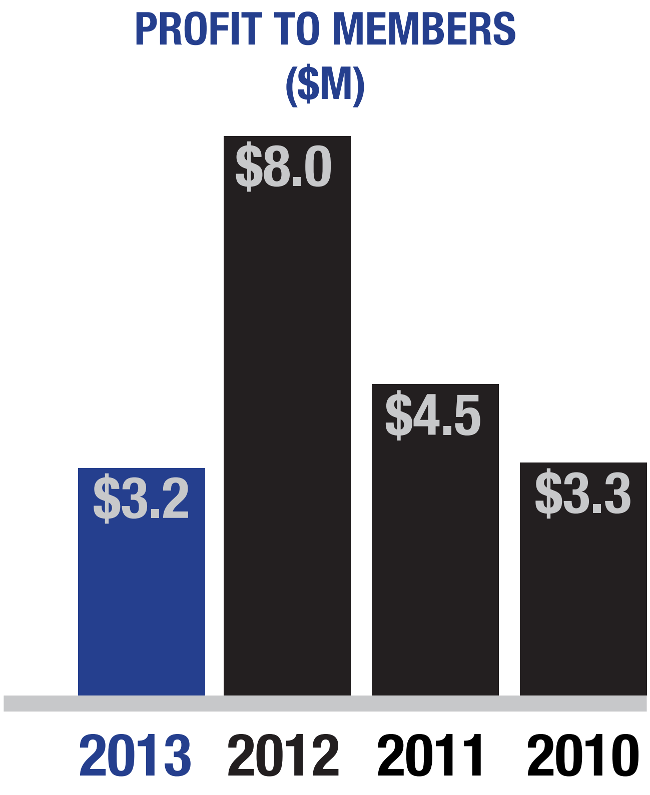
Robert Freedman

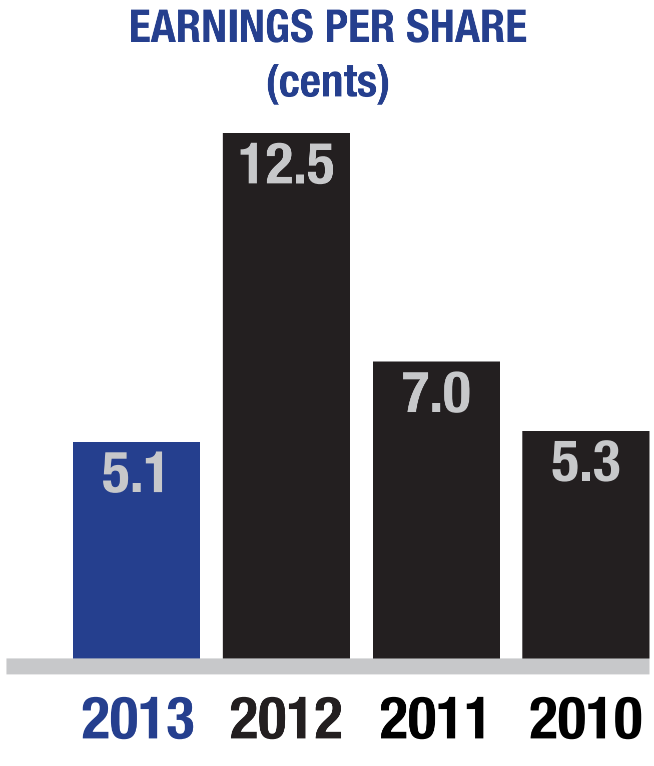
Chairman

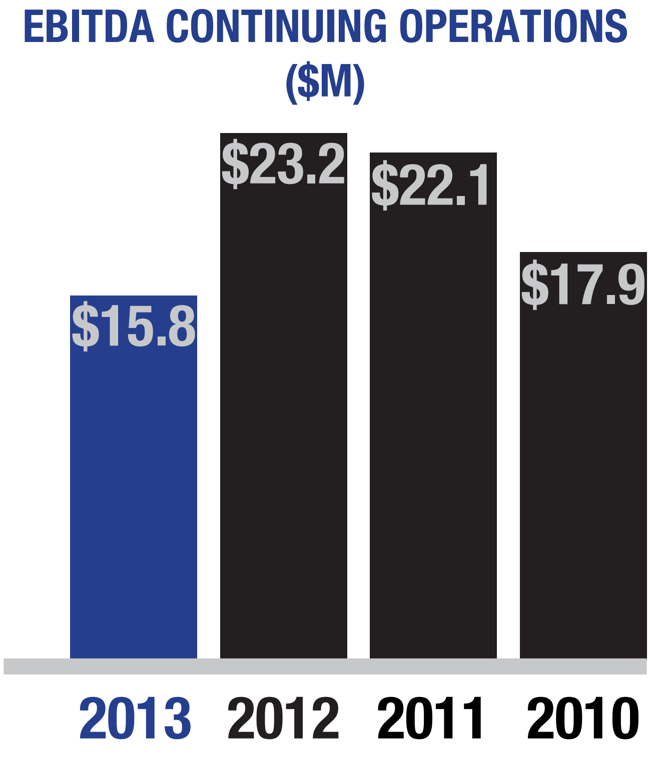
30th September 2013

SNAPSHOT OF PERFORMANCE









WHO WE ARE, WHAT WE DO

Structural Systems is an Australian owned and operated company listed on the ASX since 1987. The Group specialises in providing contracting services to the mining and construction industry.

The company has been in business for more than 50 years and has a heritage of involvement in many iconic projects both within Australia and internationally.

The company is proud of its contribution to the construction and mining sectors. Amongst the projects it has been involved with are some of the largest open cut mines in Australia, landmark sporting venues like the Melbourne Tennis Centre and Sydney's ANZ stadium and major dam and infrastructure projects throughout Australia, Africa and the Middle East. We employ more than 800 personnel and prioritise a safe work focus in all that we do. We are certified to international standards of management in safety, quality and environmental compliance.

Structural Systems Group

Structural Systems Limited

CONSTRUCTION SERVICES

Structural Systems

Civil Division
Structural Systems (Civil) Pty Ltd

Post-Tensioning Division
Structural Systems (Northern) Pty Ltd
Structural Systems (Southern) Pty Ltd
Structural Systems (Western) Pty Ltd

Remedial Division
Structural Systems (Remedial) Pty Ltd

Products Division
Refobar Australia Pty Ltd

REFOBAR AUSTRALIA

International Division
Structural Systems Africa (Limited)
NASA Structural Systems

MINING SERVICES

ROCK AUSTRALIA

Drill + Blast Division
ROCK Australia Mining + Civil Pty Ltd

Geotechnical Division
ROCK Australia Mining + Civil Pty Ltd

Engineering Division
ROCK Australia Mining + Civil Pty Ltd

Monitoring Division
ROCK Australia Mining + Civil Pty Ltd

Products Division
ROCK Australia Mining + Civil Pty Ltd

Mining Services - ROCK Australia

Having been in business for more than 25 years, ROCK Australia is a provider of drilling, blasting, geotechnical, engineering and monitoring services as well as products to the resources sector.

ROCK is highly regarded in the mining industry for delivering superior solutions and services to clients in a wide variety of locations and situations. The business has its genesis in geotechnical activities, delivering ground support services to mining projects, advising and assisting with challenges such as stabilising works and walls within open pits.

ROCK DRILL + BLAST

Production, presplit, grade control, depressurisation + specialist applications.

ROCK GEOTECHNICAL

Rockfall protection, slope stabilisation, debris + erosion control. Open pit, underground, mine infrastructure, civil.

ROCK ENGINEERING

Geotechnical solutions from concept to delivery. Design, engineering + optimisation of works.

ROCK MONITORING

Monitoring, surveying and analysis of seismic movements.

ROCK PRODUCTS

Supply of products and equipment for ground support, ground monitoring and ground control.

While geotechnical services continue to contribute significantly to the division, accounting for about 20% of revenue, drill and blasting operations have become the lion's share of our business, accounting for approximately 65% of divisional revenue. Monitoring services and equipment hire and sales has become an important part of ROCK's business. This division has grown strongly in recent years to account for approximately 10% of ROCK's revenue.

ROCK's drilling and blasting services are engaged in production activity and are generally provided under term contracts. ROCK is not involved in exploration drilling.

The other distinguishing characteristic of our mining services business, which again contributes to its resilience, is the diversity of its operations. This diversity is reflected both geographically and by commodity, leaving us less exposed to the ups and downs within any one market or commodity.

CASE STUDY **ROCK MESHA™**

Technology breakthrough launched into world markets

Mining can be a dangerous industry. Little wonder then that a new technology product conceived and built by ROCK Australia has been turning heads at mining sites across Australia, South Africa and Europe.

Lining a tunnel or mine drive with steel mesh in order to stabilise the tunnel is a standard safety procedure for any new mining operation. Traditionally, this has been a laborious task that required trained staff to carry sections of wire mesh in pre-cut sizes to fix the sections into place.

With ROCK MESHA™, otherwise known as a mechanised mesh handler, manual handling is greatly reduced and there is no requirement for an operator to be out in unsupported ground. The ROCK MESHA™ has been designed to be retrofitted to twin boom underground drill jumbos and rock bolting machines.

Mesh can be installed up to 30% faster than the standard practice of sheet meshing underground, with marked improvements in safety and cost.

This technology has a global patent and is drawing interest from companies around the world.

Construction Services

Our construction services arm comprises four divisions that provide services to broad sections of the building, civil and infrastructure market sectors. Each division has a separate core area of competence that is distinguished by its own set of challenges and by the geographical footholds it enjoys. Some divisions operate nationally and in global markets, while others are adapted to State-specific conditions.

Civil

Our Civil division undertakes works in both a head contractor and specialist subcontractor capacity. The type of works undertaken by this division include:

- New bridge construction and strengthening and rehabilitation of existing bridge structures. New bridge construction systems include incrementally launched, balanced cantilever, segmental and span by span bridges.
- Design and installation of ground anchors to strengthen dam walls and other civil structures.
- Heavy lifting / shifting of stadium roofs, control towers, water bowls and bridges.
- New concrete storage tank and silo Construction including slipforming and post-tensioning of storage tanks, silos, lift cores and concrete gravity structures.
- Design and installation of cable stays for bridges and stadiums.

Over the last 10 years, our Civil division has built an enviable track record in dam anchoring and strengthening in Australia and is recognised as the market leader in this sector. Our reputation and track record of successful execution within Australia is resulting in increasing enquiries for our services from overseas clients. Our first off-shore dam project was completed during the year.

Post-Tensioning

PT was the foundation activity of the company and is a sector in which we continue to enjoy a strong market position and recognition. While our Civil division provides specialist post-tensioning services to the Civil and Infrastructure sectors amongst its other activities our post-tensioning division is focused on providing these services to the building sector.

In general terms, post-tensioning is a method of reinforcing concrete by the inlay of high-strength steel strands which are threaded through ducts within the concrete. The strands are then tensioned, resulting in a stronger structure using less material. As the technology reduces the amount of conventional reinforcement and concrete required it delivers a more economical and environmentally friendly solution.

Our post-tensioning division is a founding corporate member of the Post-Tensioning Institute of Australia. The major markets that our post-tensioning division operates in are the retail, commercial, residential, educational, healthcare and industrial sectors.

Remedial

The remedial division employs a range of technologies that address the problems experienced by aging infrastructure, industrial and building assets. The division's expertise spans a number of specialist remedial activities including the application of protective concrete coatings, injection work to repair cracking in concrete, facade refurbishment and electrochemical protection to combat corrosion and structural strengthening using fibre reinforced polymers. Our remedial division undertakes works throughout Australia and internationally.

Products - Refobar Australia

Refobar Australia has become a one-stop-shop for all post-tensioning components and is the only fully accredited firm operating in Australia. Refobar is a major supplier to the post-tensioning industry both within Australia and overseas.

Refobar was able to expand on its product range and improve its competitiveness during the year through the establishment of trade relationships with manufacturers in China.

Technology & Partnerships

Structural Systems is the sole franchisee of the BBR licensed system in the countries in which it operates. BBR is recognized as the leading group of specialist engineering contractors in the field of post-tensioning, stay cable and related construction engineering. BBR technologies have been applied to a vast array of structures – such as bridges, buildings, cryogenic LNG and LPG tanks, dams, marine structures, nuclear power stations, retaining walls, tanks/silos, towers, tunnels, wastewater-treatment plants, water reservoirs and wind farms.

ROCK Australia is the appointed partner of Reutech Mining for the supply, hire and support of MSR (Movement & Surveying Radar) systems for Australasia. ROCK has also developed a partnership with Sedna and was appointed the exclusive distributor for Geo-Cam for Australasia. Geo-Cam is a mobile IP surveillance system that allows for monitoring of operations in open pit environments.

ROCK continues to work in partnership with a number of specialist product suppliers as a quality-assured installer of rockfall protection and slope stabilisation systems. ROCK has appointed an international agent for the further promotion of the ROCK MESHA™ system to overseas clients. ROCK is an accredited member of IRATA International (Industrial Rope Access Trade Association), and is approved by a third-party audit process to internationally approved and recognised standards to conduct technical rope access work.

Structural Systems are the exclusive agent to supply and install Macalloy Stressbar Systems in Australia, UAE, Qatar, Bahrain, Oman and South Africa. Macalloy have been leaders in the design, manufacture and supply of threaded bar systems since 1947 and are ideal for the economic application of post-tensioning forces on relatively short tendons. Through the use of threaded connection and anchorages they are simple to use and lend themselves to many applications.

CASE STUDY **REFOBAR AUSTRALIA**

A new partnership struck in Shanghai

Two years ago Refobar undertook a mission to source a new partner in China for the manufacture of anchorage castings that were a step ahead of the competition in design but free from the manufacturing faults that typically plague many of the construction products produced in China.

The brief was to source a partner capable of producing competitively priced products designed to Refobar's specification but to an extremely high quality.

A manufacturing partner was sourced in Shanghai with whom a close relationship was established, so much so that the Refobar team took a hands-on approach in helping in their factory set up. Based on original designs drawn up by Structural Systems in Australia, Refobar introduced a rigorous testing and inspection regime in order to obtain a consistent quality standard.

Despite teething problems, the consistency required in order to win the confidence of the company's Australian customers was achieved. It has taken only 15 months since that first trip to China to establish a new product range of castings and slab anchors that is now winning customers in the domestic market.

Having absorbed in the first year all the start up costs and resolved quality issues involved with a new manufacturing partner, Structural Systems is confident of having found an important new stream of high valued-added business.

CASE STUDY **SEAFORD RAIL BRIDGE**

When two teams of specialist engineers met suspended above a river valley midway across a bridge spanning well over one km in length, it marked the climax of an extraordinary engineering feat.

The new rail bridge spanned the Onkaparinga River and its floodplain, linking two crews who, twenty months previously, had started constructing different sections of bridge at either end of the project. When the two crews shook hands in celebration, they could look back on a unique civil engineering project that had crossed the large river valley creating the longest incrementally launched bridge in Australia and the third longest in the world.

The rail bridge is the key feature in the 5.7 km long passenger railway line extension from Noarlunga to Seaford, a southern suburb on the outskirts of Adelaide. It was commissioned by the South Australian Government under a joint venture arrangement with Thiess MacDow, with Structural Systems in support.

In order to accomplish the task, Structural Systems and the contractor's team constructed 22 spans of up to

52.3m in length, cast in steel formwork established at either end of the bridge, then jacked progressively into place. A total of 48 segments, mainly 26.15m long were built this way and pushed using Structural System's specialist Eberspacher bridge launching technology.

Although the bridge was launched continuously from each end, it was temporarily configured as twin structures, later to be released to form seven non-linked sections. This was so that the railway line would have the ability to expand or contract with temperature changes and thereby avoid buckling.

The mammoth 1,123.9m long structure was completed late 2012 and recieved an Engineering Excellence commendation. Seaford Rail Bridge has been described as one of the most impressive civil construction feats ever undertaken in South Australia.

Structural Systems significant contribution to the bridge's concept and construction methodology was likewise recognized, noting the minimal impact on the environmentally sensitive floodplain.

"A unique civil engineering project"

MANAGING DIRECTOR'S REPORT

This has been a tough year for the construction and mining industries.

There have been limited new prospects for both mining services and construction companies. This resulted in a very competitive environment, which in turn has exerted downwards pressure on pricing.

Within the mining services industry, the abrupt winding down of exploration activities and lower production from existing mines has led to a displacement of capital and equipment as companies scrambled to manage excess capacity, with inevitable flow-on effects to margins and profitability.

The industrial relations environment within the construction sector remains a key challenge within the overall context of managing the pressures driving costs. The longer-term nature of enterprise bargaining agreements results in automatic wage cost increases being built into the operational costs. This steady, structural increase in costs is out of step with the flux and variation in economic conditions, putting additional pressure on companies operating in these sectors when trading conditions are difficult.

In response to these challenging conditions, we are lowering our exposure to those markets where the returns are either not there at the moment, or are diminishing.

As part of an ongoing review of operations, we have been assessing the market opportunities and margins available within each of the company's divisions. While the effect of these changes has led to lower volumes and, unfortunately, to some redundancies, we can in the future be more confident of consistent returns to shareholders. Furthermore, capital released from under-performing parts of the business is being redeployed where returns can be maximized.

Financial Performance

Revenue for the year was $271.1 million which is down 3% on the prior year and is reflective of the overall reduction in activity in the mining and construction industries throughout the year. It is suffice to say that we have not been immune from the downturn in both industries nationally, sluggish demand internationally and obstinate, industry-wide cost pressures that have only intensified during the reporting period.

These effects have been felt across all divisions of the company. While most divisions managed to return positive results, Meridian Concrete had a particularly poor year and reported a loss of $2.04 million. This division had been under review and during the year its activities were significantly scaled back. Subsequent to year end, the Board determined Meridian was not part of the future of the Group and divested the business assets for approximately book value.

Our post-tensioning division was adversely affected during the year by the liquidation of three long-term head contractor clients, resulting in bad debts of $546,000.

Net profit after tax (NPAT) was $3.22 million. This result represents a decrease of 60% on the corresponding period. EBITDA for the year was $15.60 million down from $23.05 million reported for the 2012 financial year.

In an environment of increased risk, the company has continued to tightly manage its balance sheet and cash flow. At the end of the financial year, the group's gross debt was $19.9 million, with net debt of $12.8 million. The company's balance sheet is in good shape with a relatively low net debt to equity ratio of 16.8%.

Cash flow from operations was $12.98 million which was a slightly better outcome than that achieved in the prior year after adjusting for the additional $2.80 million paid in tax in 2013 compared to 2012. Overall, cash decreased by $1.09 million on the prior year.

Dividends paid during the year totalled $3.15 million which includes the 2012 final and 2013 interim dividend.

Earnings per share for the year was 5.1 cents down from 12.5 cents per share for the prior year. Dividends declared for the year totalled 4 cents per share fully franked.
This compares to 5 cents per share declared in the 2012 financial year.

Work in hand for the Group at year end was $180 million. This is down $17.5 million on the June 2012 balance. The main cause of the reduction was the reduced value of WIH for Meridian Concrete which was scaled back during the year and at year end had $23.7 million less WIH than the prior year. ROCK had WIH of $91 million of which $77 million related to drill and blast term contracts.

Operational Performance

Mining Services

The downturn in the Australian resources sector at the start of the financial year led to a scaling back of production that ultimately flowed through to several projects involving our mining services business ROCK Australia. This led to a number of project cancellations as well as reductions to the scope of works of existing contracts as clients adjusted their output requirements.

Where possible, ROCK reduced its cost base and made other structural changes that have allowed it to return to earnings consistent with historic results. The reduction in revenue coupled with redundancy costs incurred in restructuring the business, and under-deployed capital equipment, all influenced ROCK's first half-year performance. The turnaround achieved as a result of the restructuring decisions taken gained momentum as we moved through into second half of the financial year with not only stronger revenues but a significant improvement in profitability.

Drill and blast continues to be ROCK's principal activity and accounted for 65% of revenue for the year.

ROCK has a broad exposure to different commodities with iron ore accounting for 38% of revenue, gold 33%, copper 11% and coal 8% in 2013.

Construction Services

The company's construction divisions suffered also from a downturn in market conditions with project size and available margin both reducing. While we reduced our cost base where possible, ultimately the lack of volume and available profit within the industry had a restricting impact on the second half result.

Civil

Our Civil division started the financial year with a solid level of work in hand. However, as the year progressed we continued to see a tightening in the market and delays to identified work coming out for tender. As a result the second half performance from this division was below expectations. It was not until May 2013 that any significant replacement work was secured. Pleasingly some $24 million of new work was secured and this stands the division in good stead coming into the new year. The recently secured work involves core activities of the civil division being dam upgrade works and road and bridge work.

Post-Tensioning

With building markets being under pressure for new work all year our post-tensioning divisions operated in a very competitive environment. Profitability was down on last year primarily due to a significant reduction of work in Western Australia and tough trading conditions in Victoria. Our New South Wales and South Australian operations both reported increases in revenue for the year but due to the level of competition for new work margins have decreased year on year.

Remedial

Remedial experienced a shrinking of work volumes during the year as several major infrastructure projects the division had been involved with came to an end. In addition we saw new projects being delayed as clients reassessed their options. Revenue from Remedial decreased by 23% to $14.4 million. Encouragingly, after being involved during the construction phase, the division has been awarded the contract to carry out civil and structural maintenance on the Victorian desalination plant until 2015, with options to extend the contract. Term contracts of this type are a key focus for the division going forward.

Products

Refobar had an improved year through an expanded product range which resulted in higher revenues and increased profitability. The establishment of trade relationships with manufacturers in China during the year has enabled the business to now provide a complete product offering to the post-tensioning industry.

Concrete

Revenue from Concrete services decreased by 12% to \$67.5 million. This division continued to experience difficulties during the year and as a result its activities were significantly scaled back in the second half of the financial year. Revenue in the second half of the financial year was down 64% on the first half as tighter controls regarding new work were implemented.

Safety, Training and Quality

Our safety performance continues to improve with notable highlights for the year being a number of divisions remaining LTI free including our mining services and civil divisions. ROCK reported a TRIFR of 5.44 for the year which is its best result to date and a credit to all.

In order to ensure quality actions are taken after any incident the company selected the ICAM model as its principal means of incident investigation. All safety personnel and operation managers were put through ICAM training courses during the year. The Group's approach to safety reporting is consistent across the board and any learnings from individual incidents are shared within the Group to promote understanding of any potential risk and reduce the chances of the same incident occurring within another division. The flow of information between the divisions within the Group on safety matters has assisted in developing more effective control measures and thus reducing the risk to work place incidents.

All divisions maintained their accreditation to AS/NZS 4801 Safety and ISO 9001 Quality during the year. All of our contracting divisions maintained accreditation to OHSAS:18001 International safety standard.

Outlook

In many ways, this has been a year of transition for the company as we adjust to changing market circumstances.

The mining industry is adjusting to a sector that has now scaled back from boom conditions the chief feature of which has been a transition from mining exploration to mining production. ROCK is fortunate in that its core business and revenue is almost exclusively concentrated in production where after considerable volatility in the first half of the year volumes are increasing as commodity prices trend back upwards. Under these circumstances, we expect the major mining companies, our key customers, to retain those contractors with whom they have a proven track record over the longer term.

A number of factors will continue to work in our favour. The diversity of our operations both from a geographic perspective and in terms of the broad range of commodities to which we are exposed, leaves us less vulnerable to market fluctuations in any one sector. While Western Australia and Queensland account for approximately 80% of mining services revenue, there are robust contributions also emerging from New South Wales and South Australia operations.

Our internally developed ROCK MESHA™ system has had positive feedback from the site demonstrations that have been undertaken in Australia. In addition ROCK is about to conduct new demonstrations in Mongolia, Peru and Chile. This is a smart addition to our service offering and positions us well as a global contractor with strong intellectual capital and capacity. Furthermore, ROCK MESHA™ has the clear potential to be a "door opener" to new clients who may also have a requirement for the company's core services.

Having returned to more stable and sustainable conditions, the industry is expected to benefit from steady if modest growth in commodities as the global economy steadies.

The focus on core profitable areas of business coupled with a business strategy based towards optimisation of assets positions us well for the future.

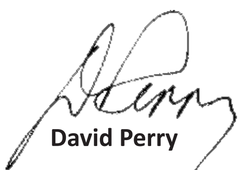
Within construction, the continuing restructuring within Structural Systems towards more sustainable divisions and markets should position us favourably to take advantage of some early signs of increasing government infrastructure expenditure. We have made some difficult decisions during the past 12 months that have given our business a stronger, more sustainable footing and a sharper focus on shareholder return. There are signs of an improvement in infrastructure spending by governments across Australia, significantly within New South Wales, as pressure builds to relieve congestion around transport networks and revitalise economic assets.

We continue to expect opportunities for dam strengthening and rehabilitation both onshore and overseas. The Paradise Dam contract won at the end of the financial year is a good example of this. Structural Systems enjoys the number one position in the Australian market for dam anchoring. This technology is readily exportable so that our teams may be deployed to any location around the world, a capability that was tested and proven with the successful completion during the year of the Roseires Dam project on the Blue Nile in Sudan.

We anticipate solid growth from our civil division over the coming year, based on a combination of work in hand at the end of June 2013 and identified future prospects.

The continuing management of our balance sheet and cash flow under these current circumstances is strengthening our resilience to external pressures.

The prospects of our company are underscored by the quality and commitment of our executive team and our workforce. As a team, we remain committed to excellence and in increasing returns to shareholders.



David Perry

Managing Director

30th September 2013

YEAR IN BRIEF **ROCK**

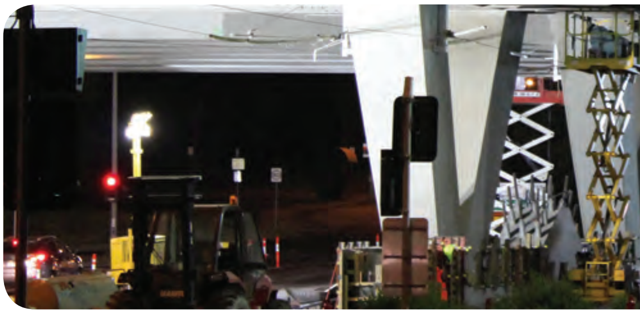
- LTI free for the year
- Strong second half performance
- Expansion of monitoring services
- Successful delivery of major geotechnical projects
- Successful renewal of term contracts in 2nd half

YEAR IN BRIEF **CIVIL**

- LTI free for the year
- First international dam project completed
- Secured a record level of new work in hand going into FY2014

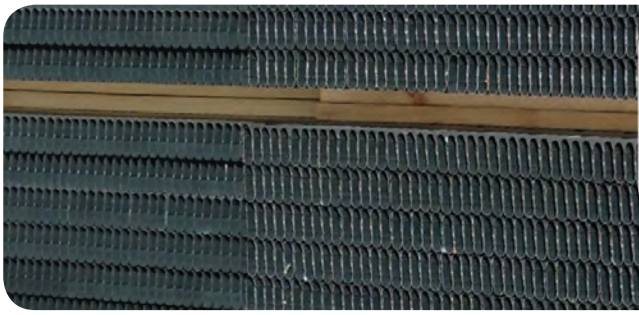
YEAR IN BRIEF **PT**

- Western division LTI free for the year
- Solid work in hand
- Strong growth in NSW



YEAR IN BRIEF **REMEDIAL**

- Victorian operation LTI free for the year
- Continued involvement in major infrastructure asset maintenance
- Secured term contract maintenance for MURL & Victorian Desal Plant



YEAR IN BRIEF **PRODUCTS**

- Expanded product range
- 41% growth in revenue on PCP
- Full one stop shop for post-tensioning industry

YEAR IN BRIEF **CONCRETE**

- Loss incurred in the year
- Operations scaled back in the second half
- Business divested post year end

DIRECTORS' REPORT

Introduction

The Directors present their report on the consolidated entity consisting of Structural Systems Limited ABN 57 006 413 574 ("Structural" or "Company") and the entities it controlled ("consolidated entity" or "Group") for the year ended 30 June 2013 and the independent audit report thereon.

Principal activities

During the financial year, the principal activities of the consolidated entity were drilling and ground control services, engineering, remedial and construction contracting and manufacture of post-tensioning components.

Operating and financial review

A summary of the consolidated revenues and results is as follows:

Results for the year	2013 $'000	2012 $'000
Revenue	271,172	280,478
Profit before income tax	3,220	10,697
Income tax benefit / (expense) attributable to profit	(2)	(2,701)
Profit attributable to the members of Structural Systems Limited	**3,218**	**7,996**

For details, refer to the Managing Director's report on pages 12 to 15.

Directors

The following persons were directors of Structural Systems Limited during the financial year and until the date of this report:

Ian L Fraser

Robert W Freedman

Peter J McMorrow

David R Perry

Company Secretary

Mr. Stuart J Gray was appointed Company Secretary in April 2009. Mr. Gray is a member of the Institute of Chartered Accountants in Australia and is an affiliate member of Chartered Secretaries Australia. Mr Gray holds a Bachelor of Commerce.

Information on Directors of Structural Systems Limited

Ian L Fraser

(Non-executive Independent Director)

Director since 2004. Chairman of the Structural Systems Audit Committee and Remuneration Committee.

FCPA, Fellow of the Australian Society of CPAs. FAICD, Fellow of the Australian Institute of Company Directors.

During the last three years Ian has also served as a director of the following listed companies:

- Forest Place Group Limited from December 2001 to August 2011
- PMP Limited from April 2003 to November 2012
- Wattyl Limited from June 2009 to September 2010
- Legend Corporation Limited since January 2008

Interest in Shares: 345,000 Held by The Fraser Superannuation Fund.

Robert W Freedman

(Chairman)

Director since 1985, Managing Director 1998 to 2008, Chairman since 2009. Member of the Institution of Engineers Australia, Post Graduate Diploma in Business Administration (W.A.I.T).

There are no other listed companies of which Robert has served as a director during the last three years.

Interest in Shares: 1,099,136 Held by Freedman Superannuation Fund

Peter J McMorrow

(Non-executive Director, Member of the Structural Systems Remuneration Committee)

Director since 2010. Associateship in Highway Engineering, Western Australia Institute of Technology (now Curtin University). Fellow of Engineers Australia.

Peter was Managing Director of Leighton Contractors from 2004 until September 2010. Under his guidance, Leighton Contractors expanded considerably, with its workforce increasing fourfold.

Peter has over 30 years project and executive experience and is a respected leader in the infrastructure and resources industries. Encompassing a wide variety of large and complex infrastructure projects both overseas and within Australia, his industry knowledge extends to all facets of engineering, project identification, winning and delivery as well as management of dynamic, profitable and long lasting business operations. Mr McMorrow is a passionate advocate for safety and health, with a vision to create and sustain an industry where no one is harmed.

There are no other listed companies of which Peter has served as a director of during the last three years.

Interest in Shares: 1,665,487 Held by The McMorrow Superannuation Fund

David R Perry

(Managing Director)

Director since 2003, Managing Director since 2009. Bachelor of Economics.

There are no other listed companies of which David has served as a director during the last three years.

Interest in Shares: 630,000 Held by David Perry Superannuation Fund(1)
90,000 Held personally

(1) Held by Sandhurst Trustees Limited as custodian within the "Sandhurst Trustees Ltd <JM MPS A/c>" holding.

Directors attendance at meetings	Structural Systems Board		Audit Committee		Remuneration Committee	
	Held	Attended	Held	Attended	Held	Attended
I L Fraser	10	10	3	3	1	1
R W Freedman	10	10	-	-	-	-
P J McMorrow	10	10	-	-	1	1
D R Perry	10	10	-	-	-	-

Remuneration Report

The directors present the remuneration report for the year ending 30 June 2013. The information provided in this remuneration report has been audited as required by section 308(3)(c) of the Corporations Act 2001.

Key management personnel have authority and responsibility for planning, directing, and controlling the activities of the Company and the Group. Key management personnel comprise the Directors of the Company and members of the Executive Committee of the Company and the Group.

1. Board Policy on Remuneration

The Board has adopted a policy that remuneration will:

- Encourage executives to improve Structural Systems' overall performance and to enhance shareholder value;
- Motivate executives by providing the opportunity to be rewarded for the achievement of financial performance and safety outcomes;
- Reward superior performance;
- Ensure remuneration is competitive by market standards.

The Board has appointed a Remuneration Committee, comprising Mr Fraser (non-executive Director) as Chairman, and Mr McMorrow (non-executive Director). The Remuneration Committee is charged with determining the remuneration levels for non-executive directors (subject to shareholder approval), the Managing Director & members of the Executive Committee.

2. Remuneration Strategy and Structure

Structural Systems drives a strong performance-based approach to remuneration and reward for executives. The Company aims to provide a competitive reward proposition, targeted at attracting, motivating and retaining the most appropriately qualified and experienced individuals.

The Company's policy for determining the nature and amount of remuneration of Board and senior executives of the company is as follows:

- The remuneration level of the Managing Director attributable to the 2013 financial year was evaluated and approved by the Chairman and the independent Directors. His remuneration package takes into account factors such as experience, qualification and performance. These levels will be determined by the Remuneration Committee for the 2014 financial year and onwards.
- The remuneration levels of the members of the Executive Committee reporting to the Managing Director attributable to the 2013 financial year was submitted by the Managing Director to the Remuneration Committee for approval. Remuneration packages are structured such that the Group is able to attract and retain personnel with the expertise and ability to create value for shareholders.
- Bonuses paid to members of the Executive Committee are determined based on each manager's achievements in regard to the Company and their department's profitability.
- The remuneration level of the Chairman and non-executive directors is reviewed and approved by the Remuneration Committee on an annual basis within the fee pool of $500,000 approved by shareholders at the 2012 annual general meeting.

Both independent external advice and internal advice may be sought as required to assist the Remuneration Committee in determining appropriate remuneration arrangements for the Key Management Personnel. This includes the remuneration levels of comparable positions within other public companies. For the year ended 30 June 2013, no such advice was sought.

The following summarises the mix of reward elements for the non-executive directors and senior executives:

Elements of remuneration		Directors		Executive General Management
		Non-Executive	Managing Director	
Fixed remuneration	Cash salary	×	✓	✓
	Cash fees	✓	×	×
	Superannuation	✓	✓	✓
	Other benefits [1]	✓	✓	✓
Short term incentives	Cash	×	✓	✓
Long term incentives	Equity	×	✓	✓
Post employment	Termination payments	×	✓	✓

[1] Other benefits include motor vehicles lease payments, running costs, allowances and Fringe Benefits Tax.
Note: No LTI allocations were made under the Executive Option Plan in financial year 2013.

3. Key Management Personnel (KMP)

In addition to the Non-Executive Directors, the following are the members of the Executive Committee who are included in the key management personnel during the financial year and to whom this report applies.

Name	Role
D R Perry	Managing Director
S Crole	Executive General Manager Construction
R Coates	Executive General Manager Mining
S Gray	Chief Financial Officer & Company Secretary

4. Executive Remuneration

4.1 Fixed Remuneration

Fixed remuneration comprises cash salary and superannuation contributions. Nominated benefits may also be salary packaged, such as novated car lease payments and superannuation contributions.

The remuneration of senior executives is market based and has regard to remuneration levels that apply to similar positions in comparable companies and the performance of the executive during the year.

4.2 Short-term incentive plan

The Managing Director does not have a specific percentage of his remuneration at risk. His at risk component is directly linked to the financial performance of the Company. The bonus payable to the Managing Director is calculated as follows:

- 30% of base salary (base salary being TER less 20%) for 90% achievement of financial budget approved by the board
- An additional 2% for each 1% over 90% achievement of financial budget achieved. This increment rate is capped at 100% of financial budget
- An additional 2.5% for each 1% above the financial budget until 100% of base salary is achieved being at 120% of plan
- All incentives are to be funded within the achievement of the financial budget.

The Managing Director sets the performance targets for the CFO, assesses his performance against these targets and recommends any bonus payment to the Board for approval.

The other members of the Executive Committee, who are members of the key management personnel, participate in a short term incentive (STI) plan. The measures for the financial year 2013 plan were:

- Divisional NPBT

These measures have been deemed the most important in terms of shareholder value.

A threshold of the FY2013 Budget NPBT for the executives' Business Units must be achieved before any incentive pool is established. Where the threshold has been achieved the executives receive an incentive payment as a percentage of base salary. The maximum payment receivable is 100% of base remuneration, which requires significant superior financial performance.

The Managing Director assesses the performance of senior executives at the end of each financial year and submits the results of his evaluation to the Board for approval.

Details of incentive payments received are provided in Section 8 of this report.

4.3 Long-term incentive plan (LTI)

During financial year 2013 no grants were made under the executive share option plan and allocations made in prior years lapsed before the commencement of financial year 2013. Therefore, no key management personnel currently hold any options under this plan.

5. Company performance – the link to reward

The Board's policy is to align executive reward to the performance of the Company. To achieve this, the "at risk" element is directly linked to achieving business results.

5.1 Company Financial Performance

The following table provides details of the financial performance of the company over the past five financial years:

Measure	Financial Year				
	2013	2012	2011	2010	2009
Revenue ($'000)	271,172	280,478	237,139	253,585	319,210
Operating profit from continuing operations before tax ('$000)	3,220	10,697	11,865	9,130	9,237
Profit after tax ($'000)	3,218	7,996	4,472	3,270	8,887
Total dividend per share (cents)	4.0	5.0	4.0	2.5	-
Share price ($)	0.32	0.71	0.69	0.48	0.79

5.2 Short term incentive plan

The short-term incentive plan is based on achieving Net Profit Before Tax, however, no payment is made unless the budget level of NPBT is achieved for the participant's area of accountability. The budget NPBT is determined in the business plan for the financial year. Participants in this plan include members of the Executive Committee (excluding the Managing Director).

5.3 Long-term incentive plan

There are currently no active long term incentive allocations under the executive share option plan.

5.4 Remuneration mix for senior executives

The Managing Director does not have a specific percentage of his remuneration at risk. The methodology to calculate the annual incentive payment for the Managing Director is described in Section 5.2 of this report.

The following table summarizes the mix between fixed and performance based remuneration for the members of the Executive Committee, excluding the Managing Director, for financial year 2013 based on achievement of target performance.

Name		Fixed Remuneration	Short Term Incentives	Total
S Crole	**2013**	**85%**	**15%**	**100%**
	2012	85%	15%	100%
R Coates	**2013**	**85%**	**15%**	**100%**
	2012	85%	15%	100%
S Gray	**2013**	**94%**	**6%**	**100%**
	2012	94%	6%	100%

6. KMP Service Contact Details

Members of the executive committee receive termination payments in accordance with statutory requirements. The notice periods for the current members of the Executive Committee are summarised in the below table. There are no individual service contracts for the non-executive directors.

Name	Notice period by SSL	Notice period by Executive
D R Perry	12 months (1) (2)	6 months
S Crole	3 months	3 months
R Coates	3 months	3 months
S Gray	1 month	1 month

(1) The Company may terminate the contract after 30 June 2013 by giving 12 months notice.

(2) The Company may terminate the contract by giving not less than 3 months notice due to certain conditions relating to ill health.

7. Non-executive Remuneration

The non-executive directors are remunerated with set fees which are not linked to the performance of the Company.

The fees payable to non-executive directors have been determined by the Board within the aggregate amount approved by shareholders. The fee pool of $500,000 was approved by shareholders at the AGM in November 2012. The Company's non-executive directors receive fees as remuneration for acting as a director. The amount of each non-executive director's fees depends on the extent of the director's responsibilities.

The Board and committee fees are set out in the table below.

8. Details of remuneration

8.1 Directors' and Senior Executives' remuneration

			Short term employee benefits [1] [3]			Post employment benefits	Termination benefits	Share based payments		
			Salary	Bonus	Other Benefits [2]	Superannuation	Retirement benefits	Options	Total	Bonus
Directors			$	$	$	$	$	$	$	%
R W Freedman	Chairman	**2013**	**120,000**	**-**	**65,201**	**10,800**	**-**	**-**	**196,001**	**-**
		2012	120,000	-	67,477	10,800	-	-	198,277	-
I L Fraser	Director (Non-executive)	**2013**	**60,000**	**-**	**-**	**5,400**	**-**	**-**	**65,400**	**-**
		2012	60,000	-	-	5,400	-	-	65,400	-
P J McMorrow	Director (Non-executive)	**2013**	**62,700**	**-**	**-**	**2,700**	**-**	**-**	**65,400**	**-**
		2012	60,000	-	-	5,400	-	-	65,400	-
D R Perry	Managing Director	**2013**	**371,903**	**143,790**	**18,531**	**38,898**	**-**	**-**	**573,122**	**25.1**
		2012	378,000	143,790	11,607	34,020	-	-	567,417	25.3
Total Remuneration Directors		**2013**	**614,603**	**143,790**	**83,732**	**57,798**	**-**	**-**	**899,923**	
		2012	618,000	143,790	79,084	55,620	-	-	896,494	
Executives			$	$	$	$	$	$	$	%
S Crole	Executive General Manager Construction	**2013**	**280,976**	**30,000**	**25,000**	**25,288**	**-**	**-**	**361,264**	**8.3**
		2012	288,750	23,854	21,996	25,988	-	-	360,588	6.6
R Coates	Executive General Manager Mining	**2013**	**288,750**	**-**	**30,383**	**25,988**	**-**	**-**	**345,121**	**-**
		2012	288,750	-	21,626	25,988	-	-	336,364	-
S Gray	Chief Financial Officer & Company Secretary	**2013**	**190,000**	**12,000**	**17,149**	**17,100**	**-**	**-**	**236,249**	**5.1**
		2012	178,000	12,000	17,196	16,020	-	-	223,216	5.4
Total Remuneration Executives		**2013**	**759,726**	**42,000**	**72,532**	**68,376**	**-**	**-**	**942,634**	
		2012	755,500	35,854	60,818	67,996	-	-	920,168	

(1) All values are the amounts earned for the relevant reporting period
(2) Other benefits include, where applicable, motor vehicle lease payments and running costs, allowances and Fringe Benefits Tax
(3) Bonus payment to Mr Perry relates to the 2012 financial year. It was agreed with the Remuneration Committee that this bonus payment be paid over 2012 and 2013 financial years.

8.2 Shares held by Key Management Personnel

The following table provides details of the shares held by Key Management Personnel:

2013	Balance 01/07/2012	Received as remuneration	Number of ordinary shares issued on options	Net Change [(1)]	Balance 30/06/2013
Directors					
R W Freedman	1,099,136	-	-	-	1,099,136
I L Fraser	265,000	-	-	80,000	345,000
P J McMorrow	1,019,887	-	-	345,600	1,365,487
D R Perry	690,000	-	-	30,000	720,000
Executives					
S Crole	253,635	-	-	-	253,635
R Coates	197,000	-	-	(47,000)	150,000
S Gray	-	-	-	-	-
Total	**3,524,658**	**-**	**-**	**408,600**	**3,933,258**

[(1)] Net change represents on-market purchases and disposal of shares

2012	Balance 01/07/2011	Received as remuneration	Number of ordinary shares issued on options	Net Change [(1)]	Balance 30/06/2012
Directors					
R W Freedman	1,099,136	-	-	-	1,099,136
I L Fraser	265,000	-	-	-	265,000
P J McMorrow	1,019,887	-	-	-	1,019,887
D R Perry	677,243	-	-	12,757	690,000
Executives					
S Crole	253,635	-	-	-	253,635
R Coates	197,000	-	-	-	197,000
S Gray	-	-	-	-	-
Total	**3,511,901**	**-**	**-**	**12,757**	**3,524,658**

[(1)] Net change represents on-market purchases and disposal of shares

Dividends

The Directors' resolved to declare a fully franked final dividend of 2 cents for the year. Record date for determining entitlement is 20 September 2013 and the dividend is payable on 18 October 2013.

Significant changes in state of affairs

There was no significant change in the state of affairs on the Group during the 2013 financial year.

Matters subsequent to the end of the financial year

On 2 September 2013, the Group sold the fixed assets of Meridian Concrete Australia Pty Ltd. The book value of these fixed assets is $550,000. The proceeds are to be received in five instalments. Whilst the business has been sold, Structural Systems is contractually bound to complete existing Meridian Concrete Australia Pty Ltd contracts.

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

Non-audit services

The Board of Directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES110: Code of Ethics for Professional Accountants set by the Accounting Professional & Ethical Standards Board.

The following fees for non-audit services were paid / payable to the external auditors during the year ended 30 June 2013:

	2013 $	2012 $
Taxation services	35,287	27,834

Directors' and auditor's indemnification

Under the Constitution of Structural Systems Limited the Directors, Auditors, Company Secretary and all other Officers of the Company when acting in those capacities are indemnified to the extent permitted by law for liability incurred in defending any proceeding in which judgement is given in his favour or in which he is acquitted or in any application under the Corporations Act in which relief is granted to him by the Court in respect of any negligence, default, breach of duty or breach of trust.

No person has applied for leave of a Court to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings.

During the financial year the Company has paid insurance premiums in respect of Directors and Officers Liability and Legal Expenses Insurance contracts, for current Directors and Officers, including Executive Officers of the Company and Directors, Executive Officers and Secretaries of its controlled entities. The insurance premiums relate to:

- costs and expenses incurred by the relevant Officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

The insurance policies outlined above do not allocate the premiums paid to each individual Officer of the Company.

Environmental Regulation

The Group's operations are subject to significant environmental regulation under international, Federal and State legislation.

The Company has systems in place to manage its environmental obligations within its construction and mining activities. The Directors are not aware of any breaches of environmental regulations and any specific site environmental requirements during the year.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2013 has been received and can be found on page 24 of the report.

Rounding of Amounts

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the financial report and Director's report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This report is made in accordance with a Resolution of the Board of Directors and is signed for and on behalf of the Directors.

Dated 30 September 2013

R W Freedman

D R Perry

William Buck

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF STRUCTURAL SYSTEMS LIMITED

I declare that, to the best of my knowledge and belief during the year ended 30 June 2013 there have been:

— no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

— no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN: 59 116 151 136

J.C.Luckins
Director

Dated this 30th day of September, 2013

Sydney
Melbourne
Brisbane
Perth
Adelaide
Auckland

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CORPORATE GOVERNANCE STATEMENT

Principle 1: Lay solid foundations for management and oversight

The Board of Directors of Structural Systems Limited (the Company or the Group) is responsible to its shareholders for the overall governance and performance of the Group. Responsibility for the overall management and profit performance of the Group is delegated by the Board to the Managing Director, who is accountable to the Board. The Managing Director manages the Company in accordance with the strategy, plans and policies developed by the Managing Director with his senior executive team and approved by the Board to achieve agreed goals.

Annually, businesses plans which include detailed financial forecasts and performance objectives are developed for each division of the Group. These business plans are developed in line with the Executive Intent Statement set by the Managing Director. A consolidated business plan is prepared by the Managing Director and presented to the Board for approval. The performance of the Managing Director and senior executives is monitored against the business plans throughout the year. A performance appraisal of all senior executives is undertaken annually with their respective manager.

Principle 2: Structure the board to add value

At balance date the Board comprised of one executive director and three non executive independent directors. Independent Directors make up the majority of the Board and as a result the current composition of the Board complies with recommendation 2.1 . The board assesses the status of each non executive director annually to determine if they remain independent.

Mr Freedman is an independent director and as a consequence the Chairman is an independent director and recommendation 2.2 is complied with.

The role of the chairman is independent to the role of the Managing Director and these positions are exercised by different people.

The Company has a nominations committee. Mr Fraser and Mr McMorrow make up the committee with Mr Fraser being the chairman.

The Board undertakes an evaluation process annually. The evaluation process involves an assessment of its induction program, education of board members, access to information, strategy, and board structure. In addition the directors complete a self assessment evaluating the value of each director's contributions and competence. The evaluation process is overseen by the Chairman and results are discussed in detail by the board.

Principle 3: Promote ethical and responsible decision-making

The Directors and the senior executive team acknowledge the need for and the continued maintenance of the highest standards of ethical conduct by all employees of the Group. The Group has a Code of Conduct which defines the professional standards of behaviour required of Directors, management and all employees in the conduct of the Group's affairs. This statement forms part of a suite of Corporate Policies distributed throughout the Group. The Policy forms part of the Employee Induction process and contributes to Corporate Values assessed in performance appraisals. The Policy is available for review on the Company's website.

Under this Policy, officers and employees of the Company are expected to:

- Comply with the law;
- Act honestly and with integrity;
- Not place themselves in situations which result in divided loyalties;
- Use the Company's assets responsibly and in the interests of Structural Systems; and
- Be responsible and accountable for reporting and investigating unethical practices.

The Company has a Securities Trading Policy providing guidance on trading in company securities by key management personnel. This policy restricts the times and circumstances in which Directors, senior executives and certain employees may buy or sell shares in the Company. After an announcement that opens a trading window the Company Secretary advises key management personnel of the trading window commencement and the date that the trading window will close. Directors must advise the Company Secretary , who in turn advises the ASX, of any transactions conducted by them in the Company's securities within five business days after the transaction occurring. The Company's policy prohibits margin lending arrangements by Directors. The Policy has been released to the ASX and is available on the Company's website.

The Company has an Equal Employment Opportunity Statement detailing its intentions of maintaining a diverse workforce, and promoting employment equality free from discrimination. The Company exercises this Statement through equal opportunity recruitment and training activities, merit based promotions, and family friendly work practices including parental leave, flexible hours, additional annual leave, and home offices. The Company's onsite operations require skills regulated and endorsed by the Australian Qualifications Framework (AQF). As such, our recruitment and selection process is founded on ability, competency, and workplace health and safety fitness for work tests.

The Company continues to be compliant with the Workplace Gender Equality Act 2012. As at the time of reporting, the Company headcount totalled 801 people. Women accounted for 5% (44) of the workforce in the Company. Of this, 20% women (9) hold managerial positions. No positions on the board are currently occupied by women.

On face value, the Gender diversity ratio across the Company is unbalanced. However, 87% of roles required to perform the Company's onsite operations – construction, mining, manufacturing - are predisposed to male workers. 0.6% of women in our employment (4) hold an on site operation position. This is not an indication of the Company's selection process, but a reflection of the suitable applicants available in the market for these roles. Women represent 36% (40) of non-operational roles across the Company.

Principle 4: Safeguard integrity in financial reporting

The Board has an Audit Committee that assists the Board in its oversight of the integrity of financial reporting. The Audit Committee is responsible for the Company's relationship with its external auditor and the integrity of the financial statements. Ian Fraser, an independent non-executive director, is the Chairman of this committee. The other member of the audit committee is Don Mackenzie. Mr. Mackenzie is a Chartered Accountant and an experienced Company Director and is independent of the Board. The audit committee being comprised of only two members does not comply with recommendation 4.2.

The audit committee does have a formal charter and as such complies with recommendation 4.3.

Principle 5: Make timely and balanced disclosure

The Company complies with all relevant disclosure laws and Listing Rules in Australia and has policies and procedures in place to ensure accountability at a senior management level for that compliance. Communications to the ASX are the responsibility of the Company Secretary. Corporate governance processes are continuously reviewed to ensure compliance with changes to the Corporations Act and other legislation that affects Group companies. This ensures that the Group is in-line with reporting requirements of the Australian Stock Exchange (ASX) in keeping the market properly informed on the affairs of the Group. A copy of the Company's policy regarding market disclosure policy and procedures is available on the Company's website.

Principle 6: Respect the rights of shareholders

The Company does have a communications policy for promoting effective communication with its shareholders. This policy is available on the Company's website.

The Company's policy is to communicate with its shareholders and other interested parties in a regular, open and timely manner.

The key mechanisms used by the Company are regular shareholder communications such as the half yearly reports, the Annual Report and the Financial Report.

The Company's website contains a range of information on the Company and its activities. This website is regularly reviewed and updated. The website provides information on any significant development occurring within the Group. Key projects that the Company undertakes are featured on the website. The Company continued to do boardroom radio interviews during the year. The listening numbers reported for these interviews confirm that investors and shareholders find them a valuable source of information about the company. These interviews are a way of providing timely information to shareholders and interested parties in a format that is easily accessible and understood.

The Company encourages the participation of shareholders at the AGM. The attendance at the Company's AGM assists shareholders in gaining a greater understanding of the Group's strategy and goals.

Principle 7: Recognise and manage risk

The Company is committed to the identification, monitoring and management of risks associated with its business activities and has established the implementation of practical and effective control systems. Responsibility for the control and risk management is delegated to the appropriate level of management within the Group with the Managing Director having ultimate responsibility to the Board for the risk management and control framework. Arrangements put in place by the Managing Director to monitor risk management include:

- Annual budgeting and monthly reporting systems for all business units, which enable progress against the strategy and annual plan to be monitored, trends to be evaluated and variances to be acted upon;
- Tendering and new business procedures and limits of authority;
- Procedures relating to capital expenditure, asset and liability management;

- Appropriate due diligence procedures for corporate acquisitions and disposals;
- A reportable issues system;
- A compliance program;
- Safety, quality and environment policies;
- Reports by the Chairman of the Audit Committee to the Board of the minutes of each meeting held by this committee;
- A comprehensive Group-wide insurance program.

The senior executives of all the operating units within the Group and the Board meet annually as a team to review the performance of the Group and develop future operational strategies. Further, an executive committee made up of representatives from the senior executive personnel of the Company provides additional resources in order to ensure that the risks associated with its operational sites and domestic and international locations are effectively managed. The committee focuses on key operational issues and the development of strategy for the Company. This executive committee meets monthly.

The Company's Chairman and Managing Director are each required to report in writing to the board that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

Principle 8: Remunerate fairly and responsibly

The Company has a remuneration committee and as such complies with recommendation 8.1. The remuneration committee is chaired by Mr Fraser and Mr McMorrow is a member. As the remuneration committee only consists of two members it does not comply with one aspect of recommendation 8.2. However the Board is of the view that the current make up of the remuneration committee is satisfactory to adequately discharge its responsibilities and a greater number of members would not make the committee any more efficient.

The Company's policy for determining the nature and amount of remuneration for the Managing Director and Executive General Managers of the Company for 2014 and following years is as follows:

The remuneration of the Managing Director is evaluated and approved by the Remuneration Committee on an annual basis. The remuneration package for the Managing Director takes into account factors such as experience, qualification and remuneration levels of comparable positions within other public companies. The incentive plan for the Managing Director is calculated based on achievement of agreed KPIs for his own performance as well of that of the Company.

The remuneration of the Managing Director is evaluated and approved by the Remuneration Committee on an annual basis. The remuneration package for the Managing Director takes into account factors such as experience, qualification and remuneration levels of comparable positions within other public companies. The incentive plan for the Managing Director is calculated based on achievement of agreed KPIs for his own performance as well of that of the Company.

The remuneration of the Executive General Managers is determined by the Managing Director within the guidelines set by the Company's Remuneration and Benefits Policy. Remuneration packages are then submitted to the Remuneration Committee for review and approval. The remuneration packages are structured such that the Group is able to attract and retain personnel with the expertise and ability to create value for shareholders. The remuneration of executives is market based and has regard for remuneration levels that apply to similar positions in comparable companies and the performance of the executive during the year. Incentive plans for Executive General Managers are calculated on the financial performance of the divisions they are responsible for.

The remuneration level of the Chairman is evaluated and approved by the Remuneration Committee on an annual basis. Independent advice is sort as required in relation to the appropriateness of the remuneration package offered.

The fees payable to the other directors of the board excluding the managing Director and Chairman are determined by the Chairman within the aggregate amount approved by shareholders. The Company's Non-executive Directors receive fees as remuneration for acting as a Director and in some cases for being part of a standing committee of the board. The amount of each Non-executive Director's fee depends on the extent of the Director's responsibilities. The Non-executive Directors do not receive any performance related remuneration.

While ongoing share ownership by employees in the Company is encouraged, no equity based payments were included in remuneration packages during the 2013 year.

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 JUNE 2013

		STRUCTURAL SYSTEMS GROUP	
	Note	2013 $'000	2012 $'000
Revenue	2	271,172	280,478
Construction and servicing costs		(244,025)	(245,191)
Depreciation and amortisation expense	3(a)	(11,011)	(10,931)
Finance costs	3(a)	(1,557)	(1,551)
Impairment of property, plant and equipment	12	-	(71)
Other expenses		(11,359)	(12,037)
Profit before income tax expense		**3,220**	**10,697**
Income tax expense	4	(2)	(2,701)
Profit for the year attributable to members of the parent entity		**3,218**	**7,996**
Earnings per share for profit attributable to the ordinary equity holders of the company			
Basic diluted earnings per share (cents)		5.1c	12.5c
Weighted average number of shares outstanding during the period used in calculation of basic and diluted earnings per share ('000)		63,186	63,876

The accompanying notes form part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2013

	Note	STRUCTURAL SYSTEMS GROUP 2013 $'000	2012 $'000
Profit for the year		3,218	7,996
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Gain / (loss) on revaluation of property		-	(741)
Deferred tax liability adjustment on revaluation of property		-	255
		-	(486)
Items that may be reclassified to profit or loss			
Exchange differences arising on translation of foreign operations		245	215
Other comprehensive income for the year (net of tax)		**245**	**(271)**
Total comprehensive income for the year attributable to members of the parent entity		**3,463**	**7,725**

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2013

		STRUCTURAL SYSTEMS GROUP	
	Note	2013 $'000	2012 $'000
Current assets			
Cash and cash equivalents	22(a)	7,146	8,241
Trade and other receivables	9	57,611	64,017
Inventories	10	13,918	15,613
Other current assets		177	157
Current tax assets	16(b)	52	-
Total current assets		**78,904**	**88,028**
Non-current assets			
Property, plant and equipment	12	36,890	37,091
Intangible assets	13	19,439	19,439
Deferred tax assets	16(b)	4,036	4,964
Other		9	11
Total non-current assets		**60,374**	**61,505**
Total assets		**139,278**	**149,533**
Current liabilities			
Trade and other payables	14	34,930	40,543
Financial liabilities	15	8,696	8,391
Current tax liability		-	2,918
Long term provisions	17	5,262	5,593
Total current liabilities		**48,888**	**57,445**
Non-current liabilities			
Trade and other payables	14	64	5
Financial liabilities	15	11,217	12,183
Deferred tax liabilities	16(a)	1,445	2,203
Long term provisions	17	1,255	1,186
Total non-current liabilities		**13,981**	**15,577**
Total liabilities		**62,869**	**73,022**
Net assets		**76,409**	**76,511**
Equity			
Issued capital	18	40,477	40,884
Reserves	19	725	2,175
Retained earnings		35,207	33,452
Total equity		**76,409**	**76,511**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2013

STRUCTURAL SYSTEMS GROUP	Note	Share Capital Ordinary $'000	Retained Earnings $'000	Asset Revaluation Surplus $'000	Capital Profits Reserve $'000	Foreign Currency Translation Reserve $'000	Total $'000
Balance at 30 June 2011							
Profit attributable to members of parent entity		-	7,996	-	-	-	7,996
Other comprehensive income:							
- Translation adjustment on controlled foreign entities' financial statements		-	-	-	-	215	215
- Loss on revaluation of property		-	-	(741)	-	-	(741)
- Deferred tax liability adjustment on revaluation of property		-	-	255	-	-	255
Total comprehensive income		**-**	**7,996**	**(486)**	**-**	**215**	**7,725**
Transaction with owners as owners:							
- Shares bought back and cancelled during the year		(172)	-	-	-	-	(172)
- Dividends paid or provided for		-	(2,875)	-	-	-	(2,875)
- Transfer of prior year revaluation increment to capital profits reserve on sale of freehold property		-	-	(1,430)	1,430	-	-
Balance at 30 June 2012		**40,884**	**33,452**	**1,835**	**1,695**	**(1,355)**	**76,511**
Profit attributable to members of parent entity		-	3,218	-	-	-	3,218
Other comprehensive income:							
- Translation adjustment on controlled foreign entities' financial statements		-	-	-	-	245	245
Total comprehensive income		**-**	**3,218**	**-**	**-**	**245**	**3,463**
Transactions with owners as owners:							
- Shares bought back and cancelled during the year		(407)	-	-	-	-	(407)
- Dividends paid or provided for		-	(3,158)	-	-	-	(3,158)
- Transfer of capital profits to retained earnings		-	1,695	-	(1,695)	-	-
Balance at 30 June 2013		**40,477**	**35,207**	**1,835**	**-**	**(1,110)**	**76,409**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2013

		STRUCTURAL SYSTEMS GROUP	
	Note	2013 $'000	2012 $'000
Cash flows from operating activities			
Cash receipts in the course of operations		303,317	297,003
Cash payments in the course of operations		(285,894)	(280,027)
Interest received		191	128
Finance costs		(1,557)	(1,551)
Income tax refunded		(2,803)	-
Net cash provided by (used in) operating activities	22 (b)	**13,254**	**15,553**
Cash flows from investing activities			
Proceeds from sale of discontinued operations		165	-
Payments for property, plant and equipment		(3,526)	(4,573)
Proceeds from sale of property, plant and equipment		2,162	3,819
Payment of deferred consideration for:			
- Meridian Concrete (Australia) Pty Ltd		-	(1,000)
Net cash provided by (used in) investing activities		**(1,199)**	**(1,754)**
Cash flows from financing activities			
Payments for share buybacks		(407)	(172)
Repayment of borrowings		(9,614)	(7,528)
Dividends paid by parent entity		(3,158)	(2,875)
Net cash provided by (used in) financing activities		**(13,179)**	**(10,575)**
Net increase (decrease) in cash and cash equivalents held		**(1,124)**	**3,224**
Effect of exchange rates on cash and cash equivalent holdings		29	89
Cash and cash equivalents at beginning of financial year		8,241	4,928
Cash and cash equivalents at end of financial year	22 (a)	**7,146**	**8,241**

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

Note 1. Statement of significant accounting policies

The financial statements include the consolidated financial statements and notes of Structural Systems Limited and controlled entities ('Consolidated Group', or 'Group'). The Group is a for-profit entity for the purpose of preparing the financial statements and is primarily involved in engineering, mining and construction contracting.

The consolidated financial statements were authorised for issue by the Board of Directors on 30 September 2013.

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act (2001).

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing reliable and relevant information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board (IASB). Material Accounting policies adopted in the preparation of the financial statements are presented below. They have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis with the exception of cash flow information, and are based on historical costs, modified, where applicable, by the measurement, at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting policies

(a) Principles of Consolidation

A controlled entity is any entity Structural Systems Limited has the power to govern the financial and operating policies of so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

As at the end of the reporting period, 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 entered (left) the consolidated group during the year, their operating results have been included (excluded) from the date control was gained (ceased).

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those policies applied by the parent entity.

(b) Changes in Accounting Policies

Australian Accounting Standards and Interpretations recently issued or amended effective from 1 July 2012 have resulted in no material changes in accounting policies and no material impact on the consolidated group's financial performance or position for the year ended 30 June 2013.

Where applicable, the consolidated group has adopted all new and amended Australian Standards and Interpretations mandatory for reporting periods beginning on or after 1 July 2012, including:

- *AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Other Comprehensive Income*

(c) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid (recovered from) the relevant taxation authority.

Note 1. Statement of significant accounting policies (continued)

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where the amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted, or substantially enacted as at the end of the reporting period. Their measurement also reflects the manner in which the management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments, subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax Consolidation

Structural Systems Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under tax consolidation legislation. Structural Systems Limited is responsible for recognising the current and deferred tax assets and liabilities for the tax consolidated group. Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity. The tax consolidated group has not entered a tax sharing agreement whereby each company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost includes direct materials, direct labour, other direct variable costs and allocated production overheads necessary to bring inventories to their present location and condition, based on normal operating capacity of the production facilities.

Manufacturing activities

The cost of manufacturing inventories and work-in-progress are assigned on a weighted average basis. Costs arising from exceptional wastage are expensed as incurred.

(e) Construction Contracts and Work in Progress

Construction work in progress is valued at cost, plus profit recognised to date less any provision for anticipated future losses. Cost includes both variable and fixed costs relating to specific contracts, and those costs that are attributable to the contract activity in general and that can be allocated on a reasonable basis.

Construction profits are recognised on the stage of completion basis and measured using the proportion of costs incurred to date as compared to expected actual costs. Where losses are anticipated they are provided for in full.

Construction revenue has been recognised on the basis of the terms of the contract adjusted for any variations or claims allowable under the contract.

For disclosure purposes, construction contracts and work in progress are included in inventories.

Note 1. Statement of significant accounting policies (continued)

(f) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss and depreciation based on the asset's original cost is transferred from the revaluation surplus to retained earnings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed or internally generated within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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 group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate
Buildings	2.5%
Leasehold improvements	28.0%
Plant and equipment	10.0% - 33.3%
Financed assets	
- Plant and equipment	15.0% - 25.0%
- Mining equipment	25.0%

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 that it's estimated recoverable amount.

Note 1. Statement of significant accounting policies (continued)

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to the capital profits reserve.

(g) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the consolidated group are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or over the term of the lease. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(h) Financial Instruments

Initial Recognition and Movement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted)

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case the transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at amortised cost using the effective interest rate method.

Amortised cost is calculated as:

The amount at which the financial asset or financial liability is measured at initial recognition;

- less principal repayments
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method
- less any reduction for impairment

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Impairment

At the end of each reporting period, the group assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of profit or loss.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Note 1. Statement of significant accounting policies (continued)

(i) Impairment of Assets

At the end of each reporting period, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives, or more frequently if facts or circumstances indicate a possible impairment.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(j) Employee Benefits

Provision is made for the group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy any vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows attributable to employee benefits..

(k) Goodwill

Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in the net fair value of identifiable assets, liabilities and contingent liabilities at the date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment or more frequently if the facts or circumstances indicate a potential impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(l) Foreign Currency Transactions and Balance

Functional and presentation currency

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of profit or loss.

Group companies

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows::

- Assets and liabilities are translated at year-end exchange rates prevailing at the end of the reporting period.
- Income and expenses are translated at average exchange rates for the period, and
- Retained profits are translated at the exchange rates prevailing at the date of the transaction.

Note 1. Statement of significant accounting policies (continued)

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of profit or loss, in the period in which the operation is disposed.

(m) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(n) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(o) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue relating to construction activities is further detailed in Note 1 (e).

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all ownership of those goods.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where the outcome of the contract can be established reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

(p) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statement of profit or loss in the period in which they are incurred.

(q) Goods and Service Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset, or as an expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(r) Comparative Figures

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

(s) Rounding of Amounts

The parent entity has applied the relief available to it under ASIC Class Order 98/100 and accordingly, amounts in the financial report and directors' report have been rounded off to the nearest $1,000.

(t) Critical accounting estimates and judgments

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and with the consolidated group. The following key estimates and judgments were relevant to the Group for the financial year:

Note 1. Statement of significant accounting policies (continued)

- **Assessment of impairment of non-current assets**

As at 30 June 2013 the Directors reviewed the carrying amount of non-current assets apportioned to the Construction and Mining cash generating units and determined that no impairment charge was applicable to the carrying value of assets in either cash generating unit (2012: nil). For further details of the impairment assessment refer to Note 13.

- **Assessment of impairment of receivables**

As at 30 June 2013 the Directors reviewed the carrying amount of trade receivables and estimated that $126,009 of the carrying amount was not collectable (2012: $302,696). For further detail refer to Note 9.

(u) Preparation of financial statements in relation to the consolidated entity

On 28 June 2010, the Corporations Act 2001 was amended to no longer require the preparation of parent entity accounts for the purpose of streamlining parent entity reporting. Where the entity is required to prepare financial statements in relation to the consolidated entity, the Corporations Regulations 2001 (the Principal Regulations) specify supplementary information about the parent entity that is to be included in a note to the consolidated financial statements. This information is disclosed in Note 11.

(v) New Accounting Standards for Application in Future Periods

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2013 reporting periods. The group's assessment of the impact of these new standards and interpretations is set out below.

- AASB 9: Financial Instruments, AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9. (Application date of Standard: 1 January 2015; Application date for the group: 1 July 2015)

  These standards apply retrospectively and address the classification, measurement and derecognition of financial assets and financial liabilities. There will be no impact on the group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the group does not have any such liabilities.

- AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 (Application date of Standard: 1 January 2013; Application date for the group: 1 July 2013)

  This standard explains how to measure fair value and aims to enhance fair value disclosures. The group has yet to determine which, if any, of its current measurement techniques will have to change as a result of the new guidance. Application of the new standard will likely impact the type of information disclosed in the notes to the financial statements.

- AASB 119: Employee Benefits and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (Application date of Standard: 1 January 2013; Application date for the group: 1 July 2013)

  This standard introduces a number of changes to accounting and presentation of defined benefit plans. It also includes changes to the accounting for termination benefits. This is not expected to have any impact on the group.

- AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interests in Other Entities, AASB 127 (revised): Separate Financial Statements and AASB 128: Investments in Associates and Joint Ventures, and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (Application date of Standard: 1 January 2013; Application date for the group: 1 July 2013)

  AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. The group has not yet been able to reasonably estimate the impact of this standard on its financial statements.

  AASB 11 which replaces AASB 131 addresses the classification of joint arrangements and requires the adoption of the equity method of accounting for joint ventures. As it is the group's policy to apply the equity method of accounting in joint ventures, AASB 11 will not have any impact on the amounts recognised in its financial statements.

  AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. This standard will affect disclosures only and is not expected to significantly impact the Group.

Note 1. Statement of significant accounting policies (continued)

- AASB 2012-2: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities (Application date of Standard: 1 January 2013; Application date for the group: 1 July 2013)

  This standard requires disclosures in setting-off financial assets and financial liabilities so as to enable users to evaluate the potential effect of netting arrangements. This standard is not expected to impact the group's financial statements.

- AASB 2012-3: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities (Application date of Standard: 1 January 2014; Application date for the group: 1 July 2014)

  This standard adds guidance on the application of offsetting criteria in AASB 132: Financial Instruments and is not expected to impact the group's financial statements.

- AASB 2011–4: Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements (Application date of Standard: 1 July 2013; Application date for the group: 1 July 2013)

  This standard makes amendments to AASB 124: Related Party Disclosures to remove the individual key management personnel disclosure requirements. This standard is not expected to significantly impact the group's financial report as a whole because:

- Some of the disclosures removed from AASB 124 will continue to be required under s 300A of the Corporations Act and

- AASB 2011-4 does not affect the related party disclosure requirements in AASB 124 applicable to all reporting entities, and some of these requirements require similar disclosures to those removed by AASB 2011-4.

- AASB 2012–5: Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 (Application date of Standard: 1 January 2013; Application date for the group: 1 July 2013)

  This standard amends a number of Australian Accounting Standards as a consequence of the issuance of Annual Improvements to IFRSs 2009-2011 Cycle, including:

- AASB 1: First-time Adoption of Australian Accounting Standards to clarify the requirements in respect of the application of AASB 1 when an entity discontinues and then resumes applying Australian Accounting Standards;

- AASB 101: Presentation of Financial Statements and AASB 134: Interim Financial Reporting to clarify the requirements for presenting comparative information

- AASB 116: Property, Plant and Equipment to clarify the accounting treatment of spare parts, stand-by equipment and servicing equipment;

- AASB 132 and Interpretation 2: Members' Shares in Co-operative Entities and Similar Instruments to clarify the accounting treatment of any tax effect of a distribution to holders of equity instruments; and

- AASB 134 to facilitate consistency between the measures of total assets and liabilities an entity reports for its segments in its interim and annual financial statements.

  This standard is not expected to significantly impact the group's financial statements.

- AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets (Application date of Standard: 1 January 2014; Application date for the group: 1 July 2014)

  This standard amends the disclosure requirements in AASB 136. The amendments include the requirement to disclose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal. In addition, a further requirement has been included to disclose the discount rates that have been used in the current and previous measurements if the recoverable amount of impaired assets based on fair value less costs of disposal was measured using a present value technique. The group has not yet assessed the impact of this standard, if any.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Note 2. Revenue

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	**2012 $'000**
Operating activities		
Rendering of services	262,394	271,902
Sale of goods	7,289	7,270
Interest received from other parties	191	128
Other revenue	806	885
	270,680	**280,185**
Non-operating activities		
Gain on disposal of property, plant and equipment	492	293
Total revenue	**271,172**	**280,478**

Note 3. Profit for the year

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	**2012 $'000**
(a) Profit before income tax is arrived at after charging the following items:		
Amortisation and depreciation of:		
- Buildings	32	59
- Plant and equipment	10,929	10,843
- Leasehold improvements	50	29
	11,011	**10,931**
Bad and doubtful debts expense including movements in provision for doubtful debts	215	(114)
Interest paid and due and payable:		
- Other persons	3	70
- Finance charges on assets under hire purchases	1,554	1,481
	1,557	**1,551**
Rental - operating leases	1,739	1,588
Employee benefits expense	83,764	79,964
Defined contribution superannuation expense	6,621	6,272

Note 4. Income tax expense

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	**2012 $'000**
The components of income tax expense are as follows:		
Current tax expense	1,436	3,090
Deferred tax (benefit) / expense	(493)	(389)
R&D tax rebates		
- 2012	(411)	-
- 2011	(530)	-
	2	**2,701**
The prima facie tax on profit before income tax is reconciled to the income tax expense / (benefit) provided in the accounts as follows:		
Prima facie tax payable on operating profit at 30% (2012 - 30%)		
- Consolidated group	966	3,209
Add (deduct) tax effect of:		
- Increase (decrease) in income tax expense due to non-tax deductible (non-tax assessable) items	17	14
- Non-assessable profit on overseas entities	(40)	(80)
R&D rebates	(941)	-
Tax losses on capital losses not carried forward as a deferred tax asset	-	(442)
Income tax expense (benefit) attributable to entity	**2**	**2,701**

Note 5. Key Management Personnel Compensation

(a) Names, positions held and remuneration of group key management personnel in office at any time during the financial year are:

			Short term employee benefits [1] [3]			Post employment benefits		
			Salary	Bonus	Other Benefits [2]	Superannuation	Options	Total
Directors			$	$	$	$	$	$
D R Perry	Managing Director	**2013**	**371,903**	**143,790**	**18,531**	**38,898**	**-**	**573,122**
		2012	378,000	143,790	11,607	34,020	-	567,417
I L Fraser	Director (Non-executive)	**2013**	**60,000**	**-**	**-**	**5,400**	**-**	**65,400**
		2012	60,000	-	-	5,400	-	65,400
R W Freedman	Chairman	**2013**	**120,000**	**-**	**65,201**	**10,800**	**-**	**196,001**
		2012	120,000	-	67,477	10,800	-	198,277
P J McMorrow	Director (Non-executive)	**2013**	**62,700**	**-**	**-**	**2,700**	**-**	**65,400**
		2012	60,000	-	-	5,400	-	65,400
Total Remuneration Directors		**2013**	**614,603**	**143,790**	**83,732**	**57,798**	**-**	**899,923**
		2012	618,000	143,790	79,084	55,620	-	896,494
Key Management Personnel			$	$	$	$	$	$
R Coates	Executive General Manager Mining	**2013**	**288,750**	**-**	**30,383**	**25,988**	**-**	**345,121**
		2012	288,750	-	21,626	25,988	-	336,364
S Crole	Executive General Manager Construction	**2013**	**280,976**	**30,000**	**25,000**	**25,288**	**-**	**361,264**
		2012	288,750	23,854	21,996	25,988	-	360,588
S Gray	Chief Financial Officer & Company Secretary	**2013**	**190,000**	**12,000**	**17,149**	**17,100**	**-**	**236,249**
		2012	178,000	12,000	17,196	16,020	-	223,216
Total Remuneration KMP		**2013**	**759,726**	**42,000**	**72,532**	**68,376**	**-**	**942,634**
		2012	755,500	35,854	60,818	67,996	-	920,168
Total Remuneration Directors and KMP		**2013**	**1,374,329**	**185,790**	**156,264**	**126,174**	**-**	**1,842,557**
		2012	1,373,500	179,644	139,902	123,616	-	1,816,662

[1] All values are the amounts earned for the relevant reporting period

[2] Other benefits include, where applicable, motor vehicle lease payments and running costs, allowance and Fringe Benefits Tax

[3] Bonus payments to Mr Perry relates to the 2012 financial year. It was agreed with the Remuneration committee that this bonus payment be paid over 2012 and 2013 financial years.

Note 5. Key Management Personnel Compensation (continued)

(b) Shareholdings

Number of shares held by key management personnel

2013	Balance 01/07/2012	Received as remuneration	Number of ordinary shares issued on options exercised	Net change other [1]	Balance 30/06/2013
Directors					
R W Freedman	1,099,136	-	-	-	1,099,136
I L Fraser	265,000	-	-	80,000	345,000
P J McMorrow	1,019,887	-	-	345,600	1,365,487
D R Perry	690,000	-	-	30,000	720,000
Executives					
S Crole	253,635	-	-	-	253,635
R Coates	197,000	-	-	(47,000)	150,000
S Gray	-	-	-	-	-
Total	**3,524,658**	**-**	**-**	**408,600**	**3,933,258**

2012	Balance 01/07/2011	Received as remuneration	Number of ordinary shares issued on options exercised	Net change other [1]	Balance 30/06/2012
Directors					
R W Freedman	1,099,136	-	-	-	1,099,136
I L Fraser	265,000	-	-	-	265,000
P J McMorrow	1,019,887	-	-	-	1,019,887
D R Perry	677,243	-	-	12,757	690,000
Executives					
S Crole	253,635	-	-	-	253,635
R Coates	197,000	-	-	-	197,000
S Gray	-	-	-	-	-
Total	**3,511,901**	**-**	**-**	**12,757**	**3,524,658**

[1] Net change represents on-market purchases and disposals of shares

(c) Remuneration practices

The Company's policy for determining the nature and amount of emoluments of board members and senior executives of the company is as follows:

The fees payable to non-executive Directors are determined by the Remuneration Committee within the aggregate amount approved by shareholders. Shareholder approval was given at the 2012 Annual General Meeting for the maximum aggregate remuneration of $500,000 per year.

The remuneration levels of the executive directors are evaluated and approved by the Remuneration Committee. They seek independent advice in relation to the appropriateness of the remuneration package offered. The remuneration packages for the executive directors take into account factors such as experience, qualification and performance of the director and the financial and safety performance of the Group. The remuneration packages also take into account remuneration levels of comparable positions within other public companies.

The remuneration levels of the senior executives are evaluated and approved by the Managing Director and Remuneration Committee. Remuneration packages are structured such that the Group is able to attract and retain talented personnel. The remuneration of executives is market based and has regard to remuneration levels that apply to similar positions in comparable companies and the performance of the executive during the year.

The Board believes that it is important for the senior executives to have ongoing share ownership in the Company.

Note 6. Auditor's Remuneration

	STRUCTURAL SYSTEMS GROUP	
	2013 $	**2012 $**
Remuneration of the auditor of the parent entity - William Buck		
Auditing and reviewing the financial report	242,343	280,528
Auditing the financial reports of controlled entities	9,705	36,888
Taxation Services	35,287	27,834
Remuneration of other auditors of subsidiaries for:		
Auditing or reviewing the financial report of subsidiaries	9,537	9,755

Note 7. Dividends

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	**2012 $'000**
Dividends paid		
The amounts paid, provided or recommended by way of dividend by the parent entity are:		
- Final fully franked ordinary dividend for the year ended 30 June 2012 of 3.0 cents (2011: 2.5 cents) per share paid on 19 Oct 2012 franked at the tax rate of 30%	1,899	1,597
- Interim fully franked ordinary dividend for the year ended 30 June 2013 of 2.0 cents (2012: 2.0 cents) per share paid on 17 May 2013 franked at a tax rate of 30%	1,259	1,278
Dividends declared after 30 June 2013		
(a) The directors have resolved to declare a final fully franked ordinary dividend of 2.0 cents (2012: 3.0 cents) per share payable on 18 October 2013, franked at the tax rate of 30% (2012: 30%) based on 62,959,181 ordinary shares at 20 September 2013	1,259	1,903
	1,259	**1,903**
Franking account balance		
(b) Balance of franking account at year end adjusted for franking credits arising from payment of provision for income tax, dividends recognised as receivables and franking credits that may be prevented from distribution in subsequent financial years.	6,452	5,699
Subsequent to year end, the franking account would be reduced by the proposed dividend as follows:	(540)	(816)
	5,912	**4,883**

Note 8. Earnings per share

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	**2012 $'000**
(a) Reconciliations of earnings to profit		
Profit for the year	3,218	7,996
Earnings used in the calculation of earnings per share	3,218	7,996
Earnings used in the calculation of dilutive earnings per share	3,218	7,996

	Number	**Number**
(b) Weighted average number of ordinary shares on issue used in the calculation of basic earnings per share	63,185,999	63,875,626
Weighted average number of options / convertible notes outstanding	-	-
Weighted average number of potential ordinary shares used in the calculation of diluted earnings per share	63,185,999	63,875,626

Note 9. Trade and other receivables (current)

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	**2012 $'000**
Trade receivables	56,192	63,119
Provision for impairment of receivables	(126)	(303)
	56,066	**62,816**
Formwork sale receivable	-	165
Other debtors and deposits	1,545	1,036
	57,611	**64,017**
Ageing of past due but not impaired receivables		
60-90 days	2,746	1,335
90+ days	5,299	9,534
	8,044	**10,869**
Movement in the provision for the impairment of receivables is as follows:		
Opening balance	(303)	(417)
Amounts written off or assessed as not recoverable	177	114
Closing balance	**(126)**	**(303)**

Impaired receivables are all greater than 120 days

Note 10. Inventories

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	**2012 $'000**
Raw materials and stores at cost	4,885	5,646
Finished goods	1,446	398
Work in progress - materials on site	4,065	3,784
Construction work in progress	3,522	5,785
	13,918	**15,613**
Construction work in progress comprises:		
Costs and profits recognised on construction contracts in progress	114,941	229,968
Progress billings and advanced received and receivable on construction contracts in progress	(118,337)	(239,771)
Net construction work in progress	**(3,396)**	**(9,803)**
Net construction work in progress comprises:		
Amounts due from customers - inventories	3,522	5,785
Contract billings in advance - payables (note 14)	(6,918)	(15,589)
	(3,396)	**(9,803)**
Retentions on construction contracts in progress	2,180	4,675

Note 11. Supplementary information about the parent entity

As at, and throughout the financial year ended 30 June 2013, the parent company of the Group was Structural Systems Limited.

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	**2012 $'000**
Assets		
Current assets	67,459	63,152
Total assets	**176,596**	**170,599**
Liabilities		
Current liabilities	24,970	26,688
Total liabilities	**138,346**	**133,268**
Equity		
Issued capital	40,477	40,884
Total equity	**38,250**	**37,331**
Profit after tax and total comprehensive income	**4,484**	**3,095**

With the exception of matters noted in Notes 21 and 23, there were no contingent liabilities, guarantees or capital commitments of the parent entity not otherwise disclosed in these financial statements.

Note 12. Property, plant and equipment

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	2012 $'000
Freehold land		
At independent valuation 2011 (a) (b)	4,484	4,484
	4,484	**4,484**
Buildings		
At independent valuation 2008 (a)	788	846
At cost - subsequent additions	-	-
Accumulated depreciation	(32)	(59)
	756	**787**
Leasehold improvements		
At costs	198	307
Accumulated amortisation	(50)	(109)
	148	**198**
Plant, equipment and motor vehicles		
At cost	84,709	83,024
Accumulated depreciation and amortisation	(53,207)	(51,402)
	31,502	**31,622**
Total	**36,890**	**37,091**

(a) The revaluation surplus net of applicable deferred income taxes was credited to an asset revaluation surplus in shareholders' equity.

(b) An independent valuation of the consolidated entity's freehold land and building was carried out between December 2011 and June 2012. Impairment losses were recognised directly in the statement of profit or loss.

Note 12. Property, plant and equipment (continued)

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	**2012 $'000**
Movements in carrying amounts		
Movements in the carrying amounts for each class of property, plant and equipment are set out below:		
Freehold land		
Carrying amount at beginning of year	4,484	6,874
Revaluation decrements	-	(741)
Impairment	-	(70)
Additions	-	-
Disposals	-	(1,579)
Carrying amount at end of year	**4,484**	**4,484**
Buildings		
Carrying amount at beginning of year	787	1,962
Additions	-	-
Disposals	-	(1,116)
Depreciation	(32)	(59)
Carrying amount at end of year	**756**	**787**
Leasehold improvements		
Carrying amount at beginning of year	-	-
Addition	198	227
Disposals	-	-
Amortisation	(50)	(29)
Carrying amount at end of year	**148**	**198**
Plant and equipment and motor vehicles		
Carrying amount at beginning of year	31,622	23,978
Additions	12,468	19,359
Disposals	(1,670)	(883)
Movements due to foreign exchange rate differences	11	11
Depreciation and amortisation	(10,929)	(10,843)
Carrying amount at end of year	**31,502**	**31,622**
Total		
Carrying amount at beginning of year	37,091	32,814
Additions	12,469	19,586
Disposals	(1,670)	(3,578)
Revaluation increments / (decrements)	-	(741)
Impairment	-	(70)
Depreciation and amortisation	(11,011)	(10,931)
Movements due to foreign exchange rate differences	11	11
Carrying amount at end of year	**36,890**	**37,091**

Note 13. Intangibles

	STRUCTURAL SYSTEMS GROUP 2013 $'000	STRUCTURAL SYSTEMS GROUP 2012 $'000
Goodwill - at cost	19,447	19,447
Accumulated impairment losses	(8)	(8)
	19,439	**19,439**
Movements during the year:		
Balance at beginning of year	19,439	20,439
Change in amount due under contract of sale	-	(1,000)
	19,439	**19,439**
Impairment disclosures		
Goodwill is allocated to cash-generating units which are based on the Group's reporting segments		
Construction segment	18,261	18,261
Mining segment	1,178	1,178
Total	**19,439**	**19,439**

		Growth rate	Discount rate
Cash generating unit			
Construction segment	**2013**	**2.0%**	**14.27%**
	2012	2.8%	14.97%
Mining segment	**2013**	**3.0%**	**10.27%**
	2012	2.0%	11.37%

The recoverable amount of each cash-generating unit above is determined based on value-in-use calculations.

Management has based the value-in-use calculations on forecasts for each cash generating unit that incorporate cash flow projections over a 5 year period with the above growth and discount rates. These forecasts use historical weighted average growth ratios to project revenue. Costs are calculated taking into account historical gross margins as well as estimated weighted average inflation rates which are consistent with inflation rates applicable to the locations in which the segments operate. Discount rates are pre-tax and are adjusted to incorporate risks associated with a particular cash generating unit.

Note 14. Trade and other payables

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	**2012 $'000**
Current		
Unsecured liabilities		
Trade payables	17,099	14,052
Sundry payables and accrued expenses	10,913	10,902
Contract billings in advance (see note 10)	6,918	15,589
	34,390	**40,543**
Non-current		
Unsecured liabilities		
Other payables	64	5
	64	**5**

Note 15. Financial liabilities

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	**2012 $'000**
Current		
Secured liabilities		
Hire purchase liability	8,696	8,391
	8,696	**8,391**
Non-current		
Secured liabilities		
Hire purchase liability	11,217	12,183
	11,217	**12,183**
(a) Total current and non-current secured loans		
Hire purchase liabilities	19,913	20,574
	19,913	**20,574**
(b) The carrying amount of non-current assets pledged as first security are:		
Assets included in plant, equipment and motor vehicles over which lease and hire purchase contracts apply	21,618	21,630
	21,618	**21,630**

Note 16. Tax

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	**2012 $'000**
(a) Liabilities		
Current		
Tax payable	-	2,918
Non-current		
Deferred tax liabilities comprise:		
Debtors retentions	669	1,417
Property, plant and equipment (revaluation adjustments)	776	786
	1,445	**2,203**
(b) Assets		
Current		
Tax receivable	52	-
Non-current		
Deferred tax assets comprise:		
Property, plant and equipment	1,970	3,075
Provisions and accruals	2,066	1,889
	4,036	**4,964**
(c) Reconciliations		
Gross movements		
The overall movement in net deferred tax assets is as follows:		
Opening balance	2,761	2,288
Over (under) provision in respect to prior years	(663)	101
(Charge) / credit to statement of profit or loss	493	389
Revaluation of freehold land credited to equity	-	255
Disposal of revalued assets	-	569
Utilisation of tax losses	-	(841)
	2,591	**2,761**

Note 17. Provisions

	STRUCTURAL SYSTEMS GROUP 2013 $'000	2012 $'000
Current		
Employee benefits	5,262	5,593
Non-current		
Employee benefits	1,255	1,186

	2013 $'000	2012 $'000
Consolidated Group employee benefits		
Opening balance for the year	6,779	6,482
Additional provisions	4,723	4,138
Amounts used	(4,985)	(3,841)
Balance at year end	**6,517**	**6,779**

Provision for long-term employee benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of the future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in note 1 to these financial statements.

Note 18. Issued capital

	STRUCTURAL SYSTEMS GROUP 2013 $'000	2012 $'000
Issued and paid up capital	40,477	40,885
- 62,959,181 fully paid ordinary shares 2013		
- 63,645,933 fully paid ordinary shares 2012		

	Number	Number
Ordinary shares		
Movements in ordinary share capital		
Balance at the beginning of the financial year	63,645,933	63,884,474
Share buyback	(686,752)	(238,541)
	62,959,181	**63,645,933**

(a) Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

(b) At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

(c) Ordinary shares have no par value and the company does not have a limited amount of authorised capital.

(d) Shares bought back on market and cancelled prior to balance date were acquired at values ranging between 45c and 75c per share. Costs associated with the buyback amounted to $4,620.

Note 19. Reserves

Nature and Purpose of Reserves

Asset Revaluation Surplus

The asset revaluation surplus includes the net revaluation increments and decrements arising from the revaluation of non-current assets in accordance with Australian Accounting Standards.

Capital Profits Reserve

Upon disposal of re-valued assets, any related revaluation increment standing to the credit of the asset revaluation surplus is transferred to the capital profits reserve. Refer to accounting policy Note 1(f).

Foreign Currency Translation Reserve

The foreign currency translation reserve records exchange differences arising on the translation of foreign operations with functional currencies other than those of the presentation currency of these financial statements. Refer to accounting policy Note 1(m).

Note 20. Capital and leasing commitments

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	2012 $'000
Hire purchase future minimum payments		
- Not later than 1 year	9,866	9,693
- Later than 1 year, but not later than 5 years	11,981	13,430
Total maximum lease commitment	**21,847**	**23,123**
Future finance charges	(1,934)	(2,549)
	19,913	**20,574**

Hire purchase agreements have been entered into to finance the acquisition of equipment used for income generation purposes. The great majority of equipment currently under finance is plant & equipment employed by ROCK Australia Mining & Civil Pty Ltd; primarily drill rigs.

Non-cancellable operating leases future minimum payments		
Contracted for but not capitalised in accounts		
- Not later than 1 year	1,582	1,551
- Later than 1 year, but not later than 5 years	3,194	2,437
- Later than 5 years	-	-
	4,776	**3,998**

Various non-cancellable operating leases taken by the group relating to property it occupies for various income-generating activities. All leases are taken under normal commercial terms.

Note 21. Contingent Liabilities

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	**2012 $'000**
Contract cash retention [1]	2,180	4,675
Contract performance guarantees [1]	11,079	10,128
Guarantee by the Company in respect of bank facilities of controlled entities	1,760	1,701
Cross guarantee by the Company and controlled entities in respect of bank facilities	43,040	43,040
	58,059	**58,013**

[1] Amounts relate to security held for the purpose of ensuring the due and proper performance of contracts undertaken by the Group. These amounts are released at various stages of the contracts.

Note 22. Cash flow information

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	**2012 $'000**
(a) Reconciliation of cash		
Cash at the end of the reporting period as shown in the statement of cash flow is reconciled to the items in the statement of financial position		
Cash on hand	29	24
Cash at bank	7,117	8,217
	7,146	**8,241**
(b) Reconciliation of cash flow from operations with profit (loss) after income tax		
Profit (loss) after income tax	3,218	7,996
Non-cash flows in profit		
Depreciation and amortisation	11,011	10,931
Provision for impairment of receivables	(177)	(114)
Impairment of property, plant and equipment	-	70
Profit on sale of non-current assets	(492)	(293)
Change in assets and liabilities		
- (Increase) decrease in trade and other receivables	6,695	(9,215)
- (Increase) decrease in inventories	1,694	(4,862)
- (Increase) decrease in prepayments	(19)	(28)
- (Decrease) increase in trade, other payables and accruals	(5,613)	8,071
- (Decrease) increase provisions	(261)	296
- (Decrease) increase in income taxes payable	(2,970)	2,918
- (Decrease) increase in deferred tax liabilities	(759)	(548)
- (Increase) decrease in deferred tax assets	927	331
Net cash provided by (used in) operating activities	**13,254**	**15,553**
(c) Non-cash financing and investing activities		
Property, plant and equipment acquired under finance leases, lease purchase or vendor finance	8,953	14,901

Note 23. Particulars relating to controlled entities

(a) Group accounts include a consolidation of the following:

	Place of incorporation	Principal Activity	Ownership interest	
			2013	2012
Emirates & Australia Construction Systems LLC	UAE	Construction	100%	100%
Meridian Concrete Australia Pty Ltd(1)	Victoria	Construction	100%	100%
NASA Structural Systems LLC	UAE	Construction	100%	100%
Refobar Australia Pty Ltd(1)	Queensland	Manufacturing	100%	100%
ROCK Australia Mining and Civil Pty Ltd(1)	Victoria	Mining Services	100%	100%
Structural Systems (Bridge Maintenance) Pty Ltd(1)	Victoria	Construction	100%	100%
Structural Systems (Civil) Pty Ltd(1)	Victoria	Construction	100%	100%
Structural Systems (Construction) Pty Ltd(1)	Victoria	Construction	100%	100%
Structural Systems (Northern) Pty Ltd(1)	Victoria	Construction	100%	100%
Structural Systems (Oman Branch)	Oman	Construction	100%	100%
Structural Systems (Remedial) Pty Ltd(1)	Victoria	Construction	100%	100%
Structural Systems (Southern) Pty Ltd(1)	Victoria	Construction	100%	100%
Structural Systems (Western) Pty Ltd(1)	Victoria	Construction	100%	100%
Structural Systems Middle East LLC	UAE	Construction	100%	100%
Total Fire Protection Pty Ltd(1)	Victoria	Dormant	100%	100%

(1) Controlled entities subject to Class Order

Pursuant to Class Order 98/1418, relief has been granted to these controlled entities of Structural Systems Limited from the Corporations Act 2001 requirements for preparation, audit and publication of accounts.

As a condition of the Class Order, Structural Systems Limited and the controlled entities subject to the Class Order entered into a Deed of Cross Guarantee. The effect of the deed is that Structural Systems Limited has guaranteed to pay any deficiency in the event of winding up of these controlled entities. The controlled entities have also given a similar guarantee in the event that Structural Systems Limited is wound up.

Note 23. Particulars relating to controlled entities (continued)

The following are the aggregate totals for the closed group relived under the deed:

	2013 $'000	2012 $'000
Financial information in relation to:		
(a) Statement of profit or loss and other comprehensive income:		
Profit before income tax	3,088	12,388
Income tax expense	(2)	(2,701)
Profit after income tax	**3,086**	**9,687**
Other comprehensive income	-	(486)
Total comprehensive income attributable to members of the parent	**3,086**	**9,201**
(b) Statement of financial position:		
Current assets		
Cash and cash equivalent	6,746	7,786
Trade and other receivables	54,272	60,567
Inventories	13,499	14,940
Other current assets	-	44
Current tax assets	52	-
Total current assets	**74,569**	**83,428**
Non-current assets		
Trade and other receivables	1,149	1,151
Property, plant and equipment	36,398	36,896
Intangible assets	18,297	18,297
Deferred tax assets	4,036	4,964
Total non-current assets	**59,880**	**61,308**
Total assets	**134,449**	**144,736**
Current liabilities		
Trade and other payables	33,761	38,823
Financial liabilities	8,696	8,391
Current tax liability	-	2,918
Short term provision	5,138	5,518
Total current liabilities	**47,595**	**55,650**
Non-current liabilities		
Trade and other payables	331	331
Financial liabilities	11,217	12,183
Deferred tax liabilities	1,445	2,203
Long term provisions	779	807
Total non-current liabilities	**13,772**	**15,524**
Total liabilities	**61,367**	**71,174**
Equity	**73,082**	**73,562**
Issued capital	40,477	40,884
Reserves	1,835	1,835
Retained earnings	30,770	30,843
Total equity	**73,082**	**73,562**
(c) Retained earnings comprise of the following:		
Opening balance	30,843	30,049
Net profit attributable to members of the entity	3,085	3,669
Dividends paid	(3,158)	(2,875)
Closing balance	**30,770**	**30,843**

Note 24. Related party information

Directors who held office during the year are:

- Ian L Fraser
- Robert W Freedman
- Peter J McMorrow
- David R Perry

Directors' remuneration is disclosed in Note 5. There were no other related party transactions in the year.

It is the company's policy that any transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties.

Note 25. Events after the reporting period

On 2 September 2013, the Group sold the fixed assets of Meridian Concrete Australia Pty Ltd. The book value of these fixed assets is $550,000. The proceeds are to be received in five instalments. Whilst the business has been sold, Structural Systems is contractually bound to complete existing Meridian Concrete Australia Pty Ltd contracts.

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

Note 26. Segment results

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category and service offerings as the diversification of the Group's operations have inherently different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Types of products and services by segment:

- **Construction segment**

The construction segment delivers specialist construction services, specifically post-tensioning, concrete placement and remedial operations.

- **Mining segment**

The mining segment services mining clients and specialises in production drilling.

- **Corporate segment**

The corporate segment represents the entity that conducts transactions relating to Group finance, taxation, treasury, corporate secretarial and certain strategic investments.

Basis of accounting for purposes of reporting by operating segments:

(a) Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Note 26. Segment results (continued)

(b) Segment assets and liabilities

Where an asset or liability is used across multiple segments, it is allocated on a pro-rata basis to the segments that receive the benefit of use of the asset or represent the source of the obligation of the liability.

Primary reporting - Business segments

	Construction		Mining		Corporate		Consolidated Group	
	30/06/13	30/06/12	30/06/13	30/06/12	30/06/13	30/06/12	30/06/13	30/06/12
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue								
External Sales	173,106	180,408	96,577	98,764	-	-	269,683	279,172
Other revenue	736	783	408	369	346	154	1,489	1,306
Total revenue	**173,842**	**181,191**	**96,985**	**99,133**	**346**	**154**	**271,172**	**280,478**
Results								
Segment result	1,943	8,232	3,991	5,320	(2,714)	(2,855)	3,220	10,697
Income tax benefit / (expense)	-	-	-	-	(2)	(2,701)	(2)	(2,701)
Profit after income tax	**1,943**	**8,232**	**3,991**	**5,320**	**(2,716)**	**(5,556)**	**3,218**	**7,996**
Assets								
Segment assets	72,719	86,849	51,738	46,275	14,821	16,410	139,278	149,534
Total assets	**72,719**	**86,849**	**51,738**	**46,275**	**14,821**	**16,410**	**139,278**	**149,534**
Liabilities								
Segment liabilities	27,616	36,070	32,024	28,985	3,229	7,966	62,869	73,021
Total liabilities	**27,616**	**36,070**	**32,024**	**28,985**	**3,229**	**7,966**	**62,869**	**73,021**
Other								
Acquisitions of non-current segment assets (including hire purchase and lease commitments)	2,654	2,223	9,825	17,360	-	-	12,479	19,584
Depreciation and amortisation of segment assets	1,427	1,525	9,502	9,333	82	73	11,011	10,931

Revenue and assets by geographical region

	Australia		United Arab Emirates		Consolidated Group	
	30/06/13	30/06/12	30/06/13	30/06/12	30/06/13	30/06/12
	$'000	$'000	$'000	$'000	$'000	$'000
Segment revenues for external customers	263,441	274,577	7,731	5,901	271,172	280,478
Carrying amount of segment assets	134,346	144,738	4,932	4,796	139,278	149,534
Acquisition of non-current segment assets	12,112	19,538	367	46	12,479	19,584

Note 27. Financing arrangements

The consolidated Group has access to the following lines of credit:

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	2012 $'000
Total facilities available		
Bank overdraft	3,000	3,000
Commercial bill facility	5,000	5,000
Hire purchase facility	37,500	25,000
Other facilities	9,200	2,582
Bank guarantee facility	15,000	20,068
Surety bond facility	30,000	30,000
	99,700	**85,650**
Facilities used at the end of the reporting period:		
Bank overdrafts	-	-
Commercial bill facility	-	-
Hire purchase facility	19,504	20,574
Other facilities	1,600	73
Bank guarantee facility	11,079	10,128
Surety bond facility	7,483	3,621
	39,666	**34,396**
Facilities not used at the end of the reporting period:		
Bank overdrafts	3,000	3,000
Commercial bill facility	5,000	5,000
Hire purchase facility	17,996	4,426
Other facilities	7,600	2,509
Bank guarantee facilities	3,921	9,940
Surety bond facility	22,517	26,379
	60,034	**51,254**

Finance facilities of the Group are secured by a registered first mortgage over the Group's land and buildings and registered mortgage debenture over all assets of the Group and an interlocking guarantee and indemnity between all entities within the Group. Interest on bank overdrafts is charged at prevailing market rates. The bank guarantee facility is used to provide contract performance guarantees in lieu of cash retentions and security deposits. Fees are charged on a per guarantee basis. The commercial bills are exercisable for a period of up to three months at the discretion of the Group. Other facilities include letter of credit facility to the value of AUD $9 million (2012: $1.632 million), and a corporate credit card facility of $200,000 (2012: $200,000).

The Group's most recent Letter of Offer from its banker expired on 30 June 2013. Negotiations are well advanced between the company and the bank, with assurances having been received from the bank the facility will be renewed. The bank has continued to honour all facilities since the expiry of the letter.

Note 28. Financial Instruments

Significant accounting and risk management policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements. The group's financial instruments consist mainly of deposits with banks, accounts receivable and payable and hire purchase liabilities. The main purpose of non-derivative financial instruments is to raise finance for group operations. The group does not hold or trade with derivative instruments.

Treasury Risk Management

Management, consisting of senior executives of the group meet on a regular basis to analyse financial risk exposure, and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. This management process is subject to board policies and directives implemented, and is subsequently reviewed by the Board on a periodic basis.

Interest Rate Risk

The Group has a mixture of variable and fixed interest rate financial instruments. The Group's exposure to interest rate risk on its variable interest rate financial instruments is in the potential for cash flows to differ from their forecast amounts. As the Group's variable interest rate financial instruments are predominantly cash and cash equivalents the Group has assessed the risk arising from changes to interest rates to be not significant.

The Group's exposure to interest rate risk on its fixed interest rate financial instruments relates to the potential for its lease and lease purchase liabilities, which are measured at amortised cost, to significantly differ from their fair value amounts. Discounted cash flow models, applying interest rates existing at the end of the reporting period for similar types of liabilities are used to determine such fair values. Differences between fair values and carrying values largely represent movements in the effective interest rate determined on initial recognition and current market rates, summarised as follows:

	STRUCTURAL SYSTEMS GROUP	
	2013 $'000	**2012 $'000**
Current finance lease and hire purchase liabilities		
Carrying value at amortised cost	8,696	8,391
Fair value	9,579	9,401
Non-current finance lease and hire purchase liabilities		
Carrying value at amortised cost	11,217	12,183
Fair value	10,698	12,024

Note 28. Financial Instruments (continued)

Liquidity risk

The consolidated group manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Credit risk

The consolidated group takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts owing to the Group as and when they fall due. Credit risk arises from cash and cash equivalents, deposits held by banks and outstanding receivables. The maximum exposure to credit risk, excluding the value of any collateral or other security at the end of the reporting period in respect of recognised financial assets is the carrying amount, net of any provisions for doubtful debts of those assets, as disclosed in the statement of financial position and notes to financial statements.

As a result of the diverse range of services and geographical spread covered by the consolidated group, the consolidated group does not have a concentration of credit risk to any one entity. Whilst the group does have a broad risk to lead contractors in the construction industry generally, this is managed on a 'customer by customer' basis, taking into account ratings from credit agencies, trade references and payment history where there is a pre-existing relationship with that entity.

Price Risk

The group is exposed to commodity price risk through its consumption of steel in its operations that use post-tensioning, and to a lesser degree in the mining services business. The group monitors forward steel prices and endeavours to lock in agreed prices on a project by project basis prior to formalising bid prices wherever possible. As at 30 June 2013 the Group held no financial instruments that could vary according to changes in the price of steel (2012: nil).

Foreign Exchange Risk

The consolidated group does not have a significant exposure to movements in foreign exchange rates as the majority of transaction gains and losses arise on translation and are not reflected in the statement of profit or loss.

Financial Instrument composition and maturity analysis

The consolidated group's exposure to interest rate risk, effective weighted average interest rate, contractual settlement terms of a fixed period of maturity as well as management's expectations of settlement period for financial instruments are set out below. These amounts exclude interest payments.

Note 28. Financial Instruments (continued)

	Weighted Average Interest Rate	Floating Interest Rate	Fixed interest rate maturing within 1 year or less	Fixed interest rate maturing within Over 1 year to 5 years	Fixed interest rate maturing within More than 5 years	Non-interest bearing	Total
	%	$'000	$'000	$'000	$'000	$'000	$'000
2013							
Financial Assets							
Cash and cash equivalents	2.25	7,117	-	-	-	29	7,146
Receivables	-	-	-	-	-	57,611	57,611
		7,117	**-**	**-**	**-**	**57,640**	**64,757**
2013							
Financial Liabilities							
Payables	-	-	-	-	-	28,012	28,012
Lease and lease purchase liabilities	7.24	-	8,696	11,217	-	-	19,913
		-	**8,696**	**11,217**	**-**	**28,012**	**47,925**

	Weighted Average Interest Rate	Floating Interest Rate	Fixed interest rate maturing within 1 year or less	Fixed interest rate maturing within Over 1 year to 5 years	Fixed interest rate maturing within More than 5 years	Non-interest bearing	Total
	%	$'000	$'000	$'000	$'000	$'000	$'000
2012							
Financial Assets							
Cash and cash equivalents	3.50	8,217	-	-	-	24	8,241
Receivables	-	-	-	-	-	64,017	64,017
		8,217	**-**	**-**	**-**	**64,041**	**72,258**
2012							
Financial Liabilities							
Payables	-	-	-	-	-	24,955	24,955
Lease and lease purchase liabilities	7.71	-	8,391	12,183	-	-	20,574
		-	**8,391**	**12,183**	**-**	**24,955**	**45,529**

	STRUCTURAL SYSTEMS GROUP 2013 $'000	STRUCTURAL SYSTEMS GROUP 2012 $'000
Trade and sundry payables are expected to be paid as follows:		
Less than 6 months	28,012	30,543
	28,012	**30,543**

Net Fair Values of Financial Assets and Liabilities Valuation Approach

Net fair values of financial assets and liabilities are determined by the consolidated group on the following basis:

Monetary financial assets and financial liabilities not readily traded in an organised financial market are determined by valuing them at the present value of contractual future cash flows on amounts due from customers (reduced for expected credit losses) or due to suppliers. Cash flows are discounted using standard valuation techniques at the applicable market yield having regard to the timing of the cash flows. With the exception of the fair value differences arising on the Group's fixed interest rate financial liabilities, as discussed in the analysis of interest rate risk above, the carrying amounts of all financial instruments disclosed above are at their approximate net fair values

STRUCTURAL SYSTEMS LIMITED ABN 57 006 413 574

AND CONTROLLED ENTITIES

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 28 to 63 and the remuneration report in the Directors' Report are in accordance with the Corporations Act 2001 and:

   (a) comply with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

   (b) give a true and fair view of the financial position as at 30 June 2013 and of the performance for the year ended on that date of the company and consolidated group;

2. The Managing Director and the Chief Financial Officer have each declared that:

   (a) the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;

   (b) the financial statements and notes for the financial year comply with the accounting standards; and

   (c) the financial statements and notes for the financial year give a true and fair view;

3. In the directors' opinion there are reasonable grounds to believe that the members of the Closed Group identified in note 23 will be able to meet any obligations or liabilities to which they are or may become subject to, by virtue of the Deed of Cross Guarantee.

4. The directors have been given the declarations required by s 295A of the Corporations Act 2001 from the Managing Director and Chief Financial Officer.

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

R W FREEDMAN - DIRECTOR

D R PERRY - DIRECTOR

Dated: 30 September 2013

William Buck

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRUCTURAL SYSTEMS LIMITED AND CONTROLLED ENTITIES

Report on the Financial Report

We have audited the accompanying consolidated financial report of comprising Structural Systems Limited (the company) and the entities it controlled at year's end or from time to time during the financial year (the consolidated entity). The consolidated financial report comprises the statement of financial position as at 30 June 2013, the statement of profit or loss and of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Sydney
Melbourne
Brisbane
Perth
Adelaide
Auckland

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRUCTURAL SYSTEMS LIMITED AND CONTROLLED ENTITIES (CONT)

Auditor's Opinion

In our opinion:

a) the financial report of the consolidated entity is in accordance with the Corporations Act 2001, including:
   i. giving a true and fair view of 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 financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report contained in the directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of Structural Systems Limited for the year ended 30 June 2013, complies with section 300A of the Corporations Act 2001.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report of Structural Systems Limited for the year ended 30 June 2013 included on Structural Systems Limited's website. The company's directors are responsible for the integrity of the website. We have not been engaged to report on the integrity of the website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this website.

William Buck.

William Buck Audit (Vic) Pty Ltd
ABN: 59 116 151 136

J.C.Luckins
Director

Dated this 30th day of September, 2013

SHAREHOLDER INFORMATION

Distribution of shareholders and shareholdings at close of business 31 August 2013

Size of holding	Number of shareholders	Number of shares
1-1,000	221	114,902
1,001 to 5,000	399	1,153,252
5,001 to 10,000	249	1,945,708
10,001 to 100,000	572	19,228,996
100,001 to (MAX)	84	40,516,323
	1,525	**62,959,181**

The number of shareholders holding less than a marketable parcel ($500.00) at 31 August 2013 is 250 holding 147,977 shares.

Twenty largest shareholders	Number of shares	Percentage of issued capital
Sandhurst Trustees Ltd <JMFG Consol A/c>	8,357,955	13.28
National Nominees Pty Limited	4,517,033	7.17
Kingemel Pty Ltd	1,504,743	2.39
Sandhurst Trustees Ltd <JM Mps A/C>	1,436,880	2.28
Mr Peter John McMorrow <McMorrow Super Fund A/C>	1,365,487	2.17
Mr Philip Henry Hall	1,200,000	1.91
J P Morgan Nominees Australia Limited	1,172,845	1.86
HSBC Custody Nominees (Australia) Limited	1,141,260	1.81
Tintagel Nominees Pty Ltd	1,099,136	1.75
Solana Pty Ltd	840,056	1.33
Mrs Hilary Jean Hall	800,000	1.27
Mr Kenneth John Beer <Beer Super Fund A/c>	762,016	1.21
Onitrammas Nominees Pty Ltd	740,359	1.18
Mr David Bates <Bates Super Fund A/c>	627,999	1.00
Harg Pty Limited	503,773	0.80
Mr Gerald Francis Pauley <Pauley Super Fund>	492,507	0.78
J D Building Pty Ltd	488,788	0.78
Mr Brendan Thomas Birthistle	404,000	0.64
Kailva Pty Ltd	400,000	0.64
Massuk Nominees Pty Ltd	400,000	0.64
Top 20 holders of ordinary fully paid shares as at 31 August 2013	**28,254,837**	**44.89**

Substantial shareholders	Number of shares	Percentage of issued capital
Sandhurst Trustees Ltd <JMFG Consol A/C>	8,357,955	13.28

There is currently an on-market share buyback.

Voting rights

Shareholders are encouraged to attend the Annual General Meeting. However, when this is not possible, they are encouraged to use the form of Proxy by which they can express their views on matters being brought forward at the meeting.

Every shareholder, proxy or shareholder's representative has one vote on a show of hands. In the case of a poll, each share held by every shareholder, proxy or representative is entitled to one vote for each fully paid share.

Dividend reinvestment plan

The directors have determined that the dividend reinvestment plan remains suspended.

Dividend Payment Direct to a Bank, Building Society or Credit Union Account

Australian Shareholders may elect to have dividends paid directly into any Bank, Building Society or Credit Union account in Australia.

Company Secretary

The Company Secretary is Stuart Gray.

Registered Office

The registered office of the Company is:

112 Munro Street, South Melbourne Victoria 3205

Telephone: (03) 9296 8100

Facsimile: (03) 9646 7133

Website: www.**structuralsystems**.com.au

Stock Exchange Listing

Structural Systems Limited shares are listed on the Australian Securities Exchange. Home exchange is Melbourne.

Share Register

If you have any questions in relation to your shareholding, please contact our Share Registry:

Computershare Registry Services Pty Limited

452 Johnston Street

Abbotsford Victoria 3067

Telephone: 1300 137 328

Facsimile: 1300 137 341

Please include your shareholder reference number (SRN) or holder identification number (HIN) in all correspondence to the Share Registry.

Incorporation

Structural Systems Limited is incorporated in the State of Victoria.

Auditors

William Buck.

Bankers

National Australia Bank.

Structural Systems

ROCK AUSTRALIA

REFOBAR AUSTRALIA

www.structuralsystems.com.au