HUTCHINSON
BUILDERS
Established 1912

Audited Financials

2011/12 Accounts

J HUTCHINSON PTY LTD
ABN 52 009 778 330

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2012

J HUTCHINSON PTY LTD
ABN 52 009 778 330

CONTENTS

Directors Report	1
Auditors Independence Declaration	3
Statement of Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Directors Declaration	28
Auditors Report	29

J HUTCHINSON PTY LTD
ABN 52 009 778 330

DIRECTORS' REPORT

The directors present this report on the company for the financial year ended 30 June 2012.

The following persons held office of director during the year or since the end of the year;

John Collins Hutchinson
John Scott Hutchinson
Gregory Denis Quinn
Stephen John Norton
Kellie Leanne Williams

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

The profit of the company for the financial year after providing for income tax amounted to $10,703,724.

No significant changes in the company's state of affairs occurred during the financial year.

The principal activities of the company during the financial year were contract building.

No significant change in the nature of these activities occurred during the year.

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

Likely developments in the operations of the entity and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the entity.

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

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

- A fully franked dividend of $239,529 was paid during the year as recommended in last year's report.
- A fully franked dividend of $342,142 was paid during the year.
- A fully franked dividend of $273,536 is recommended for payment for the year ended 30 June 2012.

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

During the financial year the Company paid an insurance premium totalling $38,797 in respect of directors' and officers' liability insurance. All of this insurance premium related to insurance of Directors of the Company named in this report. The policy does not specify the premium for individual directors and executive officers.

No person has applied for leave of Court to bring proceedings on behalf of the company or 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 those proceedings.

J HUTCHINSON PTY LTD
ABN 52 009 778 330

DIRECTORS' REPORT

Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 3.

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

Director: _____

Gregory Denis Quinn

Director: _____

Stephen John Norton

Dated this 12th day of October 2012

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

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

DECLARATION OF INDEPENDENCE BY P A GALLAGHER TO THE DIRECTORS OF J HUTCHINSON PTY LTD UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2012 there has been:

- no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is made in respect of J Hutchinson Pty Ltd for the financial year.

P A Gallagher

Director

BDO Audit Pty Ltd

Brisbane, 16 October 2012

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of financial services licensees) in each State or Territory other than Tasmania.

J HUTCHINSON PTY LTD
ABN 52 009 778 330

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012

	Note	This Year $	Last Year $
CLASSIFICATION OF EXPENSES BY FUNCTION			
Construction revenue		1,161,110,347	987,948,659
Cost of construction		(1,121,718,092)	(940,424,956)
Gross profit		39,392,255	47,523,703
Other revenue		7,658,028	12,502,059
Finance costs		(78,670)	(460,570)
Marketing expenses		(2,429,752)	(1,089,435)
Occupancy expenses		(4,771,893)	(4,299,083)
Administration expenses		(11,155,870)	(8,987,733)
Selling expenses		(1,043,021)	(10,279,389)
Other expenses from ordinary activities		(16,458,136)	(13,040,271)
Profit before income tax expense		11,112,941	21,869,281
Income tax expense	3	(409,217)	(4,366,326)
Profit for the year		10,703,724	17,502,955
Other Comprehensive Income:			
Increase in fair value of investments		200,794	-
Income tax on items of other comprehensive income		(60,238)	-
Other comprehensive income for the year, net of tax		140,556	-
Total comprehensive income for the year		10,844,280	17,502,955
Total comprehensive income attributable to members of the company		10,844,280	17,502,955

The accompanying notes form part of these financial statements.

J HUTCHINSON PTY LTD
ABN 52 009 778 330

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2012

	Note	This Year $	Last Year $
CURRENT ASSETS			
Cash and cash equivalents	5	69,092,634	77,438,300
Trade and other receivables	6	156,911,375	89,873,747
Inventories	7	46,085,133	45,455,535
Other current assets	8	3,181,614	2,076,899
TOTAL CURRENT ASSETS		275,270,756	214,844,481
NON-CURRENT ASSETS			
Trade and other receivables	6	19,807,913	11,052,138
Financial assets	9	5,117,156	6,409,038
Property, plant and equipment	10	89,378,405	75,198,655
Other non-current assets	8	2,677,064	4,392,259
Inventories	7	14,004,422	12,655,366
Deferred tax assets	11	9,486,608	11,121,394
TOTAL NON-CURRENT ASSETS		140,471,568	120,828,850
TOTAL ASSETS		415,742,324	335,673,331
CURRENT LIABILITIES			
Trade and other payables	12	222,391,396	153,048,173
Borrowings	13	260,898	-
Tax liabilities	11	-	801,142
Short term provisions	14	273,536	239,529
TOTAL CURRENT LIABILITIES		222,925,830	154,088,844
NON-CURRENT LIABILITIES			
Borrowings	13	1,818,232	112,046
Long term provisions	14	2,289,538	1,833,758
Deferred tax liabilities	11	10,749,884	11,908,445
TOTAL NON-CURRENT LIABILITIES		14,857,654	13,854,249
TOTAL LIABILITIES		237,783,484	167,943,093
NET ASSETS		177,958,840	167,730,238
EQUITY			
Issued capital	15	41,323	41,323
Reserves	16	1,398,830	1,258,274
Retained earnings	17	176,518,687	166,430,641
TOTAL EQUITY		177,958,840	167,730,238

The accompanying notes form part of these financial statements.

J HUTCHINSON PTY LTD
ABN 52 009 778 330

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2012

	Note	Retained Earnings $	Issued Capital $	Revaluation Surplus $	Total $
Balance at 1 July 2010		149,167,215	41,323	1,258,274	150,466,812
Profit attributable to equity shareholders		17,502,955	-	-	17,502,955
Dividends paid or provided for	4	(239,529)	-	-	(239,529)
Balance at 30 June 2011		166,430,641	41,323	1,258,274	167,730,238
Balance at 1 July 2011		166,430,641	41,323	1,258,274	167,730,238
Profit attributable to equity shareholders		10,703,724	-	-	10,703,724
Total other comprehensive income for the year		-	-	140,556	140,556
Sub-total		177,134,365	41,323	1,398,830	178,574,518
Dividends paid or provided for	4	(615,678)	-	-	(615,678)
Balance at 30 June 2012		176,518,687	41,323	1,398,830	177,958,840

The accompanying notes form part of these financial statements.

J HUTCHINSON PTY LTD
ABN 52 009 778 330

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2012

	Note	This Year $	Last Year $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,198,519,225	1,041,777,276
Payments to suppliers and employees		(1,187,128,841)	(1,050,031,600)
Dividends received		-	195,981
Interest received		6,198,203	8,676,080
Income tax paid		(8,476,329)	(14,190,549)
Other Income Received		1,618,384	3,797,903
Net cash provided by/ (used in) operating activities	**20**	10,730,642	(9,774,909)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		440,847	166,365
Proceeds from sale of investments		1,080,167	141,649
Proceeds from repayment of loans by related parties		302,248	19,790,056
Payments for property, plant and equipment		(21,711,336)	(16,181,001)
Payments for investments		(573,647)	(1,104,523)
Payment of loans to related parties		-	(9,973,366)
Net cash provided by / (used in) investing activities		(20,461,721)	(7,160,820)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		1,967,084	-
Repayment of borrowings		-	(6,162,250)
Dividends paid		(581,671)	(248,626)
Net cash provided by / (used in) financing activities		1,385,413	(6,410,876)
Net increase (decrease) in cash held		(8,345,666)	(23,346,605)
Cash at beginning of year		77,438,300	100,784,905
Cash at end of year		69,092,634	77,438,300

The accompanying notes form part of these financial statements.

1 Statement of Significant Accounting Policies

Basis of Preparation

These financial statements have been prepared in accordance with the requirements of the Corporations Act 2001 for use by the directors and members of the company and are special purpose financial statements. The directors have determined that the company is not a reporting entity because there are no users dependent on general purpose financial statements.

J Hutchinson Pty Ltd was incorporated and has its domicile in Australia and is a company limited by shares. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. The financial statements are presented in the Australian dollar currency.

Reporting Basis and Conventions

The financial statements have been prepared in accordance with the requirements of the following applicable Australian Accounting Standards:

AASB 101:	Presentation of Financial Statements
AASB 107:	Statement of Cash Flows
AASB 108:	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 110:	Events after the End of the Reporting Period
AASB 1031:	Materiality
AASB 1048:	Interpretation and Application of Standards

The measurement requirements of all applicable Australian Accounting Standards or other authoritative pronouncements of the Australian Accounting Standards Board (AASB) have been applied in the preparation of this report.

The complete disclosure requirement of above and all other Australian Accounting Standards or other authoritative pronouncements of the AASB have not been applied.

No other applicable Australian Accounting Standards or other authoritative pronouncements of the AASB have been applied.

The financial statements have been prepared on an accruals basis and is based on historical costs unless otherwise stated in the notes.

The following is a summary of the material accounting policies adopted by the company in the preparation of this report. Unless otherwise stated, the accounting policies are consistent with the previous period.

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 profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

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 profit or loss when the tax relates to items that are credited or charged directly to equity.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability 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 and their measurement also reflects the manner in which 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 in 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) a legally enforceable right of set-off exists; and (b) 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.

The company and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation.

The company, as head entity, and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand alone taxpayer in its own right.

In addition to its own current and deferred tax amounts, the company also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Goods and Services 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 part of an item of the 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.

Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

Revenue

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 outcome of the contract can be estimated 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.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Financial Assets

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie, 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 transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

(i) *Financial assets at fair value through profit or loss*

Financial assets are classified at "fair value through profit or loss" when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

(v) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire 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 discharged, cancelled or have expired. 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.

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 at 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 available under the contract.

Land Held for Sale

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, foreign currency movements, borrowing costs and holding costs until development is completed. Borrowing costs, foreign currency movements and holding charges incurred after development are expensed in the Statement of Comprehensive Income. Profits are only brought to account on the signing of an unconditional contract of sale.

Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the company, are classified as finance leases.

Finance leases are capitalised by recognising 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 over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they are incurred.

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost, independent or directors' valuation as indicated less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction, based on periodic, but at least triennial, 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 reserve 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 comprehensive income.

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 revalued amount of the asset.

Plant and Equipment

Plant, equipment and leasehold improvements are carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Depreciation

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

Buildings: 2.5%

Plant and Equipment: 10 - 50%

Investment Property

Investment property is held to generate long-term returns. Investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the income statement as other income.

Cash and Cash Equivalents

Cash and cash equivalents include 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.

Provisions

Provisions are recognised when the company 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.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Impairment of Assets

At each reporting date, the company 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 comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

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

Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting date. 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, plus related on-costs. 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.

Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report 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 within the company.

Key Estimates

(i) *Impairment*

The company assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key Judgements

(ii) *Impairment of receivables*

The company assesses impairment of related party receivables by analysis of debtor assets and liabilities and their ability to repay debt balance when determining recoverability of the balance due at year end.

New and Revised Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and interpretations that have mandatory application dates for future reporting periods and which the company has decided not to early adopt. The adoption of the relevant measurement standards in future is not expect to have a material impact on the financial statements in the future.

The financial report was authorised for issue by the directors on the 12th day of October 2012.

	This Year $	Last Year $
2 Profit before Income Tax		
Profit before income tax has been determined after:		
Expenses		
Bad and doubtful debts - related parties	1,043,021	10,279,389
Depreciation of property, plant and equipment	6,983,396	5,466,603
Diminution of investments	934,940	1,240,176
Remuneration of auditor:		
- Audit or review	69,840	84,662
- Other services	139,204	125,058
	209,044	209,720
Net loss on disposal of freehold, plant and equipment	158,559	167,905
Research and development costs	79,033	84,923
Revenue and Other Income		
Interest received	6,198,203	8,676,080
Rental income	1,303,719	3,689,168

	This Year $	Last Year $
3 Income Tax Expense		
The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:		
Profit from continuing operations before income tax expense	11,112,941	21,869,281
Prima facie tax payable on profit before income tax at 30% (2011: 30%):	3,333,882	6,560,785
Add:		
Tax effect of:		
Other non-deductible items	240,629	(110,341)
Under (over) provision for income tax in prior years	2,817,904	(899,444)
	3,058,533	(1,009,785)
Less:		
Tax effect of:		
Share of tax group members income tax loss	5,983,198	1,184,674
	5,983,198	1,184,674
Income tax expense attributable to J Hutchinson Pty Ltd	409,217	4,366,326
4 Dividends		
Dividend Paid (Franked to 100%)	342,142	-
Proposed Final Dividend (Franked to 100%)	273,536	239,529
	615,678	239,529
Balance of franking account at period end adjusted for franking credits arising from payment of provision for income tax and dividends recognised as receivables, franking debits arising from payment of proposed dividends and any credits that may be prevented from distribution in subsequent years.	73,402,210	65,175,170

	This Year $	Last Year $
5 Cash and Cash Equivalents		
Current		
Cash on Hand	7,550	7,550
Cash at Bank	68,984,102	77,389,396
Imprest Accounts	100,982	41,354
	69,092,634	77,438,300
Reconciliation of Cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and Cash Equivalents	69,092,634	77,438,300
Cash at end of year as per statement of cash flows	69,092,634	77,438,300
6 Trade and Other Receivables		
Current		
Trade Debtors	140,994,324	72,409,444
Sundry Debtors	10,343,252	2,720,435
	151,337,576	75,129,879
Unsecured Loans at Call		
Director Related Parties	5,511,568	14,698,204
Other Loans	62,231	45,664
	5,573,799	14,743,868
	156,911,375	89,873,747
Non-Current		
Unsecured Loans		
Director Related Parties	19,679,921	10,836,770
Other Loans	127,992	215,368
	19,807,913	11,052,138

	This Year $	Last Year $
7 Inventories		
Current		
Project expenditure including profit recognised to date	2,348,006,010	2,650,690,512
Progress Billings	(2,301,920,877)	(2,605,234,977)
	46,085,133	45,455,535
Non-Current		
At Cost	14,004,422	12,655,366
8 Other Assets		
Current		
Prepayments	3,181,614	2,076,899
Non-Current		
Prepayments	2,677,064	4,392,259

	This Year $	Last Year $

9 Financial Assets

Non-Current

Available for Sale

Investments in Trusts	4,463,121	5,276,435
Shares in Associated Companies - at cost	2	2
Shares in Listed Companies - at fair value	647,002	1,131,383
Shares in Subsidiaries - at cost	7,031	1,218
	5,117,156	6,409,038

Controlled Entities

Name of Entity
Geeray Pty Ltd
Country of Formation or Incorporation
Australia
Percentage Owned
100% (2011: 100%)

Name of Entity
Trey Developments Pty Ltd
Country of Formation or Incorporation
Australia
Percentage Owned
100% (2011: 100%)

Name of Entity
HB Electrical Pty Ltd
Country of Formation or Incorporation
Australia
Percentage Owned
100% (2011: 100%)

Name of Entity
J Hutchinson (PNG) Ltd
Country of Formation or Incorporation
Papua New Guinea
Percentage Owned
100% (2011: 100%)

	This Year $	Last Year $
10 Property, Plant and Equipment		
Land and Buildings		
Freehold land and Buildings:		
Land and Buildings - at directors' valuation 2010	54,535,471	47,938,366
Accumulated Depreciation	(884,740)	(399,111)
	53,650,731	47,539,255
Leasehold land and Buildings:		
Land and Buildings - at cost	285,670	285,670
Accumulated Depreciation	(71,417)	(57,134)
	214,253	228,536
Total Land and Buildings	53,864,984	47,767,791
Plant and Equipment - at cost	51,981,616	40,935,544
Accumulated Depreciation	(23,490,604)	(18,755,802)
	28,491,012	22,179,742
Office Furniture and Equipment - at cost	5,406,822	4,380,006
Accumulated Depreciation	(2,445,370)	(1,840,000)
	2,961,452	2,540,006
Motor Vehicles - at cost	9,854,181	7,843,333
Accumulated Depreciation	(5,793,224)	(5,132,217)
	4,060,957	2,711,116
Total Plant and Equipment	35,513,421	27,430,864
Total Property, Plant and Equipment	89,378,405	75,198,655

The company's Land and Buildings were revalued at 30 June 2010 by independent valuers. Valuations were made on the basis of market evidence. The revaluation surplus net of deferred income tax was credited to a revaluation surplus in shareholders equity.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	This Year $	Last Year $
Movement in Property, Plant & Equipment		
Land & Buildings		
Balance at beginning of year	47,767,791	34,902,819
Additions	9,359,495	13,278,366
Disposals	(2,617,471)	-
Revaluation to fair market value	-	-
Depreciation Expense	(644,831)	(413,394)
Balance at end of the period	53,864,984	47,767,791
Plant & Equipment		
Balance at beginning of year	22,179,742	25,166,467
Additions	11,121,822	942,263
Disposals	(52,561)	(200,698)
Depreciation Expense	(4,757,991)	(3,728,290)
Balance at end of the period	28,491,012	22,179,742
Office Furniture & Equipment		
Balance at beginning of year	2,540,006	2,016,072
Additions	1,026,816	1,215,132
Disposals	-	(114,314)
Depreciation Expense	(605,370)	(576,884)
Balance at end of the period	2,961,452	2,540,006
Motor Vehicles		
Balance at beginning of year	2,711,116	2,798,327
Additions	2,370,668	744,598
Disposals	(45,629)	(76,694)
Depreciation Expense	(975,198)	(755,115)
Balance at end of the period	4,060,957	2,711,116

	This Year $	Last Year $
11 Tax		
Assets		
Deferred tax assets comprise:		
Deferred Tax Asset	9,486,608	11,121,394
Liabilities		
Current		
Provision for Income Tax	-	801,142
Non-current		
Deferred tax liability comprises:		
Deferred Tax Liability	10,749,884	11,908,445
12 Trade and Other Payables		
Current		
Trade Creditors	177,811,150	118,541,951
Subcontractors Retentions	27,638,073	25,495,005
Other Creditors	4,504,242	2,612,091
Goods and Services Tax Payable	5,847,117	1,394,077
Provision for Holiday Pay	6,590,814	5,005,049
	222,391,396	153,048,173
13 Borrowings		
Current - Unsecured		
Director Related Parties	260,898	-
	260,898	-
Non-Current - Unsecured		
Director Related Parties	1,818,032	112,046
Other	200	-
	1,818,232	112,046

	This Year $	Last Year $
14 Provisions		
Current		
Provision for Dividend	273,536	239,529
Non-Current		
Provision for Long Service Leave	2,289,538	1,833,758
Aggregate employment benefit liabilty	8,880,352	6,838,807
Number of employees at period end	1,286	1,032
15 Issued Capital		
41,253 Ordinary Shares fully paid	41,253	41,253
10 "A" Class Shares fully paid	10	10
10 "B" Class Shares fully paid	10	10
10 "C" Class Shares fully paid	10	10
10 "D" Class Shares fully paid	10	10
10 "E" Class Shares fully paid	10	10
10 "F" Class Shares fully paid	10	10
10 "G" Class Shares fully paid	10	10
	41,323	41,323

The company has authorised capital amounting to 41,323 shares of no par value.

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

At the 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.

	This Year $	Last Year $

16 Reserves

Revaluation Surplus

The revaluation surplus records revaluations of non-current assets. Under certain circumstances dividends can be declared from the reserve.

Movement in Revaluation Surplus		
Balance at beginning of year	1,258,274	1,258,274
Investments revalued to fair value	140,556	-
Balance at end of the period	1,398,830	1,258,274

17 Retained Earnings

Retained earnings at the beginning of the financial year	166,430,641	149,167,215
Net profit attributable to members of the company	10,703,724	17,502,955
Dividends provided for or paid	(615,678)	(239,529)
Retained earnings at the end of the financial year	176,518,687	166,430,641

18 Standby Arrangements and Credit Facilities

The Company has access to:

Bank Guarantee Facility	90,000,000	70,000,000
Bank Guarantees issued	(81,202,854)	(55,597,954)
Amount of facility available	8,797,146	14,402,046
Insurance Bond Facility	100,000,000	100,000,000
Insurance Bonds Issued	(19,041,964)	(25,706,037)
Amount of facility available	80,958,036	74,293,963

This joint facility of the company and J Scott Builders (Qld) Pty Ltd is secured by registered mortgage over the freehold land and buildings of the company and the related company J Scott Builders (Qld) Pty Ltd together with fixed and floating charges over the assets and undertakings of both companies.

The company has provided a guarantee as security to a facility given by Bank of Queensland of $8,225,000 to Gasson Developments Pty Ltd (a related party).

	This Year $	Last Year $

19 Capital and Leasing Commitments

Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

Payable - minimum lease payments		
Not later than 12 months	11,798,234	2,745,621
Between 12 months and five years	14,043,662	1,157,028
	25,841,896	3,902,649

Property leases are payable monthly in advance and may be increased based upon movements in the CPI but is dependent upon the individual terms of the leases.

20 Cash Flow Information

Reconciliation of net cash provided by operating activities to profit after income tax		
Operating profit (loss) after income tax	10,703,724	17,502,955
Non-cash flows in profit:		
Profit on sale of non-current assets	(13,145)	(82,682)
Loss on sale of non-current assets	171,704	250,586
Deferred tax on increase in revaluation surplus reserve	(60,238)	-
Depreciation	6,983,396	5,466,603
Revaluation of investments	934,940	1,240,176
Increase (Decrease) in income taxes payable	(8,483,098)	(8,311,092)
Changes in assets and liabilities		
(Increase) Decrease in inventories	(1,978,654)	(3,127,341)
(Increase) Decrease in current receivables	(68,525,741)	(37,751,068)
(Increase) Decrease in deferred tax receivables	1,634,786	(2,272,607)
(Increase) Decrease in other assets	610,480	1,500,342
Increase (Decrease) in trade creditors and other payables	67,869,504	14,483,025
Increase (Decrease) in provisions	2,041,545	566,718
Increase (Decrease) in deferred tax payables	(1,158,561)	759,476
	10,730,642	(9,774,909)

	This Year	Last Year
	$	$

21 Company Details

The registered office of the company is:

J Hutchinson Pty Ltd

584 Milton Road, Toowong Queensland 4066

The principal place of business is:

584 Milton Road, Toowong Queensland 4066

J HUTCHINSON PTY LTD
ABN 52 009 778 330

DIRECTORS' DECLARATION

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

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 4 to 27 are in accordance with the Corporations Act 2001;

   (a) comply with Australian Accounting Standards as described in Note 1 to the financial statements; and

   (b) give a true and fair view of the financial position as at 30 June 2012 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debt as and when they become due and payable.

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

Director: _____

Gregory Denis Quinn

Director: _____

Stephen John Norton

Dated this 12th day of October 2012

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

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

INDEPENDENT AUDITOR'S REPORT

To the members of J Hutchinson Pty Ltd

We have audited the accompanying financial report, being a special purpose financial report of J Hutchinson Pty Ltd, which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the financial reporting requirements of the constitution and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have 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 whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of financial services licensees) in each State or Territory other than Tasmania.

Independence

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

Opinion

In our opinion the financial report of J Hutchinson Pty Ltd is in accordance with the *Corporations Act 2001*, including:

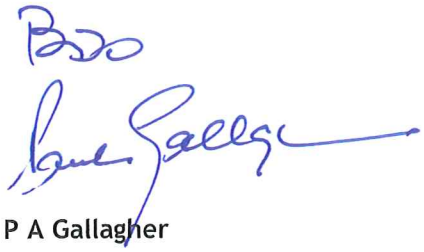
(a) giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date; and

(b) complying with Australian Accounting Standards to the extent described in Note 1, and the *Corporations Regulations 2001*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.

BDO Audit Pty Ltd



P A Gallagher

Director

Brisbane, 16 October 2012

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of financial services licensees) in each State or Territory other than Tasmania.