



ABN 73 010 544 699

# HALF-YEARLY REPORT

**31 December 2012**

**AHC LIMITED ABN 73 010 544 699**  
**INTERIM FINANCIAL REPORT**

**DIRECTORS' REPORT**

Your Directors submit the financial report of AHC Limited for the half-year ended 31 December 2012.

The names of the Directors and Executives who held office during or since the end of the half-year are: -

**DIRECTORS**

- Ian Roderick MacLeod
- Wayne Benson Lester
- Rod Lindsay MacLeod
- Rodney Joseph Walsh
- Sheryl Anne MacLeod

**Company Secretary**

- Sheryl Anne MacLeod

**REVIEW OF OPERATIONS**

**Worongary Town Centre**

AHC Limited has begun cosmetic improvements to the centre to ensure on going freshness and improvement at the centre which is now over 8 years old.

Improvements consist of shade sail replacement, painting, landscaping & enhanced seating amenity for the general public.

The centre retains 95% occupancy.

**Southside Town Centre - Gympie**

The Southside Town Centre celebrated its first birthday on 15 December 2012 with a huge turn out from the community. Southside is incurring strong growth in sales with specialty shops and Woolworths confirming strong upswing in sales to December.

It is anticipated that 2013 will continue to have continued growth with the Caltex service station addition in 2013 to bring more volume to the centre.

AHC has added to the tenancy mix an Indian Restaurant which will open early in 2013 and is vigorously working on another larger tenant to mostly complete retail letting at the centre.

**Saltwater Estate - Helensvale**

As at December 2012 AHC now only holds 8 registered commercial lots ranging from 2000m<sup>2</sup> -2183m<sup>2</sup> after completing sales on around 11000m<sup>2</sup> of commercial land totalling \$5,530,000

AHC Limited expects further commercial sales to be made within the first half of 2013.

AHC Limited has planned a purpose built office complex on one of the remaining seven lots which would house the AHC head office at the end of 2013.

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**Drury Lane Industrial – Hervey Bay**

Operation Works designs have been commenced on this project with road works, sewer, stormwater & water designs within the development well advanced in design stage.

Currently AHC Limited is waiting on key information from the local authority in order to advance designs to completion and submission.

The local authority is undertaking planing assessment for road infrastructure and anticipates responding to AHC in early February 2013.

**Howard Residential Estate – Hervey Bay**

The company has been undertaking geo-technical testing to confirm the start and finish of mining within the Howard site.

As a result of recent refinancing with the Commonwealth Bank AHC Limited has the capital to complete geotechnical testing at the site in order to submit to the local authority for approval. This stage of investigations is ongoing but it is anticipated to be completed in the first half of 2013.

This is a very exciting project for AHC Limited with a possible 200 – 300 lot development. It is extremely possible that this project could be awarded Major Project status with the QLD State Government due to its benefits to the local community.

**AUDITOR'S INDEPENDENCE DECLARATION**

The auditor's independence declaration under 307C of the Corporations Act 2001 is set out on page 4 for the half-year ended 31 December 2012.

This report is signed in accordance with a resolution of the Board of Directors.

Director

ROD LINDSAY MACLEOD  
MANAGING DIRECTOR

Dated the 22nd day of February 2013

**AHC LIMITED ABN 73 010 544 699  
INTERIM FINANCIAL REPORT**

**DIRECTORS REPORT**

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

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2012 there have been:

- (a) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review, and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

WILLIAMS PARTNERS  
INDEPENDENT AUDIT SPECIALISTS

REG WILLIAMS  
PARTNER

233 Turpin Road  
Labrador Qld 4215

Dated the 22nd day of February 2013

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	31 December 2012 \$	31 December 2011 \$
Revenues	6,253,796	3,731,838
Other Income	258,980	54,794
Net loss on revaluation of properties	-	(515,074)
Loss on disposing of property plant & equipment	(307,496)	-
Changes in Inventories	(3,323,319)	8,712,584
Cost of Goods Sold	(702,880)	(10,751,799)
Borrowing costs expense	(1,197,297)	(610,670)
Depreciation & Amortisation	(46,878)	(49,287)
Employee Benefits Expense	(469,719)	(589,014)
Rates and Taxes	(188,290)	(73,248)
Repairs & Maintenance	(104,813)	(36,609)
Rent	(10,967)	-
Other Expenses	(497,840)	(146,497)
Profit/(Loss) before income tax expense	(336,713)	(272,982)
Income tax (expense)/revenue	93,622	84,743
Profit/(Loss) for the period	(243,091)	(188,239)
Other comprehensive income for the period, net of tax	-	-
<b>Total comprehensive income/ (loss) for the period</b>	(243,091)	(188,239)
Profit/(Loss) attributable to members of the entity	(243,091)	(188,239)
Total comprehensive income/(loss) attributable to members of the Entity	(243,091)	(188,239)
Earnings per Share:	Cents per share	Cents per share
Basic earnings per share (cents per share)	(4.34)	(3.36)
Diluted earnings per share (cents per share)	(4.34)	(3.36)

*The accompanying notes form part of these financial statements.*

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2012**

	<b>31 December 2012 \$</b>	<b>30 June 2012 \$</b>
<b>Current Assets</b>		
Cash and cash equivalents	153,987	25,463
Trade & Other Receivables	84,120	37,889
Inventories	9,154,129	12,318,401
Other current assets	411,282	5,745
<b>TOTAL CURRENT ASSETS</b>	<b>9,803,518</b>	<b>12,387,498</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	268,523	2,705,979
Deferred tax assets	594,257	335,022
Investment Property	56,680,803	52,500,000
<b>TOTAL NON-CURRENT ASSETS</b>	<b>57,543,583</b>	<b>55,541,001</b>
<b>TOTAL ASSETS</b>	<b>67,347,101</b>	<b>67,928,499</b>
<b>Current Liabilities</b>		
Trade & Other Payables	1,254,437	1,408,086
Borrowings	342,604	1,275,369
Current tax liabilities	521,361	1,012,111
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,118,402</b>	<b>3,695,566</b>
<b>Non-Current Liabilities</b>		
Deferred tax liability	5,268,612	5,103,000
Provisions	50,825	31,483
Borrowings	33,270,603	31,657,189
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>38,590,040</b>	<b>36,791,672</b>
<b>TOTAL LIABILITIES</b>	<b>40,708,442</b>	<b>40,487,238</b>
<b>Net Assets</b>	<b>26,638,659</b>	<b>27,441,261</b>
<b>Equity</b>		
Issued Capital	1,780,142	1,780,142
Retained Earnings	24,858,517	25,661,119
<b>Total Equity</b>	<b>26,638,659</b>	<b>27,441,261</b>

*The accompanying notes form part of these financial statements.*

**STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

	31 December 2012 \$	31 December 2011 \$
<b>Cash Flows from Operating Activities</b>		
Receipts from customers	7,239,638	4,303,241
Interest received	50,697	53,088
Other income	208,294	-
Payment to suppliers and employees	(3,712,093)	(1,908,204)
Borrowing costs	(1,197,297)	(610,670)
Income tax refund(paid)	(484,449)	-
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>2,104,790</u>	<u>1,837,455</u>
<b>Cash Flows from Investing Activities</b>		
Proceeds from sale of plant and equipment	2,050,000	58,773
Proceeds from sale of investments	-	-
Payment for Investment Property	(4,036,715)	-
Purchase of plant & equipment	(111,007)	(11,150,659)
<b>Net Cash Provided by (Used in) Investing Activities</b>	<u>(2,097,722)</u>	<u>(11,091,886)</u>
<b>Cash Flows from Financing Activities</b>		
Proceeds from borrowings	1,491,155	10,315,415
Repayment of borrowings	(487,622)	(1,908,148)
Dividend paid	(559,511)	-
Share Buy Back Payment	-	-
<b>Net Cash Provided by (Used in) Financing Activities</b>	<u>444,022</u>	<u>8,407,267</u>
<b>Net Increase (Decrease) in Cash Held</b>	451,090	(847,164)
Cash and cash equivalents at beginning of period	(297,103)	1,658,221
<b>Cash and cash equivalents at the end of period</b>	<u>153,987</u>	<u>811,057</u>

*The accompanying notes form part of these financial statements.*

STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	Note	Share Capital Ordinary	Retained Earnings	Asset Revaluati on Reserve	Total
<b>Balance at 1.7.2011</b>		1,780,142	25,920,788	-	27,700,930
Shares bought back during the year		-			-
Loss attributable to members of the entity		-	(188,239)	-	(188,239)
Sub-total		1,780,142	25,732,549	-	27,512,691
Dividends paid or provided for		-	-	-	-
<b>Balance at 31.12.2011</b>		1,780,142	25,732,549	-	27,512,691
<b>Balance at 1.7.2012</b>		1,780,142	25,661,119	-	27,441,261
Shares bought back during the year		-			-
(Loss) attributable to members of the entity		-	(243,091)	-	(243,091)
Total other comprehensive income for the period		-	-	-	-
Sub-total		1,780,142	25,418,028	-	27,198,170
Dividends paid or provided for		-	(559,511)	-	(559,511)
<b>Balance at 31.12.2012</b>		1,780,142	24,858,517	-	26,638,659

*The accompanying notes form part of these financial statements.*



## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 1: BASIS OF PREPARATION

These general purpose interim financial statements for the half-year reporting period ended 31 December 2012 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting.

This interim financial report is intended to provide users with an update on the latest financial statements of AHC Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the company for the year ended 30 June 2012, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The critical estimates and judgements are consistent with those applied and disclosed in June 2012 annual report.

#### **New and Revised Accounting requirements Applicable to the Current Half-year Reporting Period**

##### Presentation of items of Other Comprehensive Income

The Company adopted AASB 2011-9: Amendments to Australian Accounting Standards – Presentation of items of Other Comprehensive Income on 1 July 2012. AASB 2011-9 is mandatorily applicable from 1 July 2012 and amends AASB 101: Presentation of Financial Statements.

AASB 2011-9 amends the presentation requirements of other comprehensive income. It requires items of other comprehensive income to be grouped between:

- items that will not be reclassified subsequently to profit or loss; and
- those that might be reclassified subsequently to profit or loss.

It also requires, when items of other comprehensive income are presented before the related tax effects with a single amount shown for the aggregate amount of income tax relating to those items, the amount of tax effect to be allocated between:

- items that will not be reclassified subsequently to profit or loss; and
- items that might be reclassified subsequently to profit or loss.

AASB 2011-9 also amends AASB 101 to change the title “income statement” to “statement of profit or loss”.

The adoption of AASB 2011-9 only changed the presentation of the Company’s financial statements and did not have any impact on the amounts reported for the current period or for any prior period in the Company’s financial statements.

### NOTE 2: GOING CONCERN

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

Based on the approved budgeted cash flow forecast the company has sufficient resources to continue as a going concern. This is dependent on realisation of cash flows as contemplated in the forecast, including timing of revenue streams, containment of expenditure and renegotiation of the bank finance facilities, including sufficient support provided by the directors, if required.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

The directors have prepared the financial statements on the going concern basis, as it is their intent to meet payment obligations from cash flows received in the normal course of business and to renegotiate the repayment terms of the finance facilities.

**NOTE 3: RESULTS FOR THE PERIOD**

The company reports an after tax operating loss of (\$243,091) mainly due to the sale of Head Office at Oxenford, a decline from the loss of (\$188,239) reported in the prior corresponding December period.

**NOTE 4: DIVIDENDS**

<b>Distributions paid/provided for:</b>	<b>2012</b>	<b>2011</b>
Interim fully franked ordinary dividend paid on 28th December 2012		
10 cents per share franked at the rate of 30%	559,511	-

**NOTE 5: CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

The company is involved in legal action with local councils and the circumstance of the cases are such that the ultimate outcome of the litigation matters cannot presently be determined with an acceptable degree of reliability, and accordingly no provision for any asset or liability, as the case may be, that may result, has been made in the financial statements.

There are no other contingent liabilities or contingent assets to report as at 31 December 2012.

**NOTE 6: EVENTS SUBSEQUENT TO REPORTING DATE**

There were no subsequent events that would materially affect the financial accounts.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 7: OPERATING SEGMENTS

	Commercial		Housing		Total	
	2012	2011	2012	2011	2012	2011
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>(1) Segment Performance</b>						
<b>Six months ended December 2012</b>						
<b>REVENUE</b>						
External Sales	5,978	3,770	534	17	6,512	3,787
Other Segments	-	-	-	-	-	-
Total Sales Revenue	<u>5,978</u>	<u>3,770</u>	<u>534</u>	<u>17</u>	<u>6,512</u>	<u>3,787</u>
Total Segment Revenue	<u>5,978</u>	<u>3,770</u>	<u>534</u>	<u>17</u>	<u>6,512</u>	<u>2,787</u>
Unallocated Revenue					-	-
Total Revenue from Ordinary Activities					<u>6,512</u>	<u>3,787</u>
<b>Segment profit/(loss) before tax</b>	(355)	357	18	(115)	(337)	242
Unallocated expenses net of unallocated revenue					-	-
Profit (loss) from ordinary activities before income tax expense					(337)	242
Income Tax (Expense)/Revenue					94	85
Profit from ordinary activities after income tax expense					(243)	327
Extraordinary items after income tax					-	(515)
Segment Net Profit					<u>(243)</u>	<u>(188)</u>
<b>(II) SEGMENT ASSETS</b>						
Opening Balance 30 June 2012	<u>67,183</u>		<u>1,885</u>		<u>69,068</u>	
Additions	3,927		-		3,927	
Disposals	(5,629)		(19)		(5,648)	
Closing Balance 31 December 2012	<u>65,481</u>		<u>1,866</u>		<u>67,347</u>	

**DIRECTORS' DECLARATION**

The directors of the company declare that: -

1. The financial statements and notes, as set out on pages 5 - 11 are in accordance with the Corporations Act 2001, including
  - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting; and
  - (b) giving a true and fair view of the company's financial position as at 31 December 2012 and of its performance for the half-year ended on that date.
  
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the board of directors.

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**ROD L. MACLEOD - DIRECTOR**

Dated the 22nd day of February 2013