

**SUGAR TERMINALS LIMITED** ABN 17 084 059 601  
**Half-year report – 31 DECEMBER 2012**

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## **SUGAR TERMINALS LIMITED**

### **Directors' report**

**31 December 2012**

Your directors present their report on the entity of Sugar Terminals Limited for the half-year ended 31 December 2012.

#### **Directors**

The following persons were directors of Sugar Terminals Limited during the whole of the half-year and up to the date of this report:

Mr Stuart Gregory  
Mr Andrew Cappello  
Mr Constantine Christofides  
Mr Shayne Rutherford  
Mr Donald Watson

#### **Review of operations**

There were no material changes to the company's operations during the half-year. Profit attributable to members of Sugar Terminals Ltd for the half-year ended 31 December 2012 was \$10,403,000 (2011, \$10,627,000).

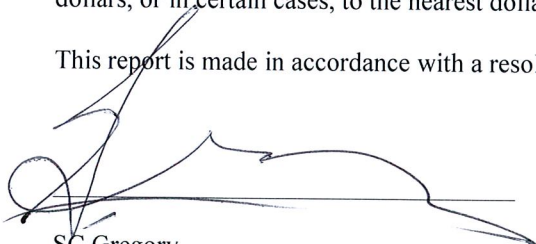
#### **Auditor's independence declaration**

A copy of the auditor's independence declaration is attached on page 3 in accordance with section 307C of the *Corporations Act 2001*.

#### **Rounding of amounts**

The company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

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



SC Gregory  
Brisbane  
11 March 2013



A Cappello  
Brisbane  
11 March 2013



## Auditor's Independence Declaration

As lead auditor for the review of Sugar Terminals Limited for the half year ended 31 December 2012, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of 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.

This declaration is in respect of Sugar Terminals Limited during the period.

A handwritten signature in blue ink, appearing to read 'Cameron Henry', with a large, stylized initial 'C'.

Cameron Henry  
Partner  
PricewaterhouseCoopers

Brisbane  
11 March 2013

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# SUGAR TERMINALS LIMITED ABN 17 084 059 601

## Half-year report – 31 DECEMBER 2012

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This interim financial report does not include all the notes of the type usually included in an annual report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2012 and any public announcements made by SUGAR TERMINALS LIMITED during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Sugar Terminals Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Sugar Terminals Limited  
Level 3  
348 Edward Street  
BRISBANE QLD 4000

**SUGAR TERMINALS LIMITED**  
**Statement of Comprehensive Income**  
For the half-year ended 31 DECEMBER 2012

	<b>Half-year</b>	
	<b>2012</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue from continuing operations</b>	<b>22,000</b>	<b>22,008</b>
Other income	-	-
Depreciation expense	(5,680)	(5,371)
Professional fees expense	(120)	(124)
Insurance expense	(818)	(669)
Other expenses	(351)	(492)
<b>Profit before income tax</b>	<b>15,031</b>	<b>15,352</b>
Income tax expense	(4,628)	(4,725)
<b>Total comprehensive income</b>	<b>10,403</b>	<b>10,627</b>

	<b>2012</b>	<b>2011</b>
	<b>Cents</b>	<b>Cents</b>
<b>Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company</b>		
Basic and diluted earnings per share	<b>2.89</b>	<b>2.95</b>

*The above statement of comprehensive income should be read in conjunction with the accompanying notes.*

**SUGAR TERMINALS LIMITED****Balance Sheet**

As at 31 DECEMBER 2012

	31 Dec 2012 \$'000	30 Jun 2012 \$'000
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	15,484	19,370
Trade and other receivables	6	64
Prepayments	818	-
Total current assets	16,308	19,434
<b>Non-current assets</b>		
Investment properties	323,842	324,540
Total non-current assets	323,842	324,540
<b>Total assets</b>	340,150	343,974
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	4,705	8,492
Current tax liabilities	2,028	2,810
Total current liabilities	6,733	11,302
<b>Non-current liabilities</b>		
Deferred tax liabilities	6,521	6,099
Total non-current liabilities	6,521	6,099
<b>Total liabilities</b>	13,254	17,401
<b>Net assets</b>	326,896	326,573
<b>EQUITY</b>		
Contributed equity	317,628	317,628
Retained profits	9,268	8,945
<b>Total equity</b>	326,896	326,573

*The above balance sheet should be read in conjunction with the accompanying notes.*

**SUGAR TERMINALS LIMITED**  
**Statement of changes in equity**  
For the half-year ended 31 DECEMBER 2012

	<b>Half-year</b>	
	<b>2012</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Total equity at the beginning of the half year</b>	<b>326,573</b>	<b>326,246</b>
<b>Total comprehensive income</b>	<b>10,403</b>	<b>10,627</b>
	<b>336,976</b>	<b>336,873</b>
Transactions with equity holders in their capacity as equity holders:		
Dividends provided for or paid (Note 3)	<b>(10,080)</b>	<b>(10,440)</b>
<b>Total equity at the end of the half-year</b>	<b>326,896</b>	<b>326,433</b>
Total recognised income and expenses for the year attributable to the members of Sugar Terminals Limited	<b>10,403</b>	<b>10,627</b>

*The above statement of changes in equity should be read in conjunction with the accompanying notes.*



**SUGAR TERMINALS LIMITED****Statement of Cash Flows**

For the half-year ended 31 DECEMBER 2012

		<b>Half-year</b>	
	<b>Notes</b>	<b>2012</b>	<b>2011</b>
		<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of goods and services tax)		23,864	23,892
Payments to suppliers and employees (inclusive of goods and services tax)		(3,371)	(13,598)
		<u>20,493</u>	<u>10,294</u>
Interest received		319	510
Income taxes paid		(4,988)	(3,869)
<b>Net cash inflow from operating activities</b>		<u>15,824</u>	<u>6,935</u>
<b>Cash flows from investing activities</b>			
Payments for investment properties		(9,630)	(8,928)
<b>Net cash inflow / (outflow) from investing activities</b>		<u>(9,630)</u>	<u>(8,928)</u>
<b>Cash flows from financing activities</b>			
Dividends paid to Company's shareholders	3	(10,080)	(10,440)
<b>Net cash (outflow) from financing activities</b>		<u>(10,080)</u>	<u>(10,440)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>(3,886)</u>	<u>(12,433)</u>
Cash and cash equivalents at the beginning of the half-year		<u>19,370</u>	<u>27,804</u>
<b>Cash and cash equivalents at the end of the half-year</b>		<u>15,484</u>	<u>15,371</u>

*The above statement of cash flows should be read in conjunction with the accompanying notes.*



**SUGAR TERMINALS LIMITED**  
**Notes to the financial statements**  
31 DECEMBER 2012

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## **Note 1      Basis of preparation of half-year report**

This general purpose financial report for the half-year reporting period ended 31 December 2012 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2012 and any public announcements made by Sugar Terminals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

### **Impact of standards issued but not yet applied by the entity**

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2013 but is available for early adoption. When adopted, the standard will affect in particular the group's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss.

There will be no impact on the company'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 company does not have any such liabilities. The derecognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed. The company has not yet decided when to adopt AASB 9.

## **Note 2      Segment information**

The segment information is prepared in conformity with Accounting Standard AASB 8 "Operating Segments". Sugar Terminals Limited operates in one industry, being the sugar industry, and in one geographical segment, being Queensland, Australia.

## **Note 3      Dividends**

	<b>Half-year</b>	
	<b>2012</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Ordinary shares</b>		
Final dividend for the year ended 30 June 2012 of 2.8 cents (2011 – 2.9 cents) per share paid on 28 September 2012.		
Fully franked based on tax paid @ 30%	<b>10,080</b>	10,440
	<b>10,080</b>	10,440

On 20 February 2013, Directors resolved that a dividend of \$10.08 million (2.8 cents per share), fully franked on tax paid at 30%, will be paid on 28 March 2013 to shareholders whose names are recorded on the register on 14 March 2013.

**Note 4      Events occurring after the balance sheet date**

No significant events have occurred since the balance date.

**Note 5      Economic Dependency**

The Company depends on Queensland Sugar Limited (QSL) for most of its revenue. During the half-year ended 31 December 2012, 97% (2011 – 97%) of the Company's revenue from continuing operations was sourced from QSL under the Company's sublease agreement with that company. That sublease agreement terminates on 31 December 2013 and there is an option to extend the agreement for five years.

# SUGAR TERMINALS LIMITED

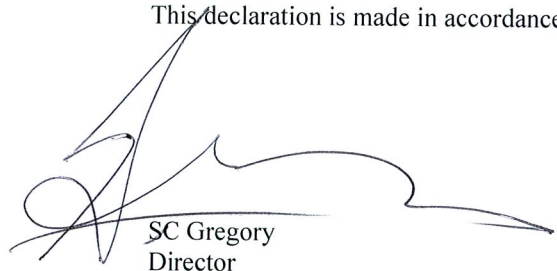
## Directors' declaration

31 DECEMBER 2012

In the directors' opinion:

- (a) the financial statements and notes set out on pages 4 to 11 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) 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; and
- (b) there are reasonable grounds to believe that Sugar Terminals Ltd 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 directors.



SC Gregory  
Director  
Brisbane  
11 March 2013



A Cappello  
Director  
Brisbane  
11 March 2013





## **Independent auditor's review report to the members of Sugar Terminals Limited**

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

We have reviewed the accompanying half-year financial report of Sugar Terminals Limited, which comprises the balance sheet as at 31 December 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration for Sugar Terminals Limited.

#### *Directors' responsibility for the half-year financial report*

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

#### *Auditor's responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Sugar Terminals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

#### *Independence*

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

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#### *Conclusion*

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

- (a) 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; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### *Matters relating to the electronic presentation of the reviewed financial report*

This review report relates to the financial report of Sugar Terminals Limited for the half-year ended 31 December 2012 included on Sugar Terminals Limited web site. The company's directors are responsible for the integrity of the Sugar Terminals Limited web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the statements named above. 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 reviewed financial report to confirm the information included in the reviewed financial report presented on this web site.

The PricewaterhouseCoopers logo, featuring a stylized 'PwC' in blue ink above the text 'PricewaterhouseCoopers'.

A handwritten signature in blue ink, appearing to read 'Cameron Henry', above the text 'Cameron Henry Partner'.

Cameron Henry  
Partner

Brisbane  
11 March 2013