cchl CHRISTCHURCH CITY HOLDINGS LIMITED

Unaudited financial statements

The directors are pleased to present the unaudited financial statements of Christchurch City Holdings Ltd for the six months ended 31 December 2011

---	---
Director	Director
22 February 2011	22 February 2011

Contents

	Page
Directory	2
Chairman's review	3
Income statement	7
Statement of comprehensive income	8
Statement of changes in equity	9
Balance sheet	10
Cash flow statement	11
Notes to the financial statements	12

Directory

Registered Office

53, Hereford Street
Christchurch

Directors

B R Irvine (Chairman)
T M P Carter
B A Corbett
W J Dwyer
R J Parker
A J Pearce
S L Smith
S A Wells

Bankers

Bank of New Zealand, Christchurch
Westpac Institutional Bank, Wellington
ANZ National Bank Ltd, Wellington

Auditors

Audit New Zealand (on behalf of the
Controller and Auditor General)
Christchurch

Ownership

100% owned by Christchurch City Council

Chairman's review

Attached are the unaudited financial statements of the CCHL group and parent company for the six months ended 31 December 2011.

Financial

Group
The group recorded a profit for the six months ended 31 December 2011 of $31.3 million, compared with $24.1 million in the previous equivalent period.

Both periods were affected by significant earthquake –related expenses. In particular, Orion New Zealand Ltd incurred some $9 million in the period under review, and the previous period included a $16 million asset write-off by Lyttelton Port Company Ltd (LPC) following the Canterbury earthquake in September 2010 (all figures post-tax).

Orion and LPC are the two CCHL companies that incurred the most physical damage from the earthquakes. The other companies escaped relatively unscathed, other than for the loss of Red Bus Ltd's (fully-insured) workshops.

Notwithstanding the earthquake damage, it is pleasing to note that the underlying trading performance of most of the group companies has remained strong. This is discussed further below.

Parent
The parent company's profit for the period was $19.4 million, compared with $21.2 million recorded in the previous half year.

During the period CCHL acquired a small number of additional shares in Lyttelton Port Company Ltd, increasing its holding from 79.2% to 79.4%.

Operations

Orion New Zealand Ltd
Orion recorded a profit for the period of $14.7 million, compared with $25.3 million in the previous equivalent period. As noted above, most of this reduction in profitability arose from earthquake-related expenses, although there was also a negative impact arising from reduced customer load demand in the central city area. Partially offsetting this was a significant increase in the revenue of its contracting subsidiary Connetics Ltd.

The company has continued to make good progress in recovering from the impacts of the earthquakes. It will be some time, however, before pre-earthquake levels of network resilience are fully restored. Key earthquake recovery projects and their current status are summarised as follows:

	Project	**Status**
•	Repair damaged 11kV and low voltage cables in Eastern suburbs	11kV complete, low voltage ongoing
•	Build/commission new zone substation to replace the New Brighton substation	Complete
•	Build/connect new 1.5km temporary 66kV overhead line from the	Complete

damaged New Brighton sub-station to the new zone substation

• Build/connect new 4.5km temporary 66kV overhead line from Brimley grid exit point to Dallington substation	Complete
• Purchase/lease up to 25 100kW to 440kW mobile diesel generator sets as contingency measure for next three years	Complete
• Install up to 4MW of temporary diesel generators at QE11	Complete
• Lay permanent 66kV underground cables from Bromley grid exit point to Dallington and Rawhiti substations, then remove temporary overhead lines	Ongoing
• Work with CERA and Christchurch City Council to re-establish power and network resiliency to the CBD according to agreed priorities and timeframes	Ongoing

Orion has yet to finalise its insurance claims, and has not recognised any insurance revenue to date.

Christchurch International Airport Ltd

Christchurch International Airport Ltd ('CIAL') recorded a net profit for the six months to 31 December 2011 of $8.0 million, compared with $13.4 million in the previous period. The principal reason for the reduced profitability is an increase in interest and depreciation costs. The former reflects both an increase in debt to fund the terminal expansion and other capital projects, and also a reduction in the amount of interest capitalised into the terminal project.

CIAL suffered minimal physical damage from the earthquakes and, despite a reduction in passenger numbers following the earthquakes, CIAL has managed to increase revenues and maintain EBITDA levels, primarily as a result of its strongly performing commercial and property activities.

The terminal expansion project continues to progress well, with ultimate completion due in early 2013. The company continues to develop its property portfolio, with its new 80-hectare freight and logistics precinct, Dakota Park progressing well, and development opportunities being identified for the new Spitfire Square retail development. Opportunities for a hotel development are also being explored.

The company is placing a major emphasis on route development, with a view to attracting new long haul services into Christchurch. Visits to key Asian markets, accompanied by the Mayor of Christchurch, will be undertaken in early 2012.

Lyttelton Port Company Ltd

Lyttelton Port Company Ltd (LPC) achieved an earthquake-adjusted profit after tax of $9.5 million for the six months ended 31 December 2011. This compares to a $6.1 million earthquake-adjusted profit for the same period to 31 December 2010, an increase of 55.5%.

Increased volumes were achieved for containers, log exports and bulk imports compared to the six months to 31 December 2010. Total container volumes rose 11.9% to a record 165,231 TEUs, while containers moved through the Container Terminal rose 14.1%. Coal exports reduced 1.9%, reflecting the significant temporary repairs undertaken on the coal loading infrastructure. Log exports grew 19.7% to 161,020 tonnes.

With regard to earthquake insurance, the company has reported as follows:

"We advised at the Annual Meeting in November 2011 that our insurers were disputing an $11 million progress claim made in August 2011, which had grown to $20 million with additional expenditure over the following months.

A total of $35.7 million has been received in relation to the insurance claims to date. Total losses and costs committed to 31 December 2011 are in excess of $50 million and it is important that this negative cash flow position is resolved. To that end, discussions are ongoing with insurers, and we are continuing to provide further information in support of both the Business Interruption and Material Damage claims. However, our difference of opinion with insurers as to the extent to which our assets are insured for reinstatement as well as the extent to which repairs are temporary or permanent remain unresolved. We have committed significant resources to these matters and we remain confident that the cashflows will be restored as these issues are resolved.

In accordance with our policies, we are progressing the Material Damage claims on an asset by asset basis, as the restoration and/or reinstatement plans are finalised and rebuilding commences. The Company expects that the repair and rebuild programme will be completed over a number of years."

Trade volumes are expected to continue their strong growth in the second half of the current financial year. The Company's current expectation for the full year earthquake-adjusted profit after tax is between $16 million and $18 million.

Enable Services Ltd

The year to date for Enable Services Ltd (previously Christchurch City Networks Ltd) has been dominated by a build up in staff and resources to commence the rollout of the Government's Ultra Fast Broadband contract, which it successfully tendered for earlier in 2011.

As part of the broadband rollout, in early 2012 Enable Services Ltd will transfer its network assets to joint venture company Enable Networks Ltd (ENL), which is jointly-owned by Enable Services Ltd and Crown Fibre Holdings Ltd.

Crown Fibre Holdings Ltd will initially fund ENL to build the public aspects of the new fibre network (eg. laying fibre down a street), then Enable Services Ltd will build and fund the connections to individual premises. As premises are connected, Enable Services Ltd will buy shares in ENL back from Crown Fibre Holdings Ltd.

The city has been divided into a number of areas for the purposes of the broadband rollout, which is scheduled to take eight years. As at 31 December 2011, work had commenced in the Halswell area, and this will be extended into other areas over the coming months.

City Care Ltd

City Care Ltd continued its very strong post-earthquake performance, with a net profit for the period of $9.7 million, an increase of $7.6 million over the previous equivalent period. Revenue has increased from $81 million to $177 million. Employee numbers (full time equivalents) are over 1,100.

Christchurch water-related work has been the main driver of the company's high workloads, although all parts of the business have performed well. The company has established a new construction division to ensure effective delivery of earthquake reconstruction work, and ultimately to develop the construction business outside Canterbury. City Care will undertake the rebuild work through the SCIRT (Stronger Christchurch Infrastructure Rebuild Team) alliance.

City Care is also active in other areas of the country, and is currently bidding for new work (or to maintain existing work) in various centres.

Red Bus Ltd

Red Bus Ltd has continued to experience difficult trading conditions following the earthquakes, and recorded a loss of $(0.2) million, compared with a break even result for the previous half year.

Overall patronage had fallen to about 50% of pre-earthquake levels, although it has now risen to about 60% following the opening of the new Central City bus interchange in October 2011.

The Environment Canterbury (ECAN) contracting regime is now in place, with all urban contracted services now under the gross contract model. This provides little opportunity for the company to grow its business unless the overall volume of services increases.

The outlook for public transport, and hence Red Bus, remains challenging, and there are doubts about its commercial sustainability in the current environment.

EcoCentral Ltd

EcoCentral Ltd, which was acquired by CCHL in January 2011, recorded a profit of $0.3 million for the half year.

In general volumes were strong, but sales and profitability were negatively impacted by the high value of the New Zealand dollar relative to the US dollar (the currency in which EcoCentral's overseas sales are made) and falling commodity prices reflecting a softening in the South East Asian economies.

Selwyn Plantation Board Ltd

Selwyn Plantation Board Ltd, in which CCHL has a minority interest, has liquidated the large majority of its assets with a view to winding up the company and returning capital to its shareholders. In January 2011, CCHL received a payment of $10.2 million, and a final capital repayment is expected in the first half of the 2012 calendar year.

Outlook

We expect the group to continue its strong recovery from the impact of the earthquakes and to continue to grow profits both for reinvestment back into the development of the individual businesses, and to increase dividend payments to assist the City's rebuild programme.

Acknowledgments

I would like to acknowledge the excellent performance of each of the CCHL group companies. Their response to the difficult conditions following the earthquakes, and their continued focus on growing their businesses, has made an invaluable contribution to the City's recovery efforts.

Bruce Irvine
Chairman

Income statement
For the six months ended 31 December 2011

	6 months 31 Dec 11 Group $'000	6 months 31 Dec 10 Group $'000	Full year 30 Jun 11 Group $'000	6 months 31 Dec 11 Parent $'000	6 months 31 Dec 10 Parent $'000	Full year 30 Jun 11 Parent $'000
Operating and other revenue	422,002	306,709	745,530	23,461	26,784	42,637
Finance income	1,671	1,435	3,437	3,477	3,251	6,387
Other gains	131	442	984	-	-	616
Total income	423,804	308,586	749,951	26,938	30,035	49,640
Depreciation and amortisation	40,993	41,199	118,077	-	-	-
Finance costs	18,390	14,657	27,395	7,639	8,136	15,724
Personnel costs	92,149	81,302	168,821	301	393	542
Operating and other expenses	228,260	136,421	328,668	(354)	335	1,188
Total operating expenses	379,792	273,579	642,961	7,586	8,864	17,454
Share of profits of associates	300	974	1,841	-	-	-
Profit before income tax expense	44,312	35,981	108,831	19,352	21,171	32,186
Income tax expense	13,028	11,899	31,499	-	-	91
Profit for the period	31,284	24,082	77,332	19,352	21,171	32,095
Attributable to:						
Owners of the parent	27,128	20,145	63,773	19,352	21,171	32,095
Non-controlling interests	4,156	3,937	13,559	-	-	-
	31,284	24,082	77,332	19,352	21,171	32,095

The accompanying notes form part of these financial statements

Statement of comprehensive income

For the six months ended 31 December 2011

	6 months 31 Dec 11 Group $'000	6 months 31 Dec 10 Group $'000	Full year 30 Jun 11 Group $'000	6 months 31 Dec 11 Parent $'000	6 months 31 Dec 10 Parent $'000	Full year 30 Jun 11 Parent $'000
Profit for the period	31,284	24,082	77,332	19,352	21,171	32,095
Other comprehensive income						
Revaluation of assets						
Revaluation of property, plant & equipment	-	-	(118,651)	-	-	-
	-	-	(118,651)	-	-	-
Available-for-sale financial assets						
Revaluation of investment in subsidiaries	-	-	-	(26,724)	(5,646)	30,930
	-	-	-	(26,724)	(5,646)	30,930
Cash flow hedges						
Effective portion of gains and losses on cash flow hedging instruments	(12,341)	2,557	(3,258)	(5,315)	1,706	(1,663)
Net change in cash flow hedges transferred to income statement	-	-	-	-	-	-
	(12,341)	2,557	(3,258)	(5,315)	1,706	(1,663)
Other						
Share of other comprehensive income of associates	-	-	(760)	-	-	-
	-	-	(760)	-	-	-
Income tax						
Income tax - other comprehensive income	-	-	38,478	-	-	-
	-	-	38,478	-	-	-
Other comprehensive income for the period net of tax	(12,341)	2,557	(84,191)	(32,039)	(3,940)	29,267
Total comprehensive income for the period net of tax	18,943	26,639	(6,859)	(12,687)	17,231	61,362
Total comprehensive income is attributable to:						
Owners of the parent	16,837	22,370	(14,444)	(12,687)	17,231	61,362
Non-controlling interests	2,106	4,269	7,585	-	-	-
	18,943	26,639	(6,859)	(12,687)	17,231	61,362

The accompanying notes form part of these financial statements

Statement of changes in equity

For the six months ended 31 December 2011

	6 months 31 Dec 11 Group $'000	6 months 31 Dec 10 Group $'000	Full year 30 Jun 11 Group $'000	6 months 31 Dec 11 Parent $'000	6 months 31 Dec 10 Parent $'000	Full year 30 Jun 11 Parent $'000
Opening equity	1,308,817	1,366,536	1,366,536	1,308,093	1,290,057	1,290,056
Total comprehensive income for the period	18,943	26,639	(6,859)	(12,687)	17,231	61,362
Equity transactions						
Dividends paid/payable	(18,500)	(30,873)	(50,107)	(14,000)	(26,000)	(43,325)
Adjustment to controlling and non-interests for share acquisitions	(338)	(276)	(753)	-	-	-
Closing equity	1,308,922	1,362,026	1,308,817	1,281,406	1,281,288	1,308,093

The accompanying notes form part of these financial statements

Balance sheet

As at 31 December 2011

	31 Dec 11 Group $'000	31 Dec 10 Group $'000	30 Jun 11 Group $'000	31 Dec 11 Parent $'000	31 Dec 10 Parent $'000	30 Jun 11 Parent $'000
Current assets						
Cash and cash equivalents	13,945	(4,617)	16,868	14,058	4,759	6,474
Debtors and other receivables	97,795	53,145	95,403	1,687	1,224	11,761
Derivative financial instruments	(5)	7	39	-	-	-
Other financial assets	5,754	3,575	54	5,044	2,550	-
Prepayments	9,094	3,888	5,385	145	142	68
Inventories	14,978	11,275	13,053	-	-	-
Current tax assets	3,338	(118)	-	-	-	-
Non-current assets held for sale (Note 3)	29,573	-	27,572	-	-	-
Total current assets	174,472	67,155	158,374	20,934	8,675	18,303
Non-current assets						
Debtors and other receivables	1,070	316	356	-	-	-
Investments in associates	20,150	29,057	19,550	16,144	26,412	16,144
Other financial assets	33,486	40,697	40,788	1,569,905	1,533,107	1,595,336
Prepayments	8,983	9,572	9,277	-	-	-
Property, plant and equipment	2,001,684	2,054,808	1,934,586	-	-	-
Investment property	87,831	85,510	96,207	-	-	-
Intangible assets	11,501	9,515	10,244	-	-	-
Deferred tax assets	3,281	1,026	12,806	-	-	-
Goodwill	36,989	27,296	38,711	-	-	-
Total non-current assets	2,204,975	2,257,797	2,162,525	1,586,049	1,559,519	1,611,480
Total assets	2,379,447	2,324,952	2,320,899	1,606,983	1,568,194	1,629,783
Current liabilities						
Creditors and other payables	69,995	54,196	102,274	1,421	2,236	19,108
Borrowings	113,092	110,727	141,378	113,000	76,000	91,000
Derivative financial instruments	586	820	1,557	-	-	416
Employee entitlements	21,911	20,004	22,998	53	39	39
Current tax liabilities	11,967	6,073	4,502	-	-	-
Provisions and other	1,274	1,491	1,954	91	-	-
Total current liabilities	218,825	193,311	274,663	114,565	78,275	110,563
Non-current liabilities						
Borrowings	554,562	459,049	442,487	200,000	205,000	205,000
Derivative financial instruments	39,609	15,988	22,098	11,012	3,631	6,127
Employee entitlements	1,012	839	1,251	-	-	-
Deferred tax liabilities	251,412	286,256	264,428	-	-	-
Other	5,105	7,483	7,155	-	-	-
Total non-current liabilities	851,700	769,615	737,419	211,012	208,631	211,127
Total liabilities	1,070,525	962,926	1,012,082	325,577	286,906	321,690
Net assets	1,308,922	1,362,026	1,308,817	1,281,406	1,281,288	1,308,093
Equity						
Capital and other equity instruments	71,435	71,435	71,435	71,435	71,435	71,435
Reserves	263,709	354,985	274,124	925,620	924,452	957,659
Retained earnings	729,126	689,470	716,040	284,351	285,401	278,999
Parent entity interest	1,064,270	1,115,890	1,061,599	1,281,406	1,281,288	1,308,093
Non-controlling interests	244,652	246,136	247,218	-	-	-
Total equity	1,308,922	1,362,026	1,308,817	1,281,406	1,281,288	1,308,093

The accompanying notes form part of these financial statements

Cash flow statement

For the six months ended 31 December 2011

	6 months 31 Dec 11 Group $'000	6 months 31 Dec 10 Group $'000	Full year 30 Jun 11 Group $'000	6 months 31 Dec 11 Parent $'000	6 months 31 Dec 10 Parent $'000	Full year 30 Jun 11 Parent $'000
Cash flows from operating activities						
Receipts from customers and other sources	425,993	300,682	649,790	1	(16)	7
Interest received	1,589	1,628	3,400	3,337	3,217	6,402
Dividends received	-	-	-	34,174	26,784	31,923
Insurance proceeds net of earthquake-related costs	182	-	(10,375)	-	-	-
Payments to suppliers and employees	(347,374)	(201,544)	(451,600)	(865)	(878)	(1,643)
Interest and other finance costs paid	(19,365)	(16,272)	(27,010)	(8,400)	(7,791)	(15,726)
Income tax paid	(7,993)	(17,664)	(25,628)	-	-	(100)
Subvention payments	-	-	(8,615)	-	-	-
Net cash provided by operating activities	53,032	66,830	129,962	28,247	21,316	20,863
Cash flows from investing activities						
Payment for investment securities	-	-	-	(338)	(2,276)	(12,927)
Proceeds from sale of investment securities	-	437	437	-	-	-
Proceeds from return of capital from associated company	-	-	10,268	-	-	10,268
Proceeds from repayment of related party loans	-	112	2,663	-	112	3,663
Amounts advanced to related parties	-	-	-	(6,000)	(2,000)	(18,000)
Payment for property, plant and equipment	(102,425)	(107,361)	(176,837)	-	-	-
Proceeds from sale of property, plant and equipment	673	1,632	9,003	-	-	-
Proceeds from insurance	6	-	35,540			
Payment for intangible assets	(853)	(713)	(4,524)	-	-	-
Payment for goodwill	-	-	(11,741)	-	-	-
Payment for investment properties	(389)	-	(8,834)	-	-	-
Payment for acquisition of business	-	(240)	-	-	-	-
Other	(958)	-	1,129	-	-	-
Net cash used in investing activities	(103,946)	(106,133)	(142,896)	(6,338)	(4,164)	(16,996)
Cash flows from financing activities						
Proceeds from borrowing	88,003	71,849	156,050	17,000	-	45,000
Repayment of borrowings	(4,187)	(7,373)	(94,160)	-	-	(30,000)
Repayment of finance leases	-	-	(389)	-	-	-
Dividends paid	(31,325)	(26,000)	(26,000)	(31,325)	(26,000)	(26,000)
Dividends paid - non-controlling interests	(4,500)	(4,873)	(6,782)	-	-	-
Net cash used in financing activities	47,991	33,603	28,719	(14,325)	(26,000)	(11,000)
Net increase in cash and cash equivalents	(2,923)	(5,700)	15,785	7,584	(8,848)	(7,133)
Cash and cash equivalents at start of year	16,868	1,083	1,083	6,474	13,607	13,607
Cash and cash equivalents at end of year	13,945	(4,617)	16,868	14,058	4,759	6,474

The accompanying notes form part of these financial statements

Notes to the financial statements

Note 1. Reporting entity

Christchurch City Holdings Ltd ('CCHL') is a wholly-owned subsidiary of Christchurch City Council, formed for the purpose of holding investments in subsidiary organisations. The company was incorporated on 12 May 1993, and commenced operations on 14 May 1993.

CCHL is a reporting entity for the purposes of the Financial Reporting Act 1993 and its financial statements comply with that Act. The reporting currency used in the preparation of these financial statements is New Zealand dollars.

The consolidated financial statements comprise CCHL, its subsidiaries ("the group") and the group's interest in associates and joint ventures.

Note 2. Basis of preparation

The financial statements for the period ended 31 December 2011 are unaudited.

The financial statements have been prepared in accordance with New Zealand Equivalents to International Financial Reporting Standards 34, Interim Financial Reporting, as adopted by the New Zealand Institute of Chartered Accountants, and should be read in conjunction with the audited financial statements for the year ended 30 June 2009.

The balance date of all subsidiary companies, other than Orion New Zealand Ltd which has a balance date of 31 March, is 30 June. This interim report therefore includes the results of Orion New Zealand Ltd for the six months to 30 September 2011, and the results of other subsidiaries for the six months to 31 December 2011.

The accounting policies as published in the annual report for the year ended 30 June 2011 have been consistently applied in determining the earnings and cash flows for the six months ended 31 December 2011, and the financial position as at that date.

Note 3. Non-current assets classified as held for sale

On 31 May 2011 Enable Services Ltd was awarded the government contract to install an open access fibre optic network to every premise in the Greater Christchurch urban areas. This is part of a broader Ultra-Fast Broadband (UFB) project contracted by the Crown to provide open access fibre optic network throughout all urban areas in New Zealand.

The UFB contract involves a partnership with Crown Fibre Holdings Limited (CFH) which is the Government entity negotiating and administering the contract. The partnership is through a subsidiary entity called Enable Networks Limited (ENL) in which both the company and CFH will invest.

Under the UFB project, Enable Services Ltd takes on an obligation to build the network within eight years, which it will sell to ENL upon requirements being meet.

As part of the UFB project the company has an agreement to sell its existing fibre network to ENL. The transaction will occur in February 2012 at net book value. The network, previously included in property, plant and equipment, has accordingly been re-classified as a non-current asset held for sale.

Note 4. Reconciliation of profit for the period with operating cash flows

	6 months 31 Dec 11 Group $'000	6 months 31 Dec 10 Group $'000	Full year 30 Jun 11 Group $'000	6 months 31 Dec 11 Parent $'000	6 months 31 Dec 10 Parent $'000	Full year 30 Jun 11 Parent $'000
Profit for the period	31,284	24,082	77,332	19,352	21,171	32,095
Add/(less) non-cash items						
Depreciation, amortisation and impairment	40,993	41,199	118,077	-	-	-
Donated and subsidised assets	(1,072)	(1,972)	(3,829)	-	-	-
(Gains)/losses in fair value of investment property	-	-	1,086	-	-	-
(Gains)/losses in fair value of derivative financial instruments	(266)	941	616	(845)	(159)	(616)
Share of associates' loss/(profit)	(300)	(974)	(1,841)	-	-	-
Net foreign exchange (gains)/losses	7	-	14	-	-	-
Deferred tax charged/(credited) to income	1,251	(7,799)	381	-	-	-
Gain on disposal of investment	-	(307)	-	-	-	-
Other	5,549	645	(5,729)	-	-	(1)
	46,162	31,733	108,775	(845)	(159)	(617)
Add/(less) items classified as investing or financing activities						
Gain on disposal of non-current assets	(73)	149	2,966	-	-	-
Dividends payable at period end	17,325	-	(17,325)	-	-	(17,325)
Insurance proceeds	-	-	(35,540)	-	-	-
Movement in capital creditors	-	22,603	-	-	-	-
	17,252	22,752	(49,899)	-	-	(17,325)
Add/(less) movement in working capital items						
Current trade and other receivables	(3,109)	(7,862)	(49,403)	10,066	(10)	(10,547)
Current inventories	(1,925)	(1,037)	(2,815)	-	-	-
Current prepayments	(3,709)	126	(1,371)	(77)	(39)	35
Income tax receivable	(3,338)	118	-	-	-	-
Other current assets	717	159	(558)	-	-	-
Non-current receivables	(909)	10	20	-	-	-
Non-current prepayments	294	294	589	-	-	-
Other non-current assets	195	(80)	(130)	-	-	-
Current payables	(32,279)	(1,516)	46,562	(364)	354	17,225
Current provisions	(1,292)	268	(404)	15	(1)	-
Current employee benefits	-	-	3,619			(3)
Income tax payable	7,465	(319)	(1,890)	100	-	-
Other current liabilities	(475)	195	705	-	-	-
Non-current provisions	(1,325)	(1,098)	74	-	-	-
Non-current employee benefits	-	-	153	-	-	-
Other non-current liabilities	(1,976)	(995)	(1,397)	-	-	-
Net changes in net assets and liabilities	(41,666)	(11,737)	(6,246)	9,740	304	6,710
Net cash from operating activities	53,032	66,830	129,962	28,247	21,316	20,863

Note 5. Impact of seasonality on results

There are no material cyclicality impacts in the group.

Note 6. Contingent liabilities

The contingent liabilities of the group as disclosed in Note 39 of the annual report for the year ended 30 June 2011 are materially the same as at 31 December 2011.

Note 7. Events subsequent to balance date

There were no significant events subsequent to balance date requiring disclosure up to the date of authorisation of these financial statements.