



**MOVING AHEAD WITH – EXPERIENCE  
ENTHUSIASM  
LEADERSHIP**



... BY MEETING THE CHALLENGE, PRESERVING OUR  
CAPABILITY AND DEVELOPING OUR STRENGTHS TO  
ACHIEVE OUR DIRECTION



# FINANCIAL & BUSINESS HIGHLIGHTS

Throughout a challenging year we:

- achieved **EBIT GROWTH OF 5.3%**
- grew our **NET PROFIT AFTER TAX BY 6.3%**

	2009 <sup>1</sup>	2008
Operating Revenue	\$367.8m	\$371.5m
Net Revenue <sup>2</sup>	\$273m	\$278 m
EBITDA	\$31.6m	\$30.5m
EBIT	\$25.3m	\$24.1m
EBIT/Net Revenue	9.27%	8.67%
NET SURPLUS AFTER TAX	\$18.6m	\$17.5m
BASIC EARNINGS PER SHARE	\$0.14	\$0.13
DIVIDEND PER SHARE	0.067	0.057
TOTAL ASSETS	\$194.2m	\$195.7m
TOTAL EQUITY	\$78.7m	\$71.0m
RETURN ON EQUITY	24.9%	26.0%

- completed the feasibility, scoping and preliminary design for the **Auckland Manukau Eastern Transport Initiative** (NZ)
- provided the extensive design for the **Newmarket Railway Station**, which opened at the end of the year (NZ)
- delivered a scheme assessment report on Transmission Gully, with **estimated savings of over 15%** on the previous designation (NZ)
- are the Principal's Agent for NZTA for the **Christchurch Southern Motorway**, the largest road Project currently being undertaken in the South Island of New Zealand
- as part of the **Clear Harbour Alliance**, carried out a substantial sewer separation project in Auckland, New Zealand
- provided the design, civil, mechanical and electrical engineering for the **development of seven schools** in New Zealand
- were awarded **two major research projects by FRST** in New Zealand
- acquired a **five-year contract** for design, operations, maintenance and advisory services for the Route 1 Gateway P3 Project in New Brunswick, Canada
- were awarded a **4-year contract** for the provision of maintenance and advisory services for the **Port Mann Highway 1 improvement project** (part of the Gateway Program), Canada
- celebrated the Mirvac School of Sustainable Development at Bond University in Queensland, Australia, for which we provided the structural engineering, **won a global award as the world's best example of low carbon, sustainable design**

1. All \$ figures are in New Zealand dollars, unless otherwise stated, throughout this Report.

2. Net Revenue represents operating revenue less revenue earned for the work of Consultants and Contractors engaged through Opus.

- provided the design for a **new re-routed highway** to allow for the construction of the Tillegra Storage Dam in NSW, Australia
- were **appointed to Network Rail's London North-West Territory Bridge Guard 3 Framework** for the provision of feasibility studies and repair work for both rail and over-rail bridges (UK)
- continued to provide **civil and structural engineering** services to the **Royal National Lifeboat Institute** in the UK for the development of new facilities
- received public recognition for our achievements and won a number of **industry awards**. Some of the most significant awards included:
  - » The inaugural New Zealand Institute of Architecture, New Zealand Architecture Medal for our design of the Wilson Special Needs School, Auckland. (This project was also a finalist in the World Architecture Awards and won the NZIA Public Architecture Award)
  - » Three New Zealand Engineering Excellence Awards:
    - Gisborne Police Station
    - Northern Busway, Auckland
    - HV Power Upgrade for 3G Telephone Exchange, Auckland
  - » The Constructing Excellence in Wales Award for Leadership and People Development, UK
  - » The Chartered Institute of Building South Yorkshire Award for Leadership in People Development, UK
  - » The Ministers Award for Excellence, NSW, Australia for services in training
  - » The Austroads Bridge Award for the Esmonde Interchange, Auckland, New Zealand
  - » Two New Zealand Planning Institute Awards:
    - The Auckland Clear Harbour Alliance
    - The Northern Busway, Auckland
  - » The INGENIUM Award for Projects over \$2 million for the Northern Busway, Auckland
  - » Two Property Council of New Zealand Awards:
    - Manukau Police Station, Auckland
    - Cambridge Park Pensioner Housing, Levin
  - » Four Association of Consulting Engineers of New Zealand Awards for the following projects:
    - Coromandel Waste Water Treatment Plants
    - Gisborne Police Station
    - Karangahake Gorge Road Safety Improvement
    - The Northern Busway, Auckland
  - » Five New Zealand Institute of Architecture Regional Awards:
    - Gisborne Police Station
    - The Crown Hotel, Napier
    - The Palmerston North Courthouse
    - Timberlands Office, Rotorua
    - The Watson/Hasselmann House, Hawke's Bay

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Note : All \$ figures in this Report are in New Zealand dollars, unless otherwise stated.

# INTRODUCTION



Opus International Consultants (Opus) is a leading international multi-disciplinary consultancy providing asset development and asset management solutions for infrastructure facilities. We employ professionals in a wide range of engineering disciplines. These include not only our civil and structural engineers but others, in for example, environmental, safety, water, research, asset management and valuation. We also have experts in architecture, resource planning, heritage planning and property management. The company brings together more than a century of experience and skills in infrastructure development, having its origins in the former New Zealand Ministry of Works and Development which was established in 1885.

Over the last six years Opus has grown from a New Zealand company with limited international presence to a global consultancy with offices throughout Australia, Canada and the United Kingdom. Opus is the largest infrastructure consultancy in New Zealand.

# CHAIRMAN'S REPORT

2009 WAS A  
**CHALLENGING**  
BUT ULTIMATELY  
**SUCCESSFUL**  
YEAR FOR OPUS



2009 was a challenging but ultimately successful year for Opus in spite of the serious recession in many economies. Reflecting the recession, revenue was down 1% on the prior year, but Opus achieved EBIT growth of 5.3% and Net Profit After Tax growth of 6.3% to \$18.6 million – which was a very good result.

The recession posed a serious challenge in all of the company's operating regions, but particularly in the UK and to a lesser extent Australia, where markets contracted significantly. However the Opus Board and Management had been focused on this risk for some time and considered various options and possible responses.

A very difficult first quarter produced a significant loss but management responded early in the quarter with a range of measures, tailored to the various circumstances in different parts of the company. Marketing and cost management were intensified and some

redundancies were initiated, mainly in the UK, but also in New Zealand and Australia. Reduced working hours were introduced in some cases and remuneration increases at all levels were made wholly or substantially conditional on the achievement of performance targets. In addition, cross region resource sharing, which has always been a strength of Opus, was increased.

These astute, well managed measures were successful and while there was some market improvement through the year, they were primarily responsible for a significantly better result than in

2008, and most employees achieved a normal increase in remuneration. The redundancies are regretted but they were minimised by the acceptance of flexible working arrangements and added performance conditions for remuneration increases.

Two other related aspects merit comment. Prior analysis had shown Opus' capability as a learning organisation, and its performance through 2009 underlined this; and Opus has always highly valued its culture, and this was also an important ingredient in the result.

There are undoubtedly still challenges ahead for the different parts of the business, particularly in the UK given its economic situation. But the 2009 performance underlined the company's ability to respond to challenging conditions, and it's potential to benefit in future from its ongoing continuous improvement activities.

There has been a close ongoing focus on strategic objectives, along with operational and development options. The level of uncertainty and risk is still a key consideration, as are the opportunities for growth, recognising the shifts amongst the world's regions and economies, their relative rates of growth over the last decade and their current economic circumstances and prospects.

The company remains debt free and renewed and expanded its bank facilities in 2009.

I thank Kevin Thompson for his admirable leadership of the business in challenging circumstances, his management team and all other employees. Ultimately, it was a great team effort.

I also thank the Directors for their strong engagement and contribution during the year. It is largely a new team,

but one that has quickly developed into an excellent and cohesive Board. During the year the Board undertook a full, formal performance assessment.

Professor Don Trow retires as a Director at the end of the Annual General Meeting in April 2010 and I thank him for his very significant contribution to the company. I am delighted that he has agreed to act as an Advisor on accounting, audit and regulatory matters.

**KERRY MCDONALD**  
**CHAIRMAN**

The 2009 performance underlined the company's ability  
to respond to challenging conditions, and it's  
**POTENTIAL TO BENEFIT**  
in future from its ongoing continuous improvement activities

# MANAGING DIRECTOR'S REPORT

**WE MET THE  
CHALLENGE,**  
MAINTAINED OUR CAPABILITY  
AND FURTHER **DEVELOPED**  
**OUR STRENGTH**  
IN THE MARKET



With the global financial crisis of 2009, it was a year of challenges for Opus in all of our markets. While we enjoyed positive revenue growth in our New Zealand, Australian, and Canadian operations, we encountered tough times in the UK where we have a greater reliance on private sector clients. All markets were competitive, affecting margins particularly in Australia and the UK.

I am delighted to report that we met the challenges brought about by the recession and with prudent and decisive management and co-operation by our staff, we ended the year in a strong position, with an After Tax Profit of \$18.6 million.

As reported in our half-year report, our Net Profit to the end of June was well below that for the same period in 2008, primarily due to the global financial crisis and economic downturn. We all worked hard over the latter half of the year to turn this trend around. By looking at other business opportunities and diversifying in the UK

and Australian markets we were able to maintain our professional capability and preserve our core employee base, with some retrenchments, some reduced working hours and reduced salaries and redirection of staff. We also introduced a range of measures to improve revenue and our competitiveness, and took steps to cut operating expenses. This further developed our strengths and our position in our markets.

Our Total Revenue to year end was \$367.8 million, compared with \$371.5 million in 2008, a drop of 1%. Net Surplus After Tax was just under \$18.6 million, representing a 6.3%

increase over last year. Return on Equity for the 2009 year was 24.9% down slightly on 26.0% for 2008.

Earnings before Interest and Tax (EBIT), was \$25.3 million. This was 5.3% above 2008 (\$24.1 million).

Opus remains the largest infrastructure consultancy in New Zealand and through our network of offices throughout the country we are able to deliver professional services at a local level. In Australia, Canada and the United Kingdom we continue to replicate this local office model where this is feasible. With the downturn in business in the United Kingdom and in Queensland, Australia, we amalgamated some offices, where it was prudent to do so. We now have a total of 2285 employees including part time staff, operating from 73 offices.

It was pleasing to see that we are rated 93rd in the top 200 Infrastructure design consultancies world wide – this rating being based on export revenue generated outside of our ‘home’ market in New Zealand. In the New Zealand Management magazine survey of the top 200 companies for 2008, we moved up from 104th position in 2007, to 92nd place in 2008 as measured by Total Revenue. This survey also placed us 38th for Return on Total Assets, and 34th for Return on Total Equity.

I wish to acknowledge the co-operation and effort of all Opus employees in responding positively to the challenges facing the company in 2009. A particular example of this was the general acceptance that some or all of the 2009 salary increase would be contingent on achieving financial targets.

## OPERATIONAL HIGHLIGHTS

The New Zealand and Canadian markets continued to perform well for us, and in particular, in the public infrastructure sectors. Asset management in the transportation sector remains core to our business and I was delighted this has continued to grow with contracts being won from both local and national authorities.

In New Zealand, where we have 36 offices and 11 laboratories, we secured 58% of the NZ Transport Agency’s (NZTA) fees for the management of their state highway networks across the country, and we provided services to over 88% of all local authorities across the country. We also secured a number of new contracts with local authorities and the NZTA to provide road and highway improvement designs.

We were also involved in the development of other infrastructure, with projects involving airports, rail and port facilities, bridges, building design, water reticulation, and wastewater plants, telecommunication facilities, power transmission, property asset management, environmental and heritage planning.

In the water sector we worked on a number of high profile projects, including the Water Asset Management Master Plan for the Owairaka/Hillsborough area of Auckland for Metrowater, the Dunedin ‘Three Waters’ programme, the Hutt River Flood Plain Management Scheme north of Wellington, the new Maitai water reticulation pipeline in Nelson, the ‘Five Waters Strategic Study’ for the Selwyn District Council and the Clear

Harbour Alliance in Auckland.

Our Tenure Review team continued their Pastoral Lease reviews of high country farms in the South Island.

The Newmarket Railway Station, in the hub of a busy retail shopping centre in Auckland was completed during the year and was officially opened in January 2010. This project, in which Opus has been deeply involved, included the master planning and design or upgrading of a number of railway stations, will form the basis for improving public transport across greater Auckland.

The architecture teams around New Zealand have also been involved in designing numerous institutional buildings and hospitals, and at year end we were selected to develop the new theatre suites for the Bowen Hospital in Wellington.

Some of the new services that we provided included designs that will increase the capacity of correction facilities for the Department of Corrections, numerous new contracts for District Health Boards as well as a national contract to support the Electricity Efficiency and Conservation Authority’s *Warm Up New Zealand: Heat Smart* Project.

In Canada, where we have six offices, we are continuing to undertake road safety audits, advisory services for major P3 projects, asset management, transportation planning, traffic engineering, infrastructure design, surveying (including GIS), and water/wastewater engineering.

In Australia, the government's spending on infrastructure continued at a reasonable rate and this did have an effect on our results in Australia. We operate in 18 offices and actively target business opportunities within our range of business capabilities.

While our work in Queensland, which was largely dependent upon private developers, was severely affected by the global recession, we did secure a number of significant contracts. These included a development of schools package under the Federal Government's Economic Stimulus programme. We also entered into a contract with the Logan City Council, as their preferred consultant for the provision of professional services across a wide range of disciplines.

In New South Wales and Western Australia we enjoyed considerable success in the transportation and road network sector. Our ongoing work, as part of an alliance for the upgrading of housing and related infrastructure for indigenous people, continued in the Northern Territory.

Our business in the United Kingdom was weaker by comparison, however, the latter months of the year showed some signs of recovery. Despite a reduction in revenue, our profile and reputation remains high in the country and we secured some significant new projects – perhaps the most

notable being the four-year contract in partnership with Project Centre Limited for the provision of specialist highway and transportation staff to the Royal Borough of Kensington and Chelsea and the London Borough of Hammersmith and Fulham.

We were appointed to Network Rail's London North-West Territory Bridge Guard 3 Framework for the provision of feasibility studies and for the design of replacement or repairs to road and over-rail bridges. We are also providing services to AMCO Rail, for the identification and remediation of ancient mining works.

In Birmingham, our asset management specialist, Ian Greenwood, completed a secondment working for the Highways Agency. This work involved consultancy advice on the development of a plan for the implementation and provision of asset management support. We also won a contract for the supply of civil and structural engineering services to the Countess of Chester Hospital over a three year period.

In addition, we are working on a number of ongoing healthcare facilities in Wales for Interserve Project Services, as part of an initiative under the 'Designed for Life: Building for Wales' National Framework. Specific projects under this contract include civil and structural design work for the extension of a number of hospitals throughout Wales. Our work

for the Royal National Lifeboat Institute also continued through the year.

## OUR PEOPLE

Our people are our collective strength and are our most important and valued asset. They are our point of difference in the market place. It is our engineers, architects, planners and other specialist consultants that have the vision and the expertise to bring innovative solutions to our clients projects and meet their needs. Many are recognised globally in their fields of expertise. Highly qualified, and with years of experience they bring expertise that is highly sought after by clients worldwide.

As a global team we work not only locally, but also across international boundaries to bring the 'best team' to a project. We actively share and foster co-operation and knowledge among all our offices, and have in place systems that facilitate this practice. Examples of this are demonstrated by our Centres of Excellence in each country, PIN (Practice Interest Networks), regular newsletters and regular group meetings.

The results of our employee survey, carried out during the year, indicate that we continue to rate well above global benchmarks. The survey showed we had an overall Engagement Index of 53% compared with the Global Benchmark of 34%. We have a Learning Organisation Index of 68.2% compared with the Global Average Benchmark of 59.4% and the Global High Performing Benchmark of 70.5%. This was very pleasing, and while there is always room for some improvement, we rate exceedingly well.

One of our Values: 'Developing our People to their full Potential' underpins

**OUR PEOPLE** are our collective strength and are our most important and valued asset

our commitment to our staff. In meeting this objective we encourage all of our staff to take the initiative, and to provide feedback on better ways to do business. We actively seek to retain and support our staff through professional development, with both in-house and external training courses including external study at university, although we did reduce this activity in 2009 in response to cost pressures arising out of the global financial crisis. We expect to restore activity to previous levels in 2010.

At the beginning of the year we again held a cadet induction course for school leavers, providing instruction on engineering disciplines. This is held prior to the commencement of the academic year and provides engineering technician cadets with basic skills and an understanding of the profession prior to formal study at technical institutes. Many of our technician cadets go on to complete a university degree.

All our staff are actively encouraged to participate in sports and to maintain a healthy work/life balance. They are also encouraged to support their local community, and where feasible, engage in voluntary work.

#### INDUSTRY RECOGNITION

In the United Kingdom, we were pleased to have been recognised at the prestigious Constructing Excellence in Wales Awards, with Opus winning the 'Leadership and People Development' category. We also won the Chartered Institute of Building South Yorkshire Award in the category, 'Leadership in People Development' and we were runners up in the 'Sustainability' section. In addition, one of our senior engineering technicians, Lee Parkinson

was awarded the Clugston Construction Award for Best Final Year Student at Nottingham Trent University. These awards have further helped to lift our profile in the United Kingdom.

In New Zealand, all of our submissions for the NZ Engineering Excellence Awards qualified as finalists. Of these, three were selected as winners in their categories, which was an excellent outcome. We also won four Association of Consulting Engineers of New Zealand (ACENZ) Silver Awards of Excellence, the INGENIUM Excellence Award for Public Infrastructure, and a New Zealand Planning Institute's Best Practice Project Award. In addition, we won a number of awards from the Property Council of New Zealand, an Austroads Bridge Award, and numerous other industry awards and commendations for projects and papers presented at conferences around the world.

Winning the inaugural New Zealand Architecture Medal was the highlight for the work done by our architectural teams. The medal was awarded for the unique design produced by our successful architecture team, led by Ego Leung, for the Wilson Special Needs School in Auckland. The design has subsequently been acclaimed as setting a benchmark standard for all special needs school facilities in the country, and was a finalist in the World

Architecture Awards during the year.

This building design has won a total of three awards, testament to the state-of-the-art design work our architects are producing.

Our role as part of the Clear Harbour Alliance in Auckland resulted in a highly commended recognition at the Alliancing Association of Australasia's Excellence Awards, while Tanya Darby, from our environmental team, won the New Zealand Planning Institutes Best Practice Award for her work on community engagement and consultation. In addition Tanya won the Hynds Best Technical Presentation Award at the 2009 INGENIUM Conference for the same project.

In Australia, Jean Dupavillon, drafting manager at our Sydney office, was the recipient of the 2009 Minister's Award for Excellence in recognition of the outstanding contribution he has made to training apprentices and cadets in drafting.

It was also rewarding to note that the Mirvac School of Sustainable Development at Bond University in Queensland, for which our team in Brisbane provided the structural engineering, won the Royal Institution of Surveyors Award for the best example throughout the world of a low carbon sustainable design for a building.

Winning the inaugural New Zealand  
**ARCHITECTURE MEDAL**  
was perhaps the highlight

Being recognised in this manner reflects the importance of our people and the emphasis that we put on our people and our company values. It also reinforces our commitment to working as a global team in a positive and friendly manner, and the sharing of knowledge and experience with colleagues. In all 36 industry awards were won during the year, a testament to the innovation and expertise they display.

#### SUSTAINABILITY

During 2007, we began a process of reviewing and updating our environmental policy. This culminated in the adoption of a new Sustainability Policy and the development of an implementation plan. In my visits to all our offices since, I have discussed this with staff, and explored the potential for us as a company. I believe there is a real energy and enthusiasm for getting on and making things happen. Our people are talking about 'our legacy' and there is a very powerful sense of purpose that bodes well for us and future generations.

During 2009 we made good progress and now have clear and measurable objectives in relation to sustainability. Our Sustainability Implementation Plan sets out to achieve this over a set period of time and I believe we will all commit to its success.

Looking at our plan and how we can influence the future, there are three key elements:

- Firstly, as an infrastructure services organisation, we have the ability to influence the quality of life for future generations through the design of facilities they will use.

- Secondly, as an Opus community, we have something to be very proud of – our culture and our values – for it is the caring and respect we have for one another that are the key elements that make us tick and function the way we do. This is a key strength of Opus people and is one that differentiates us from others. We all have a stake in this and will grow and nurture this for future generations of Opus people.

- Lastly, we are proud of our sustainability practices at work, at home and in the community. We will be seen in the recognition gained across the community for the way in which we operate as a business, and the impact we have on the communities in which we live.

While there is still much to do, and while we are now making good progress, our Implementation Plan will be continually developed to provide greater focus on some of the urgent matters over the next 18 months. This year we appointed a Sustainability Manager and it will be my aim to provide updates on how we are progressing and on the direction we take as the plan gets updated over time.

This is an exciting opportunity for Opus and all staff, and one we will take pride in achieving. Further detail on this initiative can be found in the Sustainability section of this report on pages 33 to 47 and 108 to 110.

#### FUTURE GROWTH

Over the last six years we have developed from a successful New Zealand company to one operating internationally in Australia,

Canada and the United Kingdom. We have taken our expertise, particularly in transportation asset management, to these countries, and along the way added new skills to our list of capabilities. We have actively sought new clients and added value to our work by providing innovative, award winning solutions across all our sectors of expertise.

As we enter 2010, economic conditions remain uncertain. We will continue to be prudent with the management of costs, conservation of cash resources and the recruitment of people. However we will continue to monitor the economic situation to ensure that we are in a position to take advantage of any upturn. We will build on the strengths developed from the challenges of 2009, and when appropriate we will build up our work force through both acquisition and recruitment. We will continue to focus on all of our markets with an active marketing and client relationship programme. Our acquisition programme will be directed at Australia and Canada.

**KEVIN THOMPSON**  
**MANAGING DIRECTOR**

# DIRECTORS OF OPUS INTERNATIONAL CONSULTANTS



Chin Chi Haw

Suhaimi Halim

Don Trow

Kerry McDonald  
(Chairman)

Fraser Whineray

Kevin Thompson

Keith Watson

Abd Rahim bin Md Noh

Opus' Board of Directors is responsible for setting the strategic objectives and the policy framework of the company. The Board is also responsible for monitoring the performance of Opus and the enhancement of Shareholder value.

The Board comprises eight Directors: an independent Chairman, three further Independent Directors, three representatives of the company's majority shareholder, and a Managing Director. The Directors have an appropriate range of proficiencies, experience and skills.

### KERRY MCDONALD

BCom, MCom (Hons), DCom (hc), AFID, FAICD, FNZIM

#### **CHAIRMAN AND DIRECTOR INDEPENDENT**

Kerry is currently a Director of Leighton Contractors Pty Ltd, Chairman of the *i-lign* Limited Advisory Board, President of the Institute of Directors (NZ), a Trustee of WWF New Zealand, and Deputy Chairman of the New Zealand Institute of Economic Research. He was appointed to the Board of Opus on 1 April 2007 and elected Chairman on 1 September 2008. Kerry has an economics degree from the University of Canterbury and received an Honorary Doctorate in Commerce from the University of Canterbury in 2008.

He was previously Director of the New Zealand Institute of Economic Research before he joined Comalco/Rio Tinto in Melbourne in 1981. He had various senior executive roles with Comalco in Australia and New Zealand, including those of Managing Director of Comalco New Zealand and Managing Director of Energy, Environment and External Affairs, and was a member of the Comalco Group Executive Committee from 1988 to 2000. Kerry has held numerous directorships, including: Bank of New Zealand (also Chairman), National Australia Bank, GRD Macraes Limited, Oceana Gold Limited (also Chairman), Oceana Gold Corporation (also Vice Chairman), Carter Holt Harvey, Ports of Auckland Limited, Gough Gough & Hamer and Owens Group. Kerry has also chaired both the New Zealand-Japan and Australia-New Zealand Business Councils, and was the New Zealand Chairman until 2006 of the Australia – New Zealand Leadership Forum. He was a Director of Antarctica New Zealand, a Trustee and Executive Committee Member of

the Business Parliament Trust and has been involved in numerous State Sector Activities including, Chairman of the State Sector Standards Board and the Department of Conservation Oversight Committee (following the Cave Creek tragedy). He was also a member of the e-Government Advisory Board and the Foreign Direct Investment Advisory Board.

### SUHAIMI HALIM

BSc (Hons) (Civil)

#### **DIRECTOR NON-INDEPENDENT AND NON-EXECUTIVE**

Suhaimi Halim has been Director since 2002. Suhaimi holds a Bachelor of Science in Civil Engineering from the University of Glasgow, and was appointed as the Managing Director of Opus Group Bhd in August 2002, having originally joined predecessors to the current Opus Group Bhd in 1988. He is also on the Boards of Opus Group Bhd, Pengurusan Lantas Bhd, and several other private companies.

### DON TROW

BCom, FCA

#### **DIRECTOR INDEPENDENT**

Appointed to the Board on 1 April 2007, Don Trow holds the position of Emeritus Professor of Accountancy at Victoria University of Wellington. Don is a Life Member of the New Zealand Institute of Chartered Accountants and a Distinguished Fellow of the Institute of Directors (NZ). Don's previous directorships include the New Zealand Stock Exchange and the Northland Co-Operative Dairy Company Limited. He is currently a Director of Ryman Healthcare Limited.

### ABD RAHIM BIN MD NOH

BSc (Hons) (Mechanical)

#### **DIRECTOR NON-INDEPENDENT AND NON-EXECUTIVE**

Abd Rahim bin Md Noh is an engineer and was appointed to the Board on 1 April 2007. A graduate of Brighton Technical College and University of Southampton, United Kingdom, he has served many years in Tenaga Nasional and has held senior positions in GE Power Systems, Kuala Lumpur, as well as EPE Power Corporation Berhad. He is currently the Chairman of Salwana and Rahim Associates Sdn Bhd, a business advisory consultancy, and Rakan Ternaktani Sdn Bhd, a firm involved in agricultural business. He is an independent Director of Opus Group Bhd, and UEM Builders Bhd.

### KEVIN THOMPSON

BE (Hons) (Civil), PhD, CPEng, DistFIPENZ

#### **MANAGING DIRECTOR NON-INDEPENDENT AND EXECUTIVE**

Dr Kevin Thompson joined Opus in March 1998, was appointed Chief Executive in April 2001 and Managing Director on 1 August 2007. He has been responsible for leading Opus' growth, particularly in offshore markets. Kevin has been instrumental in lifting Opus' market share, brand and profile in New Zealand and in Australia, Canada and the United Kingdom through organic growth and acquisitions. Prior to joining Opus, Kevin was Chief Executive of Works Civil Construction and was responsible for the successful transformation of the physical works resources of the former Ministry of Works and Development into a successful private sector owned

contracting company. Kevin holds a Bachelor of Engineering (Civil) with First Class Honours and a PhD in Civil Engineering from the University of Canterbury. In 1993, he attended the Stanford Executive Programme at Stanford University. Kevin is a Distinguished Fellow of the Institution of Professional Engineers of New Zealand; a Chartered Professional Engineer; a member of the New Zealand National Society for Earthquake Engineering; a member of the New Zealand Concrete Society; a member of the Institute of Directors (NZ) and a member of the New Zealand Business Roundtable.

In 1981, he received the American Society of Civil Engineers T Y Lin Award, the Institution of Professional Engineers of New Zealand Structural Award in 1988, the award for the Wellingtonian of the Year in the business category in 2008 and the IPENZ William Pickering Award for Engineering Leadership in 2008.

#### KEITH WATSON

**DIRECTOR  
INDEPENDENT**

Keith Watson was appointed to the Board on the 1st September 2008. Keith is currently Managing Director of Hewlett Packard New Zealand (HP) and has held general management roles with HP in Australia, Asia Pacific and at HP Corporate Headquarters where he was Senior Vice-President and General Manager Worldwide Commercial Channels. Before returning to HP New Zealand in 2001 he was Executive Vice President Worldwide Sales and Marketing for Silicon Graphics. Keith has considerable international leadership experience in technology related and professional services

business. Keith is a member of the Auckland University Business School Advisory Board.

#### FRASER WHINERAY

BE (Hons) (Chemical), MBA (Cambridge), GRADDIP DY.SCI.TECH (Distinction)

**DIRECTOR  
INDEPENDENT**

Fraser Whineray was appointed to the Board on the 13th October 2008. Fraser is currently General Manager Generation for Mighty River Power. Prior to this he held a number of senior positions in Carter Holt Harvey and the dairy industry, including the New Zealand Dairy Board, Fonterra and the Puhoi Valley Cheese Company. Between 1997 and 2002 he was an investment banker with Credit Suisse First Boston, based in Wellington and Sydney. Fraser has considerable international business experience including commodities, professional services, strategy and innovation.

#### CHIN CHI HAW

BE (Civil), MEng, MIEM

**DIRECTOR  
NON-INDEPENDENT  
AND NON-EXECUTIVE**

Chin Chi Haw has a background of over 25 years involvement in transportation infrastructure and built environment sectors and has played key roles in the development of the Kuala Lumpur International Airport and the National Sports Complex in Malaysia.

In addition to the Opus International Consultants Board, Chin currently sits on the Boards of Opus International Bhd (Malaysia), Opus International (India) Pvt Ltd, and Noi Bai Development Corporation (Vietnam).

His responsibilities include strategic planning for Opus Group Bhd, and the development of business and projects in India. He is also a member of the Sub-Working Group on Asset and Facility Management for the Malaysian Construction Industry and Development Board and is a member of the REAM Road Maintenance Standing Committee and the SIRIM Technical Committee on Roads and Highways.

**NOTE:** Alan Isaac is engaged as an Independent Advisor to the Board. Alan has a background in accounting and finance. He is the Chairman of New Zealand Cricket, a Director of Wakefield Health Ltd, and is a Trustee of various Trusts and Chair/Advisor to a number of independent committees.

Alan has a BCA, and is a Fellow of the New Zealand Institute of Chartered Accountants and the Institute of Chartered Secretaries and Administrators. He is also a Member of the Institute of Directors (NZ).

# THE MANAGEMENT TEAM



Alec Webster  
GM International  
Operations

Keryn Kliskey  
Sector Leader – Transportation  
Asset Development

Neil Kane  
IT Manager

Tony Porter  
Sector Leader – Transportation  
Asset Management

Melvyn Maylin  
GM Australia

Mike Eagle  
Management Systems  
and HR Manager

Glen Hughes  
GM Project  
Management

Kevin Thompson  
Managing Director  
and CE

Opus has a very experienced management team and they are a critical element in the successful performance and growth of the company.

**KEVIN THOMPSON**  
**MANAGING DIRECTOR AND**  
**CHIEF EXECUTIVE**

Refer biographical details under Director's section on page 10.

**ALEC WEBSTER**  
**GENERAL MANAGER**  
**INTERNATIONAL OPERATIONS**

Alec Webster was appointed General Manager International Operations in 2008. Alec joined Opus from the United Kingdom where he was the Director of WSP Development Ltd, part of the WSP Group plc, a large United Kingdom

publicly listed multi-disciplinary consultancy. His initial appointment was as Opus' Northern Regional Manager, based in Auckland in 1999. After two successful years in this position he was promoted to the position of General Manager New Zealand Operations.

Alec has an Honours Degree in Civil Engineering, is a Chartered Professional Engineer and a Fellow of the Institution of Professional Engineers of New Zealand. He is also a Chartered Engineer in the United Kingdom and a Member of the Institution of Civil Engineers. In 2009 Alec attended the Stanford



Alison Swan  
Company Secretary

David Jennings  
GM Technical

Luke Meys  
Sector Leader – Water

Neil Wanden  
Chief Financial Officer

Ed Rafferty  
GM Business  
Development

Tony Shears  
Sector Leader – Building  
Design and Construction

David Monkman  
Sector Leader – Asset Management  
Buildings and Infrastructure

James Phillis  
GM New Zealand  
Operations

University Executive Programme.

**JAMES PHILLIS**

**GENERAL MANAGER  
NEW ZEALAND OPERATIONS**

James Phillis joined Opus in 2000 as General Manager Business Development and was appointed General Manager, International Operations in April 2004 before moving to the position of General Manager New Zealand Operations in 2008. From 1987 to 1996, James held a number of positions with Crooks Michell Peacock and Stewart Pty Ltd, a large Australian-based

engineering consultancy, culminating in the position of Commercial Manager, International, based in Kuala Lumpur, Malaysia. Joining BHP Engineering in 1996, he held positions of General Manager, Malaysia and China before returning to Australia and taking the position of Vice President International Operations, responsible for BHP Engineering's operations throughout Asia and in Chile, South America. James holds an Honours Degree in Chemical Engineering from Sydney University and attended the Stanford University Executive Programme in 2006.

He is a Member of the Institution of Professional Engineers of New Zealand; the Institution of Engineers Australia; the Institution of Chemical Engineers, United Kingdom and is a Chartered Professional Engineer (Australia).

**MELVYN MAYLIN**

**GENERAL MANAGER AUSTRALIA**

Melvyn Maylin has worked with Opus and its predecessors since gaining a Bachelor of Engineering degree from the University of Auckland in 1979. In his career with Opus, Melvyn has worked as a professional engineer and

manager at many locations throughout New Zealand. From 1992 to 1996 he was resident in the United Kingdom and was responsible for both delivery of major infrastructure commissions and also for developing and implementing strategies aimed at organically growing Opus' United Kingdom business. From 2000 to 2006 Melvyn was Market Sector Leader for Transportation Asset Development. Melvyn's technical expertise and leadership has been recognised with a number of prestigious industry awards received for projects which he has led. In September 2006, Melvyn took up the position of General Manager Australia at Opus with responsibility for leading and managing the Australian operations.

Melvyn is a Chartered Professional Engineer and a Fellow of the Institution of Professional Engineers of New Zealand. He is also a Chartered Engineer in the United Kingdom and a Member of the Institution of Civil Engineers.

#### DAVID JENNINGS

##### GENERAL MANAGER TECHNICAL

David has 35 years experience in civil and geotechnical engineering. His work experience has covered a wide range of projects for roads, bridges, hydro-dams, thermal power stations, tunnels and other infrastructure in New Zealand, Malaysia, Jordan, the Philippines, Sri Lanka and Australia. He has held a number of management roles with Opus including; Civil Engineering Manager (1993-1999) in Hamilton,

and Regional Manager Central Region (1999-2002). From 2002-2004 he managed the Opus business in Malaysia and was Project Director for the provision of network maintenance management services for the 80km North-South Expressway. In 2004-2005, as Project Team Leader he led an ADB institutional strengthening project, working with the Road Development Authority in Sri Lanka.

On returning to New Zealand in 2005, David has been involved, as Wellington Technical Leader, with a range of projects including; the provision of professional services to the Whakatane District Council, the geotechnical investigations for the proposed Transmission Gully motorway north of Wellington, and the resource consents for Stage 1 of the Kapiti Western Link.

David was appointed General Manager Technical in April 2009. In this role he is responsible for promoting growth in professional practice across the various disciplinary groups within the company and for the technical development of staff. He also provides technical advice on projects.

David has a Bachelor of Engineering from Canterbury University and completed a Master of Science at the London Imperial College of Science and Technology Faculty of Engineering in 1979. He is a past Chairman of the New Zealand Geomechanics Society, a Chartered Professional Engineer, and a Fellow of the Institution of Professional Engineers New Zealand.

#### ED RAFFERTY

##### GENERAL MANAGER BUSINESS DEVELOPMENT

Ed Rafferty joined Opus in 2008, and brought to the company a background in developing new business opportunities, marketing, sales, project management and training facilitation. He has been General Manager Business Development since February 2009. Prior to this appointment he was the Business Development Manager Mechanical and Electrical Engineering for Opus, based in Auckland. In this role he successfully gained new business for the company, including expanding the services of the Mechanical and Electrical Engineering business group into a number of new markets.

Prior to joining Opus, Ed worked for defence, aviation, infrastructure maintenance and a number of central government clients. Previously from the UK, Ed had a number of management roles whilst employed by Rolls Royce Aero Engine Services and prior to that was a commissioned Engineer Officer with the Royal Air Force, specialising in aircraft and aero engine gas turbine maintenance.

Ed has a Bachelor of Science (Aeronautical Engineering) from the University of Glasgow and a Diploma in Aerosystems Engineering. He is a Chartered Professional Engineer, a member of the Institution of Professional Engineers of New Zealand, and the Institution of Mechanical Engineers (UK).

### **GLEN HUGHES**

#### **GENERAL MANAGER PROJECT MANAGEMENT**

In addition to his role as Southern Regional Manager in New Zealand, Glen is responsible for the development of the company's project management capability. He was appointed Regional Manager Southern Region in 2007 and General Manager Project Management in 2008. Prior to this he was the Acting Regional Manager for the Wellington Region (2006-2007) and Business Manager for the Wanganui (2004-2006) and the Palmerston North offices (2000-2004) of Opus.

Glen has a Bachelor of Social Science from the University of Waikato, and a Master of Science (Hons). He is a member of the New Zealand Planning Association, the Resource Management Law Association, and is a Companion of the Institution of Professional Engineers New Zealand. In 2001 he was the winner of the New Zealand Planning Institute Nancy Northcroft Award, and was a finalist in the ACENZ Future Leader Awards in 1999.

### **TONY PORTER**

#### **SECTOR LEADER – TRANSPORTATION ASSET MANAGEMENT**

Tony is internationally recognised for his contribution to advancing transportation asset management knowledge. He is an ambassador for New Zealand's leadership of world best practice in this field and related contract procurement mechanisms.

He is a member of the NZ Institute of Directors, the Association of Local Government Engineering and the Transport Research Task Force on Roadway Pavement Preservation and is a Fellow of the Institution of Professional Engineers New Zealand. Tony has a Bachelor of Engineering (Hons).

### **KERYN KLISKEY**

#### **SECTOR LEADER – TRANSPORTATION ASSET DEVELOPMENT**

Keryn has responsibility for the growth of the Transport Asset Development Sector. He has considerable leadership experience and has project managed high profile transportation projects in New Zealand and overseas. He is a member of the Institution of Professional Engineers New Zealand and the Institution of Civil Engineers (UK). Keryn has a Bachelor of Engineering and a Masters in Engineering.

### **TONY SHEARS**

#### **SECTOR LEADER – BUILDING DESIGN AND CONSTRUCTION**

Tony has extensive experience with building projects and is responsible for leading the development of this sector. Driving Environmentally Sustainable Design within our integrated design teams is a key focus for Tony. He is a member of the Institution of Professional Engineers New Zealand and has a Bachelor of Engineering (Hons) and a Bachelor of Commerce.

### **LUKE MEYS**

#### **SECTOR LEADER – WATER**

Luke plays a significant role in driving our position as a leading edge provider of water and environmentally related infrastructure projects. This has included developing the first large alliance contract in New Zealand. Luke has a Bachelor of Engineering (Hons). He is a Board Member of the Association of Local Government Engineering and a member of the Institution of Professional Engineers New Zealand, the Association of Consulting Engineers New Zealand and the New Zealand Water & Wastes Association.

#### DAVID MONKMAN

##### SECTOR LEADER – ASSET MANAGEMENT OF BUILDINGS AND INFRASTRUCTURE

David leads our market strategy for Asset Management of Buildings and Infrastructure. Our profile in this sector continues to grow and is a reflection of the networks David has developed. David has a Bachelor of Engineering (Hons). He is a member of the Institution of Professional Engineers New Zealand, the Institute of Mechanical Engineers and the Energy Institute.

#### ALISON SWAN

##### COMPANY SECRETARY

Alison Swan was appointed Company Secretary and Legal Advisor in 1992. Alison has provided legal advice and leadership through the various forms of the company since beginning as a Solicitor for the New Zealand Ministry of Works and Development. She played a leading role in the privatisation of the company in 1996 and the listing of the company on the New Zealand Stock Exchange in 2007. She is also Trustee of the WORKS Superannuation Scheme.

Alison holds a Bachelor of Arts and Bachelor of Law from Otago University and is a member of the New Zealand Law Society.

#### NEIL WANDEN

##### CHIEF FINANCIAL OFFICER

Neil Wanden joined the company as Chief Financial Officer in 2005. Since 1980, his career in financial management has spanned a wide range of industries, including banking, consulting, systems, science, and international trade. Prior to joining Opus, Neil was most recently General Manager Corporate Services for the Department for Courts.

Neil holds a Bachelor of Commerce and Administration from Victoria University, Wellington, attended the Advanced Management Program at the Wharton School, University of Pennsylvania in 1999. He is a member of the New Zealand Institute of Chartered Accountants.

#### MIKE EAGLE

##### HR AND MANAGEMENT SYSTEMS MANAGER

Mike Eagle has been the company's Human Resources Manager since 1992. In his time at Opus, Mike has played a leading role in the transition of Opus from a government agency to a private sector business. This included the development and implementation of employment and human resources strategies during times of significant change in New Zealand's industrial relations, as well as the successful sale of Opus in 1996 to Opus Group Bhd.

Mike was appointed Management Systems Manager (in addition to his Human Resources role) and is responsible for strategic plan actions which ensure Opus' management systems enable the efficient functioning of the business.

#### NEIL KANE

##### INFORMATION TECHNOLOGY MANAGER

Neil Kane was appointed Information Technology Manager in 1991. Neil began his career as an engineer with the former New Zealand Ministry of Works and Development before moving to the Greater London Council, he then moved to Works Consultancy Services and to Opus, in engineering computing and IT management roles. As Information Technology Manager for Opus, Neil is responsible for the provision and operation of computing, telecommunications and information services. Neil holds a Masters degree in Civil Engineering from the University of Canterbury.

# OPERATIONAL OVERVIEW

This section highlights some of the **MOST SIGNIFICANT PROJECTS** we were involved with during the year.

## AUSTRALIA



Kelvin Moody  
Regional Manager  
New South Wales

Graeme Dunnet  
Sector Leader  
Transportation  
Asset Management

Dennis Sheehan  
Regional Manager  
Queensland and  
Northern Territories

Melvyn Maylin  
General Manager  
Australia

Tony Bonetti  
Regional Manager  
Western Australia

Brian Leow  
Finance Manager  
Australia

In Australia, we fared reasonably well despite the global financial situation and we secured some substantial new work.

We operate 18 offices in five states of Australia. In New South Wales and Western Australia we secured significant commissions, particularly in the transportation and water sectors. In the Northern Territory, we continued to work in the alliance for the delivery of three packages of work associated with the Federal Government's multi-million dollar Strategic Indigenous Housing and Infrastructure Programme for the upgrading of housing and related infrastructure. Queensland was affected by the downturn in work generated by developers however there were signs of a recovery in the latter part of the year. We have commenced delivery of a contract as preferred consultant

to Logan City Council and secured a number of contracts for work on schools in Queensland as part of the Federal Government's Economic Stimulus Package.

Government spending on infrastructure continued at a reasonable rate and this had a positive effect on our operations in Australia. We have secured a number of projects associated with building design and the construction of infrastructure.

Our clients have indicated that they enjoy working with us. An example is the comment by the General Manager for Technical Services for the City of Armadale, who said that Opus had always sought to provide extra comment and advice to assist in ensuring a high quality final product.

We were delighted to learn that the Mirvac School of Sustainable Development, part of Bond University,

Queensland, won a global award as the world's best example of low carbon, sustainable design. Our structural engineering team from our Brisbane office provided the structural design for this state-of-the-art modern university building.

Key projects we secured during the year or were ongoing during the year are listed below:

### TRANSPORTATION

- In Western Australia we were commissioned to lead the scoping, analysis, evaluation and management for the introduction and implementation of a new, user friendly computerised road asset management data base tool, ROMAN II, for the Western Australian Local Government Association.
- We carried out 503 inspections and load ratings on a number of railway lines for the Australian Rail Track

“ Opus had always sought to provide extra comment and advice to assist in ensuring  
**A HIGH QUALITY FINAL PRODUCT** ”

Glynn Davis, General Manager for Technical Services, City of Armadale



1. Mirvac School of Sustainability, Bond University, Queensland  
2. Tennyson Reach residential apartments, Queensland

Corporation. This included defect detection, repair recommendations and entry of data to allow the client to forecast their maintenance requirements of the rail infrastructure.

- In New South Wales we continued our work for the Hunter Water Corporation on the design of a new road which is being re-routed to allow for the proposed Tillegra storage reservoir. This dam, once complete will flood approximately 21 square miles of the upper Williams River valley.
- In Western Australia we are continuing to provide asset management support and technical advice to Southern Roads Services as part of their delivery of a 10-year road maintenance contract for Mainroads Western Australia.

#### BUILDING AND STRUCTURAL DESIGN

- During the year we were commissioned to provide the structural, civil and hydraulic services for a large new church hall on the Gold Coast.
- For the Dalby Regional Council we are providing the architectural, civil, structural, mechanical and electrical

design services for the Police and Citizens Youth Club new facilities and alterations.

- We designed two new science and language laboratories for the Commonwealth Government – part of the government’s economic stimulus package for education.
- In Queensland we won a Building Revolution Schools tender for the provision of architectural drafting and building services for 45 schools.
- We are providing the civil engineering and hydraulic services for the construction of the Transitional Research Institute at Princess Alexandra Hospital in Queensland. This new A\$250 million research facility is expected to be completed in 2012.
- We continued our work for the Strategic Indigenous Housing and Infrastructure programme in the Northern Territory. This government funded programme, which Opus is doing in an Alliance with Leighton Contractors, Ngarda Civil and Mining, and Broad Construction, aims to improve the standard of housing of indigenous people.

- Together with Broad Construction we are working on the design and construction of seven new schools in South East Queensland for the Department of Education.
- In August we were commissioned to carry out civil and structural engineering design and documentation, together with architectural drafting for various new training facility buildings for Charles Darwin University at both Katherine and Alice Springs.

#### ASSET MANAGEMENT

- We provide asset management services to the City of Armadale in Western Australia. This work entails services across all of the city’s asset classes – roads, bridges, buildings, and public spaces and has often entailed us seconding specialist staff to the Council.
- We were successful in winning a place on the Technical Support panel for the City of Logan in 2008, and this work has been ongoing in 2009. Under the contract we are providing a wide variety of engineering consultancy services across all asset types, including: road design and condition rating, storm water drain



design and drain investigations, traffic studies, and project management. We are currently working on a storm water study, a master plan for a suburb, design of staff accommodation for Logan Water Services, and project managing the Logan Planning Scheme.

#### OTHER INFRASTRUCTURE

- Our Sydney office was involved in locating and assessing drainage assets along a number of main arterial routes around Sydney. This work involved checking all drainage assets, utilisation and development of a 'snake eye' camera for checking confined space drains and pipes, development of a GIS based drainage map using aerial photography, and advising on repair work.
- In the Northern Territory we have been providing the engineering services associated with the design, documentation and construction of a residential development for 70 sections.
- Opus was commissioned to provide planning for storm water overland flow channels, design, and documentation supervision of the new Glenrowan Estate, a 200 lot, residential subdivision in Mackay, Queensland.
- In November, we successfully won work as the lead consultants for the provision of concept planning, detailed design services and the project management of an industrial land subdivision, which is over an area of 786 ha. This work is being carried out for the Ipswich City Council in Queensland.
- We continued stakeholder consultation work and assisting the developer in the development of the Great Barrier Reef International Resort at Zilzie Bay. This large resort will include residential housing sites, park land, a shopping centre, a golf course and club house, a sporting complex, hotel, country club, conference centre and a retirement village.
- During the year we were commissioned by Gold Coast Airport for the concept design, detailed design and project management of a 950 space public car park which will be built over two stages.
- We are the structural and civil engineering consultant for the residential elements of the Tennyson Riverside Development in Brisbane. This development when completed will include 350 river front luxury apartments in a residential precinct and an international tennis facility linked by parkland.
- At Noosa on Australia's Sunshine Coast, we are continuing to provide structural, civil and hydraulic engineering services for the Viridan Noosa Development, a residential lifestyle and commercial development on Noosa Hill. The resort is being developed in stages, with the first stage winning the Medium Density Housing Development Award.



- 3. Queanleyan Bridge, New South Wales
- 4. Nambour Fire Station, Queensland
- 5. Tinkarli Wuppa Indigenous Housing Estate, Northern Territory
- 6. Typical highway, Western Australia

## CANADA



Shawn Landers  
President Eastern Canada

Vicki McLeod  
Finance Manager

Chris Harrison  
President Canada

Our key service areas in Canada are road safety, advisory services for major Public Private Partnership (P3) projects, asset management, transportation planning, traffic engineering, infrastructure design, surveying and water/wastewater engineering.

We have six offices which are located in Victoria (BC), Vancouver (BC), Kelowna (BC), Calgary (AB), Fredericton (NB) and Detroit (Michigan, USA). We are well positioned to service our clients who largely consist of provincial and state government departments, municipalities and a number of transportation agencies and private sector clients.

Some of the more significant projects that we have been involved with over the year have included the following:

### TRANSPORTATION

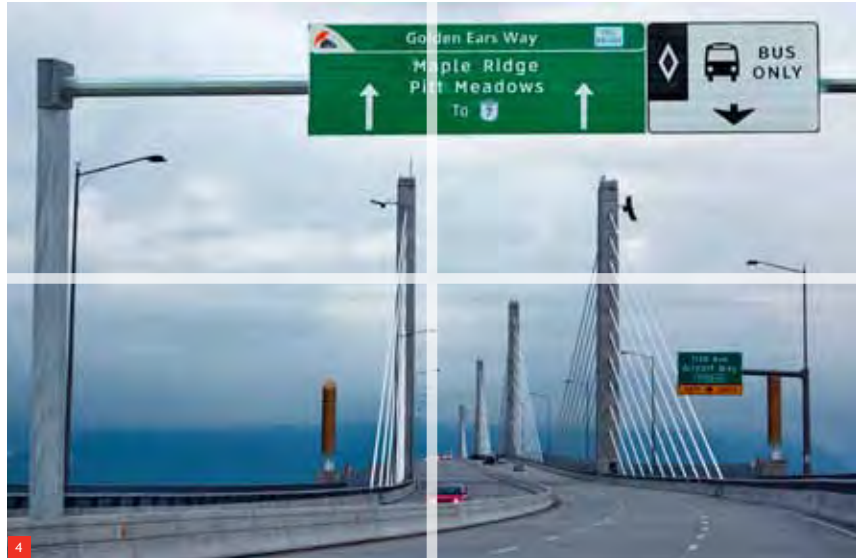
- The development of a master plan strategy for Marine Atlantic on the development of a ferry terminal at North Sydney, Nova Scotia. The plan will provide the guidelines for infrastructure development over the next 30 years for the terminal facilities including parking, container storage, buildings, road access and security.
- A study for Transport Canada on the movement of freight across the New Brunswick (Canada)/USA border for the purpose of assessing the efficiency of this Atlantic gateway. Specific objectives of the study included border policies/regulations, freight and passenger flows, and operational issues.
- A five-year contract for the provision of design, operations, maintenance, rehabilitation and quality management advisory services for the Route 1 Gateway P3 Project, a four-lane highway for the New Brunswick Department of Transportation.
- Completion of an infrastructure investment plan for the Province of Nova Scotia, which looked at the funding requirements for public buildings, schools, hospitals, roads, bridges and other key infrastructure requirements over the next 12 years.
- A risk-based study for TransLink for a Dangerous Goods Route through greater Vancouver to come up with a route and a related bylaw to control the movement of dangerous goods.
- The development and implementation of a GIS network management system for the Newfoundland and Labrador Department of Transportation and Works that will assist with identifying and recording road asset inventory data across the provincial road network. Similar work is also being done for the Ontario Ministry of Transportation, with the development of a GIS implementation plan and the provision of advisory services.
- For Transport Canada, we carried out a study involving the identification of facilities associated with the movement of goods to and from the Provinces of Alberta, Saskatchewan and Manitoba for improvements to access and efficient use of the road networks.
- For the Wisconsin Department of Transportation we are providing on-call safety engineering services. This work includes the provision of advice on road safety audits, road safety improvements, tribal safety and access management.



we were **AWARDED** A FOUR-YEAR **CONTRACT** for the provision of operations, maintenance and rehabilitation advisory services

- We are providing the engineering component of asset management strategies and plans to the Federal Government in relation to wharves, bridges and highways in Ontario. This work includes the Burlington Lift Bridge in Hamilton and the LaSalle Causeway in Kingston.
- For Alberta Transportation, we undertook public consultation associated with changes to School and Playground Zones across the Province with the aim of collecting feedback on proposed changes to the effective hours for restricted vehicle speeds within these zones. This work also included providing advice on the nature, display and placement of signs.
- A parking study was undertaken for the City of Nanaimo (Vancouver Island, BC) to identify issues associated with parking, and to develop bylaws and pricing strategies and make recommendations regarding parking restrictions.
- In an ongoing project that commenced in 2005, we have been providing operation, maintenance and rehabilitation advisory services, including the development of the Winter Olympics Games Transportation Operational Plan, for the Sea-to-Sky Highway, a strategic link between Vancouver and Whistler (BC).
- We continued to work closely with the New Brunswick Department of Transportation to develop and implement new practices and decision making processes in support of the department's Asset Management Business Framework for Highway and Bridge Infrastructure.
- Our Detroit office is currently contracted by the Michigan Department of Transportation to assist with the implementation of a Road Safety Audit programme.
- During the year we assisted with the investigation of methods for reducing vehicle collisions on Alberta's roads. This involved identifying and prioritising engineering solutions and strategies to reduce collisions, the review of literature and consultation with the road agencies.
- In 2009 we were awarded a four-year contract for the provision of operations, maintenance and rehabilitation advisory services for the Port Mann Highway 1 Improvement Project (part of the Gateway Program), Vancouver (BC).
- Specialists from our Detroit and Vancouver offices continued to assist the Federal Highway Administration Office for Safety, the Office of Federal Lands, and the National Highway Institute with the implementation of a Strategic Highway Safety Plan.
- The Golden Ears Bridge (Vancouver, BC) was officially opened during the year. We assisted with safety auditing and now provide operation, maintenance and rehabilitation advisory services to TransLink for the management of this spectacular one km long bridge.

1. Asset management of infrastructure, Ontario
2. Highway signage, Newfoundland
3. Sea-to-Sky Highway, British Columbia
4. Golden Ears Bridge, British Columbia



#### WATER SERVICES

- We are assisting the Village of New Maryland (NB), with improvements to their water reticulation system, including the detailed design of an elevated water storage reservoir, piping, well upgrade, SCADA system and water treatment facilities.
- For the Town of Florenceville-Bristol (NB), we are reviewing the wastewater treatment facilities following severe flood damage, and providing the design for a new sanitary collection point and pumping stations, and conducting a wastewater flow monitoring study.
- In Oromocto (NB), we are upgrading the municipal wastewater system and providing an environmental impact assessment for a wastewater treatment facility, sanitary pumping station and force main, along with an assessment and evaluation of the water treatment capacity.
- We are part of a team providing a condition assessment and rehabilitation for a sanitary sewer

for the City of Victoria (BC). Our role in this work includes the development of a matrix to assist in optimising rehabilitation treatment and a forward work programme.

#### OTHER SERVICES

- For the City of Fredericton (NB), we are providing the engineering design and contract administration services for a number of projects including the upgrading and widening of signalled intersections, and the upgrading of a number of water and sewer networks. We are also providing the preliminary planning, detailed design, contract administration and resident construction services for the upgrading of numerous municipal roads.
- We are assisting the Village of New Maryland (NB), in the delivery of its annual capital works programme for municipal road infrastructure improvements through the provision of preliminary planning, design, contract administration and resident

construction services.

- During the year we worked with a number of private developers in the design, specification, development, contract administration and construction supervision for a number of residential subdivisions in Fredericton and Oromocto (NB).
- We provided the design, contract specification and interim construction inspection for the New Brunswick Department of Supply and Services, for the upgrading of an entrance road and parking area at Millidgeville North School.

## NEW ZEALAND



Richard Croad  
Divisional Manager  
Environmental

Gary Dela Rue  
Regional Manager  
Central Region

David Quinlan  
Divisional Manager  
Architecture

James Phillis  
General Manager  
NZ Operations

Ken Boam  
Regional Manager  
Wellington

Glen Hughes  
Regional Manager  
Southern

Peter Mathewson  
Regional Manager  
Northern

Our operations in New Zealand remained positive during 2009 despite the economic uncertainty. We secured many new projects and renewed several significant existing contracts, particularly in the transportation asset management, transportation asset development, water infrastructure and building design sectors.

In Taranaki we secured the New Plymouth District Council road network management contract. This contract is for a period of three years, with a right of renewal for 1+1 years, and is for the management of all maintenance associated with the local road network.

We successfully extended our contract for the ongoing maintenance of the Auckland Harbour Bridge, and were also commissioned to manage the box girder strengthening project. This work is carried out in a joint venture agreement with our partners TBS Farnsworth and Fulton Hogan.

We retained or renewed our contracts with Manukau City Council, and the Central Hawke's Bay, Franklin, Thames-Coromandel, Hauraki, Gisborne, Rotorua, and Wanganui District Councils for the provision of transportation asset management. We also retained our contracts with the NZ Transport Agency (NZTA) for the Central Waikato, Hawke's Bay, Nelson, North and South Canterbury and the West Coast highway networks, along with several state highway bridge management contracts throughout the country.

As part of the Auckland Motorway Alliance we partnered with other consultants and contractors to maintain the highway network around Auckland for the NZTA. In the Western Bay of Plenty, we continued to deliver through the In3Roads performance based maintenance contract for the local district council and NZTA. We also acted as principal advisors to NZTA for a range of projects related to the government targeted 'Roads of National Significance' in Auckland, Waikato, Wellington and Canterbury, together with stimulus package projects in Hawke's Bay, Wellington and throughout the South Island.

Our building design teams secured some

significant projects during the year. These included the design for the new state-of-the-art Newmarket Railway Station in Auckland which was completed in December, and the detailed design and documentation of a major upgrade of the Dunedin Town Hall.

We were also selected for the design and roll-out of a new retail brand for the Bank of New Zealand across the country, and the design and management of a substantial capacity increase across four regional correctional facilities for the Department of Corrections.

Our involvement in the water sector has also had a high profile. Projects have included:

- The Water Asset Management Master Plan for the Auckland suburbs of Owairaka/Hillsborough.
- The Dunedin Three Waters Programme.
- The Hutt River Flood Plain Management Scheme.
- The new Matai water reticulation pipeline in Nelson.
- The 'Five Waters' Strategic Study for the Selwyn District Council.
- The Clear Harbour Alliance in Auckland.



## OUR **ACHIEVEMENTS** throughout the year received significant recognition

Our achievements throughout the year received significant recognition, and it was pleasing to win a number of industry awards. The most significant awards were:

- The New Zealand Architecture Medal for the design of the Wilson Special Needs School.
- Four Association of Consulting Engineers of New Zealand Silver Awards. These were for the design and project management of the

Coromandel Waste Water Treatment Plants, the innovative design of foundations for the Gisborne Police Station, the research and safety improvements made to the Karangahake Gorge Road, and the civil engineering and architectural design associated with the Northern Busway project and associated stations.

- Three New Zealand Engineering Excellence Awards (the Gisborne Police Station, Northern Busway, and

the High Voltage Power Upgrade for the Telecom 3G Telephone Exchange in Auckland).

- We also won five, New Zealand Institute of Architecture Regional Awards. These were for the design of the Gisborne Police Station, the Crown Hotel in Napier, the Watson/Hasselmann residential house in Hawke's Bay, the Palmerston North Courthouse, and the Timberlands office in Rotorua.



1. Testing pavement skid resistance, Auckland Harbour Bridge
2. Gisborne Police Station
3. Timberlands office, Rotorua
4. Palmerston North Courthouse

- The Property Team also won a Property Council Merit Award for their work for the new Cambridge Park Lifestyle Village in Levin.

Some other significant projects that we secured or completed over the course of the year were:

### TRANSPORTATION

- We completed the feasibility, scoping and preliminary concept design phases for the Auckland Manukau Eastern Transport Initiative (AMETI). This strategic, multi-modal transport project, once complete will create a 15 km long integrated transport corridor between the cities of Auckland and Manukau.
- Opus provided the construction supervision and project management of the recently opened, six km long, four-lane divided extension of SH20 from Hillsborough to Mt Roskill in Auckland for NZTA.
- We continued to provide extensive design work for the DART (Developing Auckland's Rail Transport) project. Newmarket Station, which we designed, was completed and substantial progress was made on the Grafton Station.

Civil work and track alignments together with the commencement of construction work for the Manukau Transport Interchange and Kingsland Stations also took place during the year. This work has involved close working relationships with ONTRACK and Auckland Regional Transport Authority (ARTA), and construction partners Fulton Hogan, Leighton Contracting and Hawkins Contracting.

- In two separate agreements with the Auckland City Council we are providing professional services for roads, structures and drainage for the southern area of the Auckland Isthmus and the Hauraki Gulf Islands. Under an additional agreement we are also providing road asset management support within the entire geographic boundaries of the city.
- In October, the four-km long, Piarere to Oaktree Bend, two-lane realignment on SH1 in the Waikato region was opened. Opus provided the design and construction management for the project, which involved extensive earthworks and the benching of slopes, a new bridge and effective traffic management of this busy and key transport route.

- The scheme assessment report for NZTA on the proposed Transmission Gully Highway, north of Wellington was completed. Our services included scoping design, planning advice, geotechnical and risk/cost/value engineering for this multi-million dollar project. Our preferred new alignment is estimated to cost up to 15% less than the previous designated alignment.
- Also for NZTA we completed the scheme assessment for the redevelopment and improvement to the transportation aspects surrounding the Basin Reserve in Wellington. This important section of the motorway between the CBD and Wellington Airport will see us involved in planning, scoping design, consultation, road and bridge design, and geotechnical investigations.
- In the South Island we are the Principal's Agent for NZTA for the Christchurch Southern Motorway, the largest road project currently being undertaken in the South Island.
- We are also under took the macro scope definition and scheme assessment for the 'Gates of Haast' route across the Southern Alps and the Caversham Highway in Dunedin.





#### WATER INFRASTRUCTURE

- During the year we completed an assessment of the water treatment plant at the New Zealand Sugar Refineries plant in Auckland for compliance with the recently introduced New Zealand Drinking Water Standards.
- For Metrowater, we are working on a master plan for the supply and reticulation of water in the Owairaka/Hillsborough area of Auckland.

This work also includes the identification of zones within the area and optimisation of bulk water supply across boundaries.

- For an ongoing contract with the Taupo District Council, we are preparing Public Health Risk Management Plans for ten water supplies, and assisting the council to prepare upgrade subsidy applications for five water supplies to comply with the New Zealand

Drinking Water Standards.

- We are providing a range of services for the provision of a new 7.5 km long pipeline from the Maitai Dam to the Maitai Water Treatment Plant in Nelson. The project involves many areas of expertise, including geotechnical engineering, pipe design and installation, mechanical and electrical engineering for the creation of a new booster pump station, along with civil and hydraulic engineering.

We are working on a **MASTER PLAN** for the supply and reticulation of water



5. Cambridge Park Lifestyle Village, Levin
6. SH20 extension, Auckland
7. Retaining and sound walls, SH20 extension, Auckland
8. Newmarket Railway Station, Auckland
9. Pukaki Canal, Canterbury
10. Wakapuaka Waste Water Treatment Plant, Nelson



- For Dunedin City Council we, along with URS, are carrying out an integrated asset management examination on the performance of the city's three water networks, including the urban catchments. Our report will be used in determining priority work, growth and capital expenditure to meet service improvements in the future.
- In Central Otago we are carrying out a study over a 15,000 ha area to determine the future demand for water resources in relation to available water sources. Known as the Lower Manuherikia Irrigation Scheme Study, the study seeks to determine the future water demand for agriculture, horticulture and rural/town supply.
- In a plan to amalgamate the separately managed areas of water supply, wastewater, storm water, water races and land drainage services, we completed an Activity Management Plan for the Selwyn District Council. This plan combines the interdependencies of the five-water sub-sectors and the sustainable delivery of water services and was based on a prioritisation process and levels of service goals. This project was selected as a finalist in

its category at the 2009 New Zealand Engineering Excellence Awards.

- In an alliance project with Metrowater and other contractor and consultant partners (known as the Clear Harbour Alliance), we are carrying out a sewer separation project across a large area of Auckland. Many areas of the city had a combined sewer/storm water system which, when over-loaded after heavy rain, was causing overflows of sewage to run into the harbour.

#### BUILDING DESIGN

- Under an alliance agreement with the Bank of New Zealand, we were appointed to roll out the re-branding and refurbishment of retail stores throughout New Zealand as well as assist in the introduction of the new 'Partners' business focussed concept.
- In the South Island, we are providing building design, along with civil works, mechanical and electrical engineering, and landscape design for the new Clearview School in Christchurch. We also provided similar services for a new primary school in Wanaka.
- In Wellington, we worked on the

design for the redevelopment of the Porirua, Naenae and Heretaunga Colleges, and Newlands Intermediate School. For Heretaunga and Porirua Colleges we are also providing a master plan for the future development of the two campuses. Other work for the Ministry of Education included the design of the new Kapi-Mana Special Needs School in Porirua.

- For Massey University, the second stage of the Albany Campus Information Services Centre was completed. We have also been involved in concept designs for the next stages of development for both the Albany and Wellington campuses.
- We are assisting Wakefield Health to redevelop Bowen Hospital in Wellington. Stage 1 included the design of a new building to accommodate various specialists consulting rooms and a radiology suite. Stage 2 will involve five new operating theatres and the refurbishment of the existing hospital.
- We provided the architectural, structural, mechanical and electrical design services for the upgrade of

the Auckland District Court along with new civil courts, office space, upgraded criminal courts, improved security and the ground floor public access area.

- For the Westfield Group we provided the architectural design for the extensions to the Riccarton Mall redevelopment in Christchurch.
- For the Dunedin City Council we are providing the architectural and structural design for the redevelopment of the Town Hall, which will feature a glass entranceway and foyer, and the redevelopment and refurbishment of the associated Municipal Chambers.
- We worked with the Nelson City Council and the New Zealand Turf Institute for the upgrade of Trafalgar Park, and the resurfacing of the rugby field using recycled glass sand. The ground is to be used as a venue for some of the preliminary games of the 2011 Rugby World Cup.

#### OTHER INFRASTRUCTURE SERVICES

- Our Central Laboratories at Gracefield, near Wellington, were awarded two major research contracts by the Foundation for Research Science and Technology.

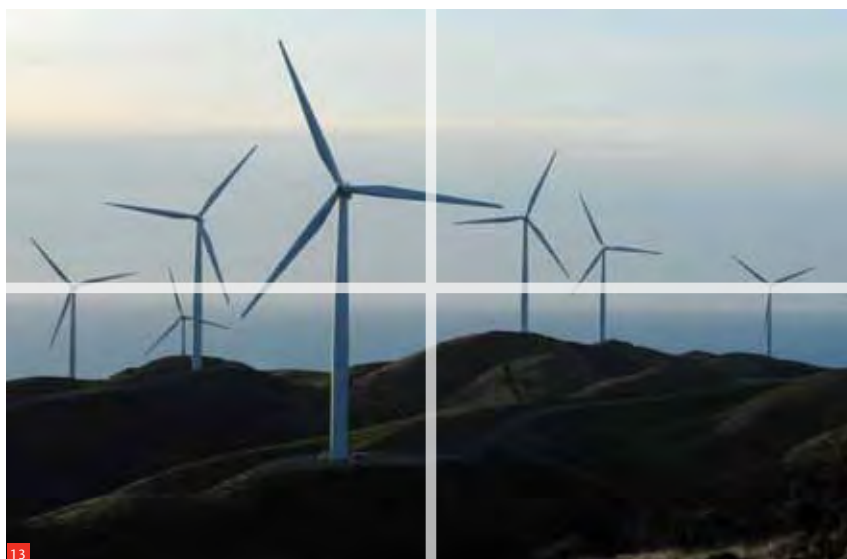
These research contracts have a combined multi-million dollar value over a six year period.

- We continued to work with Meridian Energy to carry out investigative geotechnical work, turbine foundation design, and the construction supervision for West Wind, (the wind farm project at Makara near Wellington), and the Lake Hayes wind farm in the South Island.
- For the Port of Lyttleton, near Christchurch, we provided ongoing asset management advice on the development of port facilities to meet the increase in coal handling through the port as a result of the coal exports from the expanded West Coast coal mining operations.
- We continued to provide professional services to Chorus and Telecom New Zealand. This work included asset management, project management, engineering services and structural engineering of specialised engineering services to support Telecom's fixed line and mobile telecommunications networks throughout the country. Specific major projects during the year included the upgrade of the Hamilton

Telecommunications Centre, and work on the Mobile XT project where we were involved in the design and implementation of over 80% of the non-communications infrastructure facilities (cell tower structures and civil earthworks) for the new WCDMA mobile network.

- Since 1995 we have provided facilities management of buildings and grounds services to Transpower. The success of this project led to a further four-year extension from July 2009.
- During the year we continued to provide facility asset management services to TelstraClear to maintain their 200 building structures throughout New Zealand.
- Our Property Group continued its work on property acquisitions and legislation, including services for NZTA, and additional commissions from Land Information New Zealand relating to the South Island high country farm tenure review process.

- 11. Westfield Mall, Riccarton, Christchurch
- 12. Massey University Information Services Centre, Albany
- 13. West Wind wind farm, Makara



13

## UNITED KINGDOM



..... Luke Meechan Sector Leader – Transport Asset Management	..... Jonathan Saunders Regional Director North	..... David Prentice UK Director	..... Huw Edwards Regional Director South West	..... Adrian Clarkson HR Director	..... Derek Gibby Finance Director	..... James Hulme Director Tower Surveys	..... Mike Grant Regional Director South East	..... Paul Ogden Regional Director Midlands
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The effects of the world-wide economic recession impacted on our operations in the UK, with a contraction in available work, but we did see signs of stabilisation in this market at year end. We were able to maintain our capability and are working on expanding our capabilities and business base with a wider circle of clients going into 2010.

Despite the economic downturn, there were many highlights. One was our category win in the Constructing Excellence in Wales Awards, where we were commended for our Leadership and People Development. We also won the prestigious Chartered Institute of Building South Yorkshire Award in the category, 'Leadership in People Development,' and were the runner up in the 'Sustainability' category. One of our senior engineering technicians, Lee Parkinson from our Doncaster office was awarded the Clugston Construction Award for Best Final Year Student at Nottingham Trent University following his success in gaining a BSc (Hons) in

civil engineering. Being recognised in this manner reflects the importance that we put in our company values and reinforces our commitment to working as a team in a positive and friendly manner.

We were also successful in winning a number of new projects during the year, and were particularly pleased to have won the framework with the Royal Borough of Kensington and Chelsea and the London Borough of Hammersmith and Fulham. This four year contract was secured in partnership with Project Centre Limited. The framework enables Opus and Project Centre to co-locate specialist highways and transportation staff to both the London Boroughs as well as providing engineering consultancy services direct to other London Boroughs.

Other key projects won or ongoing during the year have included:

### TRANSPORTATION

- We were appointed to rail operator Network Rail's London North-West Territory Bridge Guard 3 framework. This work entails providing services such as feasibility studies and the design of repairs or replacement of both road or over rail bridges.

- We are providing deterioration modelling work to Hertfordshire County Council to assist them in the funding and provision of highway infrastructure and performance.
- We provided services to AMCO Rail who is responsible for the construction and maintenance projects on railways. Our work focuses on the identification and remediation of ancient mining features on the railway, which can pose a significant risk to infrastructure and railway personnel.
- Our asset management specialist Dr Ian Greenwood has completed a contract working for the Highways Agency in Birmingham. The work involved consultancy advice, focusing on the development of a plan for the implementation of decision support tools (DST), as well as general asset management support to the Agency's Asset Management Office.

### BUILDING DESIGN AND CONSTRUCTION

- During the year we won a contract with the Countess of Chester Hospital for the provision of civil and structural engineering services for a period of three years. This contract



1. Wrexham Maelor Hospital, Wales
2. Penyrheol School, Swansea
3. RNLI Lifeboat Station, Exmouth

follows some previous work we did for this client several years ago.

- We are working on several ongoing major healthcare facilities in Wales, for Interserve Project Services Ltd, as part of an initiative under the 'Designed for Life: Building for Wales' national framework. This is in response to the Welsh Assembly Government's strategy for the provision of a better health service by 2015. Specific projects under this contract include providing civil and structural design for a new ward's wing at the Llandough Hospital; the design for the extension and refurbishment of the Breastcare Unit at Prince Phillip Hospital; and the civil and structural design for the final phase of the Children's Hospital at the University Hospital of Wales.

#### ASSET MANAGEMENT

- Through our subsidiary, Structural Surveys Direct, we are providing condition surveying, as part of the Southampton Building Schools for the Future programme, which will see the building or refurbishment of seven secondary schools and the upgrading of four special schools in greater Southampton.
- We have been appointed as the structural engineering consultants for updating the Bosworth House Building at De Montfort University in Leicester which is part of a multi-million pound upgrade of the university campus. We will also be designing a new glazed lift shaft and stairwell for the building, which houses the Business and Law faculties.

- We are on the CADW framework agreement (the Welsh Assembly Government's historic environmental division). They are the Welsh Government body with the mission of protecting, conserving and promoting the built heritage of Wales. Projects completed in 2009 include the refurbishment of a medieval suite (Earl's Chamber) at Chepstow Castle in Monmouthshire. With our help, the Inner East Gatehouse at Caerphilly Castle was also opened to the public for the first time in three hundred years.
- We provide Nottingham City Council with an "Out-of-Hours Dangerous Structures Inspection Service". Projects in 2009 included the assessment of a damaged building caused by a fire blaze in Nottingham

We have provided structural and civil **ENGINEERING DESIGN** for new lifeboat stations





- 4. A Boots store, Nottingham
- 5. Geotechnical work for AMCO and Network Rail, West Yorkshire

City Centre. The roof of the four-storey building collapsed and caused an excessive amount of damage. Our structural advice was passed to the council to then carry out the required demolition to make the building safe.

#### OTHER INFRASTRUCTURE

- We are working with the Environment Agency to carry out remedial and refurbishment works to a sluice, part of the River Ouse flood defence system at Earith in Cambridgeshire. The work will ensure that flood defence can be provided over

a 50 year period and is part of the Agency's asset management programme.

- Work is continuing with the Royal National Lifeboat Institute (RNLI) on a number of sea rescue facilities throughout the south and west of England. We have provided structural and civil engineering design for new lifeboat stations and refurbishment projects since 2004, and during 2009 we completed the Exmouth and Sennen Cove stations. We also completed a project involving the design of an 'alongside serviced

pontoon berth and moorings' for the Severn Class lifeboat, the largest lifeboat used by the RNLI.

- We were appointed during the year to design, supervise and validate the remediation and earthworks for a 400+ unit residential development on the site of a former ganister works alongside the River Don in South Yorkshire. This work is being carried out for the developer, Bloor Homes Ltd.

## OTHER INTERNATIONAL PROJECTS

During the year we also worked closely with and assisted our major shareholder, Opus Group Bhd with a number of significant projects.

This included providing a team of water asset management specialists to assist them prepare three and 30 year business plans for the local water services supplier, SATU, to supply the water for the entire State of Terengganu in Malaysia, which has a population of over one million. The plans will incorporate best practice principles to ascertain future expenditure programmes in relation to the operation, maintenance and capital expenditure. It will also involve the valuation and condition assessment

of all the assets associated with the treatment plants, pumping stations, reservoirs and pipelines, and the review of the water tariff options.

We also assisted in India, with a project in the Punjab region to establish performance-based road maintenance contracts in nominated areas of the road network. This assistance, which is ongoing, involves the development of a strategy for the introduction of performance-based road maintenance.

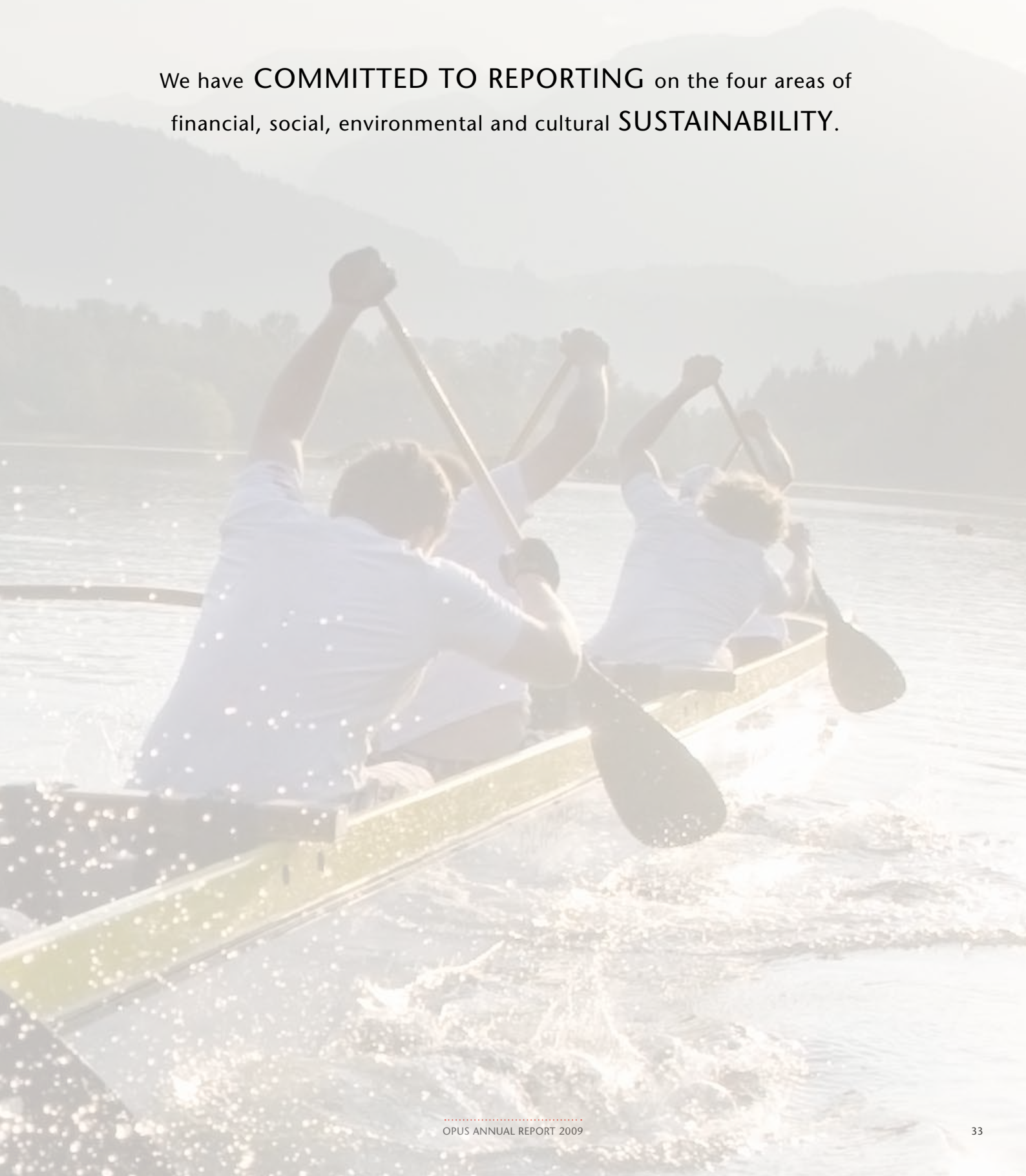
The work also involves the collection and reviewing of road asset management data along with the training of local Indian asset managers and contractors.



- 1. Road maintenance, Punjab, India

# SUSTAINABILITY

We have **COMMITTED TO REPORTING** on the four areas of financial, social, environmental and cultural **SUSTAINABILITY**.



## SUSTAINABILITY

In late 2007 we adopted a sustainability policy to act as a guiding document to assist with the definition of a number of existing sustainable principles. We realise the importance of our environmental, social, cultural and economic responsibilities to our people and the local and national communities in which we operate.

During 2008-2009, we put in place an implementation plan to carry this initiative forward, and have appointed a Sustainability Manager who is responsible for focussing on a number of prioritised matters over the coming months. The main points of the plan can be summarised as follows:

### Our Reach

#### **“We have the responsibility to create a positive influence from the work we do”**

Our ability to create innovative designs is where we will have the most influence on sustainable outcomes. A significant part of our services have always contributed to positive outcomes, e.g. asset management in the transportation and water sectors, through minimising energy use, and whole of life assessment in asset design and procurement, along with community engagement in project design and implementation.

We are in a position to advise our clients on a range of issues relating to the sustainable use of assets and resources. There will be an increasing pressure by central and local government clients to measure the performance, improve operational efficiency and extend the life of existing infrastructure assets. There will also be a demand for the efficient use of resources and capital in the design and construction of new infrastructure, without compromising functionality, aesthetics and reducing the impact on the environment.

Our strategy is to continue our growth and expertise in the provision of sustainable designs and services. We will do this by delivering innovation, creativity and technical competency. “Our legacy” will be most visible through the infrastructure development and asset management services that we provide for clients.

### Supporting Our Work

#### **“Our project management practices and our inherent sustainability philosophy”**

Our management systems manual ‘Opus Way’ sets out the guiding principles for the management of Opus and the way we do our business. ‘Opus Way’ covers all aspects of our operations, including our key policies, responsibilities, delegations, technical requirements, marketing, business relationship, training and people development, document management and business continuity planning. It complies with the requirements of ISO 9001:2008.

### Growing Our Local Action

#### **‘Reducing the environmental impact of our internal operations’**

We have identified many opportunities to have a positive impact on the environment and the communities in which we work. Our company-wide action plan will provide the vehicle to deliver this impact and we have already completed work to prioritise our actions. Vehicle and air travel contribute most to our emissions, while energy consumption (heating and lighting) represents about an eighth. We will produce individual action plans for each of our offices to implement. Such plans will include goals for the reduction of resources and will include measures for sustainable purchasing (including vehicles, building leases etc), and increased community involvement.

### Talking About It

#### **‘Raising awareness about sustainability internally and externally’**

To ensure sustainability is inherent in what we do and how we do it, we encourage our people to talk and debate a broad range of issues that sit under the subject of sustainability. This will include information on our ‘OpusWeb’ intranet along with other forms of communication including an electronic newsletter and awareness forums. Staff with a client interface role will become sustainability champions so that they can better understand and respond to our clients’ needs.

The G3 Sustainability Reporting Guidelines (Global Reporting Initiative 2006) has been chosen as the benchmark for our sustainability reporting (see [www.globalreporting.org](http://www.globalreporting.org)). The scope of our reporting against this standard is in the GRI Content Index which can be found on page 108. Specific omissions are explained or notes are given in the Content Index.

## ORGANISATIONAL PROFILE

We operate through permanent establishments in New Zealand, Australia, Canada, and the United Kingdom. We also perform project work in other regions, primarily the Pacific Islands, India and Malaysia. The activities associated with this other project work represents less than 1% of our overall activities and the primary environmental impacts of which, related to long-distance travel, are incorporated in the impacts assessment for the home country of the staff involved. Our scale, in terms of a number of parameters is set out in the following table:

PARAMETER	2009	2008
Year End Number of employees (FTE)	2,285	2,563
Year End Total revenue (\$million)	367.8	371.5
Average Total assets (\$million)	194.9	176.3
Average Total debt (\$million)	45.4	42.2
Average Total equity (\$million)	74.9	67.4

More detailed information relating to the scale of the organisation in financial and economic terms, including a breakdown by country, can be found in our audited Financial Statements and related Notes on pages 48-95. There were no significant changes during the reporting period regarding size, structure or ownership.

## REPORT PARAMETERS, SCOPE AND BOUNDARY

This is our inaugural Sustainability Report using the GRI framework. A preliminary version of a sustainability report was incorporated in our Annual Report for the year ended 31 December 2008. We will publish our Sustainability Report annually. Please contact [info@opus.co.nz](mailto:info@opus.co.nz) should you wish to contact us, or provide feedback, about the contents of this report.

In 2007, four Opus sustainability implementation teams were established with the responsibility for developing an implementation plan for monitoring and reporting sustainability issues. The group consisted of representatives from New Zealand, Australia, Canada and the United Kingdom. This team produced a paper which was submitted to our Strategic Management Board, recommending adoption of the Global Reporting Initiative as a guiding reference document.

Data and analysis included in this report covers:

- All permanent establishments, including subsidiary companies, globally (i.e. all operations in New Zealand, Australia, Canada and the United Kingdom) unless otherwise stated.
- All Joint Venture and Associate operations in the above countries.

The impacts of joint venture, associate operations, and activities involving partners are limited to the component of activities performed by our employees. The scope does not include the activities of external consultants and sub-contractors engaged by us or managed by us on behalf of clients.

All incorporated company subsidiary operations are wholly owned and consolidated into the Group Financial Statements. The effects and impacts of all leased facilities, including vehicles, computing and buildings, over which we and our subsidiary companies have the beneficial use are fully reported. Outsourced activities, including contractor and sub-consultant activities are excluded except to the extent that our staff are directly involved in these outsourced activities.

The basis of calculations and assumptions are mentioned under the respective indicators and follow the definition of GRI Indicator Protocols. As this is an inaugural report, all information is stated for the first time using the GRI framework, although some information was reported in our 2008 Annual Report.

There have been no significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report. The GRI component of this report has not been subject to external assurance. Financial data has been taken from audited Financial Statements as certified on page 96.

**GOVERNANCE, COMMITMENTS AND ENGAGEMENT**

Full details of our governance structure, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight can be found on our Investor Centre website ([www.opus.co.nz/investor\\_centre/corporate\\_governance](http://www.opus.co.nz/investor_centre/corporate_governance)). Also refer to our Corporate Governance report on pages 97-99.

We have three operational committees:

- Strategic Management Board, constituting of senior managers of Opus, meeting every two months to monitor and evaluate strategy implementation and significant policy.
- Executive Risk Management Committee, comprising the Chief Executive and his direct reports, the purpose of which is to consider and develop plans to manage significant risks to Opus.
- Health & Safety committee to monitor and evaluate health and safety performance.

Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body include:

- The Chief Executive provides formal recommendations to the Board.
- Senior managers provide recommendations to the Chief Executive.
- Employees can raise issues directly with the Chief Executive and Senior Managers through management meetings, direct contact, team briefs, the Chief Executive Roadshows, and independent staff opinion surveys.
- Clients provide feedback as unsolicited correspondence, through tender evaluation processes, through project outcome reviews, relationship audits, and independent opinion surveys.
- Shareholders can raise questions, provide feedback and pass resolutions at the annual general meetings and any special purpose meetings or through the Investor Centre on our website.

The subcommittee responsible for the preparation of our internal sustainability initiative developed a list of stakeholders. The stakeholders were defined based on looking at the elements of our business and the people, organisations and relationships that are critical to our operations. Engagement with stakeholders (marked \* in the chart below) is well established and frequent (i.e. daily to monthly).

INTERNAL STAKEHOLDERS	EXTERNAL STAKEHOLDERS
Employees (*)	Shareholders (*)
Prospective employees	Clients / customers (*)
Families of employees	Communities / community organisations with whom we are linked (*)
Managers / Partners / Associates (*)	Business partners / suppliers / sub-consultants (*)
Board of Directors (*)	Regulators
	Professional institutes (*)
	Industry associations (*)



1. Secondary school students take part in a bridge building exercise – part of Work Choice Day, Wellington, NZ
2. A graduate engineer receives mentoring from a senior engineer, Auckland, NZ



- 3. Jean Dupavallon (left) receives the Minister's Award for Excellence, Sydney, Australia
- 4. Jo Furze and Nicole Taylor (centre) receive the Property Council of NZ Award of Merit
- 5. Sustainable wind power, New Zealand
- 6. Information screen, Mirvac School of Sustainable Development, Bond University, Australia

**ECONOMIC**

Economic performance is represented in the financial statements and accompanying notes (see the GRI Content Index). Other, specific economic indicators are listed below:

**EC2. Financial implications and other risks and opportunities for the organisation's activities due to climate change:**

Climate change may have some effect on our operating costs, particularly due to the increased costs of energy associated with government taxation or carbon emissions charges arising from meeting Kyoto Treaty obligations. Our most significant opportunity is to develop design and policy solutions for clients that respond to the effects of climate change.

**EC4. Significant financial assistance received from government:**

We enter into contracts with local and central government organisations on an arms-length basis, and does not receive grants, subsidies, or similar. The Agriculture Industry Training Organisation and Infratrains subsidises students undertaking study for selected courses delivered through NZWETA, a joint venture between Water New Zealand and Opus. NZWETA charges the students the normal fee less the subsidy, and the subsidy amount is recovered from AgITO or Infratrains. In 2009, the subsidy was \$360,653 (in 2008 the subsidy was \$402,055).

**EC6. Policy, practices, and proportion of spending on locally based suppliers at significant locations of operation:**

Most of our major expenditure on leases, building operations and maintenance services, vehicle operations, and office supplies is with local suppliers. Air travel and long distance travel is arranged through national or state vendors in each country. Sub-consultant partners are chosen on a best for project basis, whether national or international.

**EC7. Procedures for local hiring and proportion of senior management hired from the local communities at locations of significant operation:**

Our preference is to develop staff from within the company for leadership roles and appointment to all management and principal technical roles. Specific development programmes have been developed since 2005 to support this aim. All vacant positions in each country are advertised internally to the whole Opus community. Where suitable internal candidates are not available or cannot be identified, appointments are sought from outside of the company. No preference or policy applies to hire candidates from local communities; all appointments, whether from internal or external candidates, are based on merit.

## ENVIRONMENTAL

### EN16. Total direct and indirect greenhouse gas emissions by weight:

Emissions are calculated for the New Zealand operation only, and are estimated to represent approximately 74% of the total emissions. Total emissions in 2009 are estimated to be 3,724 tonnes CO<sub>2</sub>-e (4,054 tonnes in 2008). The emission rate per FTE in 2009 was 2.2 tonnes CO<sub>2</sub>-e (2.3 tonnes in 2008). Further details are provided in the following table:

	UNITS OF QUANTITY	2009					2008				
		QUANTITY	EMISSIONS (TONNE)				QUANTITY	EMISSIONS (TONNE)			
			CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	CO <sub>2</sub> -e		CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	CO <sub>2</sub> -e
<b>LAND TRANSPORT</b>											
Fleet vehicles: Petrol	1000 km	5,232	932	2	9	943	4,920	877	2	9	888
Fleet vehicles: Diesel	1000 km	2,036	499	-	5	504	1,915	470	-	5	475
Rental vehicles	1000 km	600	143	-	1	144	600	143	-	1	144
Taxis	1000 km	308	100	-	1	101	308	100	-	1	101
Train	1000 km	4	-	-	-	-	4	-	-	-	-
<b>Total land transport</b>		<b>8,180</b>	<b>1,674</b>	<b>2</b>	<b>16</b>	<b>1,692</b>	<b>7,747</b>	<b>1,590</b>	<b>2</b>	<b>16</b>	<b>1,608</b>
<b>AIR TRAVEL</b>											
Domestic	1000 km	3,291	613	-	6	619	4,289	799	1	8	808
Short haul international	1000 km	392	42	-	-	42	955	102	-	1	103
Long haul international	1000 km	1,065	130	-	2	132	1,985	243	-	3	246
<b>Total air travel</b>		<b>4,748</b>	<b>785</b>	<b>-</b>	<b>8</b>	<b>793</b>	<b>7,229</b>	<b>1,144</b>	<b>1</b>	<b>12</b>	<b>1,157</b>
<b>PURCHASED ENERGY</b>											
Purchased electricity	MWh	5,299	1,026	70	7	1,103	5,506	1,065	74	7	1,146
Purchased gas	MWh	-	-	-	-	-	-	-	-	-	-
<b>Total purchased energy</b>		<b>5,299</b>	<b>1,026</b>	<b>70</b>	<b>7</b>	<b>1,103</b>	<b>5,506</b>	<b>1,065</b>	<b>74</b>	<b>7</b>	<b>1,146</b>
<b>PAPER AND WASTE</b>											
Paper consumed	tonne	100	77	-	-	77	105	81	-	-	81
Solid waste to landfill	tonne	76	59	-	-	59	80	62	-	-	62
<b>Total paper and waste</b>		<b>176</b>	<b>136</b>	<b>-</b>	<b>-</b>	<b>136</b>	<b>185</b>	<b>143</b>	<b>-</b>	<b>-</b>	<b>143</b>
<b>TOTAL EMISSIONS</b>			<b>3,621</b>	<b>72</b>	<b>31</b>	<b>3,724</b>		<b>3,942</b>	<b>77</b>	<b>35</b>	<b>4,054</b>

#### NOTES TO ABOVE TABLE:

- Transport emissions cover business use of vehicles, air travel, taxis and hire cars, covering scope 1, 2, and 3 activities in accordance with the GHG Protocol (Service Sector).
- Travel relating to the personal use of vehicles and commuting is excluded. Vehicle emissions were determined based on distance travelled after deducting the private use component, and the CO<sub>2</sub>-e conversion rate for each type of vehicle according to the manufacturer's data or the data from [www.rightcar.co.nz](http://www.rightcar.co.nz).
- Air travel emissions were based on great circle distances travelled and calculated from origin and destination data for every flight supplied by our travel agents. Distances were increased by 9% to allow for height changes, indirect routes, and circling near airports. CO<sub>2</sub>-e conversions rates for air travel were based on the GHG Protocol according to haul distances.
- Indirect emissions from energy purchased were calculated according to the leased floor area assuming an annual use of 140 kWh/m<sup>2</sup> for the North Island and 160 kWh/m<sup>2</sup> for the South Island with a CO<sub>2</sub>-e conversion rate for purchased energy in New Zealand according to data published by the Ministry of Economic Development.
- Solid waste and paper emissions were calculated based on employee numbers and consulting industry norms for consumption rates with limited verification through direct measurement at one office.

**EN28. Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations:**

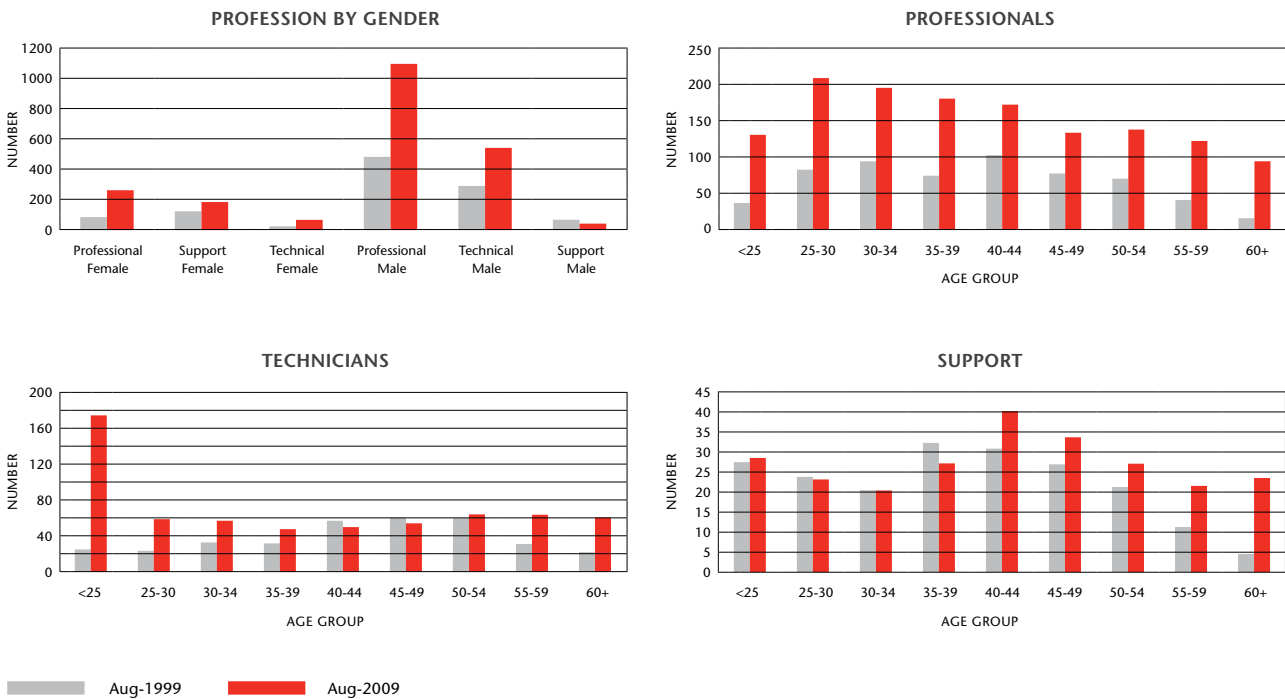
In 2009 we received an Enforcement Infringement Notice (EIN) and was fined \$500 for allowing a breach of a Regional Plan on a contract supervised by the company. The breach occurred through a conflict over interpretation of the Regional Plan rules.

**EN29. Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce:**

All emissions associated with transporting goods, materials and personnel associated with our operations in New Zealand are included in the table under EN16. This represents approximately 74% of emissions in all countries.

**EMPLOYEE VALUE AND WELLBEING**

We have developed into a diverse company in terms of age and gender. The following graph shows the levels of gender number improvement over a 10 year period. Company numbers over the 10 year period have doubled in size. During this time, female numbers in the Professional category have increased from 90 in 1999 to 270 currently. The overall number of women as percentage of total staff is 24%.



Overall we are achieving a far more even age demographic spread, which adds to our strength. This has largely been achieved by proactive recruitment programmes, targeting a good gender mix of both professional graduates and school leavers engaged as technician cadets. The impact of the technician cadet recruitment can be seen above, many of whom will be supported financially to complete degree level qualifications. With the overall level of diversity that now exists, we have introduced a high level of flexibility in terms of our working environment. This includes:

- Flexible conditions of employment are agreed at a personal level with the opportunity to create a win/win situation
- Flexible hours of work
- Paid leave to care for dependants at times of illness
- Career breaks by providing extended periods of unpaid leave
- Partly paid leave to participate in Red Cross and other Aid type organisations
- The introduction of "tradeable" benefits as part of an employee's remuneration. This enables employee's to trade cash for additional benefits and vice versa within their total remuneration.

We are committed to providing an environment where our people are “challenged to reach their full potential”. This is a company-wide Value. The company-wide policy that defines our overall commitment to Employee Value and Wellbeing aspects is as follows:

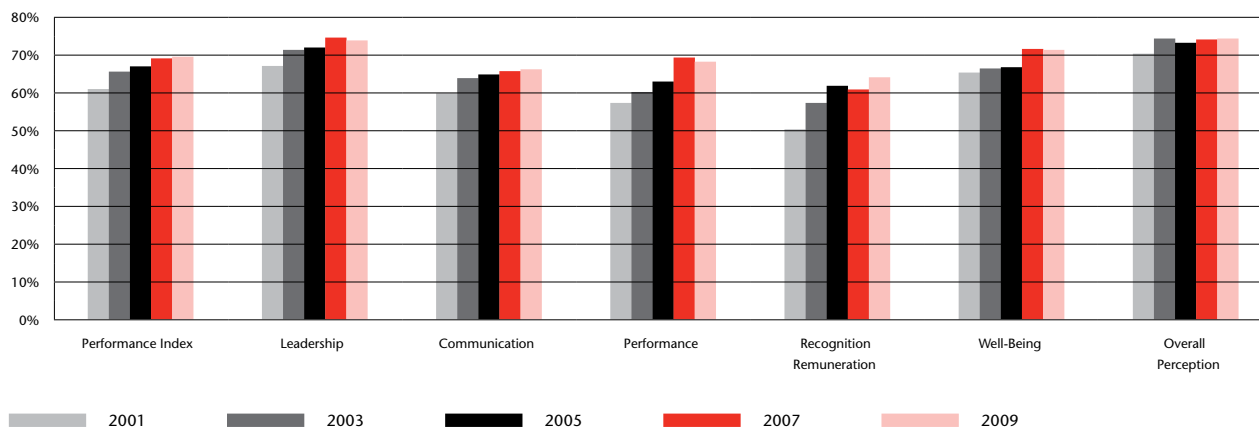
We are committed to an Opus work environment that is “values” based and where our people:

- Feel comfortable about communicating and dealing with one another in an open and honest way
- Feel valued and take pride and enjoyment in working for a successful company
- Skills, competencies, knowledge and talent are proactively identified, nurtured and developed
- Are encouraged to challenge boundaries
- Are empowered to act with urgency and confidence.

We are committed to employment practices, (including commitment to fairness and equity, and cultural and heritage sensitivities):

- That provide flexibility and add value to the business
- Where regular and on-going feedback and performance review is a strength, and is supported by a strong reward/ recognition practice
- Where ongoing training and development and succession planning programmes support business needs and encourage the development of Opus people to their full potential.

We assess our performance against this policy as part of a Staff Survey. This survey, which we measure is conducted every two years with most aspects of the policy built into its content. Our last Staff Survey was completed during 2009 and showed a very good overall satisfaction level and represents a slight improvement over our 2007 result. The overall ‘employee engagement’ for Opus is 53% compared with the Global Benchmark of 34%. The overall performance index also improved and the performance indices for each section of the survey remained generally consistent with the 2007 result.



We had some positive results relating to Opus as a “Learning Organisation” where we had an index of 68.2% which was well above the Global average of 59.4% and approaching the Global high performing benchmark of 70.5%. There were also some very good perceptions about the quality of our people, the spirit within the company, the diversity of the work we do, our values, and leadership.

	OPUS TOTAL 2009	GLOBAL OVERALL AVERAGE	GLOBAL HIGH PERFORMING BENCHMARK
<b>LEARNING ORGANISATION INDEX</b>	68.2%	59.4%	70.5%
Leadership for Learning	68.9%	57.0%	68.1%
Learning Environment and Culture	69.6%	61.1%	72.4%
Learning Processes	66.0%	60.1%	71.1%

The Company's management systems have been designed recognising the need to:

- Empower individuals to give a sense of ownership
- Raise the performance bar by focussing on the business and people issues that matter
- Set well-defined performance outcome expectations
- Provide flexibility to promote a high sense of urgency and to encourage innovation
- Support with "outcome-based" auditing processes that focus on achieving best practice.

Our Company management systems and processes are set out on 'Opus Way'. This is an on-line document, available to all, that sets out the guiding principles for the management of the company and the way we do our business. It is supported by, and provides ready links to other information held on the company's computer network, OpusWeb.

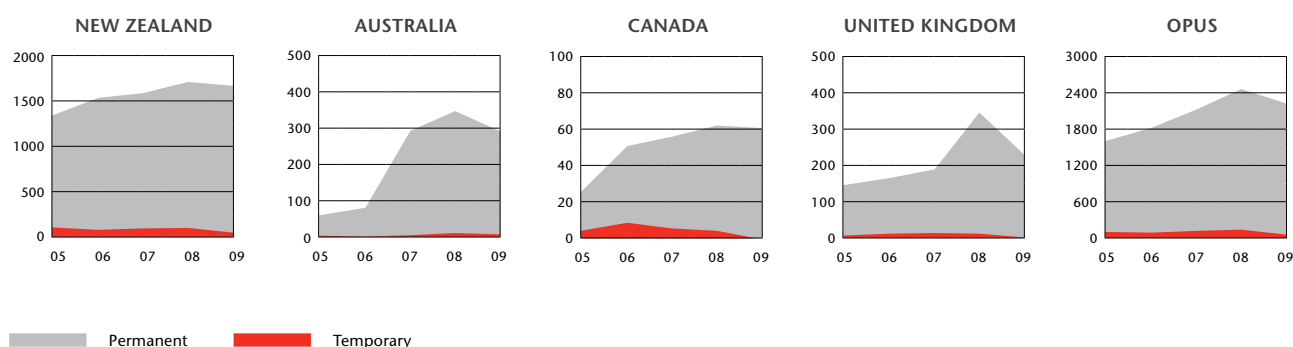
"Excellent Service Delivery" and "Strong Client Relationships" are two key Company Values that are fundamental to the business. All of our businesses are certified to ISO 9001:2008, with the exception of some business groups in Canada – a target for 2010 is to achieve ISO 9001:2008 for these offices. Working with our external ISO auditors we continue to pursue a high level of global consistency in management systems.

We value the well being and safety of our staff and have in place an ongoing and comprehensive health and safety programme. Training is provided for new employees, both at induction briefings and in-house training programmes. Staff who are involved in construction and site operational work are given additional specific training appropriate to their activities. Opus also has a rehabilitation programme, which is tailored to the individual and specific needs of any injured employees. This is developed in consultation with the individual employee to support their timely and safe return to the work place.

Our health and safety performance is reviewed on a regular basis and given coverage in team briefs and through the Chief Executive's Newsletters. In New Zealand, we are part of the Workplace Safety Management Practices scheme operated by the Accident Compensation Corporation.

**LA1. Total workforce by employment type, employment contract and region:**

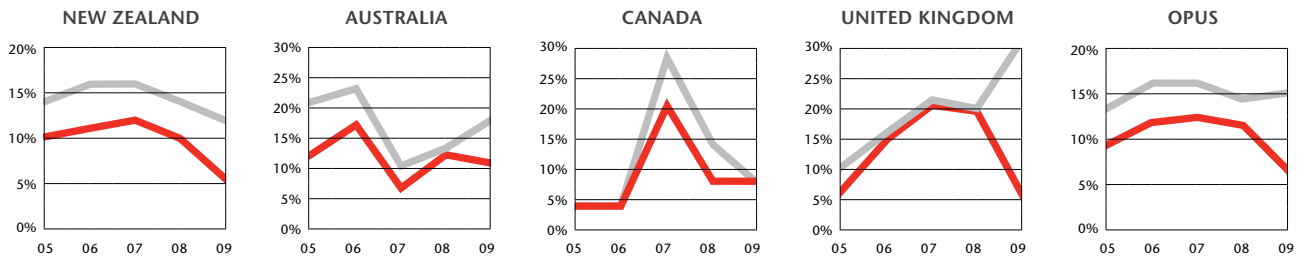
As at December 2009 Opus had 2,285 employees (2008: 2,563) measured on a full-time equivalent (FTE) basis, of which 2,222 (2008: 2,444) were permanent staff on individual employment contracts of indefinite duration, and 64 (2008: 119) were temporary staff on casual contracts with a specified termination date or maximum duration of less than one year.



**LA2. Total number and rate of employee turnover by age group, gender, and region:**

The staff turnover as given in the following table is expressed as resignation and total turnover (which includes retirements, leave without pay, and parental leave). The rates of turnover are presented in the following graphs. The increase in total turnover in 2009 was due to the need to restructure some parts of our business due to the economic downturn, especially in the United Kingdom.

PERMANENT STAFF TURNOVER	2009	2008
Number of resignations	150	266
Number of total turnover	360	343



Total Turnover
  Resignations

All data is expressed % of the annual average permanent staff no.

At present, we do not formally monitor turnover by age group or gender. However, it is recognised that a higher proportion of the turnover occurs with the 20-30 years age group and is associated with overseas travel, particularly for staff in New Zealand and Australia, and women in the 25-35 years age group associated with parental leave.

**LA3. Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations:**

The following are the key points of comparison between staff employed under permanent and temporary employment contracts (covers all operations):

FEATURE	PERMANENT STAFF	TEMPORARY STAFF
Remuneration	A total remuneration is negotiated at commencement of contract and reviewed annually based on performance and job scope. Benefits such as additional leave, health insurance, etc., may be negotiated.	Hourly rate established at commencement of contract.
Overtime payments	Payments made, or time-in-lieu provided, for staff on salaries below a threshold established for each country.	Provided as cash payment according to the hours worked.
Superannuation	A superannuation provision is included.	Not provided.
Annual leave	Normally 4 weeks or the minimum provided by legislation in each country.	Provided at the minimum statutory rate applicable in each country.
Sick leave	Provided.	Provided.
Parental leave	Provided in accordance with the relevant country legislation.	Not eligible.
Transfer assistance	Provided.	Not provided.
Bonus payments	All permanent staff are eligible based on performance.	Not eligible.
Provision for redundancy payment and notice period	Provided.	Not provided.
Promotion to Associate and Partner	Eligible.	Not eligible.
Provision of training and development	Fully eligible, including access to training grants.	Limited to project operational needs.
Personal appraisals and career development	Fully applied.	Not applicable.
Professional indemnity	Applicable.	Applicable.



**Health and Safety Co-ordinators:**

- a. Ken Murphy, Australia
- b. Brian Venno, Canada
- c. Alison Swan, NZ
- d. Sally Boyington, UK

**LA5. Minimum notice periods regarding operational changes, including whether it is specified in collective agreements:**

Permanent employment contracts have a minimum notice period of one month unless a longer period is specified according to the applicable country legislation or required by the company for a particular employment position. A minimum consultation period of 2 weeks also applies prior to giving notice where restructuring is proposed. No notice or consultation period applies for temporary employment contracts.

**LA6. Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advice on occupational health and safety programmes:**

All offices have a management-employee health and safety committee in accordance with procedures set out in 'Opus Way'.

**LA7. Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region:**

The company's lost time/injury accident record for all countries over the past five years is shown in the table below:

YEAR	2005	2006	2007	2008	2009
Days lost per 100,000 days	18	30.6	10	5	12
Incidents per 1m hours worked	20	17	12	11	20
Cost (\$1000k)	51	80	81	112	146

We began recording Lost Time Incidents (LTI's) in 2009 and three were recorded (Australia: 1, New Zealand: 1, and United Kingdom: 1) during 2009. We have adopted the following definition of an LTI – where the injured person leaves work, and, because of the injury, does not return to normal duties at the start of the next working day.

In 2009 we sought to encourage the recognition and reporting of all near miss incidents. Recognising the importance of recording a near miss incident ensures a good safety culture. We set a target that the number of near miss incidents recorded should be 15% of all incidents. This target was easily met and demonstrates the awareness and appreciation of health and safety matters has risen.

**WE VALUE AND RESPECT OUR PEOPLE AND STAKEHOLDERS**

We value our employees and stakeholders and believe they are an important and an implicit part of our company Values. Our sustainability policy includes the provision to "continue to recognise the cultural diversity of our people, clients and stakeholders, and respect and value their different cultural practices and beliefs". We fully comply with the employee protection laws and is an equal opportunities employer. Given the legislative base and operation of Human Rights Commissions in all the countries in which Opus is based, there are no risks associated with employee rights issues as may be found in some third world countries.

We undertakes due diligence on all its acquisitions which includes assessment of human resource practices, compatibility with our values, and compliance with legislation. Compliance with people's rights and good practice is implicit in this assessment. There is currently no policy in place on screening of suppliers on human rights issues. Due diligence is carried out where we acquire other companies aimed at ensuring the culture is compatible with our own.

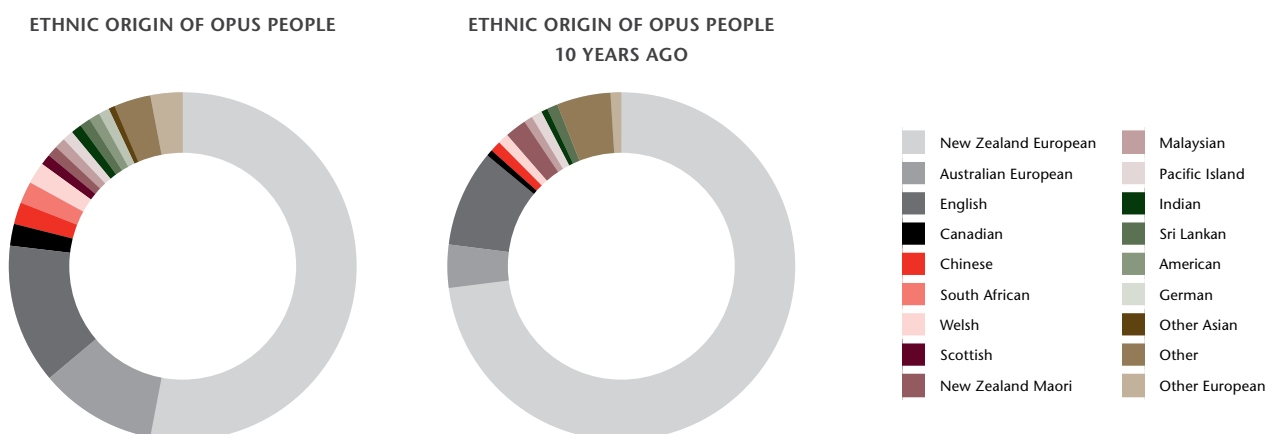
Procedures for handling any complaints and grievances relating to any employees are set out in individual employment contracts. This involves a five step process ranging from internal resolution, mediation, through to the highest Appeal Court. Any issues that might arise that relate to employees are handled by the relevant manager within our business structure in the first instance, but can be referred to the Human Rights Commission (or equivalent in each country) if necessary. We have a non-harassment policy as part of its human resources policy and practices and is set out in 'Opus Way,' the company's procedures manual. We are currently reviewing our policy to ensure compatibility with the legislative framework and contact people for countries other than New Zealand.

In facing the challenges of the future we recognise that above all else it is the diversity of our people that is essential to our success. The greater the variety of skills, talent, opinions, experiences and cultures we can bring to bear provides us with our greatest potential for technical excellence, as well as a vibrant Opus community in which to work.

We are very focussed on attracting, retaining and developing talent. Our overall aim is for Opus to be a “great place to work”. Our Sustainability Policy is central to who we are and includes our aims to:

- Continue to foster an environment where people feel valued, take pride and enjoyment in working for a successful company, and where skills, competencies, knowledge and talent are proactively identified, nurtured and developed, and;
- Continue to recognise the cultural diversity of our people, clients and stakeholders, and respect and value their different cultural practices and beliefs.

Our recruitment practices have resulted in a culturally diverse employment base. The following is a breakdown of our employee ethnicity:



**HR1. Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening:**

A total of eleven companies have been acquired in three countries since 2002. It was not considered necessary for the acquisition agreements to include human rights clauses as, in all cases, the companies are required to comply with the relevant human rights legislation within the country of operation and was therefore deemed to be sufficient. All companies acquired have been subject to detailed due diligence however, including human resource management practices, company values, and history of compliance with legislation.

**HR4. Total number of incidents of discrimination and actions taken.**

There has been one instance of alleged discrimination that has been investigated in the past 12 months. While a formal and independent internal review found the complaint to be unsubstantiated the matter is currently under legal consideration.

**SOCIETY**

We have a spread of offices over a large number of locations ranging from cities to smaller townships in New Zealand, Australia, Canada and the United Kingdom. In this sense, most staff have a close connection to the communities where they work and live. In many cases our clients also live in the same location as our staff and the projects we are undertaking for them.

Our sustainability policy includes the provision to ‘encourage the positive impacts we can have on the communities in which we are based.’ Examples of mechanisms through which positive impacts are achieved include:

- The economic value we provide through the use of local suppliers, where this is appropriate.
- The salaries expended by our staff within the communities they either work or live.
- The value provided to local communities through the projects we deliver.
- Investment in community projects through the provision of labour and expertise pro bono, the supply of goods in relation to these projects, and fund-raising for charities.
- Support for staff who voluntarily contribute their own time and expertise in assisting developing countries through humanitarian organisations.

Some examples of initiatives undertaken are:

- Our Christchurch Environmental team has committed to three years of funding, provision of design and planting activities at Horseshoe Lake (an important wetland area) in Christchurch.
- In Tauranga, staff were involved in an extensive tree planting and revitalisation programme of the Kopurererua Valley Reserve.
- In Canada, our Kelowna office staff are making use of bicycles as the main form of transport around the town, while a team from Victoria entered into a fishing competition to raise funds for Sooke Salmon Enhancement Society. Staff from the Fredericton office participated in a 'run for fun-run for a cure' fundraising event in support of breast cancer research.
- Staff from the Wellington region assisted the Greater Wellington Regional Council in a day long tree planting session at the Battle Hill Forest Park, and participated in a restoration programme to revegetate and restore sand dunes near the Waikanae River mouth north of Wellington.
- We continued our sponsorship of the Society of Local Government Managers Business School. It provides training and development programmes to local authority staff in New Zealand and is known as the Opus SOLGM Business School.
- Many staff from our Nelson office in New Zealand are involved with the Brook Waimarama Wildlife Sanctuary and give their time voluntarily in building projects. Many also participate in the local Cancer Society Walk for Life and supported the fundraising activities of the Tonga Tsumami Relief Fund.
- In the UK, we support the Royal National Lifeboat Institute, a charity sea rescue organisation, who patrols most of the coastline around the UK and the Republic of Ireland, and promote water safety with school children across the country.
- We were awarded a certificate for our voluntary work assisting Futureintech, a government funded programme to promote engineering as a career in New Zealand.
- A team of Opus people from a number of New Zealand offices completed a 100 km trail walk around Lake Taupo to raise funds for Oxfam.
- In Wales, UK, we assisted in the 'Bridge to Schools' series of workshops to introduce school children to civil and structural engineering.
- In Brisbane, our staff were active in raising funds for the National Heart Foundation and Diabetes Australia when they took part in a 100 km Bike Challenge.
- As part of Work Choice Day, staff from our Wellington office hosted pupils from three local secondary schools at an 'open-day' to show them what is involved in an engineering career.
- We are part of a scheme to assist and sponsor secondary school students through a five-year cadetship in civil engineering in the small town of Wairoa, with the aim of training the students within their own community and setting an incentive for them to remain in the community.
- In Sydney, Australia, our Drafting Manager, Jean Dupavillon was awarded the 2009 Minister's Award for Excellence in recognition of his outstanding contribution to training drafting cadets.
- Staff in Wellington are involved with 'Volunteer Wellington'. A team of 17 successfully undertook the design and build of a monkey enclosure at the Huha Animal Sanctuary near Upper Hutt, Wellington.
- Staff from the Birmingham office in the UK took part in the 'Race for Life' to help raise funds for Cancer Research, while staff from Cardiff joined forces to complete a 66 mile charity bike ride to raise funds for the Action for Children cause.

7. Staff from the Christchurch, New Zealand office were awarded a certificate for their voluntary work for the government funded 'Futureintech' programme
8. Anthony Clayton and Linda Irwin make use of the office bikes for commuting in Kelowna, Canada



- A number of staff from our Christchurch, New Zealand office registered with Volunteering Canterbury, and assisted a number of voluntary organisations in the community including the local branch of the Salvation Army and the New Zealand Red Cross.
- Peter Kortegast from our Nelson office was elected President of Living Streets Aotearoa, an organisation that promotes walking-friendly communities, and walking as a means of providing social, environmental, health and economic benefits to individuals and communities.
- We participated in an ecological restoration and enhancement project at Gleeson Park, Napier and used the opportunity to teach young school children about environmental issues and encouraging them to take ownership for the care of the park.
- In all of our project work we take a mindful approach to the protection of the environment and seek to save where possible local flora and fauna and seek to use sustainable materials. For example, for a new bypass near Nelson, we organised ecological and school groups to relocate wildlife, including the fish from a watercourse, while for a project involving the resurfacing of a rugby ground we recommended the client used recycled glass sand instead of beach sand.

We do not provide or prepare public policy statements in its own right. However, we do undertake policy analysis on behalf of a range of clients to assist them develop their own policy positions and policy statements. We are a member, and are represented in the Governance Boards or special purpose sub-committees, of a number of industry organisations that prepare and make submissions on public policy issues that relate to the industries in which we operate.

Corrupt practices, including unauthorised use of funds, fraudulent timekeeping and employees undertaking secondary employment or having other interests that are likely to be in conflict with our interests, are not tolerated in Opus and would be treated as a breach of the code of conduct that forms part of the employment contract with every employee. The employee code of conduct prohibits the acceptance of personal benefits that directly conflict with work.

We operate from countries in which there are robust legislative controls over anti-competitive behaviour. Also, as a publicly listed company, We have a 'Director and Employee Securities Trading Policy' to minimise the risk of breaches under the "insider trading" provisions of the Securities Markets Act 1988. Trading of Opus shares is monitored continuously for breaches of the insider trading provisions.

#### SO2. Percentage and total number of business units analysed for risks relating to corruption:

We operate accounting practices, internal controls and internal audits covering all of its business operations that are designed to prevent and detect suspicious or fraudulent practices.

### PRODUCT RESPONSIBILITY

#### PR1. Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures:

All projects we undertake are done in accordance with a quality plan that complies with our management system, 'Opus Way', which complies with and is independently audited against ISO 9001:2008. Within the project execution phase, there are three key independent elements:

- Doing the work (in accordance with the project plan)
- Checking to make sure that there are no mistakes (verification)
- Ensuring that the solutions are technically sound, involve the appropriate level of innovation and align with the client's brief and expectations (technical review).

Technical reviews are conducted typically at the 10%, 50% and 90% stages of the project, but project plans may define different reviews stages where appropriate. Outcome reviews are conducted at the end of projects to allow key project team members to record their experience from the project to be shared with others as a basis of improving practices. Client feedback is also sought as part of the project outcome review process. Projects are also subject to audit review on a sample basis to verify that that project practices comply with 'Opus Way'.

#### PR3. Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements:

Product and service information/labelling is generally not relevant to the professional services we provide. However, any client or project specific requirement on labelling and related information (typically relating to client logos and copyright information) is done according to the terms of the applicable contracts under which we are engaged.

**PR5. Practices related to customer satisfaction, including results of surveys measuring customer satisfaction:**

We have formal processes documented in 'Opus Way' undertaking our programme of "Measurement of Client Satisfaction". This is an important indicator to us in terms of confirming how successful we are in meeting two of our key values; strong client relationship and excellent service delivery. This is done using an annual client satisfaction audit of a selection of our top clients and a 3 yearly client satisfaction survey. Further details are provided below.

Client Satisfaction Audits are undertaken at least annually by our client managers and includes a selection of the top clients (by revenue) in each country. It is measured progressively through a combination of channels including client relationship audits, project outcome reviews and the monitoring of client financial performance.

A client satisfaction web based survey of our performance is undertaken every three years by an independent market research company. This has been carried out since 1990 for our New Zealand based clients and 2003 for other countries. The survey is structured so that we can compare results to past performance and to enable evaluation of future performance and recognition. The key objectives of the survey are to establish:

- The patterns of usage of consultancy firms amongst clients and potential clients
- The level of satisfaction with consultancy firms used
- The top of mind and total unprompted awareness of consultancy firms
- The performance of consultancy firms perceived amongst users, and the relative importance of various aspects of performance
- The attitudes towards quality assurance programmes
- Other general industry information which might be of use
- Awareness of the areas in which we are active

Client feedback is solicited on the completion of projects, or for larger scale projects, as the project progresses. Such feedback is important to us to help assess the strength of our relationship and the potential for our future success with the client. Client's perceptions are sought on matters such as:

- Did the project meet their needs?
- Did the project provide them with value for money?
- Are there areas where our performance could be improved?

Feedback from our staff on the project is also sought on what went well, and what didn't, and how we can make improvements. The lessons learnt from the project are disseminated within the company using a variety of mechanisms, and resulting actions are fed into the ongoing management review processes.



9



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9. Staff from Wellington, New Zealand take part in a Sustainability Workshop
10. Sonya Candish and Christine Parkes, along with other staff, assisted the Salvation Army in Christchurch, New Zealand with the Food Bank programme
11. School children at the RNLI Hayling Island Lifeboat Station, UK, learn about safety at sea, with the support of Opus

An aerial photograph of a boat's wake on the water, showing the churning water and the hull of the boat in the upper left corner. The text is overlaid on this image.

# FINANCIAL STATEMENTS

Financial Statements for the Year Ended 31 December 2009.

## CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2009

	NOTE	YEAR ENDED 31 DECEMBER	
		2009 \$'000	2008 \$'000
<b>OPERATING ACTIVITIES</b>			
Operating Revenue	1	367,848	371,540
Operating Expenses	2	(337,707)	(342,085)
Operating Surplus		30,141	29,455
Equity Accounted Share of Surplus of Associates	13	1,415	1,082
EBITDA		31,556	30,537
Depreciation and Amortisation	3	(6,208)	(6,462)
EBIT		25,348	24,075
Interest Revenue	4	2,487	3,806
Interest Expense	4	(1,990)	(3,531)
<b>OPERATING SURPLUS BEFORE TAX</b>		<b>25,845</b>	<b>24,350</b>
Less Tax Expense	5	(7,247)	(6,850)
<b>NET SURPLUS AFTER TAX</b>		<b>18,598</b>	<b>17,500</b>
<b>EARNINGS PER SHARE</b>			
Basic Earnings Per Share	6	0.14	0.13
Diluted Earnings Per Share	6	0.13	0.12

The accompanying Statement of Significant Accounting Policies and Notes to the Financial Statements on pages 59 to 95 form part of and should be read in conjunction with this statement.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2009

	NOTE	YEAR ENDED 31 DECEMBER	
		2009 \$000	2008 \$000
Net Surplus After Tax for the Year		18,598	17,500
<b>OTHER COMPREHENSIVE INCOME:</b>			
Actuarial Gain/(Loss) on Defined Benefit Plan	17	(2,528)	(6)
Exchange Difference on Translation of International Subsidiaries	11	(1,726)	1,145
Net Gain/(Loss) on Hedge of Net Investment	11	1,455	(405)
Income Tax Relating to Components of Other Comprehensive Income		487	(213)
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>		<b>(2,312)</b>	<b>521</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>16,286</b>	<b>18,021</b>

The accompanying Statement of Significant Accounting Policies and Notes to the Financial Statements on pages 59 to 95 form part of and should be read in conjunction with this statement.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2009

	NOTE	ORDINARY SHARES \$000	CONVERTIBLE NOTES \$000	EMPLOYEE EQUITY BENEFITS \$000	FOREIGN CURRENCY TRANSLATION RESERVE \$000	RETAINED EARNINGS \$000	TOTAL EQUITY \$000
<b>AT 31 DECEMBER 2007</b>		<b>47,616</b>	<b>642</b>	<b>1,625</b>	<b>(385)</b>	<b>14,197</b>	<b>63,695</b>
Other Comprehensive Income, Net of Tax		-	-	(4)	525	-	521
Net Surplus for the Year		-	-	-	-	17,500	17,500
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>-</b>	<b>-</b>	<b>(4)</b>	<b>525</b>	<b>17,500</b>	<b>18,021</b>
<b>EQUITY TRANSACTIONS:</b>							
Shares Issued	7	660	-	(29)	-	-	631
Share Buy-Back including Transaction Costs	7	(1,790)	-	-	-	-	(1,790)
Share-Based Payment	9	-	-	69	-	-	69
Dividend Paid	10	-	-	-	-	(9,747)	(9,747)
Tax Credits on Supplementary Dividend	10	-	-	-	-	79	79
<b>AT 31 DECEMBER 2008</b>		<b>46,486</b>	<b>642</b>	<b>1,661</b>	<b>140</b>	<b>22,029</b>	<b>70,958</b>
Other Comprehensive Income, Net of Tax		-	-	(1,820)	(492)	-	(2,312)
Net Surplus for the Year		-	-	-	-	18,598	18,598
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>-</b>	<b>-</b>	<b>(1,820)</b>	<b>(492)</b>	<b>18,598</b>	<b>16,286</b>
<b>EQUITY TRANSACTIONS:</b>							
Shares Issued	7	697	-	(34)	-	-	663
Share Buy-Back including Transaction Costs	7	(1,478)	-	-	-	-	(1,478)
Share-Based Payment	9	-	-	116	-	-	116
Dividend Paid	10	-	-	-	-	(8,312)	(8,312)
Tax Credits on Supplementary Dividend	10	-	-	-	-	468	468
<b>AT 31 DECEMBER 2009</b>		<b>45,705</b>	<b>642</b>	<b>(77)</b>	<b>(352)</b>	<b>32,783</b>	<b>78,701</b>

The accompanying Statement of Significant Accounting Policies and Notes to the Financial Statements on pages 59 to 95 form part of and should be read in conjunction with this statement.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2009

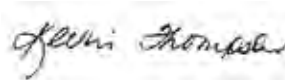
	NOTE	31 DECEMBER	
		2009 \$000	2008 \$000
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	12	11,165	14,626
Investments in Associates	13	511	408
Intangible Assets	14	32,557	33,881
Deferred Tax Asset	5	12,888	10,791
<b>TOTAL NON-CURRENT ASSETS</b>		<b>57,121</b>	<b>59,706</b>
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	20	77,761	60,509
Receivables and Prepayments	15	36,356	46,695
Work in Progress		23,006	28,773
<b>TOTAL CURRENT ASSETS</b>		<b>137,123</b>	<b>135,977</b>
<b>TOTAL ASSETS</b>		<b>194,244</b>	<b>195,683</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions for Employee Entitlements	16	6,894	3,421
Defined Benefit Pension Liability	17	2,760	398
Finance Leases (Term Portion)	19	1,214	1,996
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>10,868</b>	<b>5,815</b>
<b>CURRENT LIABILITIES</b>			
Bank Overdraft	20	37,792	46,856
Creditors, Accruals and Provisions	18	20,013	21,424
Tax Payable		2,829	3,159
Revenue in Advance		18,517	20,304
Provisions for Employee Entitlements	16	25,524	27,167
<b>TOTAL CURRENT LIABILITIES</b>		<b>104,675</b>	<b>118,910</b>
<b>NET ASSETS</b>		<b>78,701</b>	<b>70,958</b>
<b>EQUITY</b>			
Ordinary Share Capital	7	45,705	46,486
Convertible Notes	8	642	642
Employee Equity Benefits	9	(77)	1,661
Retained Earnings	10	32,783	22,029
Foreign Currency Translation Reserve	11	(352)	140
<b>TOTAL EQUITY</b>		<b>78,701</b>	<b>70,958</b>

For and on behalf of the Board, who authorised the issue of these financial statements on 17 February 2010.

Chairman



Managing Director



The accompanying Statement of Significant Accounting Policies and Notes to the Financial Statements on pages 59 to 95 form part of and should be read in conjunction with this statement.

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2009

	NOTE	YEAR ENDED 31 DECEMBER	
		2009 \$000	2008 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers		374,420	371,868
Interest Received		2,161	3,608
Payments to Suppliers and Employees		(326,876)	(340,304)
Interest Paid		(2,166)	(3,472)
Taxation Paid		(8,959)	(7,017)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>22</b>	<b>38,580</b>	<b>24,683</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Sale of Property, Plant and Equipment		1,195	2,020
Purchase of Property, Plant and Equipment and Intangible Assets		(3,374)	(7,872)
Dividends From Associates		1,312	877
Purchase of Investments		(1,912)	(13,607)
(Overdraft)/Cash Acquired on Acquisition of Subsidiary		-	(1,798)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(2,779)</b>	<b>(20,380)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends Paid		(8,312)	(9,747)
Repayment of Finance Lease Obligations		(1,972)	(2,148)
Share Capital Issued (Net of Transaction Costs)		663	631
Share Capital Repurchased		(1,478)	(1,790)
Other Loan Repaid		-	(466)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>(11,099)</b>	<b>(13,520)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>24,702</b>	<b>(9,217)</b>
Foreign Exchange Adjustment		1,614	(175)
Cash at Beginning of the Year		13,653	23,045
<b>CASH AT THE END OF THE YEAR</b>		<b>39,969</b>	<b>13,653</b>
<b>COMPRISING:</b>			
Cash at Bank		77,761	60,509
Bank Overdraft		(37,792)	(46,856)
		<b>39,969</b>	<b>13,653</b>

The accompanying Statement of Significant Accounting Policies and Notes to the Financial Statements on pages 59 to 95 form part of and should be read in conjunction with this statement.

## PARENT COMPANY INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2009

	NOTE	YEAR ENDED 31 DECEMBER	
		2009 \$000	2008 \$000
<b>OPERATING ACTIVITIES</b>			
Operating Revenue	1	265,748	258,729
Operating Expenses	2	(232,847)	(227,759)
EBITDA		32,901	30,970
Depreciation and Amortisation	3	(4,133)	(4,432)
EBIT		28,768	26,538
Interest Revenue	4	3,000	5,023
Interest Expense	4	(1,152)	(1,948)
<b>OPERATING SURPLUS BEFORE TAX</b>		<b>30,616</b>	<b>29,613</b>
Less Tax Expense	5	(9,149)	(7,407)
<b>NET SURPLUS AFTER TAX</b>		<b>21,467</b>	<b>22,206</b>

The accompanying Statement of Significant Accounting Policies and Notes to the Financial Statements on pages 59 to 95 form part of and should be read in conjunction with this statement.

## PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2009

	YEAR ENDED 31 DECEMBER	
	2009 \$000	2008 \$000
Net Surplus After Tax for the Year	21,467	22,206
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>21,467</b>	<b>22,206</b>

The accompanying Statement of Significant Accounting Policies and Notes to the Financial Statements on pages 59 to 95 form part of and should be read in conjunction with this statement.

## PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2009

	NOTE	ORDINARY SHARES \$000	CONVERTIBLE NOTES \$000	EMPLOYEE EQUITY BENEFITS \$000	RETAINED EARNINGS \$000	TOTAL EQUITY \$000
<b>AT 31 DECEMBER 2007</b>		<b>47,616</b>	<b>642</b>	<b>102</b>	<b>15,799</b>	<b>64,159</b>
Other Comprehensive Income, Net of Tax		-	-	-	-	-
Net Surplus for the Year		-	-	-	22,206	22,206
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>22,206</b>	<b>22,206</b>
<b>EQUITY TRANSACTIONS:</b>						
Shares Issued	7	660	-	(29)	-	631
Share Buy-Back including Transaction Costs	7	(1,790)	-	-	-	(1,790)
Share-Based Payment		-	-	69	-	69
Dividend Paid	10	-	-	-	(9,747)	(9,747)
Tax Credits on Supplementary Dividend	10	-	-	-	79	79
<b>AT 31 DECEMBER 2008</b>		<b>46,486</b>	<b>642</b>	<b>142</b>	<b>28,337</b>	<b>75,607</b>
Other Comprehensive Income, Net of Tax		-	-	-	-	-
Net Surplus for the Year		-	-	-	21,467	21,467
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>21,467</b>	<b>21,467</b>
<b>EQUITY TRANSACTIONS:</b>						
Shares Issued	7	697	-	(34)	-	663
Share Buy-Back including Transaction Costs	7	(1,478)	-	-	-	(1,478)
Share-Based Payment	9	-	-	116	-	116
Dividend Paid	10	-	-	-	(8,312)	(8,312)
Tax Credits on Supplementary Dividend	10	-	-	-	468	468
<b>AT 31 DECEMBER 2009</b>		<b>45,705</b>	<b>642</b>	<b>224</b>	<b>41,960</b>	<b>88,531</b>

The accompanying Statement of Significant Accounting Policies and Notes to the Financial Statements on pages 59 to 95 form part of and should be read in conjunction with this statement.

## PARENT COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2009

	NOTE	31 DECEMBER	
		2009 \$000	2008 \$000
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	12	6,692	8,075
Investment in Subsidiaries	24	22,904	11,543
Intangible Assets	14	1,493	1,183
Deferred Tax Asset	5	7,358	7,423
<b>TOTAL NON-CURRENT ASSETS</b>		<b>38,447</b>	<b>28,224</b>
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	20	76,227	56,838
Receivables and Prepayments	15	22,702	26,867
Work in Progress		16,122	16,424
Advance to Subsidiaries		16,877	31,553
<b>TOTAL CURRENT ASSETS</b>		<b>131,928</b>	<b>131,682</b>
<b>TOTAL ASSETS</b>		<b>170,375</b>	<b>159,906</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions for Employee Entitlements	16	6,746	3,341
Finance Leases (Term Portion)	19	1,094	1,829
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>7,840</b>	<b>5,170</b>
<b>CURRENT LIABILITIES</b>			
Bank Overdraft	20	18,387	25,977
Creditors, Accruals and Provisions	18	14,899	11,713
Tax Payable		3,733	3,056
Revenue in Advance		16,676	16,870
Provisions for Employee Entitlements	16	20,309	21,513
<b>TOTAL CURRENT LIABILITIES</b>		<b>74,004</b>	<b>79,129</b>
<b>NET ASSETS</b>		<b>88,531</b>	<b>75,607</b>
<b>EQUITY</b>			
Ordinary Share Capital	7	45,705	46,486
Convertible Notes	8	642	642
Employee Equity Benefits	9	224	142
Retained Earnings	10	41,960	28,337
<b>TOTAL EQUITY</b>		<b>88,531</b>	<b>75,607</b>

For and on behalf of the Board, who authorised the issue of these financial statements on 17 February 2010.

Chairman 

Managing Director 

The accompanying Statement of Significant Accounting Policies and Notes to the Financial Statements on pages 59 to 95 form part of and should be read in conjunction with this statement.

## PARENT COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2009

	NOTE	YEAR ENDED 31 DECEMBER	
		2009 \$000	2008 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers		275,094	256,470
Interest Received		2,139	3,464
Payments to Suppliers and Employees		(235,774)	(227,593)
Interest Paid		(1,151)	(1,940)
Taxation Paid		(7,872)	(4,831)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>22</b>	<b>32,436</b>	<b>25,570</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Sale of Property, Plant and Equipment		637	1,904
Purchase of Property, Plant and Equipment and Intangible Assets		(2,893)	(4,701)
Dividends from Associates		1,312	877
Repayment From / Advances to Subsidiaries		15,850	(4,116)
Investment In Subsidiaries		(11,361)	-
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>3,545</b>	<b>(6,036)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends Paid		(8,312)	(9,747)
Repayment of Finance Lease Obligations		(1,777)	(2,004)
Share Capital Issued (Net of Transaction Costs)		663	631
Share Capital Repurchased		(1,478)	(1,790)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>(10,904)</b>	<b>(12,910)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>25,077</b>	<b>6,624</b>
Foreign Exchange Adjustment		1,902	(376)
Cash at Beginning of the Year		30,861	24,613
<b>CASH AT THE END OF THE YEAR</b>		<b>57,840</b>	<b>30,861</b>
<b>COMPRISING:</b>			
Cash at Bank		76,227	56,838
Bank Overdraft		(18,387)	(25,977)
		<b>57,840</b>	<b>30,861</b>

The accompanying Statement of Significant Accounting Policies and Notes to the Financial Statements on pages 59 to 95 form part of and should be read in conjunction with this statement.

## STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### CORPORATE INFORMATION – REPORTING ENTITY

Opus International Consultants Limited is a New Zealand company registered under the New Zealand Companies Act 1993. The registered office of the company is 9th floor, 100 Willis Street, Wellington, New Zealand.

The Group consists of Opus International Consultants Limited and its subsidiaries.

The Group is an issuer for the purposes of the New Zealand Financial Reporting Act 1993.

The consolidated financial statements of the Group for the year ended 31 December 2009 were authorised for issue in accordance with a resolution of the directors on 17 February 2010.

The principal activities of the Group are described in Note 21.

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### BASIS OF PREPARATION

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. They have also been prepared on a consistent basis with the requirements of the New Zealand Companies Act 1993 and the Financial Reporting Act 1993.

The financial statements comply with applicable Financial Reporting Standards, which include New Zealand equivalents to International Financial Reporting Standards (“NZ IFRS”). The financial statements also comply with International Financial Reporting Standards (“IFRS”). In addition the Group and Company have chosen to present Earnings Before Interest, Tax, Depreciation and Amortisation (“EBITDA”) and Earnings Before Interest and Tax (“EBIT”) on the face of the Income Statement because they are key performance measures for the Group and Company and they are relevant to the investment community and industries in which we operate.

The consolidated financial statements have been prepared on an historical cost basis except for any derivative financial instruments, which are measured at fair value. The Group is a profit-orientated entity.

#### CHANGES IN ACCOUNTING POLICY

During the year ended 31 December 2009, the Company has adopted or revised the following accounting policies.

##### (1) SEGMENTAL REPORTING

NZ IFRS 8 Operating Segments is applicable for accounting periods beginning on or after 1 January 2009. The adoption of NZ IFRS 8 has resulted in the Group changing the measure of segment result to better reflect internal reporting to the Directors and Management. The reported segment result is now EBIT and was previously reported as operating profit before tax. Prior period comparatives have been restated accordingly. There have been no changes to our reporting segments from adopting NZ IFRS 8.

##### (2) STATEMENTS OF COMPREHENSIVE INCOME AND FINANCIAL POSITION

NZ IAS 1 (Revised), Presentation of Financial Statements, is applicable for accounting periods beginning on or after 1 January 2009. The adoption of these amendments has resulted in the presentation of the Statement of Comprehensive Income. This was not previously required. The Balance Sheet has also been renamed the Statement of Financial Position.

##### (3) DEFINED BENEFIT PENSION LIABILITY

The Group has amended its accounting policy for actuarial gains and losses relating to the revaluation of the defined benefit pension liability. The Company has one such scheme in the United Kingdom, which is closed to new members. NZ IAS 19 Employee Benefits permits actuarial gains and losses on defined benefit plans to be recognised in Other Comprehensive Income and presented in the Statement of Comprehensive Income. Previously actuarial gains and losses were recognised in the Income Statement. Actuarial gains and losses are not considered by Management to be part of the operating performance of the Company.

During the year ended 31 December 2009, the Group has recognised the actuarial gains and losses in Other Comprehensive Income. Prior period comparatives have been restated resulting in the reclassification of \$4,000 from 2008’s Net Profit After

Tax to Other Comprehensive Income. As at 1 January 2008 the retained earnings balance has reduced by \$1.5 million and the Employee Equity Benefits Reserve balance increased by the same amount.

NZIAS 1 requires a third Statement of Financial Position (for the beginning of the comparative period) to be presented when accounting policies are changed retrospectively. As these reclassifications were not material and between components of Equity with no impact on Net Assets, a third Statement has not been presented.

#### (4) HEDGES OF A NET INVESTMENT IN A FOREIGN OPERATION

The Group has adopted NZ IFRIC 16 Hedges of a Net Investment in a Foreign Operation, applicable to accounting periods beginning on or after 1 October 2008. The Group hedges the foreign currency risk arising from its investment in foreign operations. There was no change to the Group Financial Statements from adopting NZ IFRIC 16.

## SPECIFIC ACCOUNTING POLICIES

### BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of Opus International Consultants Limited and its subsidiaries as at 31 December 2009. The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

The effects of all inter-company transactions between entities that have been consolidated are eliminated on consolidation.

### REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

#### CONSULTANCY SERVICES

Revenue is recognised to the stage of completion at balance date when the outcome of a transaction involving the rendering of services can be estimated reliably. This occurs when the following conditions are satisfied:

- (a) The amount of revenue can be measured reliably;
- (b) It is probable that the economic benefits associated with the transaction will flow to the Group;
- (c) The stage of completion of the transaction at balance date can be measured reliably; and
- (d) The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When it is probable that the total contract costs will exceed the total contract revenue, the expected loss is recognised as an expense immediately and a corresponding liability is recognised.

#### INTEREST

Revenue is recognised as the interest accrues using the effective interest rate method.

### INCOME TAX

Deferred income tax is provided, using the liability method, on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that these will reverse in the foreseeable future.

Deferred income tax liabilities are recognised when tax deductions have exceeded accounting expenditure for temporary differences and depreciation.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that apply to the year when the asset is realised or the liability settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

## GST

The financial statements have been prepared so that all amounts are stated exclusive of New Zealand Goods and Services Tax (GST) and similar overseas services taxes except:

- Where the GST (or similar tax) is not recoverable from, or payable to, the taxation authority; and
- Receivables and payables, which include GST invoiced.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

## FOREIGN CURRENCY TRANSLATION

The functional and presentational currency of Opus International Consultants Limited and its New Zealand subsidiaries is the New Zealand Dollar.

Transactions denominated in foreign currencies are recorded at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the balance date closing rate. Exchange variations arising from these translations are recognised in the income statement, except when they relate to investments in foreign operations. Exchange variations on monetary assets and liabilities that relate to investments in foreign operations are recognised in Other Comprehensive Income within the Statement of Comprehensive Income in the Group Financial Statements.

The functional currency of overseas subsidiaries is the currency used in the country in which they are based. The assets and liabilities of overseas foreign operations are translated at the closing rate. Revenue and expense items are translated at the spot rate at the transaction date or a rate approximating that rate. Foreign currency exchange differences are recognised in the Foreign Currency Translation Reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the acquiring company and are recorded at the exchange rate at the date of the transaction.

## DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING

The Group adopts hedge accounting for net investments in foreign operations. The Group currently hedges investments in the United Kingdom, Canadian and Australian operations.

### HEDGES OF NET INVESTMENTS

Net investment hedges are hedges of the Group's exposure to foreign currency risk associated with foreign operations. The Group has designated a portion of bank borrowings in the same currency as the foreign operations, as hedges of the net investment in those operations. Gains or losses arising on the effective portion of the hedge are recognised directly in Other Comprehensive Income within the Statement of Comprehensive Income. Any gains or losses arising on the ineffective portion are recognised directly in the Income Statement.

On loss of control or disposal of the foreign operation, the cumulative value of any such gains or losses recognised in Other Comprehensive Income is transferred to the Income Statement.

### FORWARD EXCHANGE RATE CONTRACTS

The Group may enter into forward exchange rate contracts where it agrees to buy or sell specified amounts of foreign currencies in the future at a predetermined exchange rate. The objective is to protect the Group from the possibility of material losses from future exchange rate fluctuations.

Depending on the circumstances, the Group will either recognise fair value changes in the forward contracts in the Income Statement or apply hedge accounting. Where hedge accounting is applied, any gains or losses arising on the effective portion of the hedge are included in Other Comprehensive Income within the Statement of Comprehensive Income. Any gains or losses arising on the ineffective portion of the hedge and the changes in fair values where hedge accounting is not applied, are recognised in the Income Statement.

The de-recognition of a financial asset takes place when the contractual rights to the cash flows from the financial asset expire or the asset has been transferred.

## CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank, in hand and short-term deposits with banks. For the purposes of the Statement of Cashflows, cash and cash equivalents consist of the items as defined above together with bank overdrafts and short-term loans which are used as part of day-to-day cash management.

## TRADE AND OTHER RECEIVABLES

Trade and other receivables, which generally have 30-60 day terms, are recognised initially at fair value and subsequently measured at amortised cost after making suitable provisions for doubtful debts. The Group evaluates all outstanding debts for impairment on a regular basis. This includes actively monitoring and assessing whether there are any significant disputes or concerns about the ability of the counterparty to make payment and/or whether the passage of time indicates that the collectability of a debt is doubtful. In the event of there being sufficient evidence to suggest that an amount due is doubtful, the Group provides against the outstanding amount, regardless of its age.

## WORK IN PROGRESS

Work in Progress on consultancy contracts is recognised either on percentage of completion or time-charge basis, whichever is applicable to the terms of the contract. The percentage of completion is estimated based on actual costs incurred and the expected total cost of the contract. Work in progress is reviewed on a regular basis for impairment and provision made for any irrecoverable amounts.

## REVENUE IN ADVANCE

This represents amounts where clients have been invoiced ahead of the work being undertaken.

## PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially recorded at cost. Plant and equipment is stated at cost less any accumulated depreciation and impairment in value. Those acquired through a business combination are capitalised at fair value as at the date of acquisition.

Depreciation is calculated on a straight-line basis on all tangible property, plant and equipment other than land, over the estimated useful life of the asset as follows:

	USEFUL LIFE (YEARS)
Buildings	55
Leasehold improvements	Earlier of lease term or economic life
Plant and vehicles	5-20
Computer equipment (including finance leases)	3-5
Furniture and equipment	5-20

Gains or losses on the sale or disposal of property, plant and equipment are recognised in the Income Statement.

## INVESTMENT IN ASSOCIATES

Investments in associated undertakings are accounted for by the equity method of accounting.

Investments in associates are carried in the Group's Statement of Financial Position at cost plus post-acquisition changes in the Group's share of net assets of the associates, less any impairment in value. The Income Statement reflects the Group's share of the results of operations of the associates.

A gain or loss on the sale of an associate is recognised when the sale and purchase agreement becomes unconditional.

## INTANGIBLE ASSETS

### (A) GOODWILL

Goodwill on acquisition is initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

As at the acquisition date, any goodwill acquired is allocated to the cash-generating unit(s) expected to benefit from the combination's synergies. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is assessed for impairment in June and December each year, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. The recoverable amount of cash generating units that goodwill has been attributed to is determined by its value in use, calculated using discounted cash flow methodology. Further details on the methodology and assumptions are outlined in note 14. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised.

Where goodwill forms part of a cash-generating unit, and where part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this manner is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

#### (B) OTHER INTANGIBLE ASSETS

Intangible assets acquired separately are capitalised at cost. Those acquired through a business combination are capitalised at fair value as at the date of acquisition. Following initial recognition, the cost model is applied to the class of intangible assets.

The finite useful lives of these intangible assets are assessed to be on average 3 to 4 years. Amortisation is charged on the assets and the expense is recognised in the Income Statement.

Intangible assets, excluding development costs, created within the business are not capitalised and expenditure is charged to the Income Statement in the year in which the expenditure is incurred.

#### RECOVERABLE AMOUNT OF ASSETS

At each reporting date, or more frequently if events or changes in circumstances dictate, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of the recoverable amount. Where the carrying value of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. Individual assets are generally not independent of those in a group and the recoverable amount is calculated on the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

#### EMPLOYEE ENTITLEMENTS

The liability for employees' compensation for future leave is accrued in relation to the length of service rendered by employees and relates to vested and unvested entitlements. One Group company operates a defined benefits pension scheme. The cost of providing benefits under this plan is determined using the projected unit credit method. Actuarial gains and losses on the Defined Benefit Plan are recognised in Other Comprehensive Income within the Statement of Comprehensive Income at the time of valuation. Actuarial gains and losses on other employee entitlements are recognised in the Income Statement at the time of valuation.

#### PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event. This occurs when it is probable that a cost will be incurred to settle the obligation and a reliable estimate can be made of that obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as an expense.

#### INTEREST-BEARING LOANS AND BORROWINGS

All loans and borrowings are initially recognised at fair value of the considerations received plus transaction costs associated with borrowing. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses are recognised in the Income Statement over the term or when the liabilities are de-recognised.

## LEASES

Operating lease payments, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are recognised as an expense in the income statement on a straight-line basis over the lease term.

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased items, are capitalised at the present value of the minimum lease payments excluding interest. The leased assets and corresponding liabilities are therefore recognised and the assets are depreciated in line with the Group's depreciation policy to reflect the estimated useful lives. Lease payments relating to finance leases are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

## SEGMENT INFORMATION

Management reviews operating segment performance based on geographical segments. These segments are distinguishable components of the business engaged in providing services to customers in particular economic environments and subject to risks and returns that are different to other segments. The Group measures and evaluates the reporting segments based on earnings before interest and tax.

## EMPLOYEE SHARE-BASED BENEFIT PLANS

The Group provides benefits to qualifying senior employees of the Group in the form of share-based payment transactions, whereby employees render services in exchange for non-transferable share options. The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using the Black-Scholes-Merton model, further details of which are given in Note 9. The fair value cost of equity settled options at issue date is amortised to the Income Statement over the vesting period. Where an equity-settled award is cancelled before vesting, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. Where an equity-settled award is forfeited when vesting conditions are not met, the expense is reversed.

## CONVERTIBLE NOTES

Under the terms of the Employee Share Option Plan, employees may elect for the Group to repurchase shares issued at the time of exercising options in exchange for convertible notes issued by the Group. The convertible notes have a face value of the issue price and are interest bearing with semi-annual coupon payments. The notes are convertible into ordinary shares on a one for one basis at the option of the Group and/or the holder at any time with five business days written notice. The notes are compound financial instruments which have both a financial liability and an equity component. The financial liability component represents the interest obligations on the notes and interest is recognised on an accruals basis. All proceeds received from the issue of convertible notes have been recognised in a separate component of equity. Upon conversion to shares the proceeds from issue of the convertible notes will be reclassified to ordinary share capital.

## SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In applying the Group's accounting policies management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Group. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgements, estimates and assumptions made. Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

### (1) REVENUE RECOGNITION

The Group and Parent Company enter into some long term contracts with customers on commercial terms and conditions. Revenue from these contracts is recognised based on the stage of completion of the work, which requires judgement and estimates about the expected costs over the life of the contract. Where the outcome of a long term contract cannot be reliably estimated, a risk-based probabilistic approach is used to estimate expected costs. Actual costs incurred over the life of the contract may be different from previous estimates. These judgements and estimates also affect the carrying amount of work in progress or revenue in advance.

If the expected costs on a contract exceed the expected revenues, a provision for the future expected loss on a contract is estimated and recognised. The carrying amounts of work in progress and revenue in advance are separately disclosed in the Statement of Financial Position.

#### (2) PROVISIONS FOR DOUBTFUL DEBTS ON TRADE RECEIVABLES

Where receivables are outstanding beyond the normal trading terms, the likelihood of the recovery of these receivables is assessed by management. This assessment is based on individual circumstance including whether there are any disputes and the outcome of credit control activities. The provision for doubtful debts and an assessment and quantification of the Group's credit risk is disclosed in Note 20.

#### (3) DEFINED BENEFIT PLAN

Various actuarial assumptions underpin the determination of the Group's pension obligations arising from a defined benefit plan in the United Kingdom. The key assumptions relate to the expected growth in the value of assets and the pension contract as well as expected salary escalation and market discount rate. All of these require judgement and are subject to change year on year depending on market conditions and other economic factors relevant to the ability of the plan's assets to meet the pension obligations. These assumptions and the related carrying amount of the Group's obligation are discussed in Note 17.

#### (4) PROVISION FOR EMPLOYEE ENTITLEMENTS

Certain employees of the Group and Parent Company are entitled to long service and retirement leave benefits. These liabilities have been recognised based on actuarial valuations, which determine the present value of estimated future cashflows to be made to these employees at balance date. The valuation is based on a probabilistic assessment of employees reaching service and age levels to earn their entitlement and expected future salary movements. The carrying amounts of these liabilities are detailed in Note 16.

#### (5) IMPAIRMENT OF GOODWILL WITH INDEFINITE USEFUL LIFE

The Group determines whether goodwill with an indefinite useful life is impaired on a semi-annual basis in June and December. This requires an estimation of the recoverable amount of the cash-generating units to which the goodwill is allocated. Depending on the nature and timing of acquisitions, the carrying amount of goodwill may be based on estimates of expected payments and/or net assets acquired at balance date.

The assumptions used in the estimation of the recoverable amount and carrying value of goodwill are discussed in Note 14.

#### (6) RECOVERY OF DEFERRED TAX ASSETS

Deferred tax assets are recognised for deductible temporary differences and tax losses when management considers that it is probable that future taxable profits will be available to utilise those temporary differences and losses. The carrying amount of deferred tax assets are disclosed in Note 5.

#### STANDARDS OR INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

NZ IFRS 3 Business Combinations (revised) is applicable to the Group for accounting periods beginning on or after 1 January 2010. The revised standard introduces a number of changes to the accounting for business combinations, the most significant being the requirement to expense transaction costs. The Company has previously capitalised these costs as part of the investment and included them within Goodwill.

NZ IFRS 9 Financial Instruments – Recognition and Measurement of Financial Assets was issued in November 2009 as part of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. The standard deals with accounting for financial assets, their recognition, derecognition and measurement. Financial assets are classified according to their measurement, either at fair value or amortised cost. The standard is effective from 1 January 2013.

There are a number of other amendments to accounting standards as part of the ongoing improvement process. None of these changes are expected to significantly impact on the Group.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. OPERATING REVENUE

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Consultancy Fees	367,848	371,540	264,436	257,852
Dividend From Associates	-	-	1,312	877
<b>TOTAL OPERATING REVENUE</b>	<b>367,848</b>	<b>371,540</b>	<b>265,748</b>	<b>258,729</b>

There were no discontinued activities in the above figures.

### 2. OPERATING EXPENSES

INCLUDED IN OPERATING EXPENSES ARE THE FOLLOWING ITEMS:	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Employee Remuneration Costs	198,618	195,868	130,627	124,990
Consultant and Sub-Contractor Expenses	62,084	57,255	53,501	48,089
Project Materials and Services Costs	13,201	16,813	9,311	10,752
Lease/Rental Expenses	17,193	16,136	11,194	10,340
Travel Related Expenses	12,199	14,447	9,368	10,786
Training and Other Employee Related Expenses	5,849	10,274	4,342	7,371
Communication and Office Administration Costs	7,523	8,202	5,612	6,117
Insurance	2,093	2,128	1,411	1,393
Advertising and Promotion Expenses	1,720	1,982	1,248	1,361
Group Auditors – Audit Fees	435	412	193	193
Group Auditors – Taxation Services	78	176	24	156
Group Auditors – Other Assurance Services	14	157	11	56
Directors' Fees and Expenses	540	582	540	582
Loss/(Profit) on Foreign Exchange Transactions – Realised	105	(31)	(33)	(7)
(Profit)/Loss on Foreign Exchange Transactions – Unrealised	(473)	25	38	(705)
Bad Debts Expense	1,667	158	253	119
Change in Provision for Doubtful Debts	(949)	1,747	(281)	45
(Gain)/Loss on Sale of Property, Plant & Equipment	(119)	(4)	39	(3)
Other Operating Expenses	15,929	15,758	5,449	6,124
<b>TOTAL OPERATING EXPENSES</b>	<b>337,707</b>	<b>342,085</b>	<b>232,847</b>	<b>227,759</b>

### DISPOSAL OF ASSETS FROM SSE BUSINESS

The (gain)/loss on the sale of property, plant and equipment includes \$373,486 from the sale of assets of UK based subsidiary, Sub-Surface Engineering Limited. Partially offsetting this gain was the disposal of goodwill of \$138,888 attributed to these assets. The goodwill disposal reduced the gain on sale to a net \$234,598 in respect of these assets. The goodwill associated with the sale of these assets was determined by assessing the relative value of the assets against the relative value of the United Kingdom cash-generating unit.

### 3. DEPRECIATION AND AMORTISATION

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Buildings	26	22	6	6
Plant and Vehicles	892	898	516	516
Computer Equipment	742	743	150	192
Computer Equipment – Leased	1,341	1,642	1,341	1,642
Furniture and Equipment	1,196	1,141	678	672
Leasehold Improvements	1,196	1,152	696	724
<b>TOTAL DEPRECIATION</b>	<b>5,393</b>	<b>5,598</b>	<b>3,387</b>	<b>3,752</b>
Amortisation Expense – Software Assets	815	864	746	680
<b>TOTAL DEPRECIATION AND AMORTISATION</b>	<b>6,208</b>	<b>6,462</b>	<b>4,133</b>	<b>4,432</b>

### 4. INTEREST

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>INTEREST REVENUE</b>				
Bank Deposits	2,487	3,806	2,460	3,662
Loan to Subsidiaries	-	-	540	1,361
<b>TOTAL INTEREST REVENUE</b>	<b>2,487</b>	<b>3,806</b>	<b>3,000</b>	<b>5,023</b>
<b>INTEREST EXPENSE</b>				
Bank Borrowings	(1,775)	(3,245)	(937)	(1,662)
Finance Leases	(180)	(233)	(180)	(233)
Convertible Notes	(35)	(53)	(35)	(53)
<b>TOTAL INTEREST EXPENSE</b>	<b>(1,990)</b>	<b>(3,531)</b>	<b>(1,152)</b>	<b>(1,948)</b>

## 5. TAXATION

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>(A) INCOME TAX RECOGNISED IN THE INCOME STATEMENT</b>				
<b>CURRENT TAXATION</b>				
Current Period	9,833	9,810	9,049	8,353
Adjustment for Prior Periods	(516)	(110)	35	(152)
	<b>9,317</b>	<b>9,700</b>	<b>9,084</b>	<b>8,201</b>
<b>DEFERRED TAXATION</b>				
Origination and Reversal of Timing Differences	(2,520)	(2,390)	(219)	(439)
Reduction in Tax Rates	9	5	-	-
Under/(Over) Provision in Prior Years	441	(465)	284	(355)
	<b>(2,070)</b>	<b>(2,850)</b>	<b>65</b>	<b>(794)</b>
<b>TAXATION EXPENSE</b>	<b>7,247</b>	<b>6,850</b>	<b>9,149</b>	<b>7,407</b>

The prima facie income tax expense on pre-tax accounting profit reconciles to the income tax expense in the financial statements as follows:

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Operating Surplus Before Taxation	25,845	24,350	30,616	29,613
Prima Facie Income Tax at 30%	7,754	7,305	9,185	8,884
Taxation Effect of Differences Between Tax and Accounting	106	306	209	244
Utilisation of Tax Losses	(154)	(93)	-	-
Adjustment in Respect of Prior Periods	(75)	(575)	319	(507)
Different Overseas Statutory Tax Rates	184	134	-	-
Effect of Change in Corporation Tax Rate	9	5	-	-
Research & Development Credits	(577)	-	-	-
Tax Group Offset	-	(232)	(564)	(1,214)
<b>TAXATION EXPENSE</b>	<b>7,247</b>	<b>6,850</b>	<b>9,149</b>	<b>7,407</b>

The effect of the change in corporation tax rate reflects the impact on the deferred tax asset from the legislative change in the Federal tax rate from 19% to 18% in Canada, which applies from 1 January 2010 (2008: change from 30% to 28% in the United Kingdom).

### UNRECOGNISED TAX LOSSES

The Group has unrecognised overseas income tax losses available to carry forward of \$1,925,871 (2008: \$1,987,723). No deferred tax asset has been recognised for these losses as they are for dormant companies and the utilisation of these losses is subject to the requirements of the income tax legislation being met in the various overseas jurisdictions. It is not considered sufficiently probable that these requirements will be met in the foreseeable future.

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>(B) INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME</b>				
Foreign Currency Translation Reserve	221	(215)	-	-
Actuarial Loss on Defined Benefit Plan	(708)	2	-	-
<b>INCOME TAX CHARGED TO OTHER COMPREHENSIVE INCOME</b>	<b>(487)</b>	<b>(213)</b>	-	-

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>(C) DEFERRED TAX ASSET</b>				
Employee Entitlements	6,869	6,375	5,830	5,461
Property, Plant and Equipment	1,021	1,450	841	1,178
Defined Benefit Pension Obligation	773	112	-	-
Provisions	1,415	1,447	687	784
Tax Losses Recognised	2,810	1,407	-	-
<b>TOTAL DEFERRED TAX ASSET</b>	<b>12,888</b>	<b>10,791</b>	<b>7,358</b>	<b>7,423</b>
Balance at Beginning of Year	10,791	7,721	7,423	6,629
Foreign Exchange Adjustment	(681)	(35)	-	-
Acquisition of Subsidiaries	-	257	-	-
Amount Charged to Income Statement	2,070	2,850	(65)	794
Amount Charged to Equity	708	(2)	-	-
<b>BALANCE AT END OF YEAR</b>	<b>12,888</b>	<b>10,791</b>	<b>7,358</b>	<b>7,423</b>

	PARENT COMPANY	
	2009 \$000	2008 \$000
<b>(D) IMPUTATION CREDIT ACCOUNT</b>		
Opening Balance	4,327	5,939
Income Tax or RWT Payments/(Refunds) During the Year	8,029	4,773
Dividend Paid	(2,920)	(4,466)
Loss of Continuity Adjustments	-	(1,919)
<b>CLOSING BALANCE</b>	<b>9,436</b>	<b>4,327</b>

## 6. EARNINGS PER SHARE

### BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing Net Surplus After Tax by the weighted average number of ordinary shares on issue. For the year ended 31 December 2009 the weighted average number of shares on issue are 137,553,724 (2008:136,275,916)

### DILUTED EARNINGS PER SHARE

Diluted earnings per share represents basic earnings per share adjusted for the dilutive effect of outstanding share options whose exercise price is less than the current estimate of fair market value. These options increase the weighted average number of shares on issue with no corresponding increase in net surplus After Tax (as per basic earnings per share), causing a reduction in earnings per share (dilutive effect). Convertible notes are also considered to be dilutive and these have been included in the calculation of diluted earnings per share as the interest earned by noteholders is less than basic earnings per share. The weighted average number of shares outstanding used to calculate diluted earnings per share for the year ended 31 December 2009 are 146,731,736 (2008:147,289,765)

## 7. EQUITY – ORDINARY SHARE CAPITAL

All 137,875,438 ordinary shares have equal voting rights and share equally in dividends and surplus on winding up. These shares have been issued and are fully paid.

During the year ended 31 December 2009, the Company has undertaken the following equity transactions:

- 1) The exercise of share options under the Employee Share Option Plan; and
- 2) The repurchase of shares for the Employee Share Ownership Plan.

The following table summarises the movements in ordinary share capital during the year ended 31 December 2009.

	ORDINARY SHARE CAPITAL \$000	NO. OF SHARES	ACCUMULATED NO. OF SHARES
At 1 January 2009	46,486	136,846,852	136,846,852
Exercise of Share Options	707	1,958,835	138,805,687
Share Buy-Back for Employee Share Ownership Plan	(1,466)	(930,249)	137,875,438
Transaction Costs	(22)	-	-
<b>AT 31 DECEMBER 2009</b>	<b>45,705</b>	<b>137,875,438</b>	<b>137,875,438</b>

### TREASURY SHARES

The Company acquired a number of its own equity instruments in an on-market buy-back for later use in the Employee Share Ownership Plan (details of which are disclosed in Note 9). The value of these shares and associated transaction costs are deducted from equity. The first issue of shares under the Employee Share Ownership Plan is scheduled for 2013. As at 31 December 2009, the Group and Parent Company through an Employee Trust, held 1,880,892 Treasury Shares (2008: 950,643).

## CAPITAL MANAGEMENT

When managing capital, the Board's objectives are to ensure that the Company continues as a going concern and to achieve optimal returns to shareholders. The Directors also aim to maintain a capital structure that has an appropriate cost of capital available to the Company. The major shareholder and the Directors have no current plans to issue further shares on the share market but remain open to doing so. This may occur should the major shareholder seek to reduce its ownership stake or as a means for the Group to fund an acquisition. The Employee Share Ownership Plan involves the company repurchasing shares on-market.

Management monitor the return on equity (defined as Net Profit After Tax/Average Shareholders Equity) and the debt and net debt to equity ratios. Management also monitors the relationship between equity and total tangible assets to ensure compliance with bank covenants. One of the Group's bankers requires total shareholders funds (equity) to be no less than 20% of total tangible assets at all times. These measures during 2009 and 2008 were as follows:

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Bank Overdraft	37,792	46,856	18,387	25,977
Finance Lease Liabilities	2,552	3,586	2,307	3,263
<b>TOTAL DEBT</b>	<b>40,344</b>	<b>50,442</b>	<b>20,694</b>	<b>29,420</b>
<b>TOTAL EQUITY</b>	<b>78,701</b>	<b>70,958</b>	<b>88,531</b>	<b>75,607</b>
<b>NET PROFIT AFTER TAX</b>	<b>18,598</b>	<b>17,500</b>	<b>21,467</b>	<b>22,206</b>
Debt to Equity Ratio	0.51	0.71	0.23	0.39
Net Debt to Equity Ratio	0.03	0.05	0.03	0.04
Return on Equity	24.9%	26.0%	26.2%	31.8%
Equity to Total Tangible Assets Ratio	0.71	0.68	-	-

The net debt to equity ratio is calculated by offsetting our bank deposits with the bank overdrafts, which leaves a net debt balance equivalent to finance lease liabilities.

## 8. EQUITY – CONVERTIBLE NOTES

During 2007, the Company issued convertible notes to certain employees for cash consideration. These convertible notes are interest bearing and the current interest rate is 2.91% (2008: 8.24%). Interest is recognised on an accruals basis and included within Creditors, Accruals and Provisions. The notes are convertible into ordinary shares at any time at the option of either the Company or the holder. The equity portion of the convertible notes is classified within a separate component of equity and as at 31 December 2009 there were 866,285 convertible notes on issue (2008: 866,285).

## 9. EQUITY – EMPLOYEE EQUITY-SETTLED BENEFITS

The Employee Equity Benefits Reserve is used to record the value of share based payments provided to employees. The Employee Equity Benefits Reserve also contains the actuarial gains/losses on the Defined Benefit Pension Fund, details of which are disclosed in Note 17. The following table summarises the reserve as at balance date:

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Employee Equity-Settled Benefits	224	142	224	142
Defined Benefit Pension Fund	(301)	1,519	-	-
<b>CARRYING AMOUNT AT END OF YEAR</b>	<b>(77)</b>	<b>1,661</b>	<b>224</b>	<b>142</b>

Employee equity-settled benefits comprise the fair value of the Company's employee share option plan and Employee Share Ownership Plan.

### EMPLOYEE SHARE OPTION PLAN

In May 2002 the Company established an employee share option plan (ESOP), by way of offering selected employees the opportunity to purchase options for ordinary shares in the company. Additional issues of options were made in 2003, 2004, 2005, 2006 and 2007. The purpose of the employee share option plan is to:

- attract and retain key employees;
- reward and incentivise those employees; and
- create a sense of collective ownership among employees, aligning employee incentives with the enhancement of shareholder value.

The Board of Directors of Opus International Consultants Limited administers all aspects of the plan. Any matter to be determined by the Board is determined as it sees fit at its sole discretion. The options must be exercised for ordinary shares on the exercise date unless the Board considers that the exercise would give rise to a breach of regulations or the options have expired. Options will also be forfeited if the participant ceases to be an employee.

To date the 2002, 2003 and 2004 tranches have been exercised. The remaining options outstanding are detailed in the table below.

	OPTIONS ISSUED	OPTION PRICE	EXERCISE PRICE	FAIR VALUE	EXERCISE DATE
2005	2,777,115	Nil	\$0.495	\$0.038	March 2010
2006	3,376,155	Nil	\$0.588	\$0.035	June 2011
2007	2,369,040	Nil	\$0.741	\$0.042	May 2012

Effective from June 2008, the Employee Share Option Plan has been replaced by the Employee Share Ownership Plan, which is discussed in further detail below.

### EMPLOYEE SHARE OWNERSHIP PLAN

During the year ended 31 December 2008, the Company established the Opus International Consultants Limited Employee Share Ownership Plan to replace the Employee Share Option Plan. The Share Ownership Plan established a framework under which the Company can, from time to time, offer selected employees the opportunity to acquire shares in the Company. It is anticipated that the Company will make annual offers to selected employees as part of their remuneration package. The plan has operated with the Company acquiring its own shares on-market for immediate resale to participants. The price at which the shares are resold to participants will be the average price paid by the Company to acquire the shares.

The Company offers an interest free loan to the participants to purchase a beneficial interest in the shares. The shares will be held in Trust for the duration of a restricted period and initially the vesting period will be five years after the date that employees are invited to participate in the Plan. The Company's Board of Directors administer the Trust and the Trustee holds legal title until the Transfer Date. The Trust is included within the Parent Company when preparing the Company and Group's Financial Statements.

At the completion of the vesting period, participants may elect to accept a transfer of the restricted shares subject to the loan being repaid, continued employment and all exercise hurdles being met. The exercise hurdle for the 2008 tranche has been set to align employees interests with shareholders and the shares will not be released unless, at the vesting date, aggregate NOPAT exceeds the vesting hurdle.

Aggregate NOPAT is defined as Earnings Before Interest and Tax ("EBIT") as set out in the consolidated audited financial statements of the Group for the year in which the shares are allocated to participants and each of the following four years respectively, net of tax.

The vesting hurdle equals  $5 \times \text{EBIT}$  (for the preceding year), net of tax, plus  $(A - (5 \times B)) \times C$ .

A = Average Adjusted Net Assets (average of the opening and closing) as set out in the consolidated audited financial statements of the Group for the year in which the shares are allocated to participants and each of the following four years respectively. Average Net Assets is defined as Net Assets less bank balances and short term deposits plus borrowings, doubtful debts and provisions for employee entitlements;

B = Average Adjusted Net Assets for the year preceding the grant; and

C = Weighted Average Cost of Capital (WACC) most recently determined by the Company's Directors prior to the allocation of shares to the participants. The Company's WACC After Tax is currently 12%.

During the year ended 31 December 2009, the Company acquired the second tranche of shares under this plan. The following table summarises the shares bought back during 2008 and 2009:

	SHARES ACQUIRED	EXERCISE PRICE	FAIR VALUE	EXERCISE DATE
2008	950,643	\$1.87	\$0.21	August 2013
2009	988,270	\$1.57	\$0.18	September 2014

Of the shares acquired in 2008, 58,021 were forfeited during 2009 and applied to the 2009 tranche.

The cost of all equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using the Black-Scholes-Merton model. For share options granted during the year, the Black Scholes model calculation was based on the following key inputs:

Option Life	5 Years	Valuation Date Share Price	\$1.57
Dividend Growth Rate	13.5%	Year 1 Dividend	5.8c
Share Price Volatility	25-30%	Year 2 Dividend	6.6c
Exercise Price	\$1.57	Risk Free Interest Rate	5.26%

#### EMPLOYEE EQUITY BENEFITS RESERVE ACCOUNT

The movement within the Employee Equity Benefits Reserve account within shareholders equity for the above ESOP schemes, for the year ended 31 December 2009, is shown in the table below:

	31 DECEMBER			
	2009 \$000	2008 \$000	2009 Nos.	2008 Nos.
ESOP				
Opening Balance	142	102	10,442,913	11,515,575
Options Granted During Year	-	-	988,270	950,643
Options Forfeited	-	-	(887,896)	-
Options Exercised	(34)	(29)	(1,958,835)	(2,023,305)
Share-based payment expense	116	69	-	-
<b>TOTAL OPTIONS ON ISSUE</b>	<b>224</b>	<b>142</b>	<b>8,584,452</b>	<b>10,442,913</b>

## 10. EQUITY – RETAINED EARNINGS

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Balance at Beginning of Year	22,029	14,197	28,337	15,799
Net Surplus for the Year	18,598	17,500	21,467	22,206
Dividend on Ordinary Shares	(8,312)	(9,747)	(8,312)	(9,747)
Tax Credit on Supplementary Dividend	468	79	468	79
<b>BALANCE AT END OF YEAR</b>	<b>32,783</b>	<b>22,029</b>	<b>41,960</b>	<b>28,337</b>

Dividends of \$8.3 million (including \$0.5 million supplementary dividends) were declared and paid during the twelve months to 31 December 2009 representing 5.7 cents per ordinary share (2008: 7.1 cents per share)

## 11. EQUITY – FOREIGN CURRENCY TRANSLATION RESERVE

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Balance at Beginning of Year	140	(385)	-	-
Net Exchange Difference on Translation of International Subsidiaries	(1,726)	1,145	-	-
Income Tax Effect of Translation of International Subsidiaries	215	(336)	-	-
Net Gain/(Loss) on Hedge of Net Investment	1,455	(405)	-	-
Income Tax Effect of Hedge of Net Investment	(436)	121	-	-
<b>BALANCE AT END OF YEAR</b>	<b>(352)</b>	<b>140</b>	<b>-</b>	<b>-</b>

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries and items that form part of the Company's net investment in foreign subsidiaries. It is also used to record gains and losses on the hedges of net investments in foreign operations.

## 12. PROPERTY, PLANT AND EQUIPMENT

	GROUP							
	LAND	BUILDINGS	LEASEHOLD IMPROVEMENTS	PLANT & VEHICLES	COMPUTER EQUIPMENT	FURNITURE & EQUIPMENT	FINANCE LEASES (COMPUTER EQUIPMENT)	TOTAL
<b>2009</b>								
Balance at 1 January 2009 (net of accumulated depreciation and impairment)	135	1,333	3,182	1,927	1,857	3,432	2,760	14,626
Additions	-	-	210	392	1,171	777	-	2,550
Disposals	-	-	(19)	(65)	(2)	(188)	-	(274)
Reclassification	-	14	(11)	167	(802)	(18)	594	(56)
Depreciation charge for the year	-	(26)	(1,196)	(892)	(742)	(1,196)	(1,341)	(5,393)
Foreign Exchange Adjustment	-	(117)	8	(81)	(82)	(16)	-	(288)
<b>BALANCE AT 31 DECEMBER 2009</b>	<b>135</b>	<b>1,204</b>	<b>2,174</b>	<b>1,448</b>	<b>1,400</b>	<b>2,791</b>	<b>2,013</b>	<b>11,165</b>
<b>AT 31 DECEMBER 2009</b>								
Cost	135	1,359	8,461	8,267	4,961	9,968	7,245	40,396
Accumulated Depreciation And Impairment	-	(155)	(6,287)	(6,819)	(3,561)	(7,177)	(5,232)	(29,231)
<b>NET CARRYING AMOUNT</b>	<b>135</b>	<b>1,204</b>	<b>2,174</b>	<b>1,448</b>	<b>1,400</b>	<b>2,791</b>	<b>2,013</b>	<b>11,165</b>

	GROUP							
	LAND	BUILDINGS	LEASEHOLD IMPROVEMENTS	PLANT & VEHICLES	COMPUTER EQUIPMENT	FURNITURE & EQUIPMENT	FINANCE LEASES (COMPUTER EQUIPMENT)	TOTAL
<b>2008</b>								
Balance at 1 January 2008 (net of accumulated depreciation and impairment)	135	257	2,636	1,616	983	2,723	2,638	10,988
Additions	-	-	1,507	679	3,115	1,758	1,764	8,823
Acquisitions	-	1,091	140	530	652	45	-	2,458
Disposals	-	-	-	3	(2,186)	(21)	-	(2,204)
Depreciation charge for the year	-	(22)	(1,152)	(898)	(743)	(1,141)	(1,642)	(5,598)
Foreign Exchange Adjustment	-	7	51	(3)	36	68	-	159
<b>BALANCE AT 31 DECEMBER 2008</b>	<b>135</b>	<b>1,333</b>	<b>3,182</b>	<b>1,927</b>	<b>1,857</b>	<b>3,432</b>	<b>2,760</b>	<b>14,626</b>
<b>AT 31 DECEMBER 2008</b>								
Cost	135	1,477	9,607	11,970	8,904	12,471	6,608	51,172
Accumulated Depreciation And Impairment	-	(144)	(6,425)	(10,043)	(7,047)	(9,039)	(3,848)	(36,546)
<b>NET CARRYING AMOUNT</b>	<b>135</b>	<b>1,333</b>	<b>3,182</b>	<b>1,927</b>	<b>1,857</b>	<b>3,432</b>	<b>2,760</b>	<b>14,626</b>

## 12. PROPERTY, PLANT AND EQUIPMENT CONTINUED

2009	PARENT COMPANY							
	LAND	BUILDINGS	LEASEHOLD IMPROVEMENTS	PLANT & VEHICLES	COMPUTER EQUIPMENT	FURNITURE & EQUIPMENT	FINANCE LEASES (COMPUTER EQUIPMENT)	TOTAL
Balance at 1 January 2009 (net of accumulated depreciation and impairment)	135	251	1,656	1,097	435	1,741	2,760	8,075
Additions	-	-	192	240	1,106	531	-	2,069
Reclassification	-	-	1	21	(616)	(19)	594	(19)
Disposals	-	-	(24)	-	(6)	(16)	-	(46)
Depreciation charge for the year	-	(6)	(696)	(516)	(150)	(678)	(1,341)	(3,387)
<b>BALANCE AT 31 DECEMBER 2009</b>	<b>135</b>	<b>245</b>	<b>1,129</b>	<b>842</b>	<b>769</b>	<b>1,559</b>	<b>2,013</b>	<b>6,692</b>
<b>AT 31 DECEMBER 2009</b>								
Cost	135	280	5,967	6,262	1,276	6,575	7,245	27,740
Accumulated Depreciation And Impairment	-	(35)	(4,838)	(5,420)	(507)	(5,016)	(5,232)	(21,048)
<b>NET CARRYING AMOUNT</b>	<b>135</b>	<b>245</b>	<b>1,129</b>	<b>842</b>	<b>769</b>	<b>1,559</b>	<b>2,013</b>	<b>6,692</b>

2008	PARENT COMPANY							
	LAND	BUILDINGS	LEASEHOLD IMPROVEMENTS	PLANT & VEHICLES	COMPUTER EQUIPMENT	FURNITURE & EQUIPMENT	FINANCE LEASES (COMPUTER EQUIPMENT)	TOTAL
Balance at 1 January 2008 (net of accumulated depreciation and impairment)	135	257	1,575	1,155	419	1,527	2,638	7,706
Additions	-	-	805	462	1,972	885	1,764	5,888
Acquisitions	-	-	-	-	-	-	-	-
Disposals	-	-	-	(4)	(1,764)	1	-	(1,767)
Depreciation charge for the year	-	(6)	(724)	(516)	(192)	(672)	(1,642)	(3,752)
<b>BALANCE AT 31 DECEMBER 2008</b>	<b>135</b>	<b>251</b>	<b>1,656</b>	<b>1,097</b>	<b>435</b>	<b>1,741</b>	<b>2,760</b>	<b>8,075</b>
<b>AT 31 DECEMBER 2008</b>								
Cost	135	280	7,164	7,254	4,522	8,351	6,608	34,314
Accumulated Depreciation and Impairment	-	(29)	(5,508)	(6,157)	(4,087)	(6,610)	(3,848)	(26,239)
<b>NET CARRYING AMOUNT</b>	<b>135</b>	<b>251</b>	<b>1,656</b>	<b>1,097</b>	<b>435</b>	<b>1,741</b>	<b>2,760</b>	<b>8,075</b>

### 13. INVESTMENTS IN ASSOCIATES

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Carrying Amount at Start of Year	408	203	-	-
Share of Surplus/(Deficit)	1,415	1,082	-	-
Dividends Received	(1,312)	(877)	-	-
<b>CARRYING AMOUNT AT END OF YEAR</b>	<b>511</b>	<b>408</b>	<b>-</b>	<b>-</b>

The Parent Company owns interests in the following entities:

INTEREST IN ASSOCIATES	% INTEREST	BALANCE DATE	PRINCIPAL ACTIVITY
NZWETA	50%	31 December	Providing Water Services Training
Total Bridge Services	25%	31 March	Providing Engineering Services

There are no significant unadjusted transactions or events that occurred between the balance date of the company and that of any associates.

Whilst the Group has significant influence over these associates it does not have the power to govern the financial and operating policies and so these entities are not consolidated into the Group.

The unaudited financial position of the Associate Companies as at 31 December 2009 is summarised below:

	2009 \$000	2008 \$000
Current Assets	4,975	4,953
Non-Current Assets	324	477
<b>Total Assets</b>	<b>5,298</b>	<b>5,430</b>
Current Liabilities	(3,318)	(3,929)
Non-Current Liabilities	-	-
<b>Total Liabilities</b>	<b>(3,318)</b>	<b>(3,929)</b>
<b>NET ASSETS</b>	<b>1,980</b>	<b>1,501</b>
Revenue Earned	41,967	19,246
Profit For The Year	5,439	3,672

## 14. INTANGIBLE ASSETS

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>INTANGIBLE ASSETS COMPRISE:</b>				
Software Assets	1,227	1,100	1,078	768
Goodwill	31,330	32,781	415	415
<b>CARRYING AMOUNT AT END OF YEAR</b>	<b>32,557</b>	<b>33,881</b>	<b>1,493</b>	<b>1,183</b>

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>SOFTWARE ASSETS</b>				
Carrying Amount at Start of Year	1,100	1,145	768	881
Additions During the Year	829	818	824	567
Transfer From Subsidiaries	-	-	213	-
Reclassification from/(to) Property, Plant and Equipment	56	-	19	-
Amount Amortised During Year	(815)	(864)	(746)	(680)
Foreign Exchange Adjustment	57	1	-	-
<b>CARRYING AMOUNT AT END OF YEAR</b>	<b>1,227</b>	<b>1,100</b>	<b>1,078</b>	<b>768</b>
Cost	6,373	5,867	5,535	4,387
Accumulated Amortisation	(5,146)	(4,767)	(4,457)	(3,619)
	<b>1,227</b>	<b>1,100</b>	<b>1,078</b>	<b>768</b>

Software assets represent licenses and other software assets that are not an integral part of property, plant and equipment assets. Software assets are recorded at cost and have finite useful lives based on the term of the license or other contractual basis. The cost is amortised over the asset's useful life.

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>GOODWILL</b>				
Carrying Amount at Start of Year	32,781	22,507	415	415
Additions During the Year	-	8,794	-	-
Goodwill Arising From Previous Acquisitions	175	763	-	-
Goodwill Disposed	(139)	-	-	-
Foreign Exchange Adjustment	(1,487)	717	-	-
<b>CARRYING AMOUNT AT END OF YEAR</b>	<b>31,330</b>	<b>32,781</b>	<b>415</b>	<b>415</b>
Cost	31,893	33,325	415	415
Accumulated Impairment	(563)	(544)	-	-
	<b>31,330</b>	<b>32,781</b>	<b>415</b>	<b>415</b>

During 2009 an amount of \$216,443 (GBP £98,354) was paid to the vendors of Joynes Pike Group in the United Kingdom in accordance with the sale and purchase agreement. Together with adjustments to the fair value of net assets acquired, the carrying value of goodwill increased by \$26,764 (GBP £10,760).

During 2009, an amount of \$140,002 (CAD \$108,788) was agreed as the full and final settlement obligation for the 2008 acquisition of Project Engineering Limited, following completion of certain conditions in the sale and purchase agreement. In addition the fair value of net assets acquired was also revised. These adjustments resulted in a net increase to the carrying value of goodwill of \$154,652 (CAD \$120,031).

During 2009, the Group disposed of certain of the assets from a UK based Subsidiary, Sub-Surface Engineering Limited. Goodwill associated with the United Kingdom cash-generating unit was allocated to this sale. This resulted in the disposal of goodwill of \$138,888 attributed to these assets. The goodwill associated with the sale of these assets was determined by assessing the relative value of the assets against the relative value of the United Kingdom cash-generating unit.

In addition to the above payments, the Group also made further payments to previous acquisitions due under the sale and purchase agreements of \$1.6 million. These amounts were accrued as part of the cost of the investments and there was no change to goodwill.

### GOODWILL RECOVERABLE AMOUNT

Goodwill is allocated and monitored by management across the following cash generating units:

	UNITED KINGDOM \$000	CANADA \$000	AUSTRALIA \$000	NEW ZEALAND \$000	TOTAL \$000
As at 31 December 2009	14,039	3,202	13,674	415	<b>31,330</b>
As at 31 December 2008	15,870	3,295	13,201	415	<b>32,781</b>

Goodwill has been tested for impairment by comparing the carrying amount of all cash-generating units (inclusive of goodwill) with their respective recoverable amounts, which are based on value in use. The value in use is determined by discounting future cashflows over a five-year period. The future cashflows are based on management's five-year business plan, which is the best estimate of immediate future performance. Management consider these forecasts to be realistic and prudent.

The following describes the key assumptions and management's approach to determining the value in use for each of the above cash generating units.

#### UNITED KINGDOM

The value in use of the United Kingdom CGU is based on cashflow projections for a five year period with the following key assumptions:

- 1) The unit will return to profitability in 2010, which is supported by the unit's performance over the last few months of 2009;
- 2) Following 2010, the unit will return to achieving modest growth and accordingly revenue growth of 5% per annum has been assumed for 2011 to 2014; and
- 3) The forecast revenue growth will assist the unit to return to a more sustainable level of profitability in future years and the forecasts assume that the profit margin (defined as EBIT to Net Revenues) will grow by 1% each year from 2011 to 2014.

The above key assumptions are based on management's assessment of the current and anticipated future economic environment of the United Kingdom, coupled with an assessment of the unit's trading capabilities and prospects. The future growth assumptions take into account the unit's recent performance and the expectation that there will be some improvement in the United Kingdom's economy over the next five years.

The future cashflows have been extrapolated beyond the 5 year period using a growth rate of 3% (2008: 5%) and discounted at a pre-tax rate of 10.8% (2008: 16.4%). The growth rate has reduced from that used in 2008 reflecting the deterioration in the United Kingdom economy. The discount rate has also reduced following the significant fall in interest rates and is based on independent advice on the appropriate discount rate applicable to the United Kingdom.

There remains a risk that a reasonably possible change in the above key assumptions could result in the carrying value of the CGU's assets exceeding the recoverable amount, resulting in an impairment. The most recent assessment of recoverable amount showed that it exceeds the carrying amount of the CGU's assets by approximately \$12.2 million (£5.5 million). This headroom is mostly attributable to the growth in profitability factored into future years. Excluding this growth, the recoverable amount would be equal to the carrying amount of the CGU assets. If both the revenue and profit growth do not occur then the carrying amount of the assets would exceed the recoverable amount of the CGU.

## 14. INTANGIBLE ASSETS CONTINUED

### CANADA

The value in use of the Canada CGU is based on cashflow projections for a five year period with the following key assumptions:

- 1) The unit will achieve a 2010 result comparable with 2009; and
- 2) Following 2010, the unit will achieve revenue growth of 5% per annum for 2011 to 2014.

The above key assumptions are based on management's assessment of the current and anticipated future economic environment of the Canadian market, coupled with an assessment of the unit's trading capabilities and prospects.

The future cashflows have been extrapolated beyond the 5 year period using a growth rate of 3% (2008: 5%) and discounted at a pre-tax rate of 11.6% (2008: 18.5%). The growth rate has reduced from that used in 2008 reflecting a more conservative view of the long-term average growth rate of Canada. The discount rate has also reduced following the significant fall in interest rates and is based on independent advice on the appropriate discount rate applicable to Canada.

### AUSTRALIA

The value in use of the Australian CGU is based on cashflow projections for a five year period with the following key assumptions:

- 1) The unit will achieve an improved 2010 result consistent with its performance trend over the last few months of 2009;
- 2) Following 2010, the unit will achieve revenue growth of 5% per annum for 2011 to 2014; and
- 3) The improving performance will lead to increased profitability in future years and the forecasts assume that the profit margin (defined as EBIT to Net Revenues) will grow by 1% each year from 2011 to 2014.

The above key assumptions are based on management's assessment of the current and anticipated future economic environment of the Australian market, coupled with an assessment of the unit's trading capabilities and prospects.

The future cashflows have been extrapolated beyond the 5 year period using a growth rate of 3% (2008: 5%) and discounted at a pre-tax rate of 11.9% (2008: 17.1%). The growth rate has reduced from that used in 2008 reflecting a more conservative view of the long-term average growth rate of Australia. The discount rate has also reduced following a fall in interest rates and is based on independent advice on the appropriate discount rate applicable to Australia.

### NEW ZEALAND

The value in use of the New Zealand CGU has not been calculated due to the insignificant value of goodwill included in the CGU and the strong financial performance of the unit.

No impairment was identified in any of the above CGU's for the year ended 31 December 2009 (2008: \$nil).

## 15. RECEIVABLES AND PREPAYMENTS

	NOTE	GROUP		PARENT COMPANY	
		2009 \$000	2008 \$000	2009 \$000	2008 \$000
Trade Receivables		36,740	46,645	22,031	25,726
Less Provision for Doubtful Debts	20	(3,635)	(4,613)	(1,475)	(1,752)
Prepayments		2,218	3,854	1,411	2,575
Interest Receivable		575	261	575	261
Other Receivables		458	548	160	57
<b>TOTAL RECEIVABLES AND PREPAYMENTS</b>		<b>36,356</b>	<b>46,695</b>	<b>22,702</b>	<b>26,867</b>

Included within other receivables are retentions receivable of \$67,563 for the Group and Parent Company (2008: \$29,563) and amounts receivable from Opus Group Bhd to the Group of \$262,816 (2008: \$353,030)

## 16. PROVISION FOR EMPLOYEE ENTITLEMENTS

Included under current and term liabilities are accruals for salaries and wages and provisions for annual leave, long service leave, retirement leave and incentive costs. The benefits for retirement leave and long service leave as at 31 December 2009 and 2008 have been based on an independent actuarial valuation provided by AON Consulting (NZ) Limited and are summarised in the tables below.

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>PROVISION FOR EMPLOYEE ENTITLEMENTS – RETIREMENT LEAVE</b>				
Opening Balance	6,841	6,250	6,681	6,060
Paid Relating to Prior Year	(364)	(164)	(364)	(164)
Increase during the year in the discounted amount arising from the passage of time and the effect of any change in the discount rate	(6)	(147)	(6)	(147)
Foreign Exchange Adjustment	23	(13)	-	-
Provision Current Year	929	915	964	932
<b>CLOSING BALANCE</b>	<b>7,423</b>	<b>6,841</b>	<b>7,275</b>	<b>6,681</b>

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>PROVISION FOR EMPLOYEE ENTITLEMENTS – LONG SERVICE LEAVE</b>				
Opening Balance	2,913	2,566	1,367	1,293
Paid Relating to Prior Year	(143)	(161)	(29)	(85)
Increase during the year in the discounted amount arising from the passage of time and the effect of any change in the discount rate	(129)	33	(129)	33
Amount Arising from Acquisition	-	-	-	-
Foreign Exchange Adjustment	54	74	-	-
Provision Current Year	506	401	117	126
<b>CLOSING BALANCE</b>	<b>3,201</b>	<b>2,913</b>	<b>1,326</b>	<b>1,367</b>

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>MATURITY PROFILE OF RETIREMENT AND LONG SERVICE LEAVE LIABILITIES</b>				
Current – Less than One Year	3,730	6,333	1,855	4,707
Term – Greater than One Year	6,894	3,421	6,746	3,341
<b>TOTAL RETIREMENT AND LONG SERVICE LEAVE LIABILITIES</b>	<b>10,624</b>	<b>9,754</b>	<b>8,601</b>	<b>8,048</b>

The change in maturity profile of these liabilities in 2009 was due to clarifying information provided by the actuary, which was not available in 2008.

## 17. DEFINED BENEFIT PENSION LIABILITY

Opus International Consultants (UK) Limited has a Defined Benefits Pension Fund. The Fund is closed to new employees. The assets of the Fund are held in a legally separate fund from the reporting entity and the Fund exists solely to pay or fund employee benefits. The assets are funded by both the employer and employees. The Fund purchases an annuity at the time of an employee becoming entitled to a pension. The Fund is valued on an annual basis by independent actuary, Clerical Medical Investment Group Limited, taking into account gains and losses. The unfunded liability to the Fund was assessed by the independent actuary as at 31 December 2009 at \$2.76 million or £1.24 million (2008: \$398,423, £159,500) and has been taken up as a liability by the Company. The assets and liabilities of the Fund are outlined below:

	2009 \$000	2008 \$000	2007 \$000	2006 \$000	2005 \$000
Present Value of Defined Benefit Liabilities	(12,769)	(10,659)	(15,184)	(15,888)	(14,692)
Fair Value of Fund Assets	10,009	10,261	14,709	15,254	12,451
<b>NET FUND LIABILITIES</b>	<b>(2,760)</b>	<b>(398)</b>	<b>(475)</b>	<b>(634)</b>	<b>(2,241)</b>
Current Service Cost	(185)	(308)	(333)	(361)	(348)
Interest Cost	(663)	(839)	(732)	(840)	(686)
Expected Return on Fund Assets	590	836	727	801	591
Employer Contributions	405	370	273	445	482
Actuarial (Losses)/Gains	(2,528)	(6)	183	1,932	-
<b>NET BENEFIT (EXPENSE)/CREDIT</b>	<b>(2,381)</b>	<b>53</b>	<b>118</b>	<b>1,977</b>	<b>39</b>
Net Fund Liabilities at 1 January	398	475	634	2,241	2,464
Net Benefit Expense/(Credit)	2,381	(53)	(118)	(1,977)	(39)
Foreign Exchange Movement	(19)	(24)	(41)	370	(184)
<b>NET FUND LIABILITIES AT 31 DECEMBER</b>	<b>2,760</b>	<b>398</b>	<b>475</b>	<b>634</b>	<b>2,241</b>
<b>INCOME TAX ON ACTUARIAL GAINS/LOSSES</b>	<b>708</b>	<b>2</b>	<b>(51)</b>	<b>(541)</b>	<b>-</b>

The income tax on actuarial gains/losses is recognised directly in Other Comprehensive Income within the Statement of Comprehensive Income.

The Group expects to make contributions to the Fund of approximately \$0.4 million in 2010.

The principal actuarial assumptions used as at 31 December were:

	2009	2008	2007	2006	2005
Discount Rate	6.0%	6.9%	5.8%	5.0%	4.8%
Salary Escalation	3.0%	5.0%	4.7%	4.2%	4.3%
Expected Gross Return on Cash and Other Assets	4.1%	4.7%	4.8%	4.4%	4.4%
Expected Return on Group Pension Contract	4.6%	6.3%	5.9%	5.2%	5.4%

The fair value of fund assets principally consists of a group pension contract.

The benefits paid during the year ended 31 December 2009 totalled \$0.002 million (2008: \$1.8 million, 2007: \$0.8 million).

## 18. CREDITORS, ACCRUALS AND PROVISIONS

	NOTE	GROUP		PARENT COMPANY	
		2009 \$000	2008 \$000	2009 \$000	2008 \$000
Trade & Sundry Creditors		5,645	3,115	3,766	2,020
Accruals		12,087	15,162	9,405	7,613
Provisions		943	1,557	515	646
Current Portion of Finance Leases	19	1,338	1,590	1,213	1,434
		<b>20,013</b>	<b>21,424</b>	<b>14,899</b>	<b>11,713</b>

### PROVISIONS

The following provisions have been determined based on a loss-incurred model and recorded within provisions above:

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>PROFESSIONAL INDEMNITY CLAIMS</b>				
Opening Balance	1,147	562	247	264
Paid Relating to Prior Year	(710)	(177)	(148)	(7)
Amount Released	(209)	(182)	(31)	(140)
Foreign Exchange Adjustment	(64)	17	-	-
Amount Arising From Acquisition	-	600	-	-
Provision Current Year	290	327	-	130
<b>CLOSING BALANCE</b>	<b>454</b>	<b>1,147</b>	<b>68</b>	<b>247</b>

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>PROVISION FOR PROJECT COSTS</b>				
Opening Balance	410	720	400	720
Amount Released	(308)	(662)	(298)	(662)
Provision Current Year	388	352	345	342
<b>CLOSING BALANCE</b>	<b>490</b>	<b>410</b>	<b>447</b>	<b>400</b>

The Professional Indemnity claim provision is an assessed amount relating to a number of contracts that Opus may or may not be required to pay outside of its insurance cover. Due to the complexity of the cases it is unknown at this time when subsequent payments (if any) may be made. Provision for project costs is an assessment of the shortfall between costs and future revenue on certain projects where the Company is committed to providing a service for which the costs will exceed the revenues.

## 19. FINANCE LEASE LIABILITIES

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>PRESENT VALUE OF MINIMUM LEASE PAYMENTS</b>				
<b>LEASE LIABILITY UNDER FINANCE LEASES</b>				
Current – Less Than One Year	1,338	1,590	1,213	1,434
Between One & Two Years	935	1,150	815	1,067
Between Two & Five Years	279	846	279	762
<b>PRESENT VALUE OF MINIMUM LEASE PAYMENTS</b>	<b>2,552</b>	<b>3,586</b>	<b>2,307</b>	<b>3,263</b>

Total minimum lease payments over the term of finance leases are summarised in the table below:

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>MINIMUM LEASE PAYMENTS</b>				
<b>LEASE LIABILITY UNDER FINANCE LEASES</b>				
Current – Less Than One Year	1,460	1,787	1,326	1,611
Between One & Two Years	990	1,249	855	1,155
Between Two & Five Years	283	874	282	791
<b>MINIMUM LEASE PAYMENTS</b>	<b>2,733</b>	<b>3,910</b>	<b>2,463</b>	<b>3,557</b>
Less Interest Attributable to Future Years	(181)	(324)	(156)	(294)
<b>PRESENT VALUE OF MINIMUM LEASE PAYMENTS</b>	<b>2,552</b>	<b>3,586</b>	<b>2,307</b>	<b>3,263</b>

The average interest on the Finance Leases was 7.11% (2008: 7.25%) per annum.

## 20. FINANCIAL INSTRUMENTS & RISK MANAGEMENT

Financial instruments recognised in the Statement of Financial Position include cash balances, bank overdrafts, receivables, creditors, loans and borrowings and convertible notes. It is, and has been through the period of these financial statements, the Group's policy that no trading in financial instruments shall be undertaken. All material financial instruments are classified as either loans and receivables or as financial liabilities at amortised cost. The following table summarises the categories of the Group and Parent Company's financial instruments:

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>LOANS AND RECEIVABLES</b>				
Cash and Cash Equivalents	77,761	60,509	76,227	56,838
Trade Receivables	36,740	46,645	22,031	25,726
<b>FINANCIAL LIABILITIES AT AMORTISED COST</b>				
Bank Overdraft	37,792	46,856	18,387	25,977
Trade Creditors	5,645	3,115	3,766	2,020
Finance Leases	2,733	3,910	2,463	3,557

The main risks arising from the Group's financial instruments are credit risk, foreign currency risk, interest rate risk and liquidity risk. These risks are explained and quantified in further detail below.

#### CREDIT RISK

To the extent that the Group has a receivable from another party, there is a credit risk in the event of non-performance by that counter party. Financial instruments which potentially subject the Group to credit risk principally consist of bank balances and receivables. The Group manages its exposures to credit risk by performing credit evaluations on its customers requiring credit and monitoring the credit quality of financial institutions that hold cash balances and are counter parties to financial instruments.

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>MAXIMUM EXPOSURES TO CREDIT RISK AT BALANCE DATE ARE:</b>				
Bank Balances	77,761	60,509	76,227	56,838
Advances to Subsidiaries	-	-	16,877	31,553
Receivables	33,105	42,032	20,556	23,974

No collateral is held on the above amounts. The maximum exposures are net of any recognised provision for losses on these financial instruments.

#### CONCENTRATION OF CREDIT RISK

The Group's ten largest customers account for approximately 68% (2008: 50%) of total debtors. The majority of these customers are government and quasi-government organisations.

#### CREDIT QUALITY OF RECEIVABLES

The credit quality of receivables is initially managed by Opus through a requirement to undertake a credit check before accepting contracts with new clients. The credit quality of receivables is further assessed on a regular basis through the Company's internal credit management policies and review processes. The Company does not employ an internal credit rating system. The quality of all receivables is reviewed on a monthly basis. At balance date the portfolio of receivables which were neither past due or impaired were considered to be of similar quality to previous periods and collectable. Further details on receivables, which are past due are provided below.

#### PAST DUE ASSETS

Financial assets are considered to be past due when a counterparty has failed to make a payment when contractually due. Given the diversity of the industries and practices within the various geographic locations in which the Group operates, the contractual period for collection of outstanding debts varies. Whilst the Group targets collection to occur by the due date, it is not unusual for some clients to take longer to settle their obligation with us. Accordingly the Group has determined that any amounts due which are 60 days or older represent past due assets. As at 31 December 2009 the Group and Parent Company's ageing profile of receivables was as follows:

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Receivables < 60 days old	28,173	34,765	19,072	21,723
Receivables > 60 days old not impaired	4,931	7,267	1,484	2,251
Receivables > 60 days impaired	3,635	4,613	1,475	1,752
<b>TOTAL ACCOUNTS RECEIVABLE</b>	<b>36,740</b>	<b>46,645</b>	<b>22,031</b>	<b>25,726</b>
<b>PROVISION FOR DOUBTFUL DEBTS</b>	<b>3,635</b>	<b>4,613</b>	<b>1,475</b>	<b>1,752</b>

## 20. FINANCIAL INSTRUMENTS & RISK MANAGEMENT CONTINUED

The average age of receivables which are past due but not impaired is 116 days (2008: 113 days). Provision has been made against 100% of the impaired receivables balances (2008: 100%). The Group evaluates all outstanding debts for impairment on a regular basis and actively monitors and assesses whether there are any significant disputes or any concerns about the ability of the counterparty to make payment and/or whether the passage of time indicates that the collectability of a debt is doubtful. In the event of there being sufficient evidence to suggest that an amount due is doubtful, the Group provides against the outstanding amount, regardless of its age. Included in receivables greater than 60 days but not impaired are debts where we have agreed to receive payment over time but in all cases these debts are disclosed in the table above according to their original due date.

The movement in provision for doubtful debts for the year is outlined below:

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>PROVISION FOR DOUBTFUL DEBTS</b>				
Opening Balance	4,613	2,317	1,752	1,707
Amount Recovered	(1,612)	(715)	(388)	(408)
Amount Written Off	(1,667)	(158)	(253)	(119)
Provision Current Year	2,442	2,623	364	572
Foreign Exchange Adjustment	(141)	(3)	-	-
Acquired on Acquisition of Subsidiary	-	549	-	-
<b>CLOSING BALANCE</b>	<b>3,635</b>	<b>4,613</b>	<b>1,475</b>	<b>1,752</b>

The Group and Parent Company account for the impairment of any receivables in the first instance by recognising a provision for doubtful debts. Accordingly, the net carrying amount of Accounts Receivable also represents the fair value. During the year ended 31 December 2009, the Group wrote-off debts totalling \$1,666,546 (2008: \$158,040). The Parent Company wrote-off debts of \$253,239 (2008: \$118,792).

### FOREIGN CURRENCY RISK

The Group faces risk from movements in foreign currency exchange rates against the New Zealand dollar. The Group's foreign subsidiaries principally operate in the United Kingdom, Australia, Canada and the United States of America. As a result the Group's income statement and statement of financial position can be affected by movements in exchange rates. The Group seeks to partially mitigate this foreign currency risk by borrowing in the local currency of the subsidiary.

The Group also has exposure to foreign exchange risk as a result of transactions denominated in other foreign currencies arising from normal trading activities. These transactions are not significant to the Group. The currencies in which the Group primarily transact business, other than New Zealand dollars, are: Australian dollars, US dollars, UK pounds and Canadian dollars. Offsetting exposures are used to mitigate this risk. Exposures in currencies that cannot be offset may be partially managed by using a US dollar partial hedge. As at 31 December 2009 there were no forward exchange contracts (2008: nil).

The following table summarises the potential effect on the Group's Total Comprehensive Income, if the New Zealand Dollar had strengthened or weakened against the Group's three major trading currencies with all other variables held constant. Total Comprehensive Income is impacted by the translation of Australian dollar, UK pound and Canadian dollar foreign currency bank overdrafts in the Parent Company into New Zealand Dollars. The calculation effectively changes the actual exchange rate in each currency for the year by 10% and restates the foreign currency bank overdrafts using the adjusted rates. The sensitivity used in the calculations below is consistent with the range of actual movements in the New Zealand Dollar against each of the foreign currencies during the year. The relative size of the overdrafts is also considered when assessing sensitivity to changes in foreign currency exchange rates.

	GROUP			
	+10%		-10%	
EFFECT OF MOVEMENTS IN FOREIGN EXCHANGE RATES ON FINANCIAL INSTRUMENTS:	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Total Comprehensive Income	16,286	18,021	16,286	18,021
Potential Effect of Change in Exchange Rates	1,660	2,357	(2,030)	(2,881)
Possible Total Comprehensive Income	17,946	20,378	14,256	15,140

The above calculation demonstrates the impact on Total Comprehensive Income from changes in foreign currency exchange rates on financial instruments. The Group also has offsetting investment related exposures, not considered to be financial instruments, on which changes in foreign currency exchange rates have an inverse impact on Total Comprehensive Income. The overall impact on Total Comprehensive Income is the net impact from translating all these items into New Zealand Dollars. For the year ended 31 December 2009, Total Comprehensive Income decreased by \$492k (31 December 2008: increase of \$525k) arising from changes in foreign currency exchange rates.

### INTEREST RATE RISK

Interest rate risk is the risk that the value of the Group and Parent Company's assets and liabilities will fluctuate due to changes in market interest rates.

The Group and Parent Company are exposed to interest rate risk primarily through cash balances, bank overdrafts, bank borrowings, finance leases and Convertible Notes. The Group does not have any forward rate agreements or interest rate hedge products. The interest rate re-pricing profile of the Group's financial assets and liabilities subject to interest rate risk is outlined below:

AS AT 31 DECEMBER 2009	EFFECTIVE INTEREST RATE	GROUP			TOTAL \$000
		12 MONTHS \$000	24 MONTHS \$000	> 24 MONTHS \$000	
<b>FINANCIAL ASSETS</b>					
Cash at Bank	3.81%	77,761	-	-	77,761
<b>TOTAL</b>		<b>77,761</b>	<b>-</b>	<b>-</b>	<b>77,761</b>
<b>FINANCIAL LIABILITIES</b>					
Bank Overdraft	4.05%	37,792	-	-	37,792
Finance Lease Creditors	7.11%	1,460	990	283	2,733
<b>TOTAL</b>		<b>39,252</b>	<b>990</b>	<b>283</b>	<b>40,525</b>
Convertible Notes	2.91%	642	-	-	642

AS AT 31 DECEMBER 2008	EFFECTIVE INTEREST RATE	GROUP			TOTAL \$000
		12 MONTHS \$000	24 MONTHS \$000	> 24 MONTHS \$000	
<b>FINANCIAL ASSETS</b>					
Cash at Bank	7.27%	60,509	-	-	60,509
<b>TOTAL</b>		<b>60,509</b>	<b>-</b>	<b>-</b>	<b>60,509</b>
<b>FINANCIAL LIABILITIES</b>					
Bank Overdraft	6.93%	46,856	-	-	46,856
Finance Lease Creditors	7.25%	1,787	1,249	874	3,910
<b>TOTAL</b>		<b>48,643</b>	<b>1,249</b>	<b>874</b>	<b>50,766</b>
Convertible Notes	8.24%	642	-	-	642

## 20. FINANCIAL INSTRUMENTS & RISK MANAGEMENT CONTINUED

AS AT 31 DECEMBER 2009	EFFECTIVE INTEREST RATE	PARENT COMPANY			
		12 MONTHS \$000	24 MONTHS \$000	> 24 MONTHS \$000	TOTAL \$000
<b>FINANCIAL ASSETS</b>					
Cash at Bank	3.09%	76,227	-	-	76,227
<b>TOTAL</b>		<b>76,227</b>	<b>-</b>	<b>-</b>	<b>76,227</b>
<b>FINANCIAL LIABILITIES</b>					
Bank Overdraft	3.82%	18,387	-	-	18,387
Finance Lease Creditors	7.11%	1,326	855	282	2,463
<b>TOTAL</b>		<b>19,713</b>	<b>855</b>	<b>282</b>	<b>20,850</b>
Convertible Notes	2.91%	642	-	-	642

AS AT 31 DECEMBER 2008	EFFECTIVE INTEREST RATE	PARENT COMPANY			
		12 MONTHS \$000	24 MONTHS \$000	> 24 MONTHS \$000	TOTAL \$000
<b>FINANCIAL ASSETS</b>					
Cash at Bank	7.58%	56,834	-	-	56,834
<b>TOTAL</b>		<b>56,834</b>	<b>-</b>	<b>-</b>	<b>56,834</b>
<b>FINANCIAL LIABILITIES</b>					
Bank Overdraft	6.55%	25,977	-	-	25,977
Finance Lease Creditors	7.25%	1,611	1,155	791	3,557
<b>TOTAL</b>		<b>27,588</b>	<b>1,155</b>	<b>791</b>	<b>29,534</b>
Convertible Notes	8.24%	642	-	-	642

The financial assets and liabilities shown above are subject to floating or short term interest rate risk except for finance lease creditors and convertible notes, which are subject to fixed rate interest risk. All other financial assets and financial liabilities of the Group and Parent Company are not subject to interest rate risk.

The following table demonstrates the potential effect on the Group and Parent Company's Net Surplus After Tax, if interest rates had been 2% higher or lower with all other variables held constant. The calculation effectively changes the actual average interest rate for interest bearing assets and liabilities for the year by 2% and restates interest revenue and expense using the adjusted rates.

	GROUP			
	+2%		-2%	
EFFECT OF MOVEMENTS IN INTEREST RATES:	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Reported Net Surplus After Tax	18,598	17,500	18,598	17,500
Potential Effect of 2% Change in Interest Rates	631	47	(631)	(47)
<b>POSSIBLE NET SURPLUS AFTER TAX</b>	<b>19,229</b>	<b>17,547</b>	<b>17,967</b>	<b>17,453</b>

	PARENT COMPANY			
	+2%		-2%	
EFFECT OF MOVEMENTS IN INTEREST RATES:	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Reported Net Surplus After Tax	21,467	22,206	21,467	22,206
Potential Effect of 2% Change in Interest Rates	1,487	967	(1,487)	(967)
<b>POSSIBLE NET SURPLUS AFTER TAX</b>	<b>22,954</b>	<b>23,173</b>	<b>19,980</b>	<b>21,239</b>

### LIQUIDITY RISK

Management monitor the Group's liquidity on a regular basis through rolling cashflow forecasts. The Group, through the parent company, keeps a committed credit line open with its main banker in excess of normal requirements to mitigate any liquidity risk. Cash at bank and term deposits are held with financial institutions that have a current Standard and Poor's credit rating of AA or greater.

### CREDIT FACILITIES

The Group has multi-currency bank overdraft and loan facilities of \$62 million as at 31 December 2009 at an average interest rate of 4.05% (2008: \$55 million at interest rate of 6.93%). As at 31 December 2009, the Group has available \$24 million of unused credit facilities, for immediate use.

### ASSETS AS SECURITY

Subsidiary companies within the Opus Joynes Pike Group have a bank overdraft facility of \$2.2 million (£1 million) secured by a debenture over the receivables and property assets of that Group. This facility is subject to an annual review and expires in June 2010. As at balance date the NZ\$10 million (AUD \$8 million) bank borrowing facility in Australia was secured by a debenture over the assets of Opus Qantec McWilliam Pty Limited. This facility expires in April 2010. All other bank overdrafts are unsecured and are subject to a deed of negative pledge. The bank facility with the Group's main bankers, BNZ, expires in 2012. All facilities expiring in 2010 are expected to be renewed or replaced.

In 2009 and 2008, the Group and Company complied with all banking covenants.

### HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS

The Group has designated a portion of bank borrowings in the same currency as the foreign operations, as hedges of the net investment in those operations. The hedges were effective throughout 2009 and there was no ineffectiveness recognised in the Income Statement (2008: \$Nil).

### MATURITY PROFILE

The maturity profile of the Group's financial liabilities is consistent with the interest rate re-pricing profile disclosed above except for finance lease liabilities. The interest rate on these liabilities is fixed for the term of the lease. The Group has a range of individual leases which mature at various points over the next four years, which is the maximum lease term for all leases. The maturity profile of finance lease liabilities is disclosed in Note 19.

### FAIR VALUE

The carrying value of each class of financial assets and financial liabilities has been assessed as an appropriate measure of their fair value.

## 21. SEGMENTAL REPORTING

For management reporting purposes, the Group is organised into segments based on their geographic location and has four reportable operating segments being New Zealand, United Kingdom, Australia and Canada. No significant operating segments have been aggregated to form the reportable operating segments above.

The majority of the Group's clients are in the government and quasi-government sector. The Group is a supplier of multi-disciplinary consultancy and project management services across a range of disciplines including, civil, mechanical and electrical engineering, and planning, environmental, architectural and property management. Services supplied support asset development and asset management activities of the Group's clients.

Management monitors the operating results of its reporting segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on earnings before interest and tax and is measured consistently with earnings before interest and tax in the consolidated financial statements.

Transactions between operating segments are on an arm's length basis in a manner consistent with transactions with external customers.

### GEOGRAPHICAL SEGMENT INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2009	NEW ZEALAND \$000	UNITED KINGDOM \$000	AUSTRALIA \$000	CANADA \$000	OTHER* \$000	TOTAL \$000
Segment Revenue:						
External Customers	264,333	33,377	56,767	12,022	1,349	<b>367,848</b>
Inter-Segment Revenue	746	678	98	97	(1,619)	-
Associate Earnings	1,415	-	-	-	-	<b>1,415</b>
Segment Result	28,768	(6,647)	1,597	1,058	572	<b>25,348</b>
Segment Total Assets	130,858	28,404	28,326	6,649	7	<b>194,244</b>
Segment Non-Current Assets	8,695	16,345	15,764	3,429	-	<b>44,233</b>
Segment Liabilities	81,410	16,049	17,114	941	29	<b>115,543</b>
Capital Expenditure	2,908	205	188	78	-	<b>3,379</b>
Depreciation & Amortisation	4,133	902	1,036	137	-	<b>6,208</b>

FOR THE YEAR ENDED 31 DECEMBER 2008	NEW ZEALAND \$000	UNITED KINGDOM \$000	AUSTRALIA \$000	CANADA \$000	OTHER* \$000	TOTAL \$000
Segment Revenue:						
External Customers	257,647	48,165	53,555	11,730	443	<b>371,540</b>
Inter-Segment Revenue	1,366	8	297	-	(1,671)	-
Associate Earnings	1,082	-	-	-	-	<b>1,082</b>
Segment Result	26,538	(4,131)	986	1,330	(648)	<b>24,075</b>
Segment Total Assets	117,157	38,112	32,018	8,387	9	<b>195,683</b>
Segment Non-Current Assets	9,665	19,379	16,266	3,605	-	<b>48,915</b>
Segment Liabilities	83,907	19,648	19,721	1,431	18	<b>124,725</b>
Capital Expenditure	4,417	685	1,391	279	-	<b>6,772</b>
Depreciation & Amortisation	4,432	962	936	132	-	<b>6,462</b>

\*includes inter-company eliminations and consolidation entries.

Segment non-current assets for this purpose consist of property, plant and equipment, intangible assets and investment in associates.

## MAJOR CUSTOMER

Revenue from one client amounted to \$121.5 million (2008: \$108.3 million), arising from contracts with the New Zealand operating segment.

## SERVICES SEGMENT INFORMATION

Asset management services include property management and asset maintenance services predominantly using our engineering and environmental specialists. Asset development services include civil, mechanical and electrical engineering, planning, environmental and architectural work.

	ASSET DEVELOPMENT \$000	ASSET MANAGEMENT \$000	TOTAL \$000
<b>FOR THE YEAR ENDED 31 DECEMBER 2009</b>			
External Revenue	196,155	171,693	<b>367,848</b>

	ASSET DEVELOPMENT \$000	ASSET MANAGEMENT \$000	TOTAL \$000
<b>FOR THE YEAR ENDED 31 DECEMBER 2008</b>			
External Revenue	208,124	163,416	<b>371,540</b>

## 22. RECONCILIATION OF NET SURPLUS AFTER TAX WITH NET CASH FLOWS FROM OPERATING ACTIVITIES

	GROUP YEAR ENDED 31 DECEMBER		PARENT COMPANY YEAR ENDED 31 DECEMBER	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Reported Net Surplus for the Year	18,598	17,500	21,467	22,206
<b>ADD/(LESS) NON-CASH ITEMS AND NON-OPERATING ITEMS:</b>				
Depreciation and Amortisation	6,208	6,462	4,133	4,432
Bad Debts Written Off	1,667	158	253	119
Fair Value of Employee Equity Benefits	116	69	116	69
Doubtful Debts	(949)	1,747	(281)	45
Accommodation Fit-Out Incentive	(476)	(263)	-	-
Unrealised Foreign Exchange (Gains)/Losses	(473)	25	38	(705)
(Gain)/Loss on Sale of Property, Plant and Equipment	(119)	(4)	39	(3)
Share of Surplus of Associate	(1,415)	(1,082)	-	-
Dividend From Associate	-	-	(1,312)	(877)
Deferred Taxation	(2,070)	(2,817)	65	(794)
Defined Benefit Pension Obligation	258	(57)	-	-
Intercompany Charges to Subsidiaries	-	-	(2,917)	(2,911)
<b>MOVEMENT IN WORKING CAPITAL:</b>				
Decrease/(Increase) in Receivables and Prepayments	11,317	(336)	4,442	(1,870)
(Decrease)/Increase in Taxation Receivable/Payable	(109)	2,808	677	3,205
Decrease/(Increase) in Work in Progress	5,767	(7,146)	302	(2,600)
Increase/(Decrease) in Creditors and Accruals	217	(1,175)	3,407	(119)
(Decrease)/Increase in Revenue in Advance	(1,787)	3,818	(194)	2,089
Increase/(Decrease) in Provisions for Employee Entitlements	1,830	4,976	2,201	3,284
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>38,580</b>	<b>24,683</b>	<b>32,436</b>	<b>25,570</b>

## 23. RELATED PARTY TRANSACTIONS

Opus International Consultants Limited is a company incorporated in New Zealand. The immediate holding company of the majority shareholder is Opus International (NZ) Limited. The intermediate holding company is Opus Group Bhd, a company incorporated in Malaysia, and the ultimate holding company and controlling entity is Khazanah Nasional Berhad, a company incorporated in Malaysia. The Parent Company provides consultancy services to Opus Group Bhd and associate companies, NZWETA and Total Bridge Services. During the year ended 31 December 2009 the Group entered into the following arms-length transactions with related parties.

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
<b>OPERATING REVENUE/(EXPENSE)</b>				
Opus Group Bhd	1,349	413	1,349	413
Consultancy Services to Associates	1,106	1,182	1,106	1,182
<b>INTEREST INCOME</b>				
Advances to Subsidiaries	-	-	540	1,361
<b>DEBTORS/(CREDITORS)</b>				
Opus Group Bhd	263	353	263	353
Advances to Subsidiaries	-	-	16,877	31,553

### ADVANCES TO SUBSIDIARIES

Advances to Subsidiaries are on call and are subject to interest at market rates.

### KEY MANAGEMENT PERSONNEL REMUNERATION

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any Directors. The following table summarises remuneration paid to key management personnel:

	GROUP	
	2009 \$000	2008 \$000
Short-term Employee Benefits	3,522	3,315
Post-Employment Benefits	152	139
Share-based Payment	16	9
<b>TOTAL</b>	<b>3,690</b>	<b>3,463</b>

## 24. SUBSIDIARIES

All the subsidiaries of Opus International Consultants Limited listed below are wholly owned (2008: 100%) and have a 31 December balance date.

### OPUS INTERNATIONAL CONSULTANTS HOLDINGS (UK) LIMITED

Registered in the United Kingdom, providing consultancy services within the Construction Industry and has 100% holdings in the following subsidiary companies:

- Opus International Consultants (UK) Limited
- Sub Surface Engineering Limited
- The Joynes Pike Group Limited
  - » Opus Joynes Pike Limited
  - » Tower Surveys Limited
  - » Structural Surveys Direct Limited
  - » 3DI Imagery to Mapping Limited (Not currently trading)
  - » Reach UK Limited (Not currently trading)
- Veryards Holdings Limited (Not currently trading)
- Opus HCL Limited (Not currently trading)
- Evans Grant Group Limited (Not currently trading)
  - » Evans Grant Opus Limited (Not currently trading)
  - » Office Network Engineering Limited (Not currently trading)
  - » Evans Grant (Fareham) Limited (Not currently trading)
  - » Evans Grant (Alton) Limited (Not currently trading)

### OPUS INTERNATIONAL CONSULTANTS (CANADA) LIMITED

Registered in Canada, providing consultancy services within the Construction Industry.

### OPUS INTERNATIONAL CONSULTANTS INC

Registered in USA, providing consultancy services within the Construction Industry.

### OPUS INTERNATIONAL CONSULTANTS (PCA) LIMITED

Registered in New Zealand, providing consultancy services within the Construction Industry in Australia.

### OPUS INTERNATIONAL CONSULTANTS (NSW) PTY LIMITED

Registered in Australia, providing consultancy services within the Construction Industry.

### OPUS INTERNATIONAL CONSULTANTS PTY LIMITED

Holding company registered in Australia.

### OPUS INTERNATIONAL CONSULTANTS A LIMITED PARTNERSHIP

Holding and financing entity registered in Australia.

### OPUS QANTEC MCWILLIAM PTY LIMITED (Renamed Opus International Consultants (Australia) Pty Limited from 1 February 2010)

Registered in Australia, providing consultancy services within the Construction Industry in Australia.

### MARTIN FINDLATER & ASSOCIATES LIMITED

Registered in Australia, not trading.

### OPUS INTERNATIONAL CONSULTANTS (OPC) LIMITED

Registered in New Zealand, providing consultancy services within the Construction Industry.

### OPUS INTERNATIONAL CONSULTANTS SDN BHD

Registered in Malaysia, providing consultancy services within the Construction Industry.

### KEJURUTERAAN OPUS SDN BHD

Registered in Malaysia, not trading.

### OPUS INTERNATIONAL CONSULTANTS (PTE) LIMITED

Registered in Singapore, not trading.

## 25. OPERATING LEASE COMMITMENTS

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Lease Commitments Under Operating Leases				
Current – Less Than One Year	15,844	16,760	11,358	11,555
Between One & Two Years	12,964	13,631	9,493	10,015
Between Two & Five Years	16,992	20,538	12,811	14,923
Greater Than Five Years	3,046	5,005	2,618	4,894
	<b>48,846</b>	<b>55,934</b>	<b>36,280</b>	<b>41,387</b>

## 26. CAPITAL COMMITMENTS

There are various capital expenditure items contracted for at balance date totalling \$399,000 (2008: \$857,000)

## 27. CONTINGENCIES

	GROUP		PARENT COMPANY	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Bank Performance Bonds and Letters of Credit	4,350	3,916	4,350	3,916

Performance bonds are in respect of consultancy contracts where certain levels of performance have been guaranteed to third parties. Letters of credit principally relate to certain future payment obligations that have been recognised as liabilities in these financial statements.

### CONTINGENT LIABILITIES

Provisions have been made to cover probable professional indemnity liabilities. There are additional notifications and claims against the Group that the Directors consider have a remote chance of liability which have not been provided for. Due to the nature of these notifications it is not possible to quantify any liability. The Group has professional indemnity insurance with an excess of \$100,000 (2008: \$100,000) per claim. Our insurers have been notified of any potential claims against the Group.

### CONTINGENT ASSETS

As at 31 December 2009 the Group has fee claims outstanding for additional services. As negotiations are not in an advanced stage and written evidence of acceptability and amount has not been received, no accrual has been recognised in the financial statements (2008: no change).

## 28. SIGNIFICANT EVENTS AFTER BALANCE DATE

On 17 February 2010 the Board of Directors approved a final dividend payment of 4.1 cents per share to be paid on 1 April 2010.

On 17 February 2010 the Board of Directors approved a change to the Employee Share Ownership Plan to issue new shares rather than buy on-market from the 2010 tranche onwards.

## AUDITOR'S REPORT

### To the Shareholders of Opus International Consultants Limited

We have audited the financial statements on pages 49 to 95. The financial statements provide information about the past financial performance of the company and group and their financial position as at 31 December 2009. This information is stated in accordance with the accounting policies set out on pages 59 to 65.

This report is made solely to the company's shareholders, as a body, in accordance with Section 205(1) of the Companies Act 1993. Our audit has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### Directors' Responsibilities

The directors are responsible for the preparation of financial statements which comply with generally accepted accounting practice in New Zealand and give a true and fair view of the financial position of the company and group as at 31 December 2009 and of their financial performance and cash flows for the year ended on that date.

### Auditor's Responsibilities

It is our responsibility to express an independent opinion on the financial statements presented by the directors and report our opinion to you.

### Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the directors in the preparation of the financial statements; and
- whether the accounting policies are appropriate to the circumstances of the company and group, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Ernst & Young provides taxation and assurance related advice to the company and its subsidiaries.

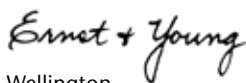
### Unqualified Opinion

We have obtained all the information and explanations we have required.

In our opinion:

- proper accounting records have been kept by the company as far as appears from our examination of those records; and
- the financial statements on pages 49 to 95:
  - comply with generally accepted accounting practice in New Zealand;
  - comply with International Financial Reporting Standards; and
  - give a true and fair view of the financial position of the company and group as at 31 December 2009 and their financial performance and cash flows for the year ended on that date.

Our audit was completed on 17 February 2010 and our unqualified opinion is expressed as at that date.



Wellington

# GOVERNANCE & SHAREHOLDER INFORMATION



## CORPORATE GOVERNANCE

### THE ROLE OF THE BOARD

The Board of Opus is responsible for ensuring Opus is well led and managed for the benefit of all its shareholders while having regard for the interests of all other stakeholders.

The Directors take this responsibility seriously and, to this end, the Board has adopted the NZX Corporate Governance Best Practice Code. The code aims to enhance investor confidence through corporate governance and accountability.

The Board has also established a Code of Ethics which covers conflict of interest, corporate information and property, compliances with laws, regulations and policies and Directors obligations. To assist in fulfilling the Board's obligations, three committees (Audit Committee, Board Risk Management Committee and Nomination and Remuneration Committee) have been established.

### BOARD PERFORMANCE REVIEW

The Board regularly reviews the performance of Directors, the Board, and Board committees to ensure that they are effective and Opus' responsibilities and obligations are met.

In July 2009 all Directors participated in a comprehensive assessment of the performance of the Board. There are a number of new Directors, and the Board is developing well into an excellent team. The Directors rated the leadership, interaction amongst Directors, and between the Board and management, very highly.

The assessment will be carried out annually and will assist in the continual improvement of the operation of the Board.

### BOARD MEETINGS

The Board plans to meet not less than six times during any financial year. There are also at least annual sessions to consider the strategic direction of Opus, and Opus' forward looking business plans. Board meetings are held in various locations where Opus has offices, to enable interaction between the Board, employees and clients. For the year ended 31 December 2009 six meetings were held.

1 JANUARY 2009 TO 31 DECEMBER 2009		
DIRECTOR	MEETINGS	MEETINGS ATTENDED
Kerry McDonald	6	6
Dan Stevenson (Resigned 15/04/09)	2	2
Suhaimi Halim	6	6
Tan See Yin (Resigned 14/07/09)	3	3
Don Trow	6	6
Abd Rahim bin Md Noh	6	6
Kevin Thompson	6	6
Keith Watson	6	6
Fraser Whineray	6	5
Chin Chi Haw (Appointed 14/07/09)	3	3

## BOARD COMMITTEES

The Board had two formally constituted committees of Directors at the beginning of 2009, and in August 2009 split the responsibilities of the Audit and Risk Management Committee between the renamed Audit Committee, and the newly created Risk Management Committee. Committees review and assess policies, strategies, processes, issues and results which are within their respective terms of reference. The Committees make decisions and also recommendations to the Board.

### ■ Audit Committee

The Audit Committee is responsible for overseeing the treasury, insurance, accounting and audit activities of Opus, and reviewing the adequacy and effectiveness of internal controls, meeting with and reviewing the plans and reports of external auditors, reviewing the consolidated financial statements, and making recommendations on financial and accounting policies.

The members of the Audit Committee are Don Trow (Chairman), Abd Rahim bin Md Noh, and Fraser Whineray.

### ■ Board Risk Management Committee

The Board Risk Management Committee's objective is to assist the Board of the Company to fulfil its responsibilities in relation to risk and the Company's risk management practices. The Board Committee works with the Executive Risk Management Committee to ensure that the Board, Directors, and management are aware of all material actual and potential risks facing the business and that the system to identify, assess, and manage those risks continues to be effective and regularly monitored and reviewed.

The members of the Board Risk Management Committee are Keith Watson (Chairman), Don Trow and Chin Chi Haw.

### ■ Remuneration and Nomination Committee

The Remuneration and Nomination Committee is responsible for reviewing and approving the compensation arrangements for the Managing Director, for reviewing Board and Director Performance, for recommending to the full Board on the Board composition and remuneration, and overseeing Opus' remuneration policies.

The members of the Remuneration and Nomination Committee are Kerry McDonald (Chairman), Suhaimi Halim and Keith Watson.

## SHAREHOLDER INFORMATION

### DIRECTORS

The Board determines fees on the recommendation of the Remuneration and Nomination Committee plus reasonable travelling, accommodation and other expenses incurred in the course of performing duties or exercising powers as Directors.

The current director's fees were set in 2007 and reviewed in 2009. No change to the level of fees has been made since 2007.

Kevin Thompson is employed by Opus as Managing Director and receives salary and other remuneration benefits in respect of this employment.

The following people held office as a Director during the year and received the following remuneration and benefits during the year:

NAME	FEES	SALARY & BENEFITS
Kerry McDonald	\$110,000	-
Dan Stevenson (Resigned 15/04/09)	\$18,375	-
Don Trow	\$63,000	-
Kevin Thompson	-	\$785,000
Suhaimi Halim*	-	-
Tan See Yin*	-	-
Abd Rahim bin Md Noh	\$55,000	-
Keith Watson	\$55,000	-
Fraser Whineray	\$55,000	-
Chin Chi Haw*	-	-
<b>TOTAL</b>	<b>\$356,375</b>	<b>\$785,000</b>

\* In line with the policy of the Parent Company, Opus Group Bhd, fees are not paid to the Directors appointed from Opus Group Bhd and employed within the UEM Group.

### DIRECTORS INTERESTS

Directors hold the following interests in shares:

NAME	BENEFICIAL INTEREST		NON-BENEFICIAL INTEREST
	DIRECT	INDIRECT	
Kerry McDonald*	-	19,000	-
Suhaimi Halim**	-	-	90,511,615
Don Trow*	-	25,000	-
Abd Rahim bin Md Noh**	-	-	90,511,615
Kevin Thompson**	1,226,630	-	90,511,615
Fraser Whineray	20,000	-	-
Keith Watson***	-	3,000	-
Chin Chi Haw**	-	-	90,511,615

\* Shares held by trust

\*\* Non-beneficial interest held as Directors of Opus Group Bhd and/or Opus NZ

\*\*\* Shares held by an investment company

## INTEREST REGISTER

In accordance with Section 140 of the Companies Act 1993 the Directors named below have made a general disclosure of interest by a general notice disclosed to the Board and entered on the Company's interest register.

KERRY MCDONALD	<ul style="list-style-type: none"><li>▪ Beneficial interest in shares</li><li>▪ Director, Leighton Contractors Pty Ltd</li><li>▪ Deputy Chairman, NZ Institute of Economic Research</li><li>▪ Board of Trustees WWF New Zealand</li><li>▪ National Council/President Institute of Directors</li><li>▪ Principal, Strategic Value Ltd</li><li>▪ Life Member Australia New Zealand Business Council</li><li>▪ Patron NZ Universities Rugby Council</li><li>▪ Patrons Group member University of Canterbury Foundation</li><li>▪ Chairman, <i>i-lign</i> Ltd</li></ul>
SUHAIMI HALIM	<ul style="list-style-type: none"><li>▪ Non beneficial interest in shares</li><li>▪ Managing Director, Opus Group Bhd</li><li>▪ Chairman, Opus International (NZ) Ltd</li></ul>
DON TROW	<ul style="list-style-type: none"><li>▪ Beneficial interest in shares</li><li>▪ Director, Ryman Healthcare Ltd</li><li>▪ Chairman, Advisory Committee to the statutory managers of Equiticorp Ltd</li><li>▪ Chairman, Audit and Investment Committee of the Royal Society of NZ</li><li>▪ Chairman of the Wellington Presbyterian/Methodist Halls of Residence Trust (Everton Hall)</li><li>▪ Emeritus Professor of Accountancy Victoria University of Wellington</li></ul>
ABD RAHIM BIN MD NOH	<ul style="list-style-type: none"><li>▪ Non beneficial interest in shares</li><li>▪ Director, Opus Group Bhd</li><li>▪ Director UEM Builders Bhd</li><li>▪ Chairman Salwana and Rahim Associates Sdn Bhd</li><li>▪ Chairman Rakan Ternaktani Sdn Bhd</li></ul>
KEVIN THOMPSON	<ul style="list-style-type: none"><li>▪ Non beneficial interest in shares</li><li>▪ Beneficial interest in shares as noted above</li><li>▪ Director, Opus International (NZ) Ltd</li><li>▪ Chairman Civil Engineering Advisory Board, Canterbury University</li></ul>
KEITH WATSON	<ul style="list-style-type: none"><li>▪ Beneficial interest in shares</li><li>▪ Managing Director, Hewlett Packard New Zealand</li><li>▪ Member, Auckland University Business School Advisory Board</li><li>▪ Principal, Working Assets Ltd</li><li>▪ Director, Cranleigh Forests Ltd</li></ul>
FRASER WHINERAY	<ul style="list-style-type: none"><li>▪ Beneficial interest in shares</li><li>▪ General Manager, Generation Mighty River Power</li></ul>
CHIN CHI HAW	<ul style="list-style-type: none"><li>▪ Non beneficial interest in shares</li><li>▪ Group General Manager, Opus Group Bhd</li><li>▪ Director, Opus Group International (M) Bhd</li><li>▪ Director, Opus International (India) Pvt Ltd</li><li>▪ Director, Opus International (NZ) Ltd</li><li>▪ Director, Noi Bai Development Corporation (Vietnam).</li></ul>

### EMPLOYEE REMUNERATION IN EXCESS OF \$100,000

The number of employees or former employees, who received remuneration and other benefits valued at or exceeding \$100,000 during the year, are stated below:

2009		
	NO. OF EMPLOYEES	DIRECTORS OF SUBSIDIARIES
100-110	119	1
110-120	85	1
120-130	60	
130-140	59	
140-150	52	
150-160	32	
160-170	22	
170-180	6	1
180-190	8	
190-200	7	1
200-210	4	
210-220	5	
220-230	6	1
230-240	1	
240-250	2	
320-330	1	
360-370	1	1
380-390	1	
780-790	1	1
<b>TOTAL</b>	<b>472</b>	<b>7</b>

Remuneration includes salary, bonuses, employer's contributions to superannuation, health and insurance plans, motor vehicles and other sundry benefits received in their capacity as employees.

### INCENTIVE PLAN

Opus introduced a new employee incentive scheme during 2008 to provide continuing incentive for key employees. The Managing Director does not participate in the plan. The plan has the following features:

- each key employee will receive an annual allocation of shares with the average allocation value being \$10,000 (that sum being reviewed annually);
- the number of key employees being limited to 7% of total employee numbers, which on current employee numbers is around 150;
- the annual allocation of shares being limited to 3% of the shares issued, 3% currently being around 4,099,214 shares;
- vesting of the shares will not occur until the fifth anniversary of each issue;
- vesting will only occur if Opus' performance has exceeded the key performance indicator(s) as specified and determined by the Board.

## SUBSTANTIAL SECURITY HOLDER

The following information is given pursuant to Section 26 of the Securities Markets Act 1988. The following is recorded by the company as at 26 February 2010 as a substantial security holder in the company.

Opus International (NZ) Ltd 90,511,615 shares (64.76%).

SPREAD OF SECURITY HOLDERS AS AT 26 FEBRUARY 2010				
SIZE OF SHAREHOLDING	NUMBER OF SHAREHOLDERS		NUMBER OF SHARES	
	NUMBER	%	NUMBER	%
1 to 99	2	0.1	92	0
100 to 199	1	0.05	100	0
200 to 499	44	2.12	14,054	0.01
500 to 999	201	9.66	142,466	0.1
1,000 to 1,999	318	15.29	422,296	0.3
2,000 to 4,999	634	30.48	1,908,188	1.37
5,000 to 9,999	403	19.38	2,465,325	1.76
10,000 to 49,999	344	16.54	5,755,021	4.12
50,000 to 99,999	47	2.26	3,660,731	2.62
100,000 to 499,999	79	3.8	17,255,957	12.35
500,000 to 999,999	3	0.14	2,240,460	1.6
1,000,000 and over	4	0.19	105,891,640	75.77
<b>TOTAL</b>	<b>2,080</b>	<b>100</b>	<b>139,756,330</b>	<b>100</b>

LOCATION OF SECURITY HOLDERS AS AT 26 FEBRUARY 2010				
COUNTRY	NUMBER OF SHAREHOLDERS		NUMBER OF SHARES	
	NUMBER	%	NUMBER	%
New Zealand	1,922	97.87	136,745,920	92.39
Australia	88	1.4	1,933,775	4.23
Canada	24	0.57	797,781	1.15
United Kingdom	36	0.13	187,128	1.73
USA	5	0.04	58,650	0.24
Italy	1	0.01	18,000	0.05
China	1	0.01	7,291	0.05
Chile	1	0	4,665	0.05
South Africa	1	0	1,874	0.05
Singapore	1	0	1,246	0.05
<b>TOTAL</b>	<b>2,080</b>	<b>100</b>	<b>139,756,330</b>	<b>100</b>

## LARGEST SECURITY HOLDERS AS AT 26 FEBRUARY 2010

NAME	ORDINARY SHARES	% OF ORDINARY SHARES
OPUS INTERNATIONAL (NZ) LTD	90,511,615	64.76
NEW ZEALAND CENTRAL SECURITIES DEPOSITORY LIMITED	12,533,042	8.96
OPUS PARTNERS TRUST LIMITED	1,856,611	1.13
KEVIN JOSEPH THOMPSON	1,266,630	0.9
INVESTMENT CUSTODIAL SERVICES LIMITED	859,454	0.61
CUSTODIAL SERVICES LIMITED	759,109	0.54
FNZ CUSTODIANS LIMITED	621,897	0.44
JAMES FLETCHER PHILLIS	492,930	0.35
WILLIAM JOHN DARNELL	406,545	0.29
ALEC WEBSTER	401,000	0.28
DAVID FREDERICK QUINLAN	395,175	0.28
GARY KENNETH DELA RUE	390,000	0.27
KENNETH JOHN BOAM	350,000	0.25
ALISON ELIZABETH SWAN	341,760	0.24
PETER IAN MATHEWSON	327,380	0.23
KERYN EDWARD KLISKEY	306,525	0.21
DAVID JOHN BONIFACE	299,415	0.21
JUSTINE ANNE BRAY	299,415	0.21
JOHN DONALD ROWE	276,935	0.19
SARAH JANE HOLLAND	276,225	0.19
	112,971,663	80.54
<b>TOTAL</b>	<b>139,756,330</b>	

New Zealand Central Securities Depository Limited (NZCSD) is a depository system which allows electronic trading of securities to members.

SHAREHOLDERS HELD THROUGH NZCSD AS AT 26 FEBRUARY 2010		
NAME	ORDINARY SHARES	% OF ORDINARY SHARES
TEA CUSTODIANS LIMITED – NZCSD	6,022,834	4.31
CITIBANK NOMINEES (NEW ZEALAND) LIMITED – NZCSD	1,500,000	1.07
NATIONAL NOMINEES NEW ZEALAND LIMITED – NZCSD	1,289,315	0.92
WESTPAC NZ SHARES 2002 WHOLESALE TRUST – A/C NZCSD	864,637	0.62
HSBC NOMINEES (NEW ZEALAND) LIMITED A/C STATE STREET – NZCSD	804,150	0.58
AMP INVESTMENTS STRATEGIC EQUITY GROWTH FUND – A/C NZCSD	592,608	0.42
NEW ZEALAND EQUITY NOMINEE POOL – NZCSD	345,871	0.25
ACCIDENT COMPENSATION CORPORATION – NZCSD	300,000	0.21
ANZ NOMINEES LIMITED – NZCSD	251,250	0.18
NEW ZEALAND SUPERANNUATION FUND NOMINEES LIMITED – NZCSD	200,000	0.14
BT NZ UNIT TRUST NOMINEES LIMITED – NZCSD	192,849	0.14
COGENT NOMINEES (NZ) LIMITED – NZCSD	85,208	0.06
AMP CAPITAL NZ EQUITY OPPORTUNITY FUND – NZCSD	76,895	0.06
NEW SCOTLAND NOMINEES LIMITED – LOW RISK GROWTH FUND – A/C NZCSD	5,000	0.00
GUARDIAN TRUST INVESTMENT NOMINEES (RWT) LIMITED – NZCSD	2,425	0.00
	12,533,042	8.97
<b>TOTAL</b>	<b>139,756,330</b>	

## CALENDAR

Event	MONTH
End of year results	February
Annual General Meeting	April
Half year results	August
Dividend payment	April* and September

\* Dividend payment is payable to shareholders whose names appear on the Register of Members of the Company on 12 March 2010.

## SUBSIDIARY COMPANIES

### **Opus International Consultants (OPC) Ltd**

Muhinder Singh, Kevin Thompson, Alison Swan

### **Opus International Consultants (PCA) Ltd**

Kevin Thompson, Alison Swan

### **Opus International Consultants (NSW) Pty Ltd**

Kevin Thompson, Melvyn Maylin

### **Opus International Consultants Pty Ltd**

Kevin Thompson, Melvyn Maylin

### **Opus International Consultants (Australia) Pty Ltd\***

Kevin Thompson, Melvyn Maylin

### **Martin Findlater & Associates Ltd**

Kevin Thompson, Melvyn Maylin

### **Opus International Consultants Pte Ltd**

Woo May Poh, Kevin Thompson, Alison Swan

### **Opus International Consultants (Canada) Ltd**

Kevin Thompson, Alec Webster

### **Opus International Consultants Inc**

Jeff Bagdade

### **Opus International Consultants Sdn Bhd**

Kerry McDonald (a), Suhaimi Halim, Muhinder Singh,  
Kevin Thompson (b)

### **Kejuruteraan Opus Sdn Bhd**

Suhaimi Halim, Kevin Thompson, Neo Chal Ying

### **Opus International Consultants Holdings (UK) Ltd**

Kevin Thompson, Alison Swan, Alec Webster

### **Opus International Consultants (UK) Ltd**

Kevin Thompson, Alec Webster

### **Sub Surface Engineering Ltd**

Kevin Thompson, Alec Webster

### **Veryards Holdings Ltd**

Kevin Thompson, Alison Swan

### **Evans Grant Group Ltd**

Kevin Thompson, Alison Swan

### **Evans Grant Opus Ltd**

Kevin Thompson, Alison Swan

### **Evans Grant (Alton) Ltd**

Kevin Thompson, Alison Swan

### **Evans Grant (Fareham) Ltd**

Kevin Thompson, Alison Swan

### **Office Network Engineering Ltd**

Kevin Thompson, Alison Swan

### **Opus HCL Ltd**

Kevin Thompson, Alison Swan

### **The Joynes Pike Group Ltd**

Kevin Thompson, Alec Webster

### **Opus Joynes Pike Ltd**

Kevin Thompson, Alec Webster

### **Tower Surveys Ltd**

Nick Downes, James Hulme,  
Kevin Thompson, Alec Webster

### **3Di Imagery to Mapping Ltd**

Kevin Thompson, Alec Webster

### **Structural Surveys Direct Ltd**

Kevin Thompson, Alec Webster

### **Reach UK Ltd**

Kevin Thompson, Alison Swan

(a) resigned February 2009

(b) appointed February 2009

\* name changed from Opus Qantec McWilliam Pty Ltd on 1 February 2010

# GLOSSARY

<b>Auditor</b>	Ernst & Young, Wellington.
<b>Board</b>	the board of Directors.
<b>Companies Act</b>	the Companies Act 1993.
<b>Company</b>	Opus International Consultants Limited.
<b>Directors</b>	the directors of Opus.
<b>EBIT</b>	earnings before interest and tax.
<b>EBITDA</b>	earnings before interest, tax, depreciation and amortisation.
<b>FTE</b>	Full-time equivalent employee.
<b>Independent Directors</b>	Kerry McDonald, Dan Stevenson, Don Trow, Keith Watson and Fraser Whineray.
<b>NZ IFRS</b>	the New Zealand equivalent to International Financial Reporting Standards.
<b>Opus</b>	Opus International Consultants Limited.
<b>Opus NZ</b>	Opus International (NZ) Limited.
<b>PPP</b>	Public Private Partnership.
<b>Securities Act</b>	the Securities Act 1978.
<b>Share Registry</b>	Computershare Investor Services Limited.
<b>Shareholder</b>	a holder of Shares.
<b>Shares</b>	fully paid ordinary shares in Opus.

# GRI CONTENT INDEX

The GRI Content Index allows the different elements of the GRI content to be located within the Annual Report in accordance with GRI section 3.12. In the content index below: – means not reported with supporting reason for exclusion; + means partially reported for stated countries; and \* means fully reported.



In accordance with the application levels set out in the GRI Sustainability Reporting Guidelines (Version 3.0), this Annual Report matches level C. This means that the report provides information about most of the profile disclosures (as specified) and a minimum of 10 performance indicators, including at least one from each of: social, economic, and environment. The content has been self-assessed for compliance with the guidelines.

GRI Section	Description	GRI Sections Covered	Pages
1	Strategy and Analysis	1.1 – 1.2	8, 34
2	Organisational Profile	2.1 – 2.10	1, 17–32, 35, 59, 77, 106, Inside back cover
3	Report Parameters		
	Report Profile	3.1 – 3.4	35
	Report Scope and Boundary	3.5 – 3.11	35
	GRI Content Index	3.12	108-110
	Assurance	3.13	35, 108-110
4	Governance, Commitments and Engagement		
	Governance	4.1 – 4.10, 4.11 – 4.13	36, 97–99
	Stakeholder Engagement	4.14 – 4.15	36

## ECONOMIC

Indicator		Status	Reasons for Exclusion/Notes	Pages
EC1 Direct economic value generated and distributed, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Core	*		48-95
EC2 Financial implications and other risks and opportunities for the organisation's activities due to climate change.	Core	*		37
EC3 Coverage of the organisation's defined benefit plan obligations.	Core	*		82
EC4 Significant financial assistance received from government.	Core	*		37
EC6 Policy, practices, and proportion of spending on locally based suppliers at significant locations of operations.	Core	*		37
EC7 Procedures for local hiring and proportion of senior management hired from the local communities at locations of significant operations.	Core	*		37

## ENVIRONMENTAL

Indicator		Status	Reasons for Exclusion/Notes	Pages
<b>EN2</b> Percentage of materials used that are recycled input materials.	Core	–	Opus as a professional services company has no manufacturing operations. Some materials consumed are recycled (e.g. printing paper), but is an immaterial component of Opus' operations.	–
<b>EN3</b> Direct energy consumption by primary energy source.	Core	+	Included in the table under EN16.	38
<b>EN16</b> Total direct and indirect greenhouse gas emission by weight.	Core	+	Covers New Zealand only.	38
<b>EN17</b> Other relevant indirect greenhouse gas emissions by weight.	Core	+	Included in the table under EN16.	38
<b>EN22</b> Total weight of waste by type and disposal method.	Core	+	Included in the table under EN16.	38
<b>EN28</b> Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.		*		39
<b>EN29</b> Significant environmental impact of transporting products and other goods and materials used for the organisation's operations and transporting members of the workforce.	Core	+	Covers New Zealand only.	39

## EMPLOYEE VALUE AND WELLBEING

Indicator		Status	Reasons for Exclusion/Notes	Pages
<b>LA1</b> Total workforce by employment type, employment contract, and region.	Core	*		41
<b>LA2</b> Total number and rate of employee turnover by age group, gender, and region.	Core	*		41-42
<b>LA3</b> Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Add	*		42
<b>LA4</b> Percentage of employees covered by collective bargaining agreements.	Core	–	Staff are not covered by collective bargaining agreements. Staff may elect to appoint bargaining agents to negotiate employment contracts according to the relevant country legislation.	–
<b>LA5</b> Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	Core	*		43
<b>LA6</b> Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes.	Core	*		43
<b>LA7</b> Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities, by region.	Core	*	Absenteeism is monitored locally; instances are irregular and immaterial.	43

## WE VALUE AND RESPECTS OUR EMPLOYEES AND STAKEHOLDERS

Indicator		Status	Reasons for Exclusion/Notes	Pages
<b>HR1</b> Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Core	*		44
<b>HR2</b> Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Core	–	No screening has been carried out in the selection of significant suppliers or contractors.	–
<b>HR4</b> Total number of incidents of discrimination and actions taken.	Core	*		44

## SOCIETY

Indicator		Status	Reasons for Exclusion/Notes	Pages
<b>SO1</b> Nature, scope, and effectiveness of any programs and practices that access and manage the impacts of operations on communities, including entering, operating and exiting.	Core	–	Opus' operations relate only to developing countries, and activities are the subject of impact assessment under the relevant legislation.	–
<b>SO2</b> Percentage and total number of business units analysed for risks relating to corruption.	Core	*		46
<b>SO3</b> Percentage of employees trained in the organisation's anti-corruption policies and procedures.	Core	–	The company employs a rigorous internal control framework and transactions are monitored and reviewed continuously.	–
<b>SO4</b> Actions taken in response to incidents of corruption.	Core	–	No incidents of corruption were identified.	–
<b>SO5</b> Public policy positions and participation in public policy development and lobbying.	Core	–	Opus is not involved in policy development or lobbying in its own right.	–
<b>SO6</b> Total value of financial and in-kind contributions to political parties, politicians and related institutions by country.	Add	–	No financial or in-kind contributions have been made.	–
<b>SO7</b> Total number of legal actions for anti-competitive behaviours, anti-trust, and monopoly practices and their outcomes.	Add	–	No legal actions have been undertaken, nor are any legal actions pending.	–
<b>SO8</b> Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Core	–	No fines or non-monetary sanctions have been issued.	–

## PRODUCT REPONSIBILITY

Indicator		Status	Reasons for Exclusion/Notes	Pages
<b>PR1</b> Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Core	*		46
<b>PR2</b> Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services, by type of outcomes.	Add	–	There have been no non-compliances.	–
<b>PR3</b> Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Core	*		46
<b>PR4</b> Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	Add	–	There have been no non-compliances.	–
<b>PR5</b> Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Add	*		47
<b>PR8</b> Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Add	–	There have been no complaints.	–
<b>PR9</b> Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Core	–	There have been no fines.	–

# DIRECTORY

## REGISTERED OFFICE OF OPUS

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## DIRECTORS OF OPUS

Kerry McDonald (Chairman)  
Suhaimi Halim  
Dan Stevenson (retired during the year)  
Tan See Yin (retired during the year)  
Abd Rahim bin Md Noh  
Don Trow  
Kevin Thompson  
Keith Watson  
Fraser Whineray  
Chin Chi Haw (commenced July 2009)

## CHIEF EXECUTIVE

Kevin Thompson

## SHARE REGISTRAR

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Archaeology	Health & Safety Auditing	Road Safety Audits
Architecture Design	Heritage Management	Seismic Engineering
Asset Management	Heritage Planning	Site Investigations
Bridge Engineering	Hydro Dam Design	Strategic Asset Management
Building Services	Infrastructure Asset Management	Strategic Management Services
Civil Engineering	Interior Design	Streetscape
Compliance Services	Land Surveying	Structural Engineering
Construction Management	Landscape Architecture	Traffic Engineering
Data Management	Lifeline Engineering	Traffic Modelling
Development Planning	Maritime Engineering	Transportation Asset Management
Economics	Materials Testing	Transportation Infrastructure Design
Engineering Geology	Mechanical & Electrical Engineering	Transportation Planning
Environmental & Social Impact Assessment	Network Management	Travel Demand Planning & Management
Environmental Business Management	Pavement Engineering	Urban Planning
Environmental Planning	Performance Modelling	Valuation of Infrastructure
Environmental Training	Pipe Network Reticulation	Wastewater Treatment
Estimating & Cost Management	Project Management	Water Asset Management
Facilities Management	Property Management	Water Reservoirs
Feasibility Studies	Property & Portfolio Management	Water Resource Management
Fire Engineering	Public Health Risk Management	Water Reticulation
Geotechnical Engineering	Research, Science & Technology	Water Treatment
	Risk Management	Wind Engineering



[www.opus.co.nz](http://www.opus.co.nz)

[www.opus.com.au](http://www.opus.com.au)

[www.opusinternational.ca](http://www.opusinternational.ca)

[www.opusinternational.co.uk](http://www.opusinternational.co.uk)