1/120 Bridport Street
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PEOPLE SECURITY & COMMUNICATION PS&C LTD

24 February 2014

Company announcement – Half Year results to 31 December 2013
PS&C Ltd on forecast for the Half– expect Prospectus forecasts to be met.

PS&C Ltd (ASX:PSZ) announces its results for the half year ended 31 December 2013.

Commentary:

- The company completed the acquisitions outlined in the prospectus dated 7 November on 1 December 2013 and listed on the ASX on 2 December 2013.
- The half year accounts include one month of the operating entities acquired in December and 6 months of the parent entity.
- Normalised first half revenue was $31m (Actual $4.31m)
- Normalised first half EBIT was $2.43m (Actual $0.26m)
- The normalised earnings result is in line with forecast and represents approximately 33% of the full year forecast.
- The company is pleased with the result given the distraction the transaction caused towards the end of the half.
- The Communications and People businesses were good performers while one of the Security businesses was impacted by delays in projects. The other security business was a strong performer also.

Outlook:

- The businesses are reporting strong customer engagement and activity
- Opportunities are arising due to new Privacy Laws effective 12 March, leveraging the existing blue chip client base and geographical expansion.
- We expect Prospectus earnings targets to be met.

For further information contact:

Kevin McLaine, Managing Director
Julian Graham, Chief Financial Officer

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PS&C Ltd ABN 50 164 718 361 and Controlled Entities

Interim Financial Report for the Half-Year Ended 31 December 2013

APPENDIX 4D – INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

Key Information	Half-year Ended 31-Dec-13 $ '000
Revenue from ordinary activities	**4,312**
Profit after tax from ordinary activities attributable to members	258
Net profit attributable to members	**258**

Dividends

No dividend is declared or will be paid in relation to the half year ended 31 December 2013

Explanation of Key Information

An explanation of the above figures is contained in the "Review of Operations" included within the attached Directors' Report.

Net Tangible Assets per Share	Half-year Ended 31-Dec-13 Cents
Net tangible assets per share	**10.53**

Control Gained or Lost over Entities in the Half-year

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PEOPLE SECURITY & COMMUNICATION PS&C LTD

On 1 December 2013, the company acquired 100% of the issued capital of Allcom Networks Pty Ltd. Details of the acquisition and contribution to profit are set out in Note 6 of this financial report.

On 1 December 2013, the company acquired 100% of the issued capital of Allcom Consulting Services Pty Ltd. Details of the acquisition and contribution to profit are set out in Note 6 of this financial report.

On 1 December 2013, the company acquired 100% of the issued capital of Systems and People Pty Ltd. Details of the acquisition and contribution to profit are set out in Note 6 of this financial report.

On 1 December 2013, the company acquired 100% of the issued capital of Securus Global Consulting Pty Ltd. Details of the acquisition and contribution to profit are set out in Note 6 of this financial report.

On 1 December 2013, the company acquired 100% of the issued capital of Hacklabs Pty Ltd. Details of the acquisition and contribution to profit are set out in Note 6 of this financial report.

Dividends

No dividends have been declared or paid during the period.

Dividend Reinvestment Plan

The Company does not operate a dividend reinvestment plan.

The financial information provided in the Appendix 4D is based on the half-year condensed financial report attached.

Independent review of the financial report

The financial report has been independently reviewed. The financial report is not subject to a modified independent auditors' review report.

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PS&C Ltd
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and Controlled Entities

Interim Financial Report
for the Half-Year Ended 31 December 2013

DIRECTORS' REPORT

Directors

The names of the directors in office at any time during or since the end of the half year are:

Non-Executive Directors

Adrian Wischer (Chairman)	Appointed 9 July 2013
Cass O'Connor	Appointed 11 October 2013
Brad Allan	Appointed 9 July 2013 Resigned 11 October 2013

Executive Directors

Kevin McLaine (Managing Director)	Appointed 9 July 2013

Review of operations

The company listed on the Australian Stock Exchange on 2 December 2014 and completed the acquisitions of the entities described in Note 6. The consolidated results for the half year ended 31 December 2013 includes one month trading of the acquired entities and 6 months of the parent entity.

The consolidated result for the half-year ended 31 December 2013 was revenue of $4.31m and net profit after tax of $0.26m.

The settlement of the transactions and integration into a listed company has gone very well. The company, via the acquisitions has a wide range of capabilities with long standing relationships with customers. This includes many panel and preferred supplier agreements.

Significant changes in the state of affairs

On 1 December 2013, the company acquired 100% of the issued capital of Allcom Networks Pty Ltd. Details of the acquisition and contribution to profit are set out in Note 6 of this financial report.

On 1 December 2013, the company acquired 100% of the issued capital of Allcom Consulting Services Pty Ltd. Details of the acquisition and contribution to profit are set out in Note 6 of this financial report.

On 1 December 2013, the company acquired 100% of the issued capital of Systems and People Pty Ltd. Details of the acquisition and contribution to profit are set out in Note 6 of this financial report.

On 1 December 2013, the company acquired 100% of the issued capital of Securus Global Consulting Pty Ltd. Details of the acquisition and contribution to profit are set out in Note 6 of this financial report.

On 1 December 2013, the company acquired 100% of the issued capital of Hacklabs Pty Ltd. Details of the acquisition and contribution to profit are set out in Note 6 of this financial report.

The company raised $25.1m under a Prospectus dated 7 November 2013

The company listed on the Australian Stock Exchange on 2 December 2013.

DIRECTORS' REPORT (CONT...)

Rounding of Amounts

The consolidated group has applied the relief available to it in ASIC Class Order 98/100 and accordingly certain amounts in the financial report and the Directors' Report have been rounded off to the nearest $1,000.

Report

The directors of PS&C Ltd ("the Company") present their report, together with the financial report of the Company and its controlled entities for the six months ended 31 December 2013.

This financial report has been prepared in accordance with Australian Accounting Standards.

The lead auditor's independence declaration under s 307C of the *Corporations Act 2001* is set out on page 5 for the half-year ended 31 December 2013.

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

KEVIN MCLAINE
Director

24 February 2014

INSERT AUDITOR'S DECLARATION
PAGE 1 OF 1

CONSOLIDATED
STATEMENT OF COMPREHENSIVE INCOME

	Half-Year Ended 31 December 2013 $'000
Revenue	**4,312**
Interest income	2
Raw materials and consumables used	(626)
Employee benefits expense	(3,115)
Depreciation and amortisation expense	(11)
Finance costs	(1)
Other expenses	(178)
Profit before income tax	**383**
Income tax expense	(125)
Profit from continuing operations	**258**
(Loss)/Profit from discontinued operations	-
Total comprehensive income for the period	**258**
Net profit attributable to:	
- members of the parent entity	258
- non-controlling interest	-
Total comprehensive income for the period	**258**

Earnings per share	**Cents**
From continuing and discontinued operations:	
- basic earnings per share (cents)	0.51
- diluted earnings per share (cents)	0.51
From continuing operations	
- basic earnings per share (cents)	0.51
- diluted earnings per share (cents)	0.51

The accompanying notes form part of these financial statements.

PS&C Ltd
A.B.N. 50 161 718 361
and Controlled Entities

CONSOLIDATED
STATEMENT OF FINANCIAL POSITION

	As at 31 December 2013
	$ '000
Assets	
Current assets	
Cash	4,803
Receivables	6,333
Inventories	100
Other current assets	673
Total current assets	**11,909**
Non-Current assets	
Property, plant and equipment	479
Tax assets	1,247
Intangibles	37,916
Total non-current assets	**39,642**
Total assets	**51,551**
Liabilities	
Current liabilities	
Payables	3,892
Tax provisions	466
Other provisions	1,374
Other payables	2,579
Total current liabilities	**8,311**
Total liabilities	**8,311**
Net assets	**43,240**
Share Capital	42,982
Retained Earnings	258
Shareholders funds	**43,240**

The accompanying notes form part of these financial statements.

PS&C Ltd
A.B.N. 50 161 718 361
and Controlled Entities

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2013

	Ordinary Share Capital	Retained Earnings	Total Equity
	$'000	**$'000**	**$'000**
Balance at 1 July 2013	-	-	-
Profit for the period	-	258	258
Total comprehensive income for the period	**-**	**258**	**258**
Shares issued during the period	45,229	-	45,229
Costs Associated with Capital Raising and IPO	(2,247)	-	(2,247)
Transactions with owners, in their capacity as owners, and other transfers	**42,982**	**-**	**42,982**
Balance at 31 December 2013	**42,982**	**258**	**43,240**

The accompanying notes form part of these financial statements.

PS&C Ltd
A.B.N. 50 161 718 361
and Controlled Entities

CONSOLIDATED GROUP
STATEMENT OF CHANGES IN EQUITY

	Half-Year Ended 31-Dec-13 $'000
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	4,930
Payments to suppliers and employees	(5,753)
Interest received	2
Finance costs	(1)
Income tax paid	130
Net cash used in operating activities	**(692)**
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of non-current assets	20
Payment for subsidiaries, net of cash acquired	16,588
Net cash used in investing activities	**16,608**
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from issue of shares	25,100
Costs of IPO and Capital Raising	(2,997)
Net cash provided by financing activities	**22,103**
Net increase in cash held	4,803
Cash and cash equivalents at beginning of period	-
Cash and cash equivalents at end of period	**4,803**

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This half-year financial report does not include all the notes of the type usually included in an annual financial report.

It is recommended that this half-year financial report be read in conjunction with the financial section of the Replacement Prospectus dated 7 November 2013 and any public announcements made by PS&C Ltd.

The half-year financial report was authorized for issue by the directors as at the date of the directors' report.

The following is a summary of the accounting policies applied in the half–year financial report:

(a) Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 30 June 2013 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Except for cash flow information. the financial information is based on historical costs, modified, where applicable, for the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Principles of Consolidation

The consolidated financial statements are those of the consolidated entity ("the group"), comprising the financial statements of the parent entity and all of entities the parent control.

In preparing the consolidated financial statements, all intragroup balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Under AASB 10, the group controls an entity where it has the power, for which the parent has exposure or rights to variable returns from its involvement with the entity, and for which the parent has the ability to use its power over the entities to affect the amount of its returns.

Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses.
A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT...)

(c) Income Tax

The tax expense recognised in the statement of comprehensive income relates to current income tax expense plus deferred tax expense (being the movement in deferred tax assets and liabilities and unused tax losses during the year).

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

Deferred tax is provided on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the consolidated financial information.

Deferred tax is not provided for the following:

The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
Taxable temporary differences arising on the initial recognition of goodwill.

Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the consolidated entity is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax consequences relating to a non-monetary asset carried at fair value are determined using the assumption that the carrying amount of the asset will be recovered through sale.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current tax assets and liabilities are offset where there is a legally enforceable right to set off the recognised amounts and there is an intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset where there is a legal right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT...)

Tax Consolidation

The parent entity and its controlled entities intend to form an income tax consolidated group under the tax consolidation legislation. The parent entity is responsible for recognising the current tax liabilities and deferred tax assets arising in respect of tax losses, for the tax consolidated group. The tax consolidated group will also enter into a tax funding agreement whereby each company in PS&C Limited contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

(d) Revenue

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

All revenue is stated net of the amount of goods and services tax (GST).

Sale of Goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Rendering of Services

Revenue in relation to rendering of services is recognised upon delivery of the service to the customer or when the outcome of the services can be measured reliably. If the latter is applicable, then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

Interest Revenue

Interest is recognised using the effective interest method.

(e) Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the individual item basis and are net of any rebates and discounts received.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT...)

(g) Plant and Equipment

All classes of plant and equipment are stated at cost less depreciation and any accumulated impairment losses.

Depreciation

Plant and equipment is depreciated on a straight-line or reducing balance method from the date that management determine that the asset is available for use.

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

(h) Intangibles

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the consolidated entity's share of net identifiable assets of the acquired business or entity at the date of acquisition.

Goodwill is not amortised but is tested for impairment annually and is allocated to the consolidated entity's cash generating units or groups of cash generating units, which represent the lowest level at which goodwill is monitored but where such level is not larger than an operating segment.

Goodwill is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity sold.

(i) Impairment

Assets with an indefinite useful life are not amortised but are tested annually for impairment in accordance with AASB 136.

(j) Acquisition of Assets

All assets acquired, including plant and equipment and intangibles, other than goodwill, are initially recorded at their cost of acquisition at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

(k) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the Group, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT...)

(l) Employee Benefits

Provision is made for the consolidated entity's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

(m) Provisional Accounting for Initial Business Combination

The initial accounting treatment for business combinations acquired and included in the Pro forma Statement of Financial Position have been determined provisionally, as allowed under Australian Accounting Standards, as the fair values to be assigned to the purchased intangibles under the agreements are yet to be determined. All amounts attributable to purchased intangibles have been included as goodwill for purposes of the Pro Forma Statement of Financial Position. Any adjustments to the values shall be made once all relevant information is available.

In accordance with AASB 3 Business Combinations the measurement period is the period after the acquisition date during which the acquirer may adjust the provisional amounts recognised for a business combination. However, the measurement period shall not exceed one year from the acquisition date.

To the extent there is a movement in the purchase consideration post the measurement period this movement will be through the Statement of Comprehensive Income.

(n) Financial Instruments

Classification

The consolidated entity classifies its financial instruments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

Loans and receivables

Loans and receivables are measured at fair value at inception and subsequently at amortised cost using the effective interest rate method.

Deferred consideration

Deferred consideration payable on business acquisitions is measured at fair value at inception and subsequently amortised cost using the effective interest rate method.

Financial liabilities

Financial liabilities include trade and other payables (including finance lease liabilities) and loans from third parties including inter-company balances, which are measured at amortised cost using the effective interest rate method.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT...)

(o) Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

(p) Foreign Currency Transactions and Balances

Functional and Presentation Currency

The functional currency of each entity is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transactions and Balances

Foreign currency transactions are recorded at the spot rate on the date of the transaction.

At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;
- Non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value are translated using the rate at the date when fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition or in prior reporting periods are recognised through profit or loss, except where they relate to an item of other comprehensive income or whether they are deferred in equity as qualifying hedges.

NOTE 2: DIVIDENDS

There were no dividends paid during the period.

NOTE 3: SEGMENT INFORMATION

(a) Description of Segments

Management has determined the operational segments based product/service factors and have identified the following reportable segments:

People

The People segment comprising Systems and People Pty Ltd is involved in providing contractors, contractor management and permanent recruitment

Security

The Security segment comprising Securus Global Consulting Pty Ltd and Hacklabs Pty Ltd is involved in services and consulting around cyber security matters.

Communications

The Communications segment comprising Allcom Networks Pty Ltd and Allcom Consulting Services Pty Ltd is involved in consulting and implementation services around internet protocol telephony and network infrastructure.

(b) Segment information

	Half–Year 2013					
	People $'000	Security $'000	Communications $'000	Other $'000	Eliminations $'000	Total $'000
Segment revenue						
Total segment revenue	2,495	375	1,442	-	-	4,312
Intersegment revenue	-	-	-	-	-	-
Segment revenue from external sources	**2,495**	**375**	**1,442**	**-**	**-**	**4,312**
Segment result						
Total segment result (before income tax)	275	93	192	(177)	-	383
Total Segment Assets	5,117	2,275	3,529	42,806	(2,176)	51,551

NOTES TO THE FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

NOTE 4: CONTRIBUTED EQUITY

Movement in shares on issue

	Number of shares $'000	$'000
Balance at 1 July 2013	-	-
Shares issued during the period		
Interests associated with Adrian Wischer	1,088,910	20
Interests associated with Kevin McLaine	2,177,818	40
Interests associated with Brad Allan	2,177,818	40
Shares issued pursuant to the capital raising	25,000,000	25,000
Interests associated with Allcom Group Vendors	5,901,955	5,902
Interests associated with Systems and People Vendors	8,657,895	8,658
Interests associated with Securus Vendors	4,007,560	4,008
Interests associated with the Hacklabs Vendors	1,561,913	1,562
Costs associated with the capital raising	-	(2,247)
Balance at 31 December 2013	**50,573,869**	**42,982**

NOTE 5: BORROWINGS

As at 31 December 2013, the Company had no borrowings.

NOTE 6: BUSINESS COMBINATIONS

Acquisition of controlled entities

As outlined in the Replacement prospectus dated 7 November 2013, PS&C Ltd acquired on the 1 December 2013, 100% of the share capital of:

- Allcom Networks Pty Ltd
- Allcom Consulting Services Pty Ltd
- Systems and People Pty Ltd
- Securus Global Consulting Pty Ltd
- Hacklabs Pty Ltd

The details of the acquisitions are outlined below:

NOTE 6: BUSINESS COMBINATIONS (CONT..)

	Assets and liabilities acquired	Allcom Networks Pty Ltd	Allcom Consulting Services Pty Ltd	Systems and People Pty Ltd	Securus Global Consulting Pty Ltd	Hacklabs Pty Ltd	Total
		$'000	$'000	$'000	$'000	$'000	$'000
	Current assets						
	Cash	676	29	2,148	417	272	**3,542**
	Receivables	1,973	397	3,398	829	355	**6,952**
	Inventories	145	-	-	-	-	**145**
	Tax Assets	164	-	10	32	6	**212**
	Other Current Assets	337	40	168	139	61	**745**
	Non-current assets						
	Property Plant & Equipment	221	9	178	57	23	**488**
	Intangibles - other	-	-	-	2	-	**2**
	Total Assets	**3,516**	**475**	**5,902**	**1,476**	**717**	**12,086**
	Current liabilities						
	Current Payables	1,538	121	2,207	71	104	**4,041**
	Interest Bearing Liabilities	-	-	-	-	-	**-**
	Tax Provisions	(368)	35	580	109	67	**423**
	Deferred Tax Liability	-	-	7	42	-	**49**
	Provisions	1,149	14	389	129	80	**1,761**
	Other Payables	450	90	878	957	399	**2,774**
	Other current liabilities	364	139	97	94	-	**694**
	Total Liabilities	**3,133**	**399**	**4,158**	**1,402**	**650**	**9,742**
	Net Assets acquired	**383**	**76**	**1,744**	**74**	**67**	**2,343**
2	**Consideration**						
	Cash Consideration	4,635	1,267	8,658	4,008	1,562	20,130
	Shares issued at $1 each as consideration	4,635	1,267	8,658	4,008	1,562	20,130
	Total	**9,270**	**2,534**	**17,316**	**8,015**	**3,124**	**40,259**
3	**Goodwill (consideration less assets attributable to the members)**	**8,889**	**2,458**	**15,573**	**7,940**	**3,056**	**37,916**
4	**Cash Outlflow**						
	Cash Consideration	4,635	1,267	8,658	4,008	1,562	20,130
	Less, cash acquired	(676)	(29)	(2,148)	(416)	(272)	(3,541)
	Outflow of Cash	**3,959**	**1,238**	**6,510**	**3,591**	**1,290**	**16,588**

NOTE 6: BUSINESS COMBINATIONS (CONT..)

5	**Contributions since acquisition on 1 December 2013**						
	Revenues	1,301	141	2,495	227	147	4,312
	Net profit after tax	116	12	192	48	14	382
6	**Contributions if the entity had have been part of the Consolidated group as at 1 July 2013**						
	Revenues	8,042	925	20,428	1,383	981	31,759
	Net profit after tax	237	122	1,103	157	252	1,870

DEFERRED CONSIDERATION

Under the terms of the Sales and Purchase Agreements, there are earn outs based on performance that might give rise to additional consideration. Directors are in the process of assessing the future growth potential of the entities and expect to have an estimate as at 30 June 2014.

NOTE 7: CONTINGENT LIABILITIES

As at the date of this report there are no contingent liabilities.

NOTE 8: RELATED PARTIES

Other than described in note 4 there were no related party transaction during the period.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of PS&C Ltd, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 4 to 21, are in accordance with the *Corporations Act 2001*, including

   a. complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and

   b. giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the half-year ended on that date.

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

KEVIN MCLAINE
Director

24 February 2014

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