

# Appendix 4D

## Half-year information

Name of entity

Ross Human Directions Limited

ABN or equivalent company reference

ABN 25 003 758 709

Half-year ended

31 December 2010

### Results for announcement to the market

\$'000

Revenues from ordinary activities	up	7.9%	to	198,865
Normalised profit (loss) from ordinary activities after tax attributable to members	up	45.3%	to	4,087
Net profit (loss) for the period attributable to members	down	48.0%	to	1,463
<b>Dividends</b>		Amount per security		Franked amount per security
Final dividend 30 June 2010		2.0 ¢		2.0 ¢
Interim dividend 31 December 2010		-		-
Previous corresponding period				
Final dividend 30 June 2009		1.0 ¢		1.0 ¢
Interim dividend 31 December 2009		1.5 ¢		1.5 ¢
Record date for determining entitlements to the dividend	n/a			
Normalised net profit after tax of \$4,087,000 is in line with profit guidance provided to the market on 19 <sup>th</sup> October 2010.				

### NTA backing

	Half-year ended 31 December 2010 Cents	Half-year ended 31 December 2009 Cents
Net tangible asset backing per ordinary security	28.2 c	24.4 c

**Ross Human Directions Limited**  
**Interim report**  
**For the Half-Year ended 31 December 2010**

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These interim financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly, this report is to be read in conjunction with the annual financial statements for the year ended 30 June 2010 and any public announcements made by Ross Human Directions Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

## Directors' Report

Your directors present their report on the consolidated entity consisting of Ross Human Directions Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2010.

### Directors

The following persons were directors of Ross Human Directions Limited during the half-year and up to the date of this report:

F A McDonald was Non-executive Chairman from the beginning of the financial year until 22nd December 2010 and continues in office as a Non-executive Director as at the date of this report.

J M Ross was Managing Director and Deputy Chairman from the beginning of the financial year until 22nd December 2010 and continued in office as Managing Director until her retirement on 21st January 2011.

Dr E J Doyle was a Non-executive Director from the beginning of the financial year until her retirement on 22nd December 2010.

T N Trumper was a Non-executive Director from the beginning of the financial year until his retirement on 22nd December 2010.

I R Basser was appointed as a Director and Chairman on 22nd December 2010. He was appointed as Managing Director on 21<sup>st</sup> January 2011 and continues in office at the date of this report.

O J Wilson was appointed as a Director on 22nd December 2010 and continues in office at the date of this report.

J C Plummer was appointed as a Non-executive Director on 1<sup>st</sup> February 2011 and continues in office at the date of this report.

### Takeover bid by Chandler Macleod Group Limited

On 1st December 2010, Ross Human Directions Limited announced it had entered into an agreement with Chandler Macleod Group Limited under which Chandler Macleod would make an off market takeover bid for all the shares in Ross Human Directions Limited.

The consideration offered was a choice of either \$0.73 cash or 1.759 Chandler Macleod shares for every RHD share. The cash consideration will be increased to \$0.75 cash for every RHD share and the scrip consideration to 1.807 Chandler Macleod shares for every RHD share if, by the close of the Offer, Chandler Macleod has acquired a relevant interest in 90% or more of RHD shares and is entitled to compulsorily acquire the remaining RHD shares. A summary of the material terms of the offer is set out in the RHD Target Statement dated 13 December 2010.

On 7 February 2011, Chandler Macleod announced that it had received acceptances of its takeover bid in respect of 79.9% of the RHD shares. On the same day Chandler Macleod announced that Corom Pty Limited, which holds approximately 15% of the shares in RHD, indicated that it will accept Chandler Macleod's Offer for all the RHD shares it controls.

When Corom accepts Chandler Macleod's Offer, Chandler Macleod will acquire a relevant interest in RHD of more than 90%. Chandler Macleod will proceed to compulsorily acquire all the remaining shares upon Corom's acceptance of the Offer.

The offer is due to close at 7.00pm (Sydney time) on 14 February 2011, unless extended.

## Directors' Report (continued)

### Review of Operations

Normalised net profit after tax of the consolidated entity for the six months ended 31 December 2010 was \$4,087,000 (2009: \$2,813,000), which is an improvement of 45% compared to the six months ended 31 December 2009.

The normalised net profit after tax of the consolidated entity is calculated as follows:

	\$'000
Net profit after tax	1,463
Transaction costs - net of tax (refer to note 3 in the financial statements)	<u>2,624</u>
Normalised net profit after tax	<u>4,087</u>

The net profit after tax has been normalised for the six months ended 31 December 2010 to exclude the significant transaction costs (net of tax) incurred by RHD in connection with the terminated Peoplebank offer and the successful acquisition bid by Chandler Macleod.

The net profit after tax of the consolidated entity for the six months ended 31 December 2010 decreased by 48% to \$1,463,000 (2009: \$2,813,000), however when normalised for the tax effected non-recurring transaction costs was an increase of 45%.

Gross margins improved compared to the previous corresponding period from 15.3% to 16.2% due to higher margins achieved in the non-recruitment business plus a change in mix of the recruitment business towards an increase in permanent recruitment.

The performance improvement was driven by a revenue growth of \$14.5 million (8% higher than the previous corresponding period) to \$198.865 million for the 6 months to 31 December 2010.

Underlying EBITDA has increased by 22% to \$7,120,000 for the reporting period.

EBITDA of the consolidated entity for the six months ended 31 December 2010 decreased by 42% to \$3,371,000 (2009: \$5,836,000).

Basic earnings per share for the half-year was 1.8 cents compared to 3.4 cents for the previous corresponding period. If earnings are adjusted for non-recurring transaction costs, the adjusted basic earnings per share for the half-year is 4.9 cents compared to 3.4 cents for the previous corresponding period.

No interim dividend has been declared for the six months to 31 December 2010.

### Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

## Directors' Report (continued)

### Rounding of amounts

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

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

A handwritten signature in blue ink, appearing to read 'Ian Basser', with a large circular flourish at the end.

Ian Basser  
Executive Chairman and Managing Director

A handwritten signature in black ink, appearing to read 'John Plummer', with a large circular flourish at the end.

John Plummer  
Non-executive Director

Sydney  
9 February 2011



**PricewaterhouseCoopers**  
**ABN 52 780 433 757**

Darling Park Tower 2  
201 Sussex Street  
GPO BOX 2650  
SYDNEY NSW 1171  
DX 77 Sydney  
Australia  
[www.pwc.com/au](http://www.pwc.com/au)  
Telephone +61 2 8266 0000  
Facsimile +61 2 8266 9999

### Auditor's Independence Declaration

As lead auditor for the review of Ross Human Directions Limited for the half year ended 31 December 2010, I declare that to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Ross Human Directions Limited and the entities it controlled during the period.

A handwritten signature in blue ink, appearing to read 'M Upcroft'.

Marc Upcroft  
Partner  
PricewaterhouseCoopers

Sydney  
9 February 2011

**Consolidated income statement**  
For the half-year ended 31 December 2010

	Notes	Half-year ended 31 December 2010 \$'000	Half-year ended 31 December 2009 \$'000
<b>Revenues from continuing operations</b>		<b>198,865</b>	184,377
Costs of temporary staff and other services		(166,594)	(156,203)
Employee benefits expense		(19,347)	(16,320)
Other expenses		(5,804)	(6,018)
Transaction expenses	3	(3,749)	-
<b>Earnings before interest, tax, depreciation &amp; amortisation (EBITDA)</b>		<b>3,371</b>	5,836
Depreciation and amortisation expense		(972)	(1,424)
Finance expenses		(565)	(525)
<b>Profit before income tax</b>		<b>1,834</b>	3,887
Income tax expense		(371)	(1,074)
<b>Profit for the half-year</b>	3	<b>1,463</b>	2,813
		<b>Cents</b>	<b>Cents</b>
<b>Earnings per share for profit attributable to the owners of the company:</b>			
Basic earnings per share		<b>1.8</b>	3.4
Diluted earnings per share		<b>1.8</b>	3.4

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

**Consolidated statement of comprehensive income**  
For the half-year ended 31 December 2010

	Notes	Half-year ended 31 December 2010 \$'000	Half-year ended 31 December 2009 \$'000
<b>Profit for the half-year</b>		<b>1,463</b>	<b>2,813</b>
<b>Other comprehensive income</b>			
Exchange differences on translation of foreign operations		(882)	(778)
<b>Other comprehensive income for the half-year net of tax</b>		<b>(882)</b>	<b>(778)</b>
<b>Total comprehensive income for the half-year</b>	<b>4</b>	<b>581</b>	<b>2,035</b>

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



**Consolidated statement of financial position**  
As at 31 December 2010

	31 December 2010 \$'000	30 June 2010 \$'000
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	3,910	7,646
Trade and other receivables	50,732	53,189
<b>Total Current Assets</b>	<b>54,642</b>	<b>60,835</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	999	1,187
Deferred tax assets	5,624	5,285
Intangible assets	13,631	14,097
<b>Total Non-Current Assets</b>	<b>20,254</b>	<b>20,569</b>
<b>Total Assets</b>	<b>74,896</b>	<b>81,404</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	21,124	28,915
Borrowings	3,223	302
Current tax liabilities	709	280
Provisions	1,569	1,568
<b>Total Current Liabilities</b>	<b>26,625</b>	<b>31,065</b>
<b>Non-Current Liabilities</b>		
Payables	92	92
Borrowings	4,000	4,814
Deferred tax liabilities	1,151	1,170
Provisions	1,412	1,609
<b>Total Non-Current Liabilities</b>	<b>6,655</b>	<b>7,685</b>
<b>Total Liabilities</b>	<b>33,280</b>	<b>38,750</b>
<b>Net Assets</b>	<b>41,616</b>	<b>42,654</b>
<b>EQUITY</b>		
Contributed equity	23,192	23,004
Reserves	(2,028)	(946)
Retained profits	20,452	20,596
<b>Total Equity</b>	<b>41,616</b>	<b>42,654</b>

*The above consolidated statement of financial position should be read in conjunction with the accompanying notes.*

**Consolidated statement of changes in equity**  
For the half-year ended 31 December 2010

	Contributed equity	Retained earnings	Foreign currency translation reserve	Share- based payments reserve	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2010</b>	23,004	20,596	(1,146)	200	42,654
<b>Total comprehensive income for the half-year</b>	-	1,463	(882)	-	581
<b>Transactions with owners in their capacity as owners:</b>					
Transfer from share-based payments reserve to contributed equity	188	-	-	(188)	-
Share-based payments reserve	-	-	-	(12)	(12)
Dividends paid	-	(1,607)	-	-	(1,607)
	188	(1,607)	-	(200)	(1,619)
<b>Balance at 31 December 2010</b>	23,192	20,452	(2,028)	-	41,616
<b>Balance at 1 July 2009</b>	23,004	15,699	(452)	180	38,431
<b>Total comprehensive income for the half-year</b>	-	2,813	(778)	-	2,035
<b>Transactions with owners in their capacity as owners:</b>					
Share-based payments reserve	-	-	-	(65)	(65)
Dividends paid	-	(804)	-	-	(804)
	-	(804)	-	(65)	(869)
<b>Balance at 31 December 2009</b>	23,004	17,708	(1,230)	115	39,597

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

**Consolidated statement of cash flows**  
For the half-year ended 31 December 2010

	Half-year ended 31 December 2010 \$'000	Half-year ended 31 December 2009 \$'000
<b>Cash flows from operating activities</b>		
Receipts from customers (inclusive of goods and services tax)	220,266	211,543
Payments to suppliers and employees (inclusive of goods and services tax)	(220,347)	(204,535)
	(81)	7,008
Transaction costs paid	(2,717)	-
Interest paid	(568)	(527)
Income tax refund	494	-
Income taxes paid	(733)	(1,130)
<b>Net cash (outflow) inflow from operating activities</b>	<b>(3,605)</b>	<b>5,351</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(319)	(291)
Payments for intangible assets	(22)	(16)
Interest received	13	7
<b>Net cash outflow from investing activities</b>	<b>(328)</b>	<b>(300)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	10,325	8,000
Repayment of borrowings	(8,158)	(12,552)
Dividends paid to company's shareholders	(1,607)	(804)
<b>Net cash inflow (outflow) from financing activities</b>	<b>560</b>	<b>(5,356)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(3,373)</b>	<b>(305)</b>
Cash and cash equivalents at beginning of the half-year	7,646	4,785
Effect of exchange rate changes on cash and cash equivalents	(363)	(336)
<b>Cash and cash equivalents at the end of the half-year</b>	<b>3,910</b>	<b>4,144</b>

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

## Notes to the consolidated financial statements

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

These general purpose financial statements for the interim half-year reporting period ended 31 December 2010 have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

These interim financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly, this report is to be read in conjunction with the annual financial statements for the year ended 30 June 2010 and any public announcements made by Ross Human Directions Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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

Where necessary comparative figures have been adjusted to conform with changes in presentation in the current period.

#### (a) Impact of standards issued but not yet applied by the entity

AASB 9 *Financial Instruments* addresses the classification and measurement of financial assets and is likely to affect the group's accounting for its financial assets. The standard is not applicable until 1 January 2013 but is available for early adoption. The group does not hold any available-for-sale financial assets at 31 December 2010.

### Note 2 - Segment information

Management has determined the operating segments based on the reports reviewed by the board of directors that are used to make strategic decisions. The board considers the business from a product perspective and has identified two reportable segments, recruitment and non-recruitment. Non-recruitment consists of technology consulting and management solutions, managed training solutions, payroll outsourcing and the sale of payroll software.

EBITDA for the half-year to 31 December 2010 has been adjusted to exclude transaction costs of \$3,749,000 (2009: nil), refer to note 3.

	Recruitment \$'000	Non-recruitment \$'000	Total \$'000
<b>Half-year ended 31 December 2010</b>			
Total segment revenue	155,802	43,350	199,152
Inter-segment revenue	(189)	(98)	(287)
<b>Revenue from external customers</b>	<b>155,613</b>	<b>43,252</b>	<b>198,865</b>
<b>Adjusted EBITDA</b>	<b>3,000</b>	<b>4,120</b>	<b>7,120</b>
<b>Half-year ended 31 December 2009</b>			
Total segment revenue	141,446	43,466	184,912
Inter-segment revenue	(443)	(92)	(535)
<b>Revenue from external customers</b>	<b>141,003</b>	<b>43,374</b>	<b>184,377</b>
<b>EBITDA</b>	<b>2,224</b>	<b>3,612</b>	<b>5,836</b>

## Note 2 - Segment information (continued)

A reconciliation of adjusted EBITDA to operating profit before tax is provided as follows:

	Half-year ended 31 December 2010 \$'000	Half-year ended 31 December 2009 \$'000
<b>Adjusted EBITDA</b>	7,120	5,836
Transaction costs	(3,749)	-
Depreciation and amortisation expense	(972)	(1,424)
Finance costs	(565)	(525)
<b>Profit before income tax from continuing operations</b>	1,834	3,887

## Note 3 - Profit for the half-year

	Half-year ended 31 December 2010 \$'000	Half-year ended 31 December 2009 \$'000

Profit for the half-year includes the following items that are unusual because of their nature, size or incidence:

### Expenses

Transaction costs	3,749	-
Less: Applicable income tax expense	(1,125)	-
	2,624	-

Transaction costs relating to the Peoplebank Holdings Pty Limited proposal and the Chandler Macleod Group Limited takeover bid consist of non-recurring fees from professional advisors and a \$500,000 break fee paid to Peoplebank.

## Note 4 - Comprehensive income for half-year

Under AASB 101 *Presentation of Financial Statements*, a Consolidated Statement of Comprehensive Income has been included in this report.

The Consolidated Statement of Comprehensive Income shows the effect of the movement in exchange rates on the translation of the financial statements of overseas subsidiaries into Australian dollars.

The translation movements shown in the Consolidated Statement of Comprehensive Income are not included in the Consolidated Income Statement as they are included in the Foreign Currency Translation Reserve on the balance sheet.

The quantum of the translation movement is entirely dependent on the movement in the relevant foreign currency exchange rates.

## Note 5 - Dividends

	Half-year ended 31 December 2010 \$'000	Half-year ended 31 December 2009 \$'000
<b>Ordinary shares</b>		
Dividends paid during the half-year	1,670	835
<b>Dividends not recognised at the end of the half-year</b>		
The directors have recommended that no interim dividend be declared for the year ended 30 June 2011.	-	1,252

## Note 6 - Contingent liabilities

At 31 December 2010, bank guarantees amounted to \$1,584,356 (30 June 2010: \$1,472,543).

## Note 7 - Related party transactions

Ms Julia Ross, who was Managing Director until she retired as a director on 21<sup>st</sup> January 2011, controls a company, TPC Nominees Pty Limited. Ross Human Directions Limited rents a floor in an office building from TPC Nominees Pty Limited. The rental agreement is based on normal commercial terms and conditions. The rent and outgoings for the six months to 31 December 2010 amounted to \$42,313 (2009 - \$30,818).

Ms Julia Ross, who was Managing Director until she retired as a director on 21<sup>st</sup> January 2011, owns an apartment in London. Ross Human Directions Limited has rented the apartment for use by executives visiting the UK operation during the year. The arrangement is based on normal commercial terms and conditions. The rent for the six months to 31 December 2010 amounted to \$50,000 (2009 - \$50,000).

## Note 8 - Events occurring after the end of the reporting period

On 21 January 2011 the Ross Human Directions Limited Long Term Senior Executive Plan received \$1,896,217 from Chandler Macleod Group Limited in respect of 2,597,557 shares in Ross Human Directions Limited (refer note 9).

No other material events have occurred after the end of the reporting period except for the on-going acquisition of Ross Human Directions Limited by Chandler Macleod Group Limited, referred to in note 9.

## Note 9 - Takeover bid by Chandler Macleod Group Limited

On 1 December 2010, the Company (“RHD”) announced that it had entered into an agreement with Chandler Macleod Group Limited (“Chandler Macleod”) under which Chandler Macleod would make an off-market takeover bid for all the shares in RHD. Following the decision by Peoplebank Holdings Pty Limited not to match or better the proposed offer by Chandler Macleod, on 6 December 2010 RHD announced that the RHD board had withdrawn its previous recommendation of the Peoplebank proposal and unanimously recommended the Chandler Macleod takeover bid in respect of the cash consideration, in the absence of a superior proposal.

The consideration offered was a choice of either \$0.73 cash or 1.759 Chandler Macleod shares for every RHD share. The cash consideration will be increased to \$0.75 cash for every RHD share and the scrip consideration to 1.807 Chandler Macleod share for every RHD share if, by the close of the Offer, Chandler Macleod has acquired a relevant interest in 90% or more of RHD shares and is entitled to compulsorily acquire the remaining RHD shares. A summary of the material terms of the Offer is set out in the RHD Target Statement dated 13 December 2010.

The RHD board unanimously recommended that RHD shareholders accept the Offer and elect to receive the cash consideration, in the absence of a superior proposal.

On 21 December 2010 Chandler Macleod announced that it had received acceptances of its takeover bid in respect of more than 50% of the RHD shares including acceptances in respect of all of the shares held by or controlled by the RHD directors.

As a consequence, Chandler Macleod agreed with the RHD board to free the takeover offer from all defeating conditions and on 22 December 2010 the board of RHD agreed to appoint Mr Ian Basser, the Chief Executive Officer of Chandler Macleod, and Mr Owen Wilson, the Chief Financial Officer of Chandler Macleod, to the board of RHD. On the same date, Ms Eileen Doyle and Mr Tim Trumper retired from the board of RHD and Mr Basser became the Chairman.

Ms Julia Ross retired from the board of RHD on 21<sup>st</sup> January 2011 and Mr Ian Basser was appointed Managing Director on that date.

On 28 January 2011 Chandler Macleod extended the offer period for its takeover bid for RHD from 31 January 2011 to 7.00pm (Sydney time) on 14 February 2011.

On 1<sup>st</sup> February 2011 Mr John Plummer a Director and Non-executive Deputy Chairman of Chandler Macleod was appointed as a Non-executive Director to the board of RHD.

On 7 February 2011, Chandler Macleod announced that it had received acceptances of its takeover bid in respect of 79.9% of the RHD shares. On the same day Chandler Macleod announced that Corom Pty Limited, which holds approximately 15% of the shares in RHD, indicated that it will accept Chandler Macleod’s Offer for all the RHD shares it controls.

When Corom accepts Chandler Macleod’s Offer, Chandler Macleod will acquire a relevant interest in RHD of more than 90%. Chandler Macleod will proceed to compulsorily acquire all the remaining shares upon Corom’s acceptance of the Offer.

Costs incurred by RHD in relation to the Peoplebank proposal (including a \$500,000 break fee paid to Peoplebank) and the Chandler Macleod takeover bid amounted to \$3,749,000 for the six months ended 31 December 2010.

## Directors' Declaration

In the directors' opinion:

- (a) the financial statements and notes set out on pages 7 to 15 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other professional reporting requirements; and
  - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and of its performance for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that Ross Human Directions Limited will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations by the Chief Executive Officer and Chief Executive Officer required by section 295A of the *Corporations Act 2001*.

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



Ian Basser  
Executive Chairman and Managing Director



John Plummer  
Non-executive Director

Sydney  
9 February 2011





## Independent auditor's review report to the members of Ross Human Directions Limited

PricewaterhouseCoopers  
ABN 52 780 433 757

Darling Park Tower 2  
201 Sussex Street  
GPO BOX 2650  
SYDNEY NSW 1171  
DX 77 Sydney  
Australia  
Telephone +61 2 8266 0000  
Facsimile +61 2 8266 9999  
[www.pwc.com/au](http://www.pwc.com/au)

### Report on the half-year Financial Report

We have reviewed the accompanying half-year financial report of Ross Human Directions Limited, which comprises the statement of financial position as at 31 December 2010, and the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, other selected explanatory notes and the directors' declaration for Ross Human Directions Limited Group (the consolidated entity). The consolidated entity comprises both Ross Human Directions Limited (the Company) and the entities it controlled during that half-year.

#### *Directors' Responsibility for the half-year Financial Report*

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

#### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Ross Human Directions Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

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## Independent auditor's review report to the members of Ross Human Directions Limited (continued)

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

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

This review report relates to the financial report of the Company for the half-year ended 31 December 2010 included on Ross Human Directions Limited's web site. The company's directors are responsible for the integrity of the Ross Human Direction Limited web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on this web site.

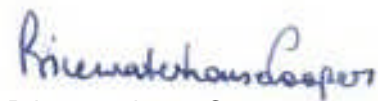
### *Independence*

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

### *Conclusion*

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



PricewaterhouseCoopers



Marc Upcroft  
Partner

Sydney  
9 February 2011