Unlocking Value

Rubicor
CONNECTED PEOPLE

Annual Report 2013

Rubicor Group Annual Report 2013

Rubicor
CONNECTED PEOPLE

Financial Summary

Financial Highlights	30 June 2013	30 June 2012	%Change
Total Revenue	**$237.7m**	$290.5m	(18.2%)
NDR (Gross Margin)	**$39.7m**	$55.7m	(28.7%)
EBITDA Statutory [1]	**($2.2m)**	$6.8m	
EBITDA Underlying [2]	**$1.6m**	$6.8m	(76.8%)
NPAT attributable to equity holders Statutory [1,3]	**($24.4m)**	($61.6m)	60.6%
NPAT attributable to equity holders Underlying [2,4]	**($3.4m)**	($0.8m)	
EPS before interest and tax Statutory (cents) [1,3]	**(22.3)**	(56.2)	
EPS before interest and tax Underlying (cents) [2,4]	**(3.1)**	(0.8)	
Operating cash flow before interest and tax	**$8.6m**	$8.4m	
Operating cash flow	**$3.4m**	$1.7m	

1 After restructuring costs of $3.5m ($1.6m onerous lease provision, $0.7m redundancy payments, $0.9m transaction costs, $0.3m other restricting expense) and unrealised foreign exchange loss of $0.3m (FY12: Nil).

2 Before restructuring costs of $3.5m ($1.6m onerous lease provision, $0.7m redundancy payments, $0.9m transaction costs, $0.3m other restructuring expense) and unrealised foreign exchange loss of $0.3m (FY12: Nil).

3 After $15.7m asset impairment (FY12:$53.4m) reflecting impact of challenging conditions and uncertainty over timing of recovery on certain Rubicor businesses.

4 Before $15.7m asset impairment (FY12:$53.4m), $0.1m amortisation of intangibles (FY12:$2.5m) and $0.2m notional interest on deferred payments for business acquisitions under AIFRS (FY12:$0.5m), net of tax effect.

Chairman's Review

The year in review

Deterioration in the demand for labour and the fragile state of Australia's business confidence ensured financial year 2013 was a challenging one for the Group.

The recruitment industry continues to be highly sensitive to the negative business sentiment and macro-economic pressures in each of our geographic locations (Australia, New Zealand and Singapore). As a result of this uncertainty, employers have not been prepared to expand their businesses, and candidates have exhibited a continual reluctance to move jobs. This view is widely supported by publicly available research. In June 2013, job ads were down 19% year-on-year and were close to 30% below their most recent peak at the end of 2010. Job ads were also just 8% higher than the lowest levels reached during the Global Financial Crisis. Western Australia recorded the sharpest trend decline in newspaper job advertisements of any state, with job advertising nearly 50% lower than a year ago[1], a clear reaction to the slowdown in the resources and manufacturing sector. Online skilled job ads were down nearly 30% year-on-year in June 2013[2], while GDP forecasts continue to be revised downwards.

Such sluggish activity suggests firms have kept a close eye on their bottom line, especially labour costs, and as a result clients have continued to hire staff on a fixed-term, part-time (or reduced hours) or temporary basis. In line with reduced market activity, performance levels across the Group were down in the second half of the year. However, despite the negative market sentiment we did see improvements in the blue collar, business support and financial sectors.

Midway through the financial year, we made changes to executive management, replacing retiring CEO Jane Beaumont with Kevin Levine, who had been the Group's CFO. Following the change, and in light of the challenging market conditions, the Board and management undertook a proactive business restructure to unlock the existing value within our network of brands. This reorganisation has strengthened the company's competitiveness by creating a more responsive structure with a lower, more sustainable fixed cost base. The benefits have already started to show increased efficiency, improved synergies and reduced costs. Specifically, business operations were restructured to better align certain specialist brands within appropriate industry sectors and vertical markets.

We continued our program to co-locate brands as part of the ongoing drive to improve synergies, reducing the number of offices from 23 to 17. While this has assisted in reducing costs, it has also improved collaboration amongst our businesses.

1 Source: ANZ Job Ads Series June 2013
2 Source: DEEWR Vacancy Report June 2013

Chairman's Review

John Pettigrew

As a result of the pressures experienced throughout the year, Net Disposable Revenue (NDR), or Gross Margin in FY13 was $39.7m, compared to $55.7m the previous year. Underlying EBITDA (Earnings Before Interest, Depreciation, Amortisation and Impairment) was $1.6m[3], at the lower end of the earnings guidance given to the market in May 2013. After interest expense and taxation there was an underlying loss of $3.4m[3,4]. The statutory loss after tax was $24.4m, significantly less than the previous year. Our cash flow continued to be well managed, with operating cash flow after interest and taxation for the year at $3.4m, up 100% from 2012.

Debt reduction and capital management

We continue to review the carrying value of the Company's assets on an ongoing basis. In light of the continuing challenging trading conditions and uncertainty over the timing of a recovery, the Company decided to make impairment charges of $9.3m as at 31 December, 2013 and $6.4m as at 30 June, 2013 to reflect the volatility in trading conditions. As a result, the net carrying value of goodwill has now been written down to zero.

In December 2012, we announced that the Company had reached an agreement with our bank on a framework to restructure our debt and on 29 July, 2013 announced the successful restructure of these debt facilities. As a result, all debt obligations in respect of the Loan facilities (Term and Subordinated facility) and the Bank Overdraft facility - which amounted to $95.6m at settlement - were extinguished in full, in exchange for a $7.0m cash payment. This will result in a gain of $88.6m in FY14.

As part of the restructure of the debt facilities, Rubicor successfully secured new funding in the form of a debtor finance facility ("Debtor Finance Facility") with an initial limit of $15m. This facility provides funding based on approved receivables and the limit will adjust in line with the value of the approved receivables. This facility has a three year term with no annual review, no financial covenants and no facility amortisation repayments. Funding provided under this facility is dependent upon the purchased receivables remaining approved until they are collected. Other facilities (rental guarantees) amounting to $1.9m remain in place in the short-term, and have been cash backed by funds drawn from the Debtor Finance Facility.

Importantly the Debtor Finance Facility will allow our business to fund the ongoing needs of the business, including the Vendor earn-out payments and to support the growth potential of Rubicor over the medium-term.

Board changes

In addition to the retirement of Jane Beaumont, subsequent to year-end, Robert Aitken who had been Chairman since listing until 2010, announced his retirement as a non-executive Director.

With the Company's funding now secure, and with a renewed focus on growth opportunities, the Board recognised a need to introduce more industry knowledge and experience to the Board. The Board was pleased to appoint Steven Hatch as a non-executive Director, who brings in excess of 20 years' experience from within the recruitment and human resources industry.

Outlook

We anticipate that difficult market conditions will continue across many of our industry sectors, with soft demand to persist throughout 2014. Despite the sluggish outlook, we have established a robust platform to support our strategic initiatives and our restructured balance sheet will allow further expansion in the coming year as we proactively seek opportunities in growth markets and sectors.

For a considerable period of time the business was constrained by the significant level of debt carried by the Group. This created a major distraction for the business, management and staff as we were unable to invest in growing our consultant headcount or in growth opportunities. Now that this 'cloud' has been lifted, and with the business restructure in effect, our Group is positioned to maximise the value within all the brands and take full advantage of the talent within our network. This positions us well for sustained growth and future success.

In conclusion, I would like to take the opportunity to thank all staff and management for their hard work during the year. In particular, I would like to thank our CEO, Kevin Levine for his strong leadership throughout the corporate restructure and bank renegotiation, and for his capable navigation of the business midway through a challenging year.

3 Before restructuring costs of $3.5m ($1.6m onerous lease provision, $0.7m redundancy payments, $0.9m transaction costs, $0.3m other restructuring expense) and unrealised foreign exchange loss of $0.3m (FY12: Nil).

4 Before $15.7m asset impairment (FY12:$53.4m), $0.1m amortisation of intangibles (FY12:$2.5m) and $0.2m notional interest on deferred payments for business acquisitions under AIFRS (FY12:$0.5m), net of tax effect.

Chief Executive Officer's Review

Market and results overview

Despite a solid start to the financial year and what looked to be an encouraging first quarter, business conditions were overtaken by a significant tightening in the job markets across Australia, New Zealand and Singapore. Global weakness and local instability placed further pressure on business confidence and sentiment, with hiring activity waning as a result.

In Australia, our largest market, unemployment increased during the year to 5.7%. The first quarter of FY13 showed patchy signs of improvement across all sectors, however this was short-lived. Uncertain economic conditions continued to weaken business confidence, which in turn adversely impacted hiring sentiment. In October 2012, the 'tap turned off' in the mining and manufacturing sectors, having a severe impact on the state economies of Western Australia and Queensland, with flow-on impacts to most other sectors. To date we have seen few signs of any meaningful recovery. An unstable government and the long lead time up to the federal election fuelled a 'maintain and hold' mindset that resulted in limited opportunities for job growth.

The New Zealand job market was negatively affected by the continuing impact of environmental disasters, as well as ongoing global economic uncertainty. The latter also affected the Singapore market, however we expect to capitalise on opportunities in this market as a result of investments made during the fourth quarter of the financial year.

"Our operating cash flow continued to be well managed, with operating cash flow before/after interest and taxation in the current year at \$8.6m/\$3.4m as compared to \$8.4m/\$1.7m in the pcp."

Chief Executive Officer's Review

Kevin Levine

Results highlights

Total Revenue during the year was $237.7m, representing a reduction of 18% compared to the prior year. Despite this, we successfully resigned all key volume accounts that were up for review during the period. While this resulted in some margin pressure from the client base, it provided the necessary stability and underpins the strength of our contractor revenue base.

The uncertain business conditions experienced by many employers resulted in inconsistent business volumes, and the recruitment landscape remains extremely competitive. We continue to be mindful of the need to balance both growth and margins, and management continue to monitor this closely. While improvements in productivity were achieved, these benefits were neutralised by the decline in our overall headcount. Even with reduced consultant numbers, it was encouraging to have both permanent and contracting volumes stabilise during the second half of the year.

Overall, Gross Margin, or Net Disposable Revenue (NDR), was $39.7m, down from $55.7m in the previous year. Permanent placements, which are our most profitable line of business, accounted for 41% of our NDR, down from 44.3% the previous year. Volumes were considerably down on last year due to weak business confidence, with employers' simply not hiring, down-sizing or in some instances, focusing more heavily on fixed-term, contract and temporary recruitment solutions. Contract and temporary recruitment contributed 53.2% of NDR and we continue to focus on building our strength in this area.

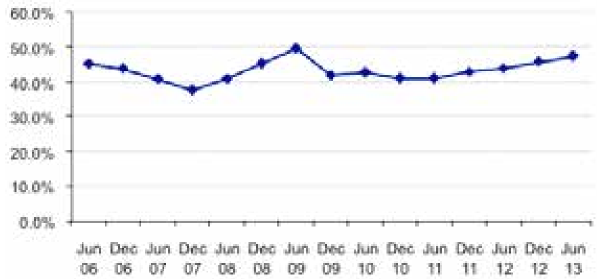
Our overall measure of performance, EBITDA to NDR, averaged 5.1%, down on the previous year's activity, largely as a result of reduced gross profit, particularly with lower volumes of permanent placements as clients have found security in using a temporary contract workforce in this uncertain period, across all of our markets.

Capital management

In light of the successful restructure of our debt facility, prudent capital management remains the key priority for Rubicor and the Directors have again decided not to declare a dividend. Vendor earn-outs of $1.3m were paid in November 2012. The balance of these liabilities of $1.0m reduced as a result of lower earnings.

Our operating cash flow continued to be well managed, with operating cash flow before/after interest and taxation in the current year at $8.6m/$3.4m as compared to $8.4m/$1.7m in the prior corresponding year.

Consultant costs to NDR

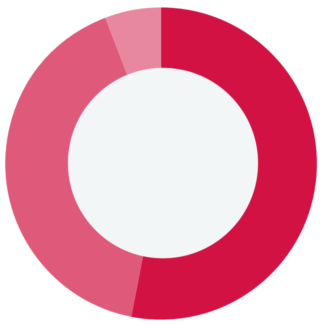


Underlying EDITDA to NDR

Industry

- Financial (incl. accounting) 19.2%
- Business Support 16.9%
- Blue Collar 15.5%
- IT 15.5%
- Government (incl. health) 14.2%
- Sales and Marketing 9.2%
- Resources 8.7%
- Legal 0.8%

Service



- Temporary: 53.2%
- Permanent: 41%
- Other (including human capital solutions): 5.8%

Chief Executive Officer's Review

Kevin Levine

Strategic focus

In response to a challenging market and in line with the appointment of a re-energised leadership team, management focused on the objective of unlocking the value in the brands, and in doing so, positioned the business to continue to deliver value to our clients and candidates whilst retaining relevance in a vastly competitive space. Specific and measurable initiatives were devised and delivered, including:

Management and operational restructure. A corporate restructure was carried out - following my appointment as CEO and Sue Turk as COO - in January 2013. This marked a shift in strategy to unlock the existing value within our network of brands through increasing efficiency, extracting synergies and reducing costs. Operations were restructured to align complementary specialist brands within industry sectors and vertical markets. This resulted in the Group streamlining the operating and management structure, where nine of the existing brands were positioned under the two newly created specialist Groups; Professional Services (Apsley, SMF, Credit Recruitment, Dolman & Gemteq Sales & Marketing) and Digital, Technology, Media & Communications (Xpand, SkillSearch, CiTP and Gemteq IT). Additionally, through a strategic integration, the nine brands reduced to five, resulting in eight brand Managing Directors being replaced by two Group Managing Directors.

This restructure has meant that our existing talent pools now service a much wider customer base. Utilising this more efficient and collaborative approach to service delivery, we are effectively positioned to facilitate stronger long-term client and candidate relationships, increasingly adding value by delivering a broader product offering to clients and providing more job opportunities to candidates. Having undertaken these changes in the second half of the year, the business is in good shape to experience further efficiency benefits in FY14.

Office co-location and brand alignment. As part of the ongoing drive for improved synergies we have continued the process of consolidating the number of offices through co-locating complementary brands. During the financial year there was a reduction in the number of offices from 23 to 17. While this has assisted in reducing the cost base, it has also improved collaboration between businesses, leveraging each business' area of expertise, and increasing joint initiatives. The consolidation of further offices, resulting in rental savings, have been identified for FY14.

Improve operating performance. The Rubicor management team will continue to actively pursue initiatives to enhance the Group's overall performance, including the closure of non performing brands operating in markets with limited growth potential.

Growth in consultant headcount. Additional investment will be allocated to increase consultant headcount in order to fill identified gaps and address growth opportunities. Management will continue to monitor consultant costs in line with economic conditions and identify and action cost saving opportunities where necessary.

Improved consultant productivity. While the Group's overall performance levels declined in line with market instability, we did recognise improved consultant productivity during the year. The decline in our consultant headcount, resulting from market pressures (215 to 175) meant the impact of consultant productivity was neutralised. Despite reduced headcount, permanent and contracting volumes stabilised throughout the second half of the year, in response to our operational changes.

Asian expansion plans. Towards the end of the financial year, Asia was identified as a significant geography to pursue growth opportunities. Rubicor has operated in this region for a number of years, however we were previously restricted from making a significant impact and contribution to the region because of our financial position. With the removal of our debt, we have started to make inroads and substantial investment in growing the Singapore operation. This has included the appointment of two practice heads, the addition of new consultants and the re-location of premises that has enhanced our employer proposition.

We will continue to invest in Singapore to broaden the Company's product and service offering in the current financial year. Rubicor is committed to increasing its Asian footprint and plans to open a second office in Asia during the second half of FY14.

Penetration of RPO offering. Commercialisation of our Managed Service offering (RPO) has generated greater penetration within the existing client base, and further opportunities for FY14 have been identified across Australia and Asia.

Group technology strategy. Unlocking the full value and extracting all the synergies across the Group to the fullest extent cannot be achieved without the use of technology. We have embarked on a program to implement an enterprise level, fully integrated, database platform. When launched, the common database platform is expected to result in increased revenue benefits through enhanced client and candidate visibility, improved collaboration and greater cross-selling opportunities across our network of brands. We expect the new database platform will also enable significant cost savings and efficiencies in the back office in FY15.

Outlook

Rubicor achieved two significant milestones in the second half of FY13, the restructuring of our business and the removal of our debt. The streamlined structure has re-energised our business and positions us to unlock significant value at both the brand and Group levels through driving sustainable growth, enhanced productivity and improved revenue outcomes.

The recent debt restructure provides the necessary stability, and a solid platform for us to pursue our strategic initiatives.

As we look forward, we are confident that we are now well placed to invest in consultant headcount and expand our Asian footprint in the coming year.

Sustainability

Rubicor views sustainability and responsibility as integral to good business practice. In all our dealings with our stakeholders – employees, clients, candidates, investors or the wider community – we strive to be accountable, ethical and principled.

Governance and risk

Rubicor has adopted a written Code of Conduct, which applies to all of its executive and non-executive Directors, officers, employees, contractors and consultants. This code ensures that all persons dealing with Rubicor can be guided by the stated values and practices of Rubicor. Rubicor has also endorsed each of the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations, exemplifying its commitment to good corporate governance. The Board ensures that Rubicor management maintains the highest level of corporate ethics.

People management – employees, clients and candidates

Rubicor recognises the value and contribution employees make to the ongoing success of our business. We have an established range of employee policies and procedures to support the recruitment, retention and recognition of employees, including equality and diversity, health and safety, reward and recognition, and training and development. To ensure that executive remuneration is aligned with shareholders' interests, a significant portion of executive remuneration is at risk and dependent upon both the short-term and long-term performance of the Company. Rubicor is committed to the highest standards of customer care, for both its clients and its candidates and to meeting or exceeding industry expectations of best practice.

Diversity

Rubicor has a greater diversity balance when compared to Australian workplace statistics. As at 30 June 2013, 69.8% of Rubicor's workforce was female, compared to the national average of 45.8%. 35.7% of heads of our operating companies are women; and 33.0% of our executive team is female. Rubicor understands the value of balance in the workplace and actively promotes this. Our diversity policy recognises the needs of return-to-work employees, flexible work arrangements and other needs associated with diversity in the workplace. (National statistics sourced from Workplace Gender Equality Agency as at July 2013).

Environmental footprint

Rubicor has a relatively small carbon footprint, based on our employee numbers and the nature of our operations. However we continually strive to reduce the environmental impact of our organisational activities. Rubicor is developing and implementing strategies to manage carbon emissions across its businesses including: encouraging energy efficiency across all states and geographies; the purchase of energy efficient equipment; ongoing management of business related travel, in particular air travel; consideration of energy efficient alternatives in the design of Rubicor premises; the minimisation of waste and the recycling of resources; and encouraging the engagement of suppliers with energy efficient practices and policies. Rubicor also encourages shareholders to receive investor communications electronically.

Social sustainability

Rubicor encourages its operating businesses to contribute back to the communities in which they operate. Some choose to do this through approved charitable donations, others by supporting grass roots community activities. We believe a proactive approach to community engagement is important in instilling a sense of social responsibility or 'good corporate citizen' in our work ethic. All employees are granted a special day each year to contribute to and support their charity or community body of choice.

Director's Report

Your Directors present their annual financial report on the Company and its controlled entities for the financial year ended 30 June 2013. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

1. General information

(a) Directors

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

Names	Appointed
John Pettigrew	2 March 2007
Robert Aitken	6 May 2005
Russel Pillemer	10 September 2004
Steven Hatch	3 September 2013
Jane Beaumont	29 January 2009

The above named directors held office during the whole of the financial year and since the end of the financial year except for:
- Jane Beaumont (retired 15 January 2013)
- Robert Aitken (retired 3 September 2013)
- Steven Hatch (appointed 3 September 2013)

(b) Directors' information

John Pettigrew FCPA, FCIS, FCSA, FCIM, FAICD
John is Chairman and a non-executive Director of the Company, Chair of both the Nomination and Corporate Governance Committee and the Remuneration and Human Resources Committee, and a member of the Audit and Risk Management Committee. He joined the Company in March 2007.

John has extensive experience in senior finance and commercial roles in a number of corporations and industry sectors. Joining Stockland Trust Group in 1977 as Chief Financial Officer and becoming Finance Director in 1982, John established compliance, audit and risk management committees and led teams to accomplish several successful takeovers. He also had significant roles in structuring and managing listed property trusts, developing the first Australian stapled security and establishing domestic and international unsecured note programs for Stockland.

John is currently also a director of Astro Japan Property Group Limited.

Interests in shares and options:
1,180,000 shares in Rubicor Group Limited
Nil options in Rubicor Group Limited

Robert Aitken BE (Chem) (Hons), MBA
Until his retirement on 3 September 2013, Robert was a non-executive Director of the Company and a member of the Audit and Risk Management Committee, Chair of the Remuneration and Human Resources Committee and a member of the Nomination and Corporate Governance Committee. He joined the Company in May 2005.

Robert has over 27 years' experience in senior international management roles. Throughout his career, Robert has worked across the manufacturing, industrial marketing and distribution business sectors including roles as Executive General Manager, Southcorp Limited and President, Formica Corporation, USA. Robert was Chairman of the Rubicor Group Board from 6 May 2005 to 1 April 2010. He is also currently a Director of SAI Global Limited and Chair of Nuplex Industries Limited.

Interests in shares and options:
5,108,397 shares in Rubicor Group Limited
Nil options in Rubicor Group Limited

Russel Pillemer CA, BCom (Hons)
Russel is a non-executive Director of the Company, a member of the Remuneration and Human Resources Committee and Nomination and Corporate Governance Committee, and is the Chairman of the Audit and Risk Management Committee. He was one of the initial founders and sponsors of Rubicor.

Russel is the CEO and a Director of Pengana Capital Limited. He has over 22 years' experience in the investment banking and funds management industries. In 1994 he joined Goldman Sachs and Co, where he had responsibility for leading the financial institutions effort in Australia.

In 1999 he relocated to New York, working in the Financial Institutions Group for Goldman Sachs and Co, specialising in mergers and acquisitions, capital raisings and the provision of general strategic advice to financial services companies. Previously, Russel worked in the corporate finance group of Ernst and Young. He is a member of the Institute of Chartered Accountants in Australia.

Interests in shares and options:
2,993,084 shares in Rubicor Group Limited
Nil options in Rubicor Group Limited

Steven Hatch

Steven is a Director of the Company and a member of the Audit and Risk Management Committee, the Remuneration and Human Resources Committee, and the Nomination and Corporate Governance Committee. He joined the Company in September 2013.

Steven has more than 10 years' experience in the management of and consulting to a large number of companies across employment services, talent management and training.

Steven was a founder of the J2S Group a leading training and talent management company. Throughout his tenure at J2S, Steve took over a number of distressed businesses and restructured them to form the basis of the J2S Group. J2S was contracted by the federal government to design and deliver a program for recruitment and employment services companies on the benefits of employing mature aged workers. This program was delivered in association with the RCSA (Australia's Recruitment Body) to their member organisations. J2S was later awarded a further contract under the Wise Workforce program to promote mature aged employment to employers.

Steven has been involved in managing a large number of business restructurings, the most recent being a large international hospitality training and recruitment company under severe financial pressure. Steven was at the forefront of the restructure, splitting the business into four parts and brokered the sale of each.

Interests in shares and options:
13,221,252 shares in Rubicor Group Limited
Nil options in Rubicor Group Limited

Jane Beaumont

Jane was Chief Executive Officer and an executive Director of the Company. She joined Rubicor in September 2006 as Chief Operating Officer and was promoted to Chief Executive Officer on 1 April, 2009. Jane retired on 15 January, 2013.

Jane has over 33 years' recruitment experience in the UK and Australasian markets. Prior to Rubicor, Jane spent five years with Manpower as Vice President Sales responsible for business acquisition and strategic sales. In 2001 she took on the role of Managing Director for Spherion's recruitment group in the Asia Pacific. After Spherion was acquired by Ross Human Directions Limited in June 2004, Jane spent two years as Managing Director for the group's recruitment businesses as a board appointee.

Interests in shares and options:
129,758 shares in Rubicor Group Limited
Nil options in Rubicor Group Limited

Directorships of other listed companies

Directorships of other listed companies held by Directors in the three years immediately before the end of the financial year are as follows:

Name:	Company:	Period of directorship:
John Pettigrew	Astro Japan Property Group Limited (formerly Babcock and Brown Japan Property)	Since 2005
Robert Aitken	Nuplex Industries Limited	Since 2006
	SAI Global Limited	Since 2013

(c) Principal activities

The principal activity of the Group during the financial year was the provision of contracting and recruitment services over a diversity of industry sectors throughout Australasia and also in Singapore.

There have been no significant changes in the nature of the Group's principal activities during the financial year.

(d) Company secretary

Sharad Loomba is General Counsel and Company Secretary of the Company and a Director of each of its subsidiaries throughout Australia, New Zealand and South East Asia. Sharad advises the CEO and the Board in connection with legal and corporate governance matters and is responsible for the legal and company secretarial functions across the Rubicor Group.

Sharad is a corporate and commercial lawyer with over 20 years' experience in mergers and acquisitions, capital markets, joint ventures and corporate advisory (including banking, employment, leasing and litigation). He began his career as a solicitor with Allen Allen & Hemsley in 1993 and has since worked with Cravath, Swaine & Moore (New York) , Clayton Utz and Landerer & Company, prior to joining the Rubicor Group in May 2007.

Sharad has a Bachelor of Commerce and a Bachelor of Laws from the University of New South Wales, and has been admitted as a Graduate of the Australian Institute of Company Directors.

(e) Directors' meetings

	Board		Audit and Risk Management Committee		Remuneration and Human Resources Committee		Nomination and Corporate Governance Committee	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
John Pettigrew	22	22	2	2	2	2	2	2
Jane Beaumont	13	13	-	-	-	-	-	-
Robert Aitken	22	18	2	2	2	2	2	2
Russel Pillemer	22	21	2	2	2	2	2	2

2. Business review

(a) Operating results

The consolidated loss of the Group attributable to equity holders after providing for income tax amounted to $24.4 million (2012: loss of $61.6 million).

(b) Review of operations

Information on the operations and financial position of the Group and its business strategies and prospects is set out in the Chairman's Review and the Chief Executive Officer's Review.

(c) Significant changes in state of affairs

There were no significant changes in the state of affairs of the Group.

(d) Future developments

Likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations are referred to generally in the Chairman's Review and the Chief Executive Officer's Review.

Further information on likely developments, including expected results would, in the Directors' opinion, result in unreasonable prejudice to the Group and has therefore not been included in this report.

(e) Events subsequent to balance date

Subsequent to year end, the Company restructured its debt facilities. As a result, all debt obligations in respect of the Loan facilities (Term and Subordinated facility) and Bank Overdraft facility, which in aggregate amounted to $95.6m at settlement, have been extinguished in full, in exchange for $7.0m. This has resulted in a gain of $88.6m. The Company has secured new funding in the form of a debtor finance facility ("Debtor Finance Facility") with an initial limit of $15m. The Debtor Finance Facility provides funding based on approved receivables and the limit will adjust in line with the value of the approved receivables. This facility has a three year term with no annual review, no financial covenants and no facility amortisation repayments. Funding provided under this facility is however dependent upon the purchased receivables remaining approved until they are collected. Other facilities (rental guarantees) in the amount of $1.9m remain in place in the short-term, and have been cash backed by funds drawn from the Debtor Finance Facility.

The additional headroom under the Debtor Finance Facility is expected to provide Rubicor with appropriate working capital to fund the business, extinguish all Vendor earn-out payments and support the growth potential of Rubicor over the medium-term.

3. Other information

(a) Loans to Directors and executives

There are no loans to Directors. Information on loans to executives, including amounts, interest rates and repayment terms are set out in Note 6(d) of the financial statements.

(b) Options

Unissued shares of Rubicor Group Limited under option at the date of this report are as follows:

Date options granted	Expiry date	Issue price of shares	Number under option
October 2005[1]	December 2015	Nil	180,908
August 2006[1]	December 2015	Nil	171,282
April 2008[1]	December 2018	0.37	225,512
May 2008[1]	December 2018	0.26	80,000
July 2010[2]	June 2017	0.05	1,548,800
July 2010[3]	June 2017	0.05	1,060,000
July 2011[4]	June 2018	0.05	1,626,240
TOTAL			**4,892,742**

No option holder has any right under the options to participate in any other share issue of the Company or any other entity. A total of 657,702 options were capable of being exercised during the year ended 30 June, 2013.

(c) Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

Details of the amounts paid to the auditor (Deloitte Touche Tohmatsu) for audit and non-audit services provided during the year are outlined in Note 4 to the financial statements.

The Board of Directors has considered the position and, in accordance with the advice received from the Audit and Risk Management Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Audit and Risk Management Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 'Code of Ethics for Professional Accountants'.

(d) Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307c of the *Corporations Act 2001* is set out on page 21.

(e) Dividends

In respect of the financial year ended 30 June, 2013, no ordinary dividends have been paid (2012: nil).

Dividends were paid during the financial year on redeemable preference shares totalling $0.01 million (2012: $0.81 million). These dividends are classified as part of vendor liabilities. Refer to Note 36.

(f) Environmental issues

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

(g) Indemnifying officers or auditors

Insurance of officers

During the financial year, Rubicor Group Limited paid a premium to insure the Directors and secretaries of the Company and its Australian, New Zealand and Singapore based controlled entities.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a willful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

1 Options have a five-year vesting period and expire five years after they become exercisable. No options were exercised during the year via on-market share purchase and no options have been exercised post year end.

2 Options have a three-year vesting period and expire on 30 June 2017. The options are subject to performance hurdles based on compound annual EBITDA growth over the base year, 2010, calculated over a three-year period. The hurdle requires the meeting of a minimum of 10% compound annual EBITDA growth to participate and a 20% compound annual EBITDA growth in order for 100% of the options to vest. The options can be retested at the end of year four based on a four-year compound growth period.

3. Options have a three-year vesting period and expire on 30 June 2017. The options are subject to performance hurdles based on compound annual EBITDA growth over the base year, 2010, calculated over a three-year period. The hurdle requires the meeting of at least 10% compound annual EBITDA growth in order for the options to vest. The options can be retested at the end of year four based on a four-year compound growth period.

4 Options have a three-year vesting period and expire on 30 June 2018. The options are subject to performance hurdles based on compound annual EBITDA growth over the base year, 2011, calculated over a three-year period. The hurdle requires the meeting of a minimum of 10% compound annual EBITDA growth to participate and a 20% compound annual EBITDA growth in order for 100% of the options to vest. The options can be retested at the end of year four based on a four-year compound growth period.

Director's Report

(h) Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

(i) Rounding off of amounts

The Company is a Company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the Directors' Report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

4. Remuneration report – audited

The remuneration report is set out in the following main headings:

(a) Key management personnel
(b) Relationship between the remuneration policy and Company performance
(c) Principles used to determine the nature and amount of remuneration
(d) Non-executive Director remuneration
(e) Details of remuneration
(f) Executive service agreements
(g) Share-based compensation
(h) Additional information

(a) Key management personnel

The following persons acted as Directors of the Company during or since the end of the financial year:

- John Pettigrew (Chairman)
- Robert Aitken [1]
- Russel Pillemer
- Steven Hatch [2]
- Jane Beaumont (Chief Executive Officer) [3]

The term 'other key management personnel' is used in this remuneration report to refer to the following executives:

- Kevin Levine (Chief Executive Officer) [4]
- Sharad Loomba (General Counsel and Company Secretary)
- Sue Turk (Chief Operating Officer) [5]
- Geraldine Ellis-Maguire (General Manager Operations) [6]

Key management personnel include both the Directors and other key management personnel named above.

(b) Relationship between the remuneration policy and Company performance

Cash bonuses are linked to the annual profit levels of the Group in comparison with the budgeted performance of the Group.

The executive Director and other key management personnel are aligned with the long-term Company performance via the participation through the Senior Executive Share Plan Scheme and the Key Employee Share Option Plan.

The table below sets out summary information about the Group's earnings and movements in shareholder wealth for the five years to June 2013:

	30 June 2013 $000	30 June 2012 $000	30 June 2011 $000	30 June 2010 $000	30 June 2009 $000
Revenue	**237,695**	290,535	291,722	280,613	316,757
Net loss before tax	**(23,956)**	(56,872)	(6,175)	(9,066)	(46,124)
Net loss after tax	**(23,940)**	(61,127)	(5,446)	(8,199)	(43,937)

	30 June 2013	30 June 2012	30 June 2011	30 June 2010	30 June 2009
Share price at end of year (dollars)	**0.004**	0.01	0.02	0.04	0.03
Interim dividend (cents)	**-**	-	-	-	-
Final dividend (cents)	**-**	-	-	-	-
Basic loss per share (cents)	**(22.3)**	(56.2)	(5.3)	(7.6)	(40.7)
Diluted loss per share (cents)	**(22.3)**	(56.2)	(5.3)	(7.6)	(40.7)

1 Rob Aitken retired 3 September 2013.
2 Steven Hatch was appointed 3 September 2013.
3 Jane Beaumont retired 15 January 2013.
4 Kevin Levine was Chief Financial Officer of Rubicor Group Ltd before being appointed as Chief Executive Officer on 15 January 2013.
5 Sue Turk was General Manager Operations before being appointed as Chief Operating Officer on 15 January 2013.
6 Geraldine Ellis-Maguire ceased employment with Rubicor Group Limited on 31 December 2012.

(c) Principles used to determine the nature and amount of remuneration

The objective of the Company's executive reward framework is to ensure that reward for performance is competitive and appropriate for the results delivered. The framework seeks to align executive reward with achievement of strategic objectives and the creation of value for shareholders.

The Board seeks to ensure that executive reward satisfies the following key criteria for good reward governance practices:

- Competitiveness and reasonableness
- Acceptability to shareholders
- Performance linkage/alignment of executive compensation
- Transparency
- Capital management

Alignment of shareholders' interest

- Focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant return on assets as well as focusing the executive on key non-financial drivers of value
- Attracts and retains high-calibre executives

Alignment to program participants' interests

- Rewards capability and experience
- Provides a clear structure for earning rewards
- Provides recognition for contribution to the business

The framework provides a mix of fixed and variable pay, and a blend of short and long-term incentives.

The Board has established a Remuneration and Human Resources Committee which provides advice on remuneration and incentive policies and practices and specific recommendations on remuneration packages and other terms of employment for executives and Directors. The Corporate Governance Statement provides further information on the role of this committee.

Executive pay

The executive pay and reward framework has three components:

- Base pay and benefits, including superannuation
- Short-term performance incentives
- Long-term incentives provided in cash and through participation in the Rubicor Senior Executive Share Plan and Key Employee Share Option Plan

The combination of these comprises the executive's total remuneration.

Base pay

Base pay is determined by reference to appropriate benchmark information, taking into account an individual's responsibilities, performance, qualifications and experience, the broad objective being to pitch fixed remuneration at median market levels.

Base pay is structured as a package, which may be delivered as a mix of cash and other benefits, such as the provision of a motor vehicle, at the executive's discretion. There are no guaranteed base pay increases in any executives' employment contracts.

Short-term incentives

The Board determined there was no short-term incentive plan for the year ended 30 June, 2013.

Director's Report

Long-term incentives
For the year ended 30 June, 2013 long-term incentive (LTI) awards were made to the following key executives in the amounts as noted below. The amounts relate to options granted in prior years.

Name	Total Benefits 2013 $	Escrowed Benefits relating to 2012 $	Escrowed Benefits relating to 2011 $	Escrowed Benefits relating prior to 2010 $
Kevin Levine	**3,292**	814[1]	2,478[2]	-
Sharad Loomba	**2,194**	542[1]	1,652[2]	-
Geraldine Ellis-Maguire	**(1,540)**	-	(1,280)[3]	(260)
Sue Turk	**640**	-	640[3]	-

Details of the LTI awards for the year ended 30 June, 2013 are given in section (g) and (h) below.

(d) Non-executive Director remuneration
Non-executive Directors' fees are reviewed annually and are determined by the Board based on recommendations from the Remuneration and Human Resources Committee. In making its recommendations, the Remuneration and Human Resources Committee takes into account fees paid to other non-executive Directors of comparable companies and where necessary will seek external advice.

In accordance with the Company's Constitution, the Directors are entitled to receive fees not exceeding $600,000 per annum in aggregate to be divided among the Directors as they may determine. Fees for non-executive Directors are not linked to performance. The non-executives received fees of $320,391 during the year as follows:

- John Pettigrew - $143,095
- Robert Aitken - $87,748
- Russel Pillemer - $89,548

The Company does not operate equity plans for non-executive Directors.

Non-executive Directors are entitled to statutory superannuation. Amounts paid for statutory superannuation are included as part of the Directors' fees. There are no other schemes for retirement benefits for non-executive Directors.

(e) Details of remuneration
Details of remuneration of the Directors and other key management personnel of Rubicor Group Limited are set out in the tables on page 17.

The key management personnel of Rubicor Group Limited includes the Directors as per page 14 and the following executives who have authority and responsibility for planning, directing and controlling activities of the Group.

1 The amounts for Kevin Levine and Sharad Loomba are weighted 80% cash and 20% share options, payable to them if they continue employment with the Company until June 2014 and subject to satisfaction of a minimum performance hurdle of 10% compound annual growth in EBITDA of the Company for the period 1 July 2011 through 30 June 2014 from a base of $11.3 million (20% compound annual growth required for 100% vesting), with a re-test point at 30 June 2015. The executives have been issued with cash rights and share options to satisfy this grant, subject to the abovementioned performance hurdle.

2 The amounts for Kevin Levine and Sharad Loomba are weighted 80% cash and 20% share options, payable to them if they continue employment with the Company until June 2013 and subject to satisfaction of a minimum performance hurdle of 10% compound annual growth in EBITDA of the Company for the period 1 July 2010 through 30 June 2013 from a base of $9.0 million (20% compound annual growth required for 100% vesting), with a re-test point at 30 June 2014. The executives have been issued with cash rights and share options to satisfy this grant, subject to the abovementioned performance hurdle.

3 Share options payable if employment continues with the Company until June 2013 and subject to satisfaction of a minimum performance hurdle of 10% compound annual growth in EBITDA of the Company for the period 1 July 2010 through 30 June 2013 from a base of $9.0 million (10% compound annual growth required for 100% vesting), with a re-test point at 30 June 2014.

2013	**Short-term employee benefits**		**Post-employment benefits**			**Share-based payment**	
Name	**Cash salary and fees $**	**Cash bonus $**	**Super-annuation $**	**Termination payments $**	**Long-term employee benefit $**	**Shares and Options $**	**Total $**
Non-executive Directors							
John Pettigrew	**131,280**	**-**	**11,815**	**-**	**-**	**-**	**143,095**
Robert Aitken	**80,503**	**-**	**7,245**	**-**	**-**	**-**	**87,748**
Russel Pillemer	**82,154**		**7,394**	**-**	**-**	**-**	**89,548**
Executive Director							
Jane Beaumont [2]	**311,439**	**-**	**27,727**	**69,936[5]**	**-**	**-**	**409,102**
Other key management personnel							
Kevin Levine [1]	**328,933**	**-**	**21,974**	**-**	**-**	**3,292**	**354,199**
Sharad Loomba	**256,714**	**-**	**25,000**	**-**	**-**	**2,194**	**283,908**
Geraldine Ellis-Maguire [4]	**132,528**	**-**	**17,867**	**116,766[6]**	**-**	**(1,540)**	**265,621**
Sue Turk [3]	**278,123**	**-**	**25,000**	**-**	**-**	**640**	**303,763**
Total key management personnel compensation	**1,601,674**	**-**	**144,022**	**186,702**	**-**	**4,586**	**1,936,984**

1 Kevin Levine was Chief Financial Officer of Rubicor Group Ltd before being appointed as Chief Executive Officer on 15 January 2013.
2 Jane Beaumont retired 15 January 2013.
3 Sue Turk was General Manager Operations before being appointed as Chief Operating Officer on 15 January 2013.
4 Geraldine Ellis-Maguire ceased employment with Rubicor Group Limited on 31 December 2012.
5 The termination amount for Jane Beaumont is a payment in lieu of notice.
6 The termination amount for Geraldine Ellis-Maguire includes payment in lieu of notice, and a bona fide redundancy payment.

2012	Short-term employee benefits		Post-employment benefits			Share-based payment	
Name	Cash salary and fees $	Cash bonus[1] $	Super-annuation $	Termination payments $	Long-term employee benefit $	Shares and Options $	Total $
Non-executive Directors							
John Pettigrew	138,573	-	12,472	-	-	-	151,045
Robert Aitken	84,975	-	7,648	-	-	-	92,623
Russel Pillemer	86,718	-	7,805	-	-	-	94,523
Executive Director					-		
Jane Beaumont	442,927	50,820	39,863	-	200,000	3,811	737,421
Other key management personnel							
Kevin Levine	319,213	28,986	25,000	-	-	7,865	381,064
Sharad Loomba	268,633	24,717	25,000	-	-	5,365	323,715
Geraldine Ellis-Maguire	265,819	24,360	24,081	-	-	820	315,080
Sue Turk	265,390	24,360	24,042	-	-	640	314,432
Total key management personnel compensation	**1,872,248**	**153,243**	**165,911**	**-**	**200,000**	**18,501**	**2,409,903**

1 20% of the total short-term incentive available to be earned has vested in the current year. No amounts vest in future financial years in respect of the short-term incentive bonus scheme for the 2012 financial year. 80% of the total short-term incentive available to be earned was forfeited in the current financial year.

Other transactions with key management personnel
Information on share-based payments and other transactions with key management personnel is set out in Notes 6, 33 and 34 respectively.

(f) Executive service agreements
On appointment to the Board, all non-executive Directors sign a letter of appointment with the Company. The letter summarises the terms including compensation, relevant to the office of Director.

All contracts with executives may be terminated by either party with a notice period of three months, subject to termination payments detailed below. Executives are typically restricted for six months after termination from conducting or engaging in competing businesses and from solicitation of clients and employees of the Company.

Jane Beaumont *Chief Executive Officer*
- Jane Beaumont retired on 15 January, 2013.

Kevin Levine *Chief Executive Officer*
- Term of agreement – unlimited in term but capable of termination on three months' notice and the Company retains the right to terminate the contract immediately by making a payment in lieu of notice.
- Base salary, inclusive of superannuation of $350,907 per annum for the year ended 30 June, 2013, to be reviewed annually by the Remuneration and Human Resources Committee.
- Payment of a termination benefit on early termination by the Company, other than for gross misconduct, equal to $85,986.

Sharad Loomba *General Counsel and Company Secretary*
- Term of agreement – unlimited in term but capable of termination on three months' notice and the Company retains the right to terminate the contract immediately by making a payment in lieu of notice.
- Base salary, inclusive of superannuation, of $281,714 per annum for the year ended 30 June, 2013, to be reviewed annually by the Remuneration and Human Resources Committee.
- Payment of a termination benefit on early termination by the Company, other than for gross misconduct, equal to $63,777.

Sue Turk *Chief Operating Officer*
- Term of agreement – unlimited in term but capable of termination on three months' notice and the Company retains the right to terminate the contract immediately by making a payment in lieu of notice.
- Base salary, inclusive of superannuation, of $303,123 for the year ended 30 June, 2013, to be reviewed annually by the Remuneration and Human Resources Committee.
- Payment of a termination benefit on early termination by the Company, other than for gross misconduct, equal to the corresponding portion of salary package in lieu of any part of the notice period that the Company does not require the executive to serve.

Geraldine Ellis-Maguire *General Manager Operations*
- Geraldine Ellis-Maguire ceased employment with Rubicor Group Limited on 31 December, 2012.

(g) Share-based compensation
Senior Executive Share Plan
Shares
The Company established the Senior Executive Share Plan on 24 April, 2007. The Senior Executive Share Plan is intended to provide incentives to attract, retain and motivate key executives whose present and potential contributions are important to the success of the Company and its subsidiaries by offering them an opportunity to share in the ownership of the Company. The Senior Executive Share Plan is administered by the Board in its discretion. The terms and conditions of the Senior Executive Share Plan are summarised below.

Plan Shares were made available under the Senior Executive Share Plan to the following key executives of the Company in August and November 2007:

Key Executive	Amount
Wayman Chapman	$300,000
Kevin Levine	$180,000
Jane Beaumont	$150,000
Sharad Loomba	$120,000

The Plan Shares were acquired at a price equal to the weighted average market price for shares for the five trading days prior to issue of the Plan Shares ($0.91). The Company provided a loan to participants under the Share Plan for 100% of the purchase price of the Plan Shares to enable the participant to acquire the Plan Shares (Loan). The Loan has been provided on an interest-free basis. The Loan is repayable on the fifth anniversary of the date when the Loan was provided or otherwise in accordance with its terms (although the Board may vary the repayment period). If the performance conditions attaching to Plan Shares issued under the Share Plan have been satisfied, the Board will waive the loan repayment except for the portion equal to the fringe benefits tax payable on the Loan. The Loans from the Company to the above key executives will be repayable and the Plan Shares will become transferable to the key executive upon the satisfaction of certain performance hurdles based on the performance of the Company measured by:

- earnings per share growth over the period 1 July, 2007 to 30 June, 2010 retested at 30 June, 2011 and 30 June, 2012;

- total shareholder return ranking against the S&P/ASX Small Ordinaries index for the corresponding period; and

- as the performance conditions have not been met for the above mentioned period, they are subject to a retest in year four and/or year five.

The number of ordinary shares acquired is in relation to the services to be performed for three years up to 30 June 2010:

Key Executive	2008 shares
Wayman Chapman	423,204
Kevin Levine	235,088
Jane Beaumont	195,906
Sharad Loomba	163,003

As required by AASB2, the fair value of the shares issued is determined as the market price at grant date.

The performance conditions have not been met and the Share Plan shares have lapsed (refer to Note 33). As a result, $214,000 was transferred from the share-based payment reserve to accumulated losses for the year ended 30 June, 2012. As the shares have lapsed no share-based payment expense was recongnised for the financial year ended 30 June, 2013 (2012: $19,789).

Options

None of the non-executive Directors of Rubicor Group Limited, are eligible to participate in the Company's Key Employee Share Option Plan. For details in relation to the Key Employee Share Option Plan refer to note 34.

(h) Additional information

Details of remuneration: options

For each grant of options, the percentage of the available grant that was vested in the financial year and the percentage forfeited because the person did not meet the service and performance criteria is set out below:

Senior Executive Share Plan Shares and Options

Name	Grant date	Expiry date	Fair Value $	Number granted	Number vested	% of grant vested	% of grant forfeited	% of compensation for the current year consisting of plan shares and options
Options								
Kevin Levine	July 2010	Jun 2017	0.02	929,280	-	0%	0%	0.70%
Kevin Levine	July 2011	Jun 2018	0.01	975,744	-	0%	0%	0.23%
Sharad Loomba	July 2010	Jun 2017	0.02	619,520	-	0%	0%	0.58%
Sharad Loomba	July 2011	Jun 2018	0.01	650,496	-	0%	0%	0.19%
Geraldine Ellis- Maguire	May 2008	Dec 2018	0.04	75,000	60,000	80%	20%	0.00%
Geraldine Ellis- Maguire	July 2010	Jun 2017	0.02	150,000	-	0%	100%	0.00%
Sue Turk	July 2010	Jun 2017	0.02	150,000	-	0%	0%	0.21%

No options were exercised during the year by any Director or other key management personnel.
Refer to Note 34 for further details in relation to the Key Employee Option Plan.

Director’s Report

The following table summarises the value of options granted, exercised or lapsed during the year to Directors and other key management personnel:

Name	Value of options granted at the grant date $	Value of options exercised at the exercise date $	Value of options lapsed at the date of lapse[1] $
Kevin Levine	-	-	-
Sharad Loomba	-	-	-
Geraldine Ellis- Maguire	-	-	1,925
Sue Turk	-	-	-

1 The value of options lapsing during the period is the total share-based payment expense from grant date until the date the options lapsed.

Signed in accordance with a resolution of the Board of Directors made pursuant to section 298(2) of the *Corporations Act 2001*:

John Pettigrew
Director

Russel Pillemer
Director

Sydney dated the 26th day of September 2013.

Auditor's Independence Declaration

Deloitte Touche Tohmatsu
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The Board of Directors
Rubicor Group Limited
Level 11, 1 Alfred Street
SYDNEY NSW 2000

26 September 2013

Dear Board Members

Rubicor Group Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Rubicor Group Limited.

As lead audit partner for the audit of the financial statements of Rubicor Group Limited for the financial year ended 30 June 2013, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Alfred Nehama
Partner
Chartered Accountants

Corporate Governance Statement

The Board of Directors of the Company (Board) is responsible for the overall corporate governance of the Company and has adopted as a guiding principle that it act honestly, conscientiously and fairly in accordance with the law and in the interests of the shareholders with a view to building sustainable value for them, the Company's employees and other stakeholders in the Company.

The Board has adopted a suite of governance materials which are available in the Corporate Governance section of the Company's website (www.rubicor.com.au), under "About Us". The governance materials have been prepared and adopted on the basis that corporate governance procedures can add to the performance of the Company and the creation of shareholder value, and help to engender the confidence of the investment market.

This statement sets out the material governance principles and processes adopted by the Board. The Board supports the Corporate Governance Principles and Recommendations, 2nd edition as released by the ASX Corporate Governance Council in 2007 and further amendments made in June 2010 (ASX Principles). The Board considers and applies these recommendations to the extent there is sound reason to do so given the circumstances of the Company.

The Board is responsible for the management of the affairs of the Company and its subsidiaries including:

- strategic and financial performance;
- executive management;
- audit and risk management;
- strategic planning;
- corporate governance; and
- performance evaluation.

The Board must comprise at least three Directors, and will meet no less than six times formally per year. The Board has met twenty two (22) times during the year.

Directors' attendance at Board and committee meetings this year is set out on page 12.

The role of senior management is to manage the Company in accordance with the direction and delegations of the Board and the responsibility of the Board is to oversee the activities of management in carrying out these delegated duties. The Board shall approve all delegations of authority to Board committees and management.

Senior management is invited to attend Board meetings; however the initial part of each meeting is conducted in the absence of senior management.

Responsibilities reserved for the Board are contained in the Board Charter which is available on the Corporate Governance section of the Company's website. Management is responsible for the day to day operation of the Company in line with Board approved delegations of authority.

Board composition

The Board comprised of three (3) independent Directors as at 30 June, 2013 and one executive Director until 15 January, 2013. During the period under review, the members of the Board were:

- John Pettigrew – independent non-executive Chairman;
- Jane Beaumont – Chief Executive Officer and Executive Director (until her retirement from these roles effective 15 January, 2013);
- Robert Aitken – independent non-executive Director (up to 3 September, 2013); and
- Russel Pillemer – independent non-executive Director.
- The Board has appointed Steven Hatch as a non-executive Director effective 3 September, 2013. Steven Hatch holds office of Director up to the 2013 Annual General Meeting (AGM) scheduled for 27 November, 2013 and will be subject to re-election by the shareholders at the AGM.

Independent Directors are those who have the ability to exercise their duties unfettered by any business or other relationship. It is the approach and attitude of each non-executive Director which is critical to determining independence and this must be considered in relation to each Director. Other relevant factors to be taken into account are set out in the Board Charter which is available on the Corporate Governance section of the Company's website.

In accordance with the criteria for an "independent" Director, as set out in the Company's Board Charter, John Pettigrew and Russel Pillemer are considered by the Board as independent non-executive Directors. However, in accordance with this Charter, Steven Hatch is not considered to be an independent non-executive Director of the Company, as Hatch Investments Pty Limited, a company of which he is a Director and shareholder is a substantial shareholder of the Company. Nevertheless, it is the attitude and approach of each Director and the ability to bring an independent judgement in Board deliberations that is critical in determining independence.

A Director may not simultaneously hold the positions of Chief Executive Officer and Chairman of the Board. The Chairman is a non-executive independent Director and there is a clear division of responsibility between the Chairman and the Chief Executive Officer. The Chairman's role is clearly defined in the Board Charter.

With the exception of the Chief Executive Officer, no Director is entitled to hold office for a period beyond three years from re-election, but is eligible for re-election by shareholders. The size and composition of the Board are determined in accordance with the Constitution of the Company. In addition, in accordance with the Board Charter, the Board will comprise Directors with a broad range of skills, expertise and experience from a diverse range of backgrounds.

The Board considers that, collectively the Directors have the range of skills, experience and expertise necessary to govern the Company. Details of each Director's skills, experience and expertise relevant to their position and their term in office and details of their attendance at Board and/or Committee meetings are set out in the Directors' Report included in this 2013 Annual Report.

The Board Charter also provides that a Director is entitled to seek independent professional advice (including, but not limited to, legal, accounting and financial advice) at the Company's expense, on any matter connected with the discharge of his or her responsibilities. A Director must obtain the approval of the Chairman prior to seeking such advice.

The Board has established a Nomination and Corporate Governance Committee which is primarily responsible for:

- establishing a criteria for Board membership, having regard to the desired mix of skills and diversity for the Board;
- periodically assessing the skills required to discharge the Board's duties, having regard to the strategic direction of the Company;
- proposing candidates for directorships for consideration by the Board by using a structured approach to identify a pool of candidates and using external experts where necessary, while having regard to the desired composition as stated in the Board Charter; and
- reviewing any retiring Director's performance and recommending to the Board whether that Director should be re-appointed.

The committee will consider whether it is necessary and desirable to recruit additional Directors, bearing in mind:

- the mix of skills, experience, expertise and diversity of existing Directors;
- the business and strategic needs of the Company;
- the need to replace Directors before scheduled retirements; and
- the opportunity to obtain the services of particular persons with desirable skills when they are available.

The committee is also responsible for implementing the Selection and Appointment of Directors Policy. This policy forms a part of the Nomination and Corporate Governance Committee Charter and is available on the Corporate Governance section of the Company's website.

New Directors are provided with formal appointment letters setting out the key terms and conditions of their appointment, including remuneration. In addition, all senior executives are provided with executive services contracts, which include expectations of their role, term of appointment, termination entitlements and rights and responsibilities.

Details of the Directors, their qualifications, period in office, skills and experiences are detailed on pages 10-11.

Conflicts of interests

Directors of the Company are required to act in a manner which is consistent with the best interests of the Company as a whole, free of any actual or possible conflicts of interest. If a Director considers there may be a conflict, the Director is required to:

- immediately inform the Board of the potential conflict; and
- abstain from voting on any motion relating to the matter and be absent during all Board deliberations relating to the matter.

The Board Charter, available on the Company's website, provides further detail on managing conflicts of interest.

Board committees

In order to effectively fulfil its duties, the Board has established the following committees:

- the Audit and Risk Management Committee, which is responsible for monitoring and advising the Board on the Company's audit, risk management and regulatory compliance policies and procedures;
- the Remuneration and Human Resources Committee, which is responsible for overseeing the remuneration and human resources policies and practices of the Company; and
- the Nomination and Corporate Governance Committee, which is responsible for advising the Board on the composition of the Board and its committees, reviewing the performance of the Board, its committees and the individual Directors and advising the Board on its corporate governance policies.

Each committee has a formal charter approved by the Board, outlining its composition, role and responsibilities. These charters are available on the Corporate Governance section of the Company's website.

Audit and Risk Management Committee

The Audit and Risk Management Committee's functions include:

- assisting the Board in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control relating to all matters affecting the Company's financial performance, the audit process, and the Company's process for monitoring compliance with laws and regulations and the Company's Code of Conduct;
- determining the scope of the internal audit function and ensuring its resources are sufficient and used appropriately;
- reviewing of internal audit performance and independence;
- assisting the Board with the adoption and application of appropriate ethical standards and management of the Company and the conduct of the Company's business;
- assisting the Board in supervising the Company's risk management framework (such framework is described under a separate heading "Risk management" later in this Statement); and
- reviewing the adequacy of the Company's insurance policies.

The Audit and Risk Management Committee also monitors the independence of the Company's external auditor. The committee must approve in advance the terms of engagement of the external auditor to perform audit and related work. Any non-audit work to be performed by the external auditor must be approved by the committee and, in doing so, the committee ensures the external auditor's independence and integrity is maintained. The lead engagement audit partners of the Company's external auditor will be rotated from the engagement after five years.

Corporate Governance Statement

The Audit and Risk Management Committee is responsible for reviewing the performance of the external auditors, and the selection and appointment of the external auditor. The committee will recommend to the Board the re-appointment of the current external auditor or a tender process to select a new external auditor.

The committee ensures that it meets with the external auditors, independent of management, and with management independent of the external auditors. The Board has requested that the external auditor attend the 2013 AGM and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

Composition
The committee comprises a minimum of three non-executive Directors, who are financially literate, one of whom must have expertise in financial reporting. There is a majority of independent Directors on the committee. The Board of the Company will nominate the Chairman of the committee, who must be an independent, non-executive Director who is not the Chairman of the Board. The committee may invite other persons to attend meetings of the committee including the Chief Executive Officer, the Chief Financial Officer and the Company's external auditors.

The current members of the committee are Russel Pillemer (Chairman of the committee), John Pettigrew and Steven Hatch. Russel Pillemer and John Pettigrew are considered to be independent non-executive Directors. Details of the qualifications of the members are detailed on pages 10-11.

The committee will meet as often as required to undertake its role effectively. The committee met two (2) times during the year. Directors' attendance at meetings is set out on page 12.

A copy of the Audit and Risk Management Committee Charter is available on the Corporate Governance section of the Company's website.

Remuneration and Human Resources Committee
The Remuneration and Human Resources Committee's functions are to endeavour to ensure:

- that the Directors and the executive management team of the Company are remunerated fairly and appropriately;
- that the Company's remuneration policies and outcomes strike an appropriate balance between the interests of the Company's shareholders, and reward and motivate the Company's executives and employees in order to secure the long term benefits of their energy and loyalty;
- that the human resources policies and practices are consistent with and complementary to the strategic direction and objectives of the Company as determined by the Board; and
- that the organisation achieves the objectives set out in the Diversity Policy.

The committee also reviews and make recommendations to the Board regarding executive and senior management remuneration including, but not limited to, base pay, incentive payments, equity awards and service contracts and identifying any gender based disparities between comparable positions.

The committee may seek such advice from any external parties or professional advice as it may consider necessary or desirable to ensure informed decision making.

Composition
The committee will comprise a minimum of three non-executive Directors, including if practicable, a majority of independent non-executive Directors. The Board of the Company will nominate the Chairman of the committee, who must be an independent non-executive Director.

The current members of the committee are John Pettigrew (Chairman of the committee), Russell Pillemer and Steven Hatch. John Pettigrew and Russel Pillemer are considered to be independent non-executive Directors.

The committee will meet as often as required to undertake its role effectively. The committee met two (2) times during the year. Directors' attendance at meetings is set out on page 12.

A copy of the Remuneration and Human Resources Committee Charter is available on the Corporate Governance section of the Company's website.

Nomination and Corporate Governance Committee
The Nomination and Corporate Governance Committee's functions are to:

- review and advise the Board on the composition of the Board and its committees (and in so doing, administer the Selection and Appointment of Directors Policy described earlier in this Statement);
- review the performance of the Board as a whole and the individual members of the Board;
- ensure that proper succession plans are in place for consideration by the Board;
- advise the Board on good governance standards and appropriate corporate governance policies for the Company; and
- critically review the Company's performance against its corporate governance policies.

Composition
The committee will comprise a minimum of two non-executive Directors, including if practicable, a majority of independent non-executive Directors. The Board of the Company will nominate the Chairman of the committee, who must be an independent non-executive Director.

The current members of the committee are John Pettigrew (Chairman of the committee), Steven Hatch and Russel Pillemer. John Pettigrew and Russel Pillemer are considered to be independent non-executive Directors.

The committee will meet as often as required to undertake its role effectively. The committee met two (2) times during the year. Directors' attendance at meetings is set out on page 12.

A copy of the Nomination and Corporate Governance Committee Charter is available on the Corporate Governance section of the Company's website.

Performance review/evaluation

The Board and Nomination and Corporate Governance Committee Charters outline the responsibility for the performance review of the Board, the Chairman of the Board and the individual performance of all Directors and senior management.

During the year, the Chairman met with each Director and assessed the performance of the Board, committees and individual Directors as well as the members of the senior management team. The Chairman of the Audit and Risk Management Committee interviewed the Chairman of the Board. The observations from these interviews were communicated to and discussed amongst the Board and any actions to improve performance agreed. The process followed was consistent with that outlined in the Board Charter.

During the year, the Chief Executive Officer conducted performance reviews with the three (3) members of the executive team. The senior executives' performance was reviewed against performance measures which align with the Company's strategy with feedback from both the Board and the Chief Executive Officer conveyed.

Education and induction

New Directors will undergo an induction process in which they will be given a full briefing on the Company. Where possible, this will include meetings with Directors, key executives, tours of the premises, a Board manual and presentations from management.

In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development. This includes education concerning key developments in the Company and in the industry and environment in which the Company operates.

Independent professional advice and access to the Company's information

Each Director has the right of access to the Company's information and to the Company's executives. Further, the Board collectively and each Director, subject to informing the Chairman, has the right to seek independent professional advice from a suitably qualified advisor, at the Company's expense, with the approval of the Chairman, to assist them to carry out their responsibilities. Where appropriate, a copy of this advice is to be made available to all other members of the Board.

Each Director also has access to the General Counsel and Company Secretary.

Risk management

The Company has a risk management framework to allow it to achieve its business objectives whilst assisting management and ideally, providing early warnings of risks. The Risk Management Policy, covering both financial and operating risks, documents this framework. The objective of this Risk Management Policy is to:

- encourage appropriate tolerance of risks across all the Company Businesses;
- establish procedures to analyse risks within agreed parameters across all the Company businesses;
- establish appropriate risk delegations and corresponding frameworks across the Company; and
- ensure the Company has in place a risk framework which can measurably react should the risk profile change.

Key components of the Risk Management Policy which bring together a number of procedures and controls within the Company are as follows:

- identification and assessment of all risks;
- monitoring and wherever possible, mitigation of identified risks;
- periodic reporting; and
- assessment of effectiveness of the risk management framework.

The Risk Management Policy outlines guidance on the identification of commonly identified risks relevant to Rubicor, such as:

- financial risks;
- operations risks; and
- combined risks.

An executive Risk Management Committee has been established to assess identified risks as recorded on the risk register and review mitigation strategies. This Committee meets bi-monthly and assists in reporting to the Risk Management Committee. The Audit and Risk Management Committee regularly reports to the Board about committee activities, issues, and related recommendations. As suggested by Recommendation 7.2 of the ASX Principles, management provides ongoing reporting to the Board through the Audit and Risk Management Committee that indicate that the Company's management of its material business risks is operating satisfactorily.

A copy of the Risk Management Policy is available on the Corporate Governance section of the Company's website.

Attestations by Chief Executive Officer

The Chief Executive Officer (CEO) made the declarations required by section 295A of the Corporations Act and recommended under Recommendation 7.3 of the ASX Principles. In order for the CEO to make the declarations, appropriate attestations were made by management to the CEO.

Remuneration

In relation to remuneration issues the Board (with the assistance of the Remuneration and Human Resources Committee) has established a policy to ensure that it remunerates fairly and responsibly.

The remuneration philosophy is designed to ensure that the level and composition of remuneration is competitive, reasonable and appropriate for the results delivered and to attract and maintain talented and motivated Directors and employees.

Any equity-based executive remuneration will be made in accordance with thresholds set in plans approved by shareholders at the General Meeting. As prescribed in the Company's Share Trading Policy, executives are not permitted to enter into transactions in associated products which limit the economic risk of participating in unvested entitlements under any equity-based remuneration schemes.

The structure of executive remuneration is distinctly different to that of non-executive Directors as detailed in the Remuneration Report. Executive officers and senior management acting in their capacity as employees of the Company and subsidiary(ies) may receive a mix of fixed and variable pay, and a blend of short and long-term incentives. Non-Executive Directors may receive only fixed remuneration.

There are no retirement schemes in place for the non-executive Directors, other than statutory superannuation benefits.

The Remuneration Report and details about the Remuneration Philosophy of the Company are set out on pages 14-20.

Continuous disclosure

The Company takes its disclosure obligations seriously and seeks to comply with the spirit as well as the content of the ASX requirements. The Company has adopted a Continuous Disclosure Policy in relation to information disclosures and relevant procedures.

The Policy sets out principles that the Company will apply in relation to the disclosure of material information, including that the Company:

- will not give analysts or other select groups of market participants any material price sensitive non-public information at any time;
- will not generally respond to market rumours and speculation except where:
  - the speculation or rumours indicate that the subject matter is no longer confidential and therefore the exception to disclosure set out in the Listing Rules no longer applies;
  - the ASX formally requests disclosure by the Company on the matter; or
  - the Board considers that it is appropriate to make a disclosure in the circumstances; and
- will only allow authorised company spokespersons to make any public statement on behalf of the Company.

A copy of the Continuous Disclosure Policy as revised and updated by the Board during the year under review is available on the Corporate Governance section of the Company's website.

In accordance with ASX Listing Rule 4.10.17, this Annual Report contains a review of the operations and activities of the Company which are set out on page 6.

Share Trading Policy

The Company has adopted a Share Trading Policy in line with the updated ASX Listing Rules and Guidance Note issued by the ASX in respect of trading polices to regulate dealings by the Company's executives and non-executive Directors, officers, employees, contractors and consultants (employees). All employees are required to conduct their personal investment activity in a manner that is lawful and avoids conflicts of interest between the employee's personal interests and those of the Company and its clients.

The Company is keen to promote shareholder and general market confidence in the integrity of the Company's internal controls and procedures, and to provide guidance on avoiding any breach of the insider trading laws.

A copy of the Share Trading Policy is available on the Corporate Governance section of the Company's website and has also been lodged with the ASX on 1 December, 2010 as required by the ASX Listing Rules.

Code of Conduct

The Company has adopted a written Code of Conduct, which applies to all of the Company's executives and non-executive Directors, officers, employees, contractors and consultants.

The purpose of the Code of Conduct is to ensure that:

- high standards of corporate and individual behaviour are observed by all employees in the context of their employment with the Company;
- employees are aware of their responsibilities to the Company under their contract of employment and always act in an ethical and professional manner;
- legal, ethical and other obligations to legitimate stakeholders are complied; and
- all persons dealing with the Company, whether it be employees, shareholders, suppliers, clients or competitors, can be guided by the stated values and practices of the Company.

Employees are encouraged to report any potential breaches of the Code and the Company ensures employees are not disadvantaged for any reports made in good faith. The Company will deal with any reports promptly and fairly.

A copy of the Code of Conduct is available on the Corporate Governance section of the Company's website.

Shareholder communication

The Company respects the rights of its shareholders. To facilitate the effective exercise of those rights, the Company has established a Shareholder Communications Policy to:

- promote effective communications with shareholders of the Company;
- ensure all information relevant to their shareholding is disseminated to shareholders; and
- encourage effective participation by shareholders at the Company General Meetings.

The Company will, where practicable, arrange for advance notification of significant group briefings and will also keep a summary record of the issues discussed at briefings with investors and analysts.

The Shareholders Communications Policy is available on the Corporate Governance section of the Company's website.

Diversity Policy

The Company is committed to workplace diversity, with a particular focus on improving the representation of women at the senior level of the Company and the Board, and has adopted a Diversity Policy. The Company recognises the benefits arising from employee and board diversity, including a broader pool of high quality employees, improving employee retention, accessing different perspectives and ideas and benefiting from all available talent. With this Policy, the Board also establishes measurable objectives for achieving gender diversity and assesses annually the objectives and progress in achieving them.

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. The Diversity Policy, which takes into account the recommendations and guidance provided by the ASX Principles to the extent practicable, provides a framework for the Company to achieve:

- a diverse and skilled workforce, leading to continuous improvement in service delivery and achievement of corporate goals;
- a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff;
- improved employment and career development opportunities for women;
- a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workforce diversity and successful management of diversity; and
- awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity.

The Remuneration and Human Resource Committee has developed measurable objectives to achieve the objectives set out in the Diversity Policy, including identifying ways in which achievement of gender diversity is measured. The measurable objectives are as follows:

- embedding of diversity awareness and objectives into the day-to-day operations of the organisation to become part of the way we do business, through newsletters, conferences and other communication forums with staff;
- retain top talent by ensuring a workplace supportive of female success, through endorsement and delivery of a range of programs, events and policies; and
- ongoing improvement of core talent processes (performance, development and career) to ensure gender-based equity and transparency.

In 2013, the Company continued with Rubicor's VIP (Valuing Internal People) Program, maintaining a number of benefits and initiatives for employees including educational support, study leave, employee assistance, sick leave conversion to annual leave days and a community day with the objective of engaging all employees, regardless of gender, to make the workplace more flexible and supportive for male and female staff generally.

The Committee monitors annually the objectives and the progress on the achievement of the objectives.

The Nomination and Corporate Governance Committee will ensure Board appointment processes are conducted in a manner that promotes gender diversity.

The following table reflects the percentage of women employees in the whole organisation, head of business, senior management and the Board:

	%
Whole organisation	69.8
Heads of business	35.7
Senior Management	33.0
Rubicor Board	-

The Diversity Policy is available in the Corporate Governance section of the Company's website.

Independent Auditor's Report
To the members of Rubicor Group Limited

Deloitte.

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Independent Auditor's Report to the members of Rubicor Group Limited

Report on the Financial Report

We have audited the accompanying financial report of Rubicor Group Limited, which comprises the statement of financial position as at 30 June 2013, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity, comprising the company and the entities it controlled at the year's end or from time to time during the financial year as set out on pages 30 to 70.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the consolidated financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the company's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's Independence Declaration

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Rubicor Group Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion
In our opinion:

(a) the financial report of Rubicor Group Limited is in accordance with the *Corporations Act 2001,* including:

(i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the year ended on that date; and

(ii) complying with *Australian Accounting Standards* and the Corporations Regulations 2001; and

(b) the consolidated financial statements also comply with International Financial Reporting Standards as disclosed in Note 1.

Material Uncertainty Regarding Continuation as a Going Concern
Without modifying our opinion, we draw attention to Note 1(d) "Going Concern" in the financial report which indicates that the consolidated entity incurred a net loss of $23.9 million during the year ended 30 June 2013 and, as of that date, the consolidated entity's current liabilities exceeded its current assets by $88.2 million and had a deficiency of net assets of $83.9 million. These conditions, along with other matters as set forth in Note 1(d), "Going Concern", indicate the existence of a material uncertainty which may cast significant doubt about the ability of the company and the consolidated entity to continue as going concerns and therefore, they may be unable to realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

Report on the Remuneration Report
We have audited the Remuneration Report included in pages 14 to 20 of the Directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with *section 300A* of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion
In our opinion the Remuneration Report of Rubicor Group Limited for the year ended 30 June 2013, complies with *section 300A* of the *Corporations Act 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Alfred Nehama
Partner
Chartered Accountants

Sydney, 26 September 2013

Director's Declaration

The Directors declare that:

(a) 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;

(b) the attached financial statements are in compliance with International Financial Reporting Standards, as stated in Note 1 to the financial statements;

(c) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity; and

(d) the Directors have been given the declarations by section 295A of the *Corporations Act 2001*.

At the date of this declaration, the Company is within the class of companies affected by ASIC Class Order 98/1418. The nature of the deed of cross-guarantee is such that each Company which is party to the deed guarantees to each creditor payment in full of any debt in accordance with the deed of cross-guarantee.

In the Directors' opinion, there are reasonable grounds to believe that the Company and the companies to which the ASIC Class Order applies, as detailed in Note 23 to the financial statements will, as a group, be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross-guarantee.

Signed in accordance with a resolution of the Directors made pursuant to *section 295(5)* of the *Corporations Act 2001*.

On behalf of the Directors

John Pettigrew
Director

Russel Pillemer
Director

Sydney dated the 26th day of September 2013.

Consolidated Statement of Profit and Loss and Other Comprehensive Income

For the financial year ended 30 June 2013

	Note	2013 $000	2012 $000
Revenue	2	**237,695**	290,535
On hired labour costs		**(197,952)**	(234,806)
Employee benefits expense	3	**(25,116)**	(32,863)
Rental expense on operating leases		**(3,823)**	(4,412)
Restructuring expense	3	**(3,452)**	-
Other expenses	3	**(9,586)**	(11,681)
Earnings before interest, tax, depreciation, amortisation and impairment (EBITDA)		**(2,234)**	6,773
Depreciation of property, plant and equipment	3	**(799)**	(647)
Amortisation of intangible assets	10	**(137)**	(2,514)
Finance costs	3	**(5,128)**	(7,052)
Impairment losses relating to non-current assets	3,10,11	**(15,658)**	(53,432)
Loss before income tax expense		**(23,956)**	(56,872)
Income tax benefit/(expense)	5	**16**	(4,255)
Loss for the year		**(23,940)**	(61,127)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**669**	314
Other comprehensive income for the year, net of tax		**669**	314
Total comprehensive loss for the year		**(23,271)**	(60,813)
Loss for the year attributable to:			
Owners of the parent		**(24,434)**	(61,554)
Non-controlling interests		**494**	427
		(23,940)	(61,127)
Total comprehensive loss for the year attributable to:			
Owners of the parent		**(23,765)**	(61,240)
Non-controlling interests		**494**	427
		(23,271)	(60,813)
Basic loss per share (cents)	35	**(22.3)**	(56.2)
Diluted loss per share (cents)	35	**(22.3)**	(56.2)

The accompanying Notes form part of these financial statements.

Consolidated Statement of Financial Position
As at 30 June 2013

	Note	2013 $000	2012 $000
Assets			
Current assets			
Cash and cash equivalents	7	**791**	1,379
Trade and other receivables	8	**26,455**	35,437
Other assets	9	**798**	905
Total current assets		**28,044**	37,721
Non-current assets			
Trade and other receivables	8	**107**	100
Property, plant and equipment	11	**1,765**	2,069
Deferred tax assets	12	**3,562**	2,888
Intangible assets	10	**220**	15,833
Other assets	9	**132**	124
Total non-current assets		**5,786**	21,014
Total assets		**33,830**	58,735
Liabilities			
Current liabilities			
Trade and other payables	13	**22,665**	22,383
Borrowings	14	**88,595**	90,507
Other liabilities	16	**2,423**	2,423
Current tax payable	12	**254**	199
Provisions	15	**2,280**	1,845
Total current liabilities		**116,217**	117,357
Non-current liabilities			
Borrowings	14	**10**	600
Provisions	15	**1,503**	994
Total non-current liabilities		**1,513**	1,594
Total liabilities		**117,730**	118,951
Net liabilities		**(83,900)**	(60,216)
Deficiency			
Share capital	17	**64,605**	64,605
Reserves	18	**329**	(354)
Accumulated losses	19	**(149,403)**	(124,969)
		(84,469)	(60,718)
Equity attributable to owners of the parent		**(84,469)**	(60,718)
Non-controlling interests		**569**	502
Total deficiency		**(83,900)**	(60,216)

The accompanying Notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 30 June 2013

	Equity-settled employee benefit reserve $000	Foreign currency translation reserve $000	Share capital $000	Accumulated losses $000	Attributable to owners of the parent $000	Non-controlling interests $000	Total $000
2013							
Balance at 1 July 2012	**183**	**(537)**	**64,605**	**(124,969)**	**(60,718)**	**502**	**(60,216)**
(Loss)/profit for the year	**-**	**-**	**-**	**(24,434)**	**(24,434)**	**494**	**(23,940)**
Other comprehensive income for the year	**-**	**669**	**-**	**-**	**669**	**-**	**669**
Total comprehensive (loss)/profit for the year	**-**	**669**	**-**	**(24,434)**	**(23,765)**	**494**	**(23,271)**
Dividends paid	**-**	**-**	**-**	**-**	**-**	**(427)**	**(427)**
Share-based payments	**14**	**-**	**-**	**-**	**14**	**-**	**14**
Balance at 30 June 2013	**197**	**132**	**64,605**	**(149,403)**	**(84,469)**	**569**	**(83,900)**
2012							
Balance at 1 July 2011	554	(851)	64,605	(63,629)	679	436	1,115
(Loss)/profit for the year	-	-	-	(61,554)	(61,554)	427	(61,127)
Other comprehensive income for the year	-	314	-	-	314	-	314
Total comprehensive (loss)/profit for the year	-	314	-	(61,554)	(61,240)	427	(60,813)
Transfer of reserve relating to lapsed options	(214)	-	-	214	-	-	-
Dividends paid	-	-	-	-	-	(361)	(361)
Share-based payments	(152)	-	-	-	(152)	-	(152)
Options exercised	(5)	-	-	-	(5)	-	(5)
Balance at 30 June 2012	183	(537)	64,605	(124,969)	(60,718)	502	(60,216)

The accompanying Notes form part of these financial statements.

Consolidated Statement of Cash Flows
For the financial year ended 30 June 2013

	Note	2013 $000	2012 $000
Cash from operating activities			
Receipts from customers (inclusive of GST)		**270,121**	321,109
Payments to suppliers and employees (inclusive of GST)		**(261,511)**	(312,694)
		8,610	8,415
Finance costs paid		**(4,692)**	(6,551)
Interest received		**152**	108
Income taxes paid		**(658)**	(280)
Total cash inflow from operating activities	20(a)	**3,412**	1,692
Cash flows from investing activities			
Payment for property, plant and equipment		**(864)**	(140)
Payment for intangible assets		**(31)**	(431)
Payment for controlled entities acquired (net of cash acquired):			
- relating to prior years		**(1,284)**	(5,588)
Dividends paid to vendors – redeemable preference shares		**(8)**	(808)
Net cash outflow from investing activities		**(2,187)**	(6,967)
Cash flows from financing activities			
Repayment of third party borrowings		**(2,604)**	(1,954)
Proceeds from third party borrowings		**-**	6,600
Dividends paid to minority shareholders		**(427)**	(361)
Net cash (outflow)/inflow from financing activities		**(3,031)**	4,285
Net cash decrease in cash and cash equivalents		**(1,806)**	(990)
Cash and cash equivalents at beginning of year		**(1,368)**	(378)
Cash and cash equivalents at end of year	7	**(3,174)**	(1,368)

The accompanying Notes form part of these financial statements.

Notes to the Financial Statements

1 Accounting policies

(a) General information

The financial statements cover the Group (consolidated entity) of Rubicor Group Limited and its controlled entities (consolidated financial statements). Rubicor Group Limited is a public Company listed on the Australian Securities Exchange (trading under the symbol 'RUB'), incorporated and domiciled in Australia.

Rubicor Group Limited's registered office and principal place of business is as follows:

Rubicor Group Limited
Level 11, 1 Alfred Street
Sydney NSW 2000

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

(b) Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with the *Corporations Act 2001*, Accounting Standards and Interpretations, and comply with other requirements of the law. The Company is a for-profit entity.

The financial statements comprise the consolidated financial statements of the Group.

Accounting Standards include Australian equivalents to International Financial Reporting Standards (A-IFRS). Compliance with A-IFRS ensures that the financial statements of the Group comply with International Financial Reporting Standards (IFRS).

The financial statements were authorised for issue by the Board of Directors on 26 September, 2013.

(c) Basis of preparation

The financial statements have been prepared on an accruals basis and are based on historical costs, except for certain financial instruments which are carried at fair value. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The Company is a Company of the kind referred to in ASIC Class Order 98/0100, dated 10 July, 1998, and in accordance with that Class Order amounts in the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

(d) Going concern

The Directors have prepared the financial statements on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The statement of profit or loss and other comprehensive income for the year ended 30 June, 2013 reflects a consolidated Group net loss of $23.9 million and the statement of financial position reflects an excess of current liabilities over current assets in respect of the Group of $88.2 million, and a deficiency in net assets of $83.9 million as at 30 June, 2013.

As described in Note 32, subsequent to year end, the Company's debt facilities were restructured resulting in a gain of $88.6m (following extinguishment of the aforementioned current liabilities); and the Group has secured new funding in the form of a debtor finance facility with a limit of $15m.

The directors have prepared a cash flow forecast for the period through to 30 September, 2014. The forecast indicates that the Group will be able to operate within the limits of the new debtor finance facility.

Management is confident that it will achieve successful outcomes in regards to the matters outlined above and therefore that the Company and the Group will continue as going concerns. However, if the Company and the Group are unable to generate the expected levels of operating profits and cash flows to operate within the limits of the new debtor finance facility, significant uncertainty would exist as to whether the Company and the Group will continue as going concerns and therefore whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial statements.

The financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Company and the Group not continue as going concerns.

(e) Adoption of new and revised Accounting Standards

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current annual reporting period. The adoption of these new and revised Standards and Interpretations has resulted in no changes to the Group's accounting policies, but has resulted in disclosure changes. Refer Note 1 (v).

(f) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less any accumulated depreciation and impairment losses.

(i) Plant and equipment

Plant and equipment is measured on the cost basis less accumulated depreciation and impairment losses.

Cost includes all directly attributable expenditure incurred, including costs to get the asset ready for its use as intended by management. Costs include an estimate of any expenditure expected to be incurred at the end of the asset's useful life, including restoration, rehabilitation and decommissioning costs.

The carrying amount of plant and equipment is reviewed annually by Directors for indications of impairment. If any such indications exist, an impairment test is carried out, and any impairment losses on the assets recognised.

Notes to the Financial Statements

1. Accounting policies (continued)

(f) Property, plant and equipment (continued)

(ii) Depreciation

The depreciable amount of all fixed assets including capitalised lease assets is depreciated on a straight-line basis over their useful lives (commencing from the time the asset is ready for use). Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciable amount is the carrying value of the asset less estimated residual amounts. The residual amount is based on what a similar asset of the expected condition of the asset at the end of its useful life could be sold for.

The following useful lives are used in the calculation of depreciation:

Class of Fixed Asset	Estimated Useful Lives
Leasehold improvements	4 – 7 years
Leased assets	5 – 10 years
Motor vehicles	5 years
Office equipment	2.5 – 7 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at each statement of financial position date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss.

(g) Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant Standards. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

(h) Financial instruments

Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

(i) Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method less provision for impairment. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Trade receivables are non-interest bearing and credit terms are generally 30 days.

(ii) Investments

Investments in subsidiaries have been recognised at cost, less impairment losses, in the parent entity.

(iii) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(iv) Financial liabilities and equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

(v) Trade payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost.

(vi) Bank borrowings

Interest-bearing bank loans and overdrafts are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(vii) Equity instruments
Equity instruments issued are recorded at the proceeds received, net of direct issue costs.

(viii) Derivative financial instruments and hedge accounting
Foreign exchange forward contracts are entered into from time to time in order to manage the Group's exposure to foreign exchange rate risk. Further details of derivative financial instruments are disclosed in Note 29 to the financial statements.

Derivatives are initially recognised at fair value at the date the derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event, the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

The Group designates certain derivatives as hedges of foreign currency risk of firm commitments (cash flow hedges). The fair value of a hedging derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and if it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting
Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in fair values or cash flows of the hedged item.

Cash flow hedge
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is deferred in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss as part of other expenses or other income.

Amounts deferred in equity are recycled in profit or loss in the periods when the hedged item is recognised in profit or loss in the same line of the income statement as the recognised hedged item.

(i) Intangible assets

(i) Goodwill
Goodwill is initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its identifiable net assets at date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the business combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually or more frequently if events or changes in circumstances indicate that goodwill might be impaired. Each acquired business operates autonomously, therefore cash-generating units are determined at a subsidiary level.

(ii) Computer software
Computer software is measured on the cost basis less amortisation and impairment losses. Computer software is amortised on a straight-line basis over its useful life to the Group of three years commencing from the time the software is held ready for use.

(iii) Brands
Acquired brands are recorded at fair value as at the date of acquisition. The Group has committed to continually use, invest in and promote acquired brands; therefore the Directors have assessed that the brands have an indefinite useful life. Consequentially, brands are not amortised but are subject to annual impairment testing.

(j) Impairment
At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed in profit or loss.

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 for which the estimates of future cash flows have not been adjusted.

Impairment testing is performed annually for goodwill, and identifiable intangible assets with indefinite useful lives (brands).

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1. Accounting policies (continued)

(j) Impairment (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised as income in profit or loss. Impairments of goodwill are not reversed.

(k) Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to have been completed within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell, and are not depreciated.

(l) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to the reporting date.

Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when employees have rendered service entitling them to the contributions.

(m) Provisions

Provisions, including provisions for make good costs, are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that the outflow can be reliably measured. Where the time value of money is material, these amounts have been discounted using an appropriate discount rate.

(n) Income tax

Current tax

The charge for current income tax expense is based on the profit for the year adjusted for any non- assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax assets and liabilities are recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements used in the computation of taxable profit. No deferred tax assets or liabilities will be recognised from the initial recognition of an asset or liability, excluding a business combination, that at the time of the transaction did not affect either accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is recognised in the income statement except where it relates to items which are recognised directly in equity, in which case the deferred tax is recognised directly in equity.

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

(o) Leases

Leases of fixed assets where substantially all the risks and rewards 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 at the inception of the lease by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property and 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.

The interest expense is recognised in profit or loss so as to achieve a constant periodic rate of interest on the remaining balance of the liability outstanding.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged to profit or loss on a straight-line basis over the lease term. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the lease term.

(p) Revenue recognition

Revenue from permanent placements is recognised as work is performed in accordance with agreed terms for retainer-based appointments, or on candidate appointment as accepted by both the client and candidate for non-retainer-based appointments.

Revenue from temporary placements is recognised at the time when the services are performed.

Revenue for the rendering of a service, including human capital consulting services, is recognised upon the delivery of the service to the customer by reference to the stage of completion of the contract.

Revenue from recharge of expenses incurred in connection with recruitment services is recognised when the related expense is incurred and on-charged to the customer in accordance with agreed contractual terms.

Interest revenue is recognised on an effective interest rate method in relation to the outstanding financial asset.

Revenue from management fees is recognised at the time the service is performed.

All revenue is stated net of the amount of goods and services tax (GST), returns, trade allowances and other duties and taxes paid.

(q) Foreign currency translation

Functional and presentation currency

The functional currency of each of the Group's entities is identified as the currency of the primary economic environment in which that entity operates, and is used in the recognition of transactions and balances for that entity. The consolidated financial statements are presented in Australian dollars, which is the parent entity's functional and presentation currency.

On consolidation, the assets and liabilities of the Group's foreign operations are translated into Australian dollars at exchange rates prevailing on the balance date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transaction are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's foreign currency translation reserve. Such exchange differences are recognised in the profit or loss in the period in which the foreign operation is disposed.

(r) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Rubicor Group Limited (parent entity) as at 30 June, 2013 and the results of all subsidiaries for the year then ended. Rubicor Group Limited and its subsidiaries are referred to in this financial report as the 'Group'.

A subsidiary is any entity over which Rubicor Group Limited has the power to control the financial and operating policies so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

A list of subsidiaries is contained in Note 21 to the financial statements. All subsidiaries have a June financial year end.

All inter-company balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those policies adopted by the Group.

(s) Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting estimates may not always equal the actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are discussed below.

(i) Estimated impairment of goodwill and brands

The Group annually tests whether goodwill and brands have suffered any impairment. The recoverable amounts of cash-generating units have been determined based on the higher of fair value less costs to sell and value in use calculations, the details of which can be found in Note 10(a).

(ii) Acquired intangible assets

The Group has purchased various entities. In the consolidated financial statements the purchase price has been allocated between identifiable intangible assets, such as preferred supplier agreements, course material content, brands and candidate databases, and goodwill. This allocation has been done based on a valuation of the identifiable assets and liabilities acquired. The valuation is based on estimated expected cash flows attributable to each applicable intangible asset.

(iii) Cost of business combinations and associated Vendor earn-out liability

As a consequence of the deferred earn-out structure of the business acquisitions, the cost of combination and the associated Vendor earn-out liability has been determined by calculating the present value of estimated future cash flows associated with the deferred earn-out consideration payments. These cash flows are based, among other things, on management's assessment as to both the likely period in which the earn-out payments will be made and the future operating results of the acquired entities. If any of the assumptions and estimates made in regard to these assessments were to change, this could have a material impact on the cost of combination and the associated Vendor earn-out liability which is disclosed in Note 14 in the financial report.

(t) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority are presented as operating cash flow.

1. Accounting policies (continued)

(u) Share-based payments

Equity-settled share-based payments with employees and others providing similar services are measured at the fair value of the equity instrument at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

The above policy is applied to all equity-settled share-based payments that were granted after 7 November, 2002 and that vested after 1 January, 2005. No amount has been recognised in the financial statements in respect of other equity-settled share-based payments.

Equity-settled share-based payment transactions with other parties are measured at the fair value of the goods and services received, except where the fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. For cash-settled share-based payments, a liability equal to the portion of the goods or services received is recognised at the current fair value determined at each reporting date.

The fair value at grant date of instruments issued is independently determined using the Monte Carlo option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of options granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

Upon the exercise of options, the balance of the share-based payments reserve relating to those options is transferred to share capital and the proceeds received, net of any directly attributable transaction costs, are credited to share capital.

Share-based compensation benefits are provided to employees via the Key Employee Share Option Plan (KESOP) (refer to Note 34) and Senior Executive Share Plan (refer to Note 33).

(v) Application of New and Revised Accounting Standards and Interpretations

Standards affecting presentation and disclosure

Amendments to AASB 101 'Presentation of Financial Statements'.

AASB 2011-9 'Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income' introduce new terminology for the statement of comprehensive income and income statement.

The amendments to AASB 101 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section:

(a) items that will not be reclassified subsequently to profit or loss and
(b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis

Standards and Interpretations in issue not yet adopted

At the date of authorisation of the financial statements, a number of Standards and Interpretations were in issue but not yet effective. The Group does not intend to adopt any of these pronouncements before their effective dates.

Initial application of the following Standards and Interpretations may have a material impact on the financial report of the Group but this has not been evaluated yet.

Standard/Interpretation	Effective for annual reporting periods beginning or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2015	30 June 2016
AASB 10 'Consolidated Financial Statements', AASB 2011-7 'Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards'	1 January 2013	30 June 2014
AASB 12 'Disclosure of Interests in Other Entities' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards'	1 January 2013	30 June 2014
AASB 13 'Fair Value Measurement' and AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13'	1 January 2013	30 June 2014
AASB 127 'Separate Financial Statements' (2011) and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards'	1 January 2013	30 June 2014
AASB 2012-2 'Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities'	1 January 2013	30 June 2014
AASB 2012-3 'Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities'	1 January 2014	30 June 2015
AASB 2012-5 'Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle'	1 January 2014	30 June 2015
AASB 2012-10 'Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments'	1 January 2014	30 June 2015
AASB 2013-3 'Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets'	1 January 2014	30 June 2015

1. Accounting policies (continued)

(w) Dividends

A liability is authorised for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at balance date.

(x) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, after deducting any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

2. Revenue and other income

	2013 $000	2012 $000
Revenue from:		
Recruitment services	**235,173**	286,838
Interest	**152**	108
Recharge income	**67**	67
Organisational development fees	**758**	2,254
Other	**1,545**	1,268
Total revenue	**237,695**	290,535

3. Expenses

(a) Other expenses

	2013 $000	2012 $000
Advertising and marketing	**943**	1,430
Administration	**7,480**	8,848
Payroll tax costs	**1,163**	1,403
Total	**9,586**	11,681

(b) Employee benefits expense

	2013 $000	2012 $000
Salaries	**22,206**	27,418
Superannuation	**1,773**	2,169
Other	**1,137**	3,276
Total	**25,116**	32,863

(c) Loss before income tax includes the following specific expenses:

	2013 $000	2012 $000
Finance costs:		
Interest expense on Vendor earn-out liability (refer to Note 14)	**162**	532
Amortisation of borrowing costs	**521**	684
Interest and finance charges on other borrowings	**4,445**	5,836
	5,128	7,052
Depreciation:		
Property, plant and equipment	**567**	344
Leasehold improvements	**232**	303
	799	647
Defined contribution superannuation expense:		
On hired labour costs	**12,161**	14,195
Employee benefits expense	**1,773**	2,169
	13,934	16,364
Share-based payment expense/(benefit)	**14**	(152)
Allowance for impairment of trade receivables	**(195)**	23
Restructuring expense:		
Onerous lease expense	**1,628**	-
Staff redundancy	**624**	-
Transaction costs	**909**	-
Other restructuring expense	**291**	-
	3,452	-
Other significant expenses:		
Impairment of non-current assets:		
- Goodwill	**14,374**	53,404
- Brands	**555**	-
- Computer software	**80**	-
- Property, plant and equipment	**440**	4
- Leasehold improvements	**209**	24
	15,658	53,432
Foreign exchange losses	**346**	63

4. Auditor's remuneration

	2013 $	2012 $
Auditor of the parent entity – Deloitte Touche Tohmatsu		
Audit or review of financial reports under the *Corporations Act 2001*	**266,500**	370,000
Tax advisory	**25,385**	-
Consulting services	**94,340**	-
Total remuneration	**386,225**	370,000
Related practices of Deloitte Touche Tohmatsu		
Audit of financial reports[1]	**52,566**	49,242
Tax compliance services	**27,036**	19,444
	79,602	68,686

5. Income tax expense

(a) Components of tax benefit/(expense)	2013 $000	2012 $000
Current tax expense	**(658)**	(405)
Deferred tax – origination and reversal of temporary differences	**674**	(3,854)
Over provision of tax in prior year	**-**	4
Income tax benefit/(expense)	**16**	(4,255)
(b) Reconciliation of prima facie tax on loss from ordinary activities to income tax expense		
Loss before tax	**23,956**	56,872
Prima facie tax benefit on loss from ordinary activities before income tax at 30% (2012: 30%)	**7,187**	17,062
Add:		
Tax effect of:		
- impairment loss on goodwill and other non-current assets that are not deductible	**(4,479)**	(16,030)
- non-deductible interest	**(1,037)**	(157)
- share option expense	**(4)**	45
- other non-allowable items	**(670)**	(553)
- over provision of tax in prior year	**-**	4
- difference in overseas tax rates	**(32)**	31
- effect of deferred tax assets written down	**-**	4,184
- effect of tax losses not brought to account	**(1,176)**	(473)
- other allowable items	**227**	-
Income tax benefit/(expense)	**16**	(4,255)

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in the corporate tax rate when compared with the previous reporting period.

(c) Unrecognised deferred tax assets

	2013 $000	2012 $000
Tax losses – revenue	**4,409**	3,452
Temporary differences	**4,077**	4,184
	8,486	7,636

Subsequent to year end, the Company restructured its debt facilities (refer Note 32). As a result, it is anticipated the above unrecognised deferred tax assets will not be available in future years.

1 Relates to Deloitte Touche Tohmatsu-New Zealand and Deloitte Touche Tohmatsu-Singapore.

6. Key management personnel disclosures

(a) Key management personnel compensation for the year was as follows:

	2013 $	2012 $
Short-term employee benefits	**1,601,674**	2,025,491
Post-employment benefits	**144,022**	165,911
Long-term employee benefits	**-**	200,000
Termination payments	**186,702**	-
Share-based payments	**4,586**	18,501
Total	**1,936,984**	2,409,903

(b) Individual director and key management personnel disclosures

Detailed remuneration disclosures are included in the Directors' Report. The relevant information can be found in sections 4(a)-(h) of the Remuneration Report on pages 14-20.

(c) Equity instrument disclosures relating to key management personnel

Share holdings

The number of shares in the Company held during the financial year by each Director and other key management personnel of the Group, including their personally related parties, is set out below:

Ordinary shares

Name	Balance at the start of the year	Sold	Lapsed	Balance at the end of the year
2013				
Directors				
John Pettigrew	**1,180,000**	**-**	**-**	**1,180,000**
Jane Beaumont	**129,758**	**-**	**-**	**129,758**
Robert Aitken	**5,108,397**	**-**	**-**	**5,108,397**
Russel Pillemer	**2,993,084**	**-**	**-**	**2,993,084**
Other key management personnel of the Group				
Kevin Levine	**937,405**	**-**	**-**	**937,405**
2012				
Directors				
John Pettigrew	1,610,000	(430,000)	-	1,180,000
Jane Beaumont	325,664	-	(195,906)	129,758
Robert Aitken	5,108,397	-	-	5,108,397
Russel Pillemer	2,993,084	-	-	2,993,084
Other key management personnel of the Group				
Kevin Levine	1,172,493	-	(235,088)	937,405
Sharad Loomba	163,003	-	(163,003)	-

6. Key management personnel disclosures (continued)

(c) Equity instrument disclosures relating to key management personnel (continued)

The number of unissued shares in the Company held under option during the financial year by each Director and other key management personnel of the Group, including their personally related parties, is set out below:

Options

Name	Balance at the start of the year	Number granted	Number forfeited	Balance at the end of the year	Number vested at the end of the year
2013					
Key management personnel of the Group					
Kevin Levine	**1,905,024**	**-**	**-**	**1,905,024**	**-**
Sharad Loomba	**1,270,016**	**-**	**-**	**1,270,016**	**-**
Sue Turk	**150,000**	**-**	**-**	**150,000**	**-**
Geraldine Ellis-Maguire	**225,000**	**-**	**(165,000)**	**60,000**	**60,000**
2012					
Key management personnel of the Group					
Kevin Levine	929,280	975,744	-	1,905,024	-
Sharad Loomba	619,520	650,496	-	1,270,016	-
Sue Turk	150,000	-	-	150,000	-
Geraldine Ellis-Maguire	225,000	-	-	225,000	60,000

(d) Key management personnel transactions with the Company and its controlled entities

Information regarding individual key management personnel's service contracts with the Group is provided in the Remuneration Report (refer to page 18).

Loans to key management personnel

Details of loans made to key management personnel of the Group, including their personally related parties, are set out below.

Name	Balance at the start of the year $	Loans made/ (repaid) $	Interest payable for the year $	Balance at the end of the year $	Highest indebtedness during the year $
2013					
Kevin Levine	**99,773**	**-**	**7,080**	**106,853**	**106,853**
2012					
Kevin Levine	92,184	-	7,589	99,773	99,773

7. Cash and cash equivalents

	2013 $000	2012 $000
Cash on hand	**6**	6
Cash at bank	**785**	1,373
Total cash and cash equivalents	**791**	1,379
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	**791**	1,379
Bank overdraft (Note 14)	**(3,965)**	(2,747)
	(3,174)	(1,368)

8. Trade and other receivables

Current	2013 $000	2012 $000
Trade receivables	**23,916**	32,868
Allowance for impairment of receivables	**(289)**	(700)
	23,627	32,168
Other receivables	**2,828**	3,269
	26,455	35,437

	2013 $000	2012 $000
The aging of past due trade receivables (excluding impaired trade receivables) at year end is detailed below:		
Past due 0 - 30 days	**6,335**	7,235
Past due 31 - 60 days	**1,653**	1,666
Past due 60+ days	**453**	731
Total	**8,441**	9,632
Age of impaired trade receivables:		
60 – 90 days	**52**	247
90 – 120 days	**17**	236
120+ days	**220**	217
Total	**289**	700
The movement in the allowance for doubtful accounts in respect of trade receivables is detailed below:		
Balance at beginning of year	**700**	689
Amounts written off as uncollectible	**(217)**	(12)
(Decrease)/increase in allowance recognised in profit or loss	**(195)**	23
Foreign currency exchange differences	**1**	-
Balance at end of year	**289**	700

The average credit period on provision of services is 30 days. No interest is charged on trade receivable balances overdue.

The Group has used the following basis to assess the allowance loss for trade receivables:

– a specific provision based on estimated irrecoverable amounts;
– historical bad debt experience;
– the general economic conditions;
– an individual account-by-account specific risk assessment based on past credit history; and
– any prior knowledge of debtor insolvency or other credit risk.

Included in the Group's trade receivable balance are debtors with a carrying amount of $8.2 million (2012: $8.9 million) which are past due at the reporting date, which the Group has not provided for as there has been no significant change in credit quality and the Group believes that the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

	2013 $000	2012 $000
Non-current		
Loan to key management personnel (Note 6(d))	**107**	100
	107	100

9. Other assets

	2013 $000	2012 $000
Current		
Prepayments	**798**	905
	798	905
Non-current		
Rental guarantee deposit	**126**	116
Other	**6**	8
	132	124

10. Intangible assets

	2013 $000	2012 $000
Computer software		
Cost	**5,171**	6,833
Accumulated amortisation and impairment	**(4,951)**	(6,114)
Net carrying value	**220**	719
Brands		
Cost	**599**	591
Accumulated impairment (a)	**(599)**	(44)
Net carrying value	**-**	547
Goodwill		
Cost	**100,019**	100,212
Accumulated impairment (a)	**(100,019)**	(85,645)
Net carrying value	**-**	14,567
Total intangible assets	**220**	15,833

(a) Impairment tests for brands and goodwill

Brands and goodwill are allocated to recruitment cash-generating units (CGUs), being the autonomously operated businesses acquired by the Group. The recoverable amount of the CGUs is determined based on value-in-use calculations.

The following key assumptions were used in the value-in-use calculations:

- Management has based the value-in-use calculations on the most recently completed management approved forecast performance for the forthcoming one-year period. Future cash-flows are projected using forecast growth rates of 2.0% (30 June 2012: 2.0%) into perpetuity. A pre-tax discount rate of 18.6% (30 June, 2012: 18.6%), reflecting the assessed risks associated with the CGU segments, has been applied to determine the present value of the future cash flow projections.
- During the year ended 30 June 2013, the Group assessed the recoverable amount of brands and goodwill, and determined that brands and goodwill associated with the Group's CGUs was impaired by $14.9 million. Goodwill has been fully impaired on the basis that the current earnings of the business, the recognised volatility of the current market and the continued uncertainty as to when the market may recover, does not support any underlying goodwill value. In the prior year, brands and goodwill associated with the Group's CGUs was impaired by $53.4 million.

(b) Intangible assets – detailed reconciliation

2013	Goodwill $000	Candidate database $000	Preferred supplier agreements $000	Computer software $000	Course material content $000	Brands $000	Total $000
Cost brought forward	**100,212**	**22,757**	**2,014**	**6,833**	**542**	**591**	**132,949**
Decrease in estimated deferred vendor consideration	**(870)**	**-**	**-**	**-**	**-**	**-**	**(870)**
Additions other than through business combinations	**-**	**-**	**-**	**31**	**-**	**-**	**31**
Disposals/scrapping	**-**	**-**	**-**	**(1,728)**	**-**	**-**	**(1,728)**
Net foreign currency exchange differences	**677**	**-**	**-**	**35**	**-**	**8**	**720**
	100,019	**22,757**	**2,014**	**5,171**	**542**	**599**	**131,102**
Amortisation and impairment brought forward	**(85,645)**	**(22,757)**	**(2,014)**	**(6,114)**	**(542)**	**(44)**	**(117,116)**
Disposals/scrapping	**-**	**-**	**-**	**1,415**	**-**	**-**	**1,415**
Amortisation expense	**-**	**-**	**-**	**(137)**	**-**	**-**	**(137)**
Impairment losses	**(14,374)**	**-**	**-**	**(80)**	**-**	**(555)**	**(15,009)**
Net foreign currency exchange differences	**-**	**-**	**-**	**(35)**	**-**	**-**	**(35)**
	(100,019)	**(22,757)**	**(2,014)**	**(4,951)**	**(542)**	**(599)**	**(130,882)**
Closing written-down value	**-**	**-**	**-**	**220**	**-**	**-**	**220**

2012	Goodwill $000	Candidate database $000	Preferred supplier agreements $000	Computer software $000	Course material content $000	Brands $000	Total $000
Cost brought forward	102,528	22,757	2,014	6,400	542	591	134,832
Decrease in estimated deferred vendor consideration	(2,584)	-	-	-	-	-	(2,584)
Additions other than through business combinations	-	-	-	431	-	-	431
Net foreign currency exchange differences	268	-	-	2	-	-	270
	100,212	22,757	2,014	6,833	542	591	132,949
Amortisation and impairment brought forward	(32,241)	(20,725)	(1,915)	(5,897)	(307)	(44)	(61,129)
Amortisation expense	-	(1,979)	(99)	(201)	(235)	-	(2,514)
Impairment losses	(53,404)	-	-	-	-	-	(53,404)
Net foreign currency exchange differences	-	(53)	-	(16)	-	-	(69)
	(85,645)	(22,757)	(2,014)	(6,114)	(542)	(44)	(117,116)
Closing written-down value	14,567	-	-	719	-	547	15,833

Notes to the Financial Statements

11. Property plant and equipment

2013	Motor vehicles $000	Office equipment $000	Leasehold improvements $000	Leased assets $000	Total $000
Cost					
Balance at the beginning of the year	18	3,672	3,198	52	6,940
Payment for purchase of property, plant and equipment	-	690	472	-	1,162
Disposals/scrapping	-	(3,286)	(1,261)	(15)	(4,562)
Net foreign currency exchange differences	-	62	46	-	108
Balance at 30 June 2013	18	1,138	2,455	37	3,648
Depreciation and impairment losses					
Balance at the beginning of the year	(7)	(2,683)	(2,129)	(52)	(4,871)
Disposals/scrapping	-	3,286	1,228	15	4,529
Depreciation expense	(4)	(302)	(493)	-	(799)
Net foreign currency exchange differences	-	(62)	(31)	-	(93)
Impairment losses	-	(440)	(209)	-	(649)
Balance at 30 June 2013	(11)	(201)	(1,634)	(37)	(1,883)
Carrying amount – 30 June 2013	7	937	821	-	1,765

Certain assets have been pledged as security – see Note 14(e).

Impairment losses relate to various property, plant and equipment no longer in use. The majority relates to the co-location of various brands within the group, resulting in assets surplus to requirements.

2012	Motor vehicles $000	Office equipment $000	Leasehold improvements $000	Leased assets $000	Total $000
Cost					
Balance at the beginning of the year	18	3,547	3,156	52	6,773
Payment for purchase of property, plant and equipment	-	107	33	-	140
Net foreign currency exchange differences	-	18	9	-	27
Balance at 30 June 2012	18	3,672	3,198	52	6,940
Depreciation and impairment losses					
Balance at the beginning of the year	(3)	(2,334)	(1,796)	(52)	(4,185)
Depreciation expense	(4)	(340)	(303)	-	(647)
Net foreign currency exchange differences	-	(5)	(6)	-	(11)
Impairment losses	-	(4)	(24)	-	(28)
Balance at 30 June 2012	(7)	(2,683)	(2,129)	(52)	(4,871)
Carrying amount – 30 June 2012	11	989	1,069	-	2,069

Certain assets have been pledged as security – see Note 14(e).

12. Taxation

Assets

	2013 $000	2012 $000
Non-current		
Deferred tax assets comprise the following temporary differences:		
Exchange difference on foreign operations	**450**	(84)
Make good costs	**110**	112
Property, plant and equipment	**198**	311
Accrued income	**(173)**	(298)
Accrued expenses	**16**	44
Accrued rent	**494**	107
Impairment of trade receivables	**85**	209
Employee benefits	**1,358**	1,477
Transaction costs	**5**	25
Other provisions	**258**	251
Borrowing costs	**761**	725
IPO costs	**-**	9
	3,562	2,888

Movements

	Exchange difference on foreign operations $000	Accrued income $000	Accrued expenses $000	Intangible assets $000	Make good costs $000	Fixed assets $000	Accrued rent $000
At 30 June 2011	(187)	(430)	68	3,994	100	277	117
Credited/(charged) to the income statement	103	132	(24)	(3,994)	12	34	(10)
At 30 June 2012	(84)	(298)	44	-	112	311	107
Credited/(charged) to the income statement	534	125	(28)	-	(2)	(113)	387
At 30 June 2013	**450**	**(173)**	**16**	**-**	**110**	**198**	**494**

	Impairment of trade receivables $000	Employee benefits $000	Transaction costs $000	IPO costs $000	Borrowing costs $000	Other provisions $000	Total $000
At 30 June 2011	206	1,533	57	19	659	329	6,742
Credited/(charged) to the income statement	3	(56)	(32)	(10)	66	(78)	(3,854)
At 30 June 2012	209	1,477	25	9	725	251	2,888
(Charged)/credited to the income statement	(124)	(119)	(20)	(9)	36	7	674
At 30 June 2013	**85**	**1,358**	**5**	**-**	**761**	**258**	**3,562**

Deferred tax assets have been recognised on the basis that there will be future taxable profits against which they can be utilised. The future taxable profits are based on management estimations that sufficient suitable taxable profit will be made against which to offset the deductions.

Liabilities	2013 $000	2012 $000
Current		
Income tax payable	**254**	199
	254	199

Notes to the Financial Statements

13. Trade and other payables

	2013 $000	2012 $000
Current		
Trade payable	**2,074**	2,324
Other creditors and accruals	**20,591**	20,059
	22,665	22,383

The average credit period on purchases of certain products is 30 days. No interest is charged on trade payables. The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

14. Borrowings

	Note	2013 $000	2012 $000
Current			
Unsecured liabilities			
Vendor earn-out liability	(a)	**955**	1,856
Other		**471**	374
		1,426	2,230
Secured liabilities			
Bank overdraft	(b)	**3,965**	2,747
Subordinated facility	(c)	**33,000**	33,000
Term facility (net of borrowing costs)	(d)	**50,200**	52,526
Finance lease obligation	(e),31	**4**	4
		87,169	88,277
		88,595	90,507
Non-Current			
Unsecured liabilities			
Vendor earn-out liability	(a)	**-**	586
		-	586
Secured liabilities			
Finance lease obligation	(e),31	**10**	14
		10	14
		10	600

(a) Vendor earn-out liability

The Vendor earn-out liability comprises the fair value of estimated initial consideration payments which are payable to vendors over a period of one to three years post-acquisition, and estimated exit consideration payments which are payable to vendors over a three-year period after provision of exit notice by the vendors.

For Australian business acquisitions, the Vendor earn-out liability has been structured through the issue to vendors of Series B Redeemable Preference Shares which are progressively redeemed at each earn-out payment date. All redemption payments made are contingent on the profit performance of the acquired business over the payment period. Each holder of Series B Redeemable Preference Shares is entitled to receive franked dividends for each year based on the Net Profit Before Tax of the vendor business acquired. The dividends are payable by the Company in priority to any other dividends in respect of any other shares. If these dividends are not paid then they will accumulate. The holders do not have rights to any other dividends or any entitlement to receive notice of, attend or vote at any general meeting of the Company.

For New Zealand business acquisitions, earn-out payments have not been structured through preference shares; however, additional share consideration payments equivalent in structure to the preference dividends referred to above have been incorporated as part of the share purchase consideration.

The Vendor earn-out liability has been determined by calculating the present value of the estimated future cash flows associated with the earn-out payments, including the associated preference dividend and additional share consideration payments. The cash flows have been discounted at rates between 11.4% and 12.5%, representing the assessed risk-adjusted rate of return for the acquired businesses at their acquisition dates.

(b) Bank overdraft facility

$10.0 million (30 June, 2012: $10.0 million) cash overdraft facility to assist with ongoing working capital requirements. This facility is subject to annual review and expires on 31 July, 2013. At 30 June, 2013 this facility attracted interest at a margin over the bank reference rate. Interest is calculated daily and is payable monthly in arrears. Subsequent to year end, this facility has been extinguished. Refer Note 32.

(c) Subordinated facility

The subordinated facility of $33.0 million was drawn in September 2011.The facility attracts no interest and expires on 31 March, 2014. Subsequent to year end, this facility has been extinguished. Refer Note 32.

(d) Term facility (net of borrowing costs)

The term facility of $50.2 million attracts interest at a margin over BBSY, and based on the BBSY at 30 June, 2013, the effective rate would be 6.58%. Quarterly amortisation payments of $0.65 million apply and the facility expires on 31 March, 2014. Subsequent to year end, this facility has been extinguished. Refer Note 32

(e) Assets pledged as security in respect of secured liabilities

Existing facilities

The finance lease obligation is secured against the underlying finance lease assets with net book value of $0.007 million (2012: $0.011 million).

The term facility, subordinated facility and the bank overdraft facility are secured by a fixed and floating charge over the assets of the parent and subsidiaries together with a mortgage over all shares held by the parent entity in the consolidated entities. Subsequent to year end, these facilities have been extinguished. Refer Note 32.

(f) Other facilities

These relate to bank guarantees in respect of rental properties.

Notes to the Financial Statements

(g) Financing arrangements

	2013 $000	2012 $000
Restricted access was available at balance date to the following lines of credit:		
Loan facilities		
Subordinated facility (c)	**33,000**	33,000
Term facility (d)	**50,200**	52,800
	83,200	85,800
Used at balance date		
Subordinated facility (c)	**33,000**	33,000
Term facility (d)	**50,200**	52,800
	83,200	85,800
Unused at balance date		
Subordinated facility (c)	**-**	-
Term facility (d)	**-**	-
	-	-
Credit standby arrangements		
Bank overdraft (b)	**10,000**	10,000
Other facilities (f)	**2,531**	2,650
	12,531	12,650
Used at balance date		
Bank overdraft (b)	**3,965**	2,747
Other facilities (f)	**2,268**	1,924
	6,233	4,671
Unused at balance date		
Bank overdraft (b)	**6,035**	7,253
Other facilities (f)	**263**	726
	6,298	7,979

15. Provisions

	2013 $000	2012 $000
Current	**2,280**	1,845
Non-current	**1,503**	994
	3,783	2,839

	2013 $000	2012 $000
Current		
Employee benefits	**1,447**	1,703
Straight-lining of rent provision	**117**	142
Onerous lease provision	**716**	-
	2,280	1,845
Non-current		
Employee benefits	**254**	293
Make good	**397**	488
Straight-lining of rent provision	**263**	213
Onerous lease provision	**589**	-
	1,503	994

(a) Make good provision
The Group is required to restore the leased premises to their original condition at the end of the respective lease terms. A provision has been recognised for the value of the estimated expenditure required to remove any leasehold improvements. These costs have been capitalised as part of the cost of leasehold improvements and are amortised over the shorter of the term of the lease or the useful life of the assets.

(b) Straight-lining of rent provision
The Group has office space leases that are recorded as operating leases. A number of the lease contracts have rent-free periods. The total of rent payments due under the lease is being recognised on a straight-line basis in profit or loss. Accordingly, there is a liability recorded for accrued rent equal to the difference between the rent expense charged against income and actual cash payments required under the terms of the lease.

(c) Onerous lease provision
The provision for onerous lease contracts represents the present value of the future lease payments that the Group is presently obligated to make under non-cancellable onerous operating lease contracts, less revenue expected to be earned on the lease, including estimated future sub-lease revenue, where applicable. The estimate may vary as a result of changes in the utilisation of the leased premises and sub-lease arrangements where applicable. The unexpired terms of the leases range from 2 months to 4.5 years.

(d) Movement in provisions
Movement in each class of provision during the financial year, other than employee benefits, is set out below:

	Straight-lining of rent		Make good provision		Onerous lease provision	
	2013 $000	2012 $000	2013 $000	2012 $000	2013 $000	2012 $000
Carrying amount at beginning of year	**355**	390	**488**	492	**-**	-
Increase/(decrease) in provision	**25**	(35)	**(91)**	(4)	**1,305**	-
Carrying amount at end of year	**380**	355	**397**	488	**1,305**	-

16. Other liabilities

This represents extension fees incurred in respect of extending the debt facilities in August 2010. The extension is subject to a fee of 3% of the facilities amounting to $2.4 million. The fee is payable on the first date that the fee is able to be paid, provided that in the reasonable opinion of the Board of Directors, the payment of the fee will not likely cause the Company to be unable to comply with the terms of the facility documents and there is sufficient excess in the working capital facilities.

Conversely, in the event that any of the following conditions occur, the fee is payable on the earlier of:

a) any date on which any of the facilities is repaid using proceeds advanced or provided by an external party; or
b) any date on which any member of the Group disposes of assets or a business with an aggregate value equal to or greater than $2.5 million; or
c) the date payment is requested while a default subsists; or
d) the date on which all the facilities are repaid in full,

subject to the same provisos as noted above.

Subsequent to year end, this obligation has been extinguished. Refer Note 32.

17. Contributed equity

	Note	2013 $000	2012 $000
109,610,814 (2012: 109,610,814) fully paid ordinary shares		**65,343**	65,343
Treasury shares	33	**(738)**	(738)
		64,605	64,605

Changes to the then Corporations Law abolished the authorised capital and par value concept in relation to share capital from 1 July 1998. Therefore, the Company does not have a limited amount of authorised capital and issued shares do not have a par value.

Ordinary shares 2012 and 2013	Number of shares	$000
Balance at 1 July 2011	110,628,015	65,343
Treasury shares	(1,017,201)	(738)
Balance at 30 June 2012 and 2013	**109,610,814**	**64,605**

Ordinary shares confer on their holders the right to participate in dividends declared by the Board. Ordinary shares confer on their holders an entitlement to vote at any general meeting of the Company.

18. Reserves

	2013 $000	2012 $000
Equity-settled employee benefit reserve (a)	**197**	183
Foreign currency translation reserve (b)	**132**	(537)
	329	(354)

(a) Equity-settled employee benefit reserve
This reserve is to recognise the value of options recognised to date.

(b) Foreign currency translation reserve
This reserve is to recognise the value of translation differences of foreign entities.

The movement in each reserve during the financial year is set out below:

	Equity-settled employee benefit reserve		Foreign currency translation reserve	
	2013 $000	2012 $000	**2013 $000**	2012 $000
Balance 1 July	**183**	554	**(537)**	(851)
Share based payments	**14**	(152)	**-**	-
Options exercised during the year	**-**	(5)	**-**	-
Transfer of reserve relating to lapsed options	**-**	(214)	**-**	-
Currency translation differences arising during the year	**-**	-	**669**	314
Balance 30 June	**197**	183	**132**	(537)

19. Accumulated losses

	2013 $000	2012 $000
Accumulated losses at the beginning of the period	**(124,969)**	(63,629)
Net loss attributable to members of the parent entity	**(24,434)**	(61,554)
Transfer of reserve relating to lapsed options	**-**	214
Balance 30 June	**(149,403)**	(124,969)

20. Cash flow information

(a) Reconciliation of cash flow from operations to loss after income tax

	2013 $000	2012 $000
Net loss for the year	**(23,940)**	(61,127)
Non-cash flows in loss		
Amortisation of intangible assets	**137**	2,514
Depreciation of property, plant and equipment	**799**	647
Share-based payments expense	**14**	(157)
Amortisation of borrowing costs	**274**	359
Interest on Vendor earn-out liability	**162**	532
Impairment of non-current assets	**15,658**	53,432
Changes in operating assets and liabilities		
Decrease in trade and term receivables	**8,976**	1,765
Decrease in other assets	**99**	635
Increase/(decrease) in trade payables and accruals	**910**	(889)
Increase in income tax payable	**55**	122
(Increase)/decrease in deferred taxes	**(675)**	3,854
Increase in provisions	**943**	5
Cash flow from operations	**3,412**	1,692

Notes to the Financial Statements

21. Controlled entities

Name	Country of incorporation	**Percentage owned 2013**	Percentage owned 2012
Parent entity			
Rubicor Group Limited	Australia	**-**	-
Subsidiaries of parent entity			
Locher & Associates Pty Limited	Australia	**100**	100
Locher Holdings Pty Limited	Australia	**100**	100
Gel Group Pty Limited	Australia	**100**	100
Cadden Crowe Pty Limited	Australia	**100**	100
James Gall & Associates Pty Limited	Australia	**100**	100
Apsley Recruitment Pty Limited (vii)	Australia	**100**	100
Cadden Crowe (Victoria) Pty Limited	Australia	**100**	100
Cadden Crowe (Queensland) Pty Limited	Australia	**100**	100
Skillsearch Contracting Pty Limited	Australia	**100**	100
Careers Unlimited Pty Limited	Australia	**100**	100
SMF Recruitment Pty Limited	Australia	**100**	100
Xpand Group Pty Limited	Australia	**100**	100
CIT Professionals Pty Limited	Australia	**100**	100
Rubicor CRS Pty Limited	Australia	**100**	100
Wizard Personnel & Office Services Pty Limited	Australia	**100**	100
Dolman Group Pty Limited (iii)	Australia	**100**	100
Challenge Recruitment Limited (vi)	Australia	**100**	100
Rubicor SW Personnel Pty Limited	Australia	**100**	100
Rubicor Gemteq Pty Limited	Australia	**100**	100
Orbis Recruitment Pty Limited	Australia	**100**	100
Ensure Recruitment Pty Limited (iv)	Australia	**50.1**	50.1
Rubicor (T1) Pty Limited	Australia	**100**	100
Rubicor Services Pty Limited	Australia	**100**	100
Rubicor Workforce Solutions Pty Limited	Australia	**100**	100
Rubicor New Zealand Limited(v)	New Zealand	**100**	100
Wheeler Campbell Consulting Limited(i)	New Zealand	**100**	100
Health Recruitment NZ Limited (ii)	New Zealand	**100**	100
Gaulter Russell NZ Limited	New Zealand	**100**	100
Numero (NZ) Limited	New Zealand	**100**	100
Powerhouse People Ltd	New Zealand	**100**	100
Rubicor Group Pte Limited (Singapore)	Singapore	**100**	100
Rubicor Hong Kong Limited	Hong Kong	**100**	100

(i) Includes Wheeler Campbell Management Leasing Limited and Intersearch NZ Limited.
(ii) Includes Care Direct Limited and Health Recruitment International Limited.
(iii) Includes subsidiary Dolman F-Lex Pty Limited, and Dolman Pty Limited.
(iv) Rubicor Group has immediate control over 50.1% of the economic benefits arising from Ensure Recruitment Pty Limited. Rubicor has control over the strategic running of the Company and has consolidated the Company in full and disclosed the non-controlling interest.
(v) Includes Rubicor Services (NZ) Limited and Recruit Rubicor NZ Limited.
(vi) Includes Choice HR Pty Limited
(vii) Includes ACN 101254022 Pty Limited and Apsley Recruitment Unit Trust.

22. Parent entity disclosures

(a) Financial position

	2013 $000	2012 $000
Assets		
Current assets	**106,091**	93,410
Non-current assets	**21,162**	49,461
Total assets	**127,253**	142,871
Liabilities		
Current liabilities	**254,966**	231,287
Non-current liabilities	**108**	714
Total liabilities	**255,074**	232,001
Net liabilities	**(127,821)**	(89,130)
Equity		
Share capital	**64,605**	64,605
Reserves	**253**	239
Accumulated losses	**(192,679)**	(153,974)
Total Equity	**(127,821)**	(89,130)
(b) Financial performance		
Loss for the year	**(38,705)**	(63,202)
Other comprehensive income	**-**	-
Total comprehensive loss	**(38,705)**	(63,202)

(c) Guarantees entered into by the Parent entity in relation to the debts of its subsidiaries

The Parent Entity and Challenge Recruitment Limited are parties to a deed of cross-guarantee under which each Company guarantees the debt of others (refer Note 23).

(d) Contingent liabilities of the Parent Entity

	2013 $000	2012 $000
Bank guarantees in respect of leased premises totalling (refer Note 28):	**1,918**	1,407

(e) Commitments for expenditure for the Parent entity

The Parent had nil committed expenditure as at 30 June 2013 and 30 June 2012.

Notes to the Financial Statements

23. Deed of cross-guarantee

Rubicor Group Limited and Challenge Recruitment Limited are parties to a deed of cross-guarantee under which each Company guarantees the debt of others. By entering into the deed, the wholly owned entities have been relieved from the requirement to prepare a financial report and Directors' report under Class Order 98/1418 (as amended) issued by the Australian Securities and Investments Commission.

(a) Consolidated statement of profit or loss and other comprehensive income

The above companies represent a 'Closed Group' for the purposes of the Class Order.

Set out below is a consolidated statement of profit or loss and other comprehensive income for the years ended 30 June, 2013 and 2012 of the Closed Group consisting of Rubicor Group Limited and Challenge Recruitment Limited.

Statement of profit or loss and other comprehensive income

	2013 $000	2012 $000
Revenue	90,955	85,610
On hired labour costs	(81,784)	(76,945)
Employee benefits expense	(7,913)	(8,184)
Rental expense on operating leases	(647)	(726)
Restructure expense	(1,444)	-
Other expenses	(3,062)	(3,297)
Earnings before interest, tax, depreciation and amortisation (EBITDA)	(3,895)	(3,542)
Depreciation of property, plant and equipment	(194)	(127)
Amortisation of intangible assets	(119)	(441)
Finance costs	(3,372)	(5,252)
Impairment losses relating to non-current assets	(29,699)	(54,966)
Loss before income tax expense	(37,279)	(64,328)
Income tax (expense)/benefit	(282)	2,016
Loss for the year	(37,561)	(62,312)
Other comprehensive income	-	-
Total comprehensive loss for the year	(37,561)	(62,312)

(b) Statement of financial position

Set out below is a consolidated statement of financial position as at 30 June 2013 and 2012 of the Closed Group consisting of Rubicor Group Limited and Challenge Recruitment Limited.

Statement of financial position

	2013 $000	2012 $000
Assets		
Current assets		
Cash and cash equivalents	-	-
Trade and other receivables	117,198	104,678
Other assets	330	511
Total current assets	117,528	105,189
Non-current assets		
Trade and other receivables	98,764	80,725
Other financial assets	1,008	30,912
Property, plant and equipment	939	352
Deferred tax assets	1,666	1,721
Intangible assets	176	603
Total non-current assets	102,553	114,313
Total assets	220,081	219,502
Liabilities		
Current liabilities		
Trade and other payables	10,472	8,083
Borrowings	335,270	298,763
Provisions	755	929
Total current liabilities	346,497	307,775
Non-current liabilities		
Borrowings	-	583
Provisions	172	185
Total non-current liabilities	172	768
Total liabilities	346,669	308,543
Net liabilities	(126,588)	(89,041)
Equity		
Share capital	64,605	64,605
Reserves	253	239
Accumulated losses	(191,446)	(153,885)
Total Equity	(126,588)	(89,041)

24. Commitments for expenditure

The Group had nil committed expenditure as at 30 June 2013 and 30 June 2012.

Notes to the Financial Statements

25. Segment information

The Group's internal reporting systems produce reports in which business activities are presented in a variety of ways. Based on these reports, the Executive Board, which is responsible for assessing the performance of various Company components and making resource allocation decisions as the Chief Operating Decision Maker (CODM), evaluates business activities in a number of different ways. The Group's reportable segments under AASB 8 are as follows:

- Australia;
- New Zealand; and
- Other

The Australian and New Zealand reportable segments supply recruitment services to the Australian and New Zealand geographical regions respectively.

'Other' is the aggregation of the Group's other operating segments that are not separately reportable. Included in 'Other' are operating segments for the Group's activities in supplying recruitment services in Singapore.

There have been no changes in basis of segmentation or basis of segmental profit or loss since the previous financial report.

Segment revenues and results

The following is an analysis of the Group's revenue and result by reporting operating segment for the periods under review:

(a) Revenue

	Australia		New Zealand		Other		Unallocated		Economic entity	
	2013 $000	2012 $000	**2013 $000**	2012 $000	**2013 $000**	2012 $000	**2013 $000**	2012 $000	**2013 $000**	2012 $000
Revenue	**222,643**	267,602	**14,155**	21,444	**897**	1,489	**-**	-	**237,695**	290,535
Total segment revenue:	**222,643**	267,602	**14,155**	21,444	**897**	1,489	**-**	-	**237,695**	290,535

(b) Result

	Australia		New Zealand		Other		Unallocated		Economic entity	
	2013 $000	2012 $000	**2013 $000**	2012 $000	**2013 $000**	2012 $000	**2013 $000**	2012 $000	**2013 $000**	2012 $000
Segment results before depreciation and amortisation	**5,644**	11,029	**891**	1,421	**(243)**	243	**-**	-	**6,292**	12,693
Depreciation	**(714)**	(567)	**(47)**	(55)	**(38)**	(25)	**-**	-	**(799)**	(647)
Segment results after depreciation and before amortisation	**4,930**	10,462	**844**	1,366	**(281)**	218	**-**	-	**5,493**	12,046
Amortisation									**(137)**	(2,514)
Central administration costs and directors' salaries									**(5,226)**	(6,028)
Restructuring expense									**(3,452)**	-
Interest revenue									**152**	108
Finance costs									**(4,966)**	(6,520)
Interest on vendor earn-out liabilities									**(162)**	(532)
Impairment losses									**(15,658)**	(53,432)
Loss before tax									**(23,956)**	(56,872)
Income tax benefit/(expense)									**16**	(4,255)
Loss after tax									**(23,940)**	(61,127)

(c) Segment assets and liabilities
The Group is not required to disclose information regarding segment assets and liabilities where that information is not reported to the CODM.

(d) Information about major customers
Included in revenues are revenues of $64.0 million (2012: $79.2 million) which arose from sales to two (2012: two) of the Group's customers whose individual revenue exceeds 10% of total revenue in the Australian segment.

26. Related party transactions
Group/Company transactions with related parties outside the Group
There have been no transactions with related parties outside the Group during the financial years ended 30 June 2013 and 30 June 2012, other than key management personnel disclosures in Note 6.

27. Secured liabilities
The following security is held by the parent company's and consolidated entity's bankers:
- fixed and floating charge over all assets of the parent entity;
- fixed and floating charge over all assets of the controlled entities; and
- mortgage over all the shares held by the parent entity in the controlled entities.

Subsequent to year end, the facilities which relate to these securities have been extinguished. Refer Note 32.
Security provided in respect of other secured liabilities is disclosed in Note 14(e).

28. Contingent liabilities
The Group had contingent liabilities at 30 June 2013 in respect of bank guarantees for leases (refer to Note 30), as set out below:

	2013 $000	2012 $000
Contingent liabilities		
Bank guarantees in respect of leased premises totalling:	**2,268**	1,858
	2,268	1,858

Security for borrowing and leases is detailed in Note 14.

29. Financial instruments
(a) Significant accounting policies
Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

(b) Capital risk management
The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balances.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in Note 14, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves, other equity and retained earnings (accumulated losses) as disclosed in Notes 17, 18 and 19 respectively.

(c) Financial risk management objectives
The Board of Directors has overall responsibility for the establishment and oversight of the Group's financial management framework. The Board has an established Audit and Risk Management Committee which is responsible for developing and monitoring the Group's financial management policies. The committee provides regular reports to the Board of Directors on its activities.

The Audit and Risk Management Committee oversees how management monitors compliance with risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks.

The main risks arising from the Group's financial instruments are market risk (including currency risk and fair value interest rate risk), credit risk, liquidity risk and cash flow interest rate risk. The Board reviews and approves policies for managing each of these risks.

The Board has approved written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. The Audit and Risk Management Committee oversees how management monitors compliance with risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

29. Financial instruments (continued)

(d) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group may enter into a variety of derivative financial instruments to manage its exposure to interest rate and foreign currency risk, including:

- foreign exchange forward contracts to hedge the exchange rate risk arising from transactions not recorded in an entity's functional currency; and
- interest rate swaps to mitigate the risk of rising interest rates.

(e) Foreign currency risk management

The Group from time-to-time undertakes certain transactions denominated in foreign currencies that are different to the functional currencies of the respective entities undertaking the transactions, hence exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amount of the Group's foreign currency denominated assets and liabilities at the reporting date that are denominated in a currency that is different to the functional currency of the respective entities within the Group is nil (2012: nil).

(f) Interest rate risk management

The Group is exposed to interest rate risk associated with borrowed funds at floating interest rates. During the financial year, risks associated with interest rate movements were monitored by the Board; however, no hedging instruments were considered necessary to manage this risk.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity

The sensitivity analyses below have been determined based on the exposure to interest rates at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

At the reporting date, if interest rates had been 100 basis points higher or lower and all other variables were held constant, the Group's loss before tax would decrease/ increase by $0.54 million (2012: loss before tax decrease/ increase by $0.55 million). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

(g) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The carrying value of trade receivables recorded in the financial statements, net of any impairment allowances, represents the Group's maximum exposure to credit risks.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The maximum credit risk exposure of financial assets is their carrying amount in the financial statements.

(h) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the CEO and Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously forecasting and comparing actual cash flows and matching the maturity profiles of financial assets and liabilities. Included in Note 14(g) is a listing of additional undrawn facilities that the Group has at its disposal to further reduce liquidity risk.

Liquidity and interest risk tables

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been presented based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group may be required to pay. The table includes both interest and principal cash flows.

Financial liabilities

	Weighted average effective interest rate %	0-3 months $000	3 months to 1 year $000	1-5 years $000	5+ years $000	Total $000
2013						
Trade and other payables	**-**	**11,927**	**-**	**-**	**-**	**11,927**
Bank overdraft[2]	**9.59**	**3,965**	**-**	**-**	**-**	**3,965**
Finance lease liability	**11.80**	**1**	**3**	**10**	**-**	**14**
Subordinated facility[1,2]	**-**	**-**	**33,000**	**-**	**-**	**33,000**
Term facility[1,2]	**6.58**	**1,457**	**50,483**	**-**	**-**	**51,940**
Extension fees[1,2]	**-**	**-**	**2,423**	**-**	**-**	**2,423**
Vendor earn-out liability	**12.50**	**-**	**988**	**-**	**-**	**988**
Total		**17,350**	**86,897**	**10**	**-**	**104,257**
2012						
Trade and other payables	-	11,026	-	-	-	11,026
Bank overdraft	10.24	2,747	-	-	-	2,747
Finance lease liability	11.80	1	3	14	-	18
Subordinated facility	-	-	-	33,000	-	33,000
Term facility	7.12	1,590	4,735	53,054	-	59,379
Extension fees	-	-	-	2,423	-	2,423
Vendor earn-out liability	12.34	314	1,620	1,233	-	3,167
Total		15,678	6,358	89,724	-	111,760

1 The term and subordinated facilities have been classified as payable within 3 months-1 year as the facilities expire on 31 March 2014 (refer to Note 14). Extension fees may be payable at this time and have therefore also been classified as payable within 3 months-1 year (refer to Note 16).

2 Subsequent to year end, these facilities have been extinguished. Refer Note 32.

29. Financial instruments (continued)

Fair value of financial instruments

The fair value of financial assets and financial liabilities is determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices;
- the fair value of other financial assets and liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions; and
- the fair value of derivative instruments is calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

30. Operating lease arrangements

Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

	2013 $000	2012 $000
Leases as lessee		
Less than one year	**2,850**	3,261
Between one and five years	**5,481**	4,299
Total	**8,331**	7,560

The Group leases a number of offices under operating leases. The leases run over varying periods, some with option periods. Some of the leases have fixed rate rental periods, and some have market rate rental adjustments.

31. Finance and hire purchase leases

The present value of finance lease liabilities is as follows:

	2013 $000	2012 $000
Less than one year	**5**	5
Between one and five years	**12**	17
Minimum future lease payments[1]	**17**	22
Less future finance charges	**(3)**	(4)
Present value of minimum lease payments	**14**	18
Recognised in the financial statements as:		
Borrowings:		
Current (Note 14)	**4**	4
Non-current (Note 14)	**10**	14
Total	**14**	18

The finance and hire purchase leases are secured against the underlying assets, with a net book value $0.008m (2012: $0.011m).

1 Minimum future lease payments includes the aggregate of all lease payments and any guaranteed residual.

32. Events after the balance date

Subsequent to year end, the Company restructured its debt facilities. As a result, all debt obligations in respect of the Loan facilities (Term and Subordinated facility) and Bank Overdraft facility, which in aggregate amounted to $95.6m at settlement, have been extinguished in full, in exchange for $7.0m. This has resulted in a gain of $88.6m. The Company has secured new funding in the form of a debtor finance facility ("Debtor Finance Facility") with an initial limit of $15m. The Debtor Finance Facility provides funding based on approved receivables and the limit will adjust in line with the value of the approved receivables. This facility has a three year term with no annual review, no financial covenants and no facility amortisation repayments. Funding provided under this facility is however dependent upon the purchased receivables remaining approved until they are collected. Other facilities (rental guarantees) in the amount of $1.9m remain in place in the short term, and have been cash backed by funds drawn from the Debtor Finance Facility.

The additional headroom under the Debtor Finance Facility is expected to provide Rubicor with appropriate working capital to fund the business, extinguish all Vendor earn-out payments and support the growth potential of Rubicor over the medium term.

33. Senior Executive Share Plan

The Company established the Senior Executive Share Plan on 24 April, 2007. The Senior Executive Share Plan is intended to provide incentives to attract, retain and motivate key executives whose present and potential contributions are important to the success of the Company and its subsidiaries by offering them an opportunity to share in the ownership of the Company. The Senior Executive Share Plan is administered by the Board in its discretion. The terms and conditions of the Senior Executive Share Plan are summarised below.

Plan Shares were made available under the Senior Executive Share Plan to the following key executives of the Company in August and November 2007:

Key Executive	Amount
Wayman Chapman	$300,000
Kevin Levine	$180,000
Jane Beaumont	$150,000
Sharad Loomba	$120,000

The Plan Shares were acquired at a price equal to the weighted average market price for shares for the five trading days prior to acquisition of the Plan Shares. The Company provided a loan to participants under the Share Plan for 100% of the purchase price of the Plan Shares to enable the participant to acquire the Plan Shares (Loan). The Loan has been provided on an interest-free basis. The Loan is repayable on the fifth anniversary of the date when the Loan was provided or otherwise in accordance with its terms (although the Board may vary the repayment period). If the performance conditions attaching to Plan Shares issued under the Share Plan have been satisfied, the Board will waive the loan repayment except for the portion equal to the fringe benefits tax payable on the Loan. The Loans from the Company to the above key executives will be repayable and the Plan Shares will become transferable by the key executive upon the satisfaction of certain performance hurdles based on the performance of the Company measured by:

- earnings per share growth over the period 1 July, 2007 to 30 June, 2010 retested at 30 June, 2011 and 30 June, 2012; and
- total shareholder return ranking against the S&P/ASX Small Ordinaries index.

The number of ordinary shares acquired is in relation to the services to be performed for three years up to 30 June, 2010:

Key Executive	2008 shares
Wayman Chapman	423,204
Kevin Levine	235,088
Jane Beaumont	195,906
Sharad Loomba	163,003
Total	1,017,201

As required by AASB2, the fair value of the shares issued is determined as the market price at grant date.

As this Share Plan has now lapsed the relating equity-settled employee benefit reserve has been transferred to accumulated losses (refer to Note 19). No share-based payment expense was recongnised for the financial year ended 30 June, 2013 (2012: $19,789).

34. Share-based payments

Key Employee Share Option Plan

In the 2006 financial year, Rubicor Group Limited established the Key Employee Share Option Plan (the Plan). The Plan was established to retain and motivate eligible persons whose present and potential contributions are important to the success of the parent and its controlled entities by offering them an opportunity to participate in the Group's future performance through the awarding of share options. Eligible persons are full-time or part-time employees of the consolidated entity or other such persons as approved by the Board of Directors.

34. Share-based payments (continued)

Key Employee Share Option Plan (continued)

Vesting of the share options awarded takes place over a five-year period, with the first of the options vesting after two years and the rest vesting in tranches thereafter. The options cannot be exercised until the occurrence of a specified liquidity event.

On exercise, each share option entitles the eligible person holding that option to one ordinary share in the parent entity, ranking equally with all other shares. The exercise price of an option will be determined by the Board of Directors and set out in the Award Invitation.

The maximum number of shares to be issued to eligible persons on exercise of the share options is 5% of the issued share capital of the parent entity on a diluted basis at the valuation date.

The expiry date of the options is the earlier of:

- five years following the vesting period for options issued before July 2011, and 30 June, 2017 for options issued from July 2011;
- the expiration date set out in the relevant Award Invitation;
- the date on which any condition relating to the exercise of the options can no longer be satisfied; or
- the date that the relevant participant ceased to be employed or engaged by the consolidated entity.

The fair value at grant date is independently determined using a Monte Carlo option pricing model.

The key model inputs for options granted before July 2010 include:

(a) Options are granted for no consideration, will vest over a five year period, with 40% vesting after two years, and the rest vesting in three equal tranches.
(b) The grant dates were 27 May 2008, 28 April 2008, 31 August 2006 and 31 October 2005.
(c) The expected dividend yield is 6%.
(d) The risk-free interest rate varied between 5.34% and 5.48%.
(e) The expected price volatility of the Company's shares is 45%, based on historical experience of similar companies.

The key model inputs for options granted in July 2010 include:

(a) Options are granted for no consideration, and will vest 3 years from the grant date.
(b) The grant date was 1 July, 2010.
(c) The expected dividend yield is 0%.
(d) The risk-free interest rate varied between 5.10% and 5.48%.
(e) The expected price volatility of the Company's shares is 65%, based on historical experience of similar companies.

The key model inputs for options granted in July 2011 include:

(a) Options are granted for no consideration, and will vest 3 years from the grant date.
(b) The grant date was 1 July, 2011.
(c) The expected dividend yield is 0%.
(d) The risk-free interest rate varied between 5.52% and 5.56%.
(e) The expected price volatility of the Company's shares is 69%, based on historical experience of similar companies.

$13,139 has been recognised as a share-based payment expense on a graded vesting pattern for the year ended 30 June, 2013 (2012: gain of $186,664) and no options were exercised during the year (2012: $5,723) (refer to Note 18).

The following share-based payment arrangements were in existence during the current and comparative reporting periods:

Options series	Number	Grant date	Expiry date	Exercise price $	Fair value at grant date $
Issued October 2005	1,847,459	October 2005	December 2015	Nil	0.37
Issued August 2006	1,028,843	August 2006	December 2015	Nil	0.58
Issued April 2008	957,415	April 2008	December 2018	0.37	0.11
Issued May 2008	170,000	May 2008	December 2018	0.26	0.04
Issued July 2010	1,548,800	July 2010	June 2017	0.05	0.02
Issued July 2010	1,210,000	July 2010	June 2017	0.05	0.02
Issued July 2011	1,626,240	July 2011	June 2018	0.05	0.01

The following table reconciles the outstanding share options granted under the Employee Share Option Plan at the beginning and end of the financial year:

	2013		2012	
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
Balance at beginning of the financial year	**5,097,034**	**0.06**	4,598,295	0.08
Granted during the year	**-**	**-**	1,626,240	0.05
Exercised during the financial year (i)	**-**	**-**	(198,272)	-
Expired during the financial year	**(204,292)**	**-**	(929,229)	-
Balance at end of the financial year (ii)	**4,892,742**	**0.07**	5,097,034	0.06
Exercisable at end of the financial year	**657,702**	**0.16**	647,893	0.13

(i) Exercised during the financial year
No share options granted under the Employee Share Option Plan were exercised during the financial year.

(ii) Balance at the end of the financial year
The share options outstanding at the end of the financial year had an average exercise price of $0.06 (2012: $0.06), and a weighted average remaining contractual life of 4.3 years (2012: 4.9 years).

35. Loss per share

	2013 cents	2012 cents
(a) Basic loss per share		
Loss attributable to the equity holders of the Parent	**(22.3)**	(56.2)
(b) Diluted loss per share		
Loss attributable to the equity holders of the Parent	**(22.3)**	(56.2)

	2013 number	2012 number
(c) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**109,610,814**	109,610,814
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	**109,610,814**	109,610,814

(d) Information concerning the classification of securities
(i) Options
Options granted to employees under the Employee Share Option Plan are considered to be potential ordinary shares and have not been included in the determination of diluted earnings per share as they would be anti-dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in Note 34.

36. Dividends

(a) Ordinary shares

	2013		2012	
	Cents per Share	Total $000	Cents per Share	Total $000
Ordinary shares				
Interim dividend:				
Franked to 100%	-	-	-	-

(b) Series B redeemable preference shares

Dividends totaling $0.01 million (2012: $0.81 million) paid in November 2012 have been applied against the Vendor earn-out liability as the liability includes the present value of future dividend payments (refer to Note 14(a)).

(c) Franking credits

	2013 $000	2012 $000
Franking credits available for subsequent financial years based on a tax rate of 30% (2011: 30%)	10,197	9,964

The balance of the franking account includes:
(i) franking credits that arose from the payment of the amount of the provision for income tax;
(ii) franking debits that arose from the refund of the amount of the provision for income tax;
(iii) franking debits that arose from the payment of dividends recognised as a liability at the reporting date; and
(iv) franking credits that arose from the receipt of dividends recognised as receivables at thereporting date.

Shareholder Information
As at 20 September 2013

Number of security holders and securities on issue

Quoted equity securities

Rubicor has on issue 110,628,015 fully paid ordinary shares which are held by 810 shareholders.

Unquoted equity securities

Rubicor has 46 Series B redeemable preference shares on issue which are held by 12 shareholders.

Rubicor has 4,114,369 options on issue under the Employee Option Plan and these are held by 23 optionholders.

Voting Rights

Quoted equity securities

The voting rights attached to fully paid ordinary shares are that on a show of hands, every member present, in person or proxy, has one vote and upon a poll, each share shall have one vote.

Unquoted equity securities

There are no voting rights attached to Series B redeemable preference shares.

Optionholders do not have any voting rights on the options held by them.

Distribution of security holders

Quoted equity securities

Ordinary fully paid ordinary shares

Holding	Number of shareholders	Number of shares	%
1 – 1,000	19	12,349	0.01
1,001 – 5,000	162	594,354	0.54
5,001 – 10,000	140	1,276,576	1.15
10,001 – 100,000	342	12,946,432	11.70
100,001 and over	147	95,798,304	86.60
Total	**810**	**110,628,015**	**100.00**

Unquoted Securities

Series B redeemable preference shares

Holding	Number of shareholders	Number of shares	%
1 – 1,000	12	46	100
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and over	-	-	-
Total	**12**	**46**	**100**

Rubicor employee options

Options granted on various dates with various vesting dates and various expiry dates – all vested options may be converted to Fully Paid Ordinary Shares on a one-for-one basis with a nil exercise price:

Holding	Number of optionholders	Number of options	%
1 – 1,000	-	-	-
1,001 – 5,000	1	3,892	3
5,001 – 10,000	1	7,785	5
10,001 – 100,000	5	142,140	92
100,001 and over	-	-	-
Total	**7**	**153,817**	**100**

Shareholder Information
As at 20 September 2013

Options granted on various dates with various vesting dates and various expiry dates – all vested options may be converted to fully paid ordinary shares on a one-for-one basis with a 37 cent exercise price:

Holding	Number of optionholders	Number of options	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	4	225,512	100
100,001 and over	-	-	-
Total	4	225,512	100

Options granted on various dates with various vesting dates and various expiry dates – all vested options may be converted to Fully Paid Ordinary Shares on a one-for-one basis with a 26 cent exercise price:

Holding	Number of optionholders	Number of options	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	1	20,000	100
100,001 and over	-	-	-
Total	1	20,000	100

Options granted on various dates with various vesting dates and various expiry dates – all vested options may be converted to Fully Paid Ordinary Shares on a one-for-one basis with a 5 cent exercise price:

Holding	Number of optionholders	Number of options	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	7	540,000	15
100,001 and over	2	3,175,040	85
Total	9	3,715,040	100

Unmarketable parcel of shares

The number of shareholders holding less than a marketable parcel of Fully Paid Ordinary Shares is 385. 16,667 Fully Paid Ordinary Shares comprise a marketable parcel at Rubicor's closing share price of $0.30.

Substantial shareholders

The number of securities held by substantial shareholders and their associates are set out below:

Fully Paid Ordinary Shares

Name	Number	%
Salmary Pty Limited, Pathold No. 107 Pty. Limited, George P Miltenyi, Mary E. Miltenyi, Peter J. Lewis and Susan E. Flynn	5,667,941	5.17 [1]
Hatch Investments Pty Limited	13,221,252	12.00[2]

1 As notified to the Company on 21 June 2011.
2 As notified to the Company on 6 August 2013.

Unquoted equity securities

Series B redeemable preference shares

There are 46 Series B Redeemable Preference Shares on issue to 12 shareholders.

There are no shareholders who hold 20% or more of the Series B Redeemable Preference Shares.

Rubicor employee options

There are 153,817 (with a nil exercise price) unquoted options on issue to 7 optionholders under the Employee Option Plan.

There are 225,512 (with a 37 cent exercise price) unquoted options on issue to 4 optionholders under the Employee Option Plan.

There are 20,000 (with a 26 cent exercise price) unquoted options on issue to 1 optionholder under the Employee Option Plan.

There are 3,715,040 (with a 5 cent exercise price) unquoted options on issue to 11 optionholders under the Employee Option Plan.

There are no optionholders who hold 20% or more of the options under the Employee Option Plan.

On-market buy-back

There is no current on-market buy-back.

Twenty largest shareholders

Fully paid ordinary shares

Details of the 20 largest shareholders of quoted securities (grouped) by registered shareholding are:

Name		Number of shares	%
1	Hatch Investments Pty Ltd	13,221,252	11.95
2	ABN AMRO Clearing Sydney Nominees Pty Ltd	7,535,330	6.81
3	Ria Super Pty Ltd	5,108,397	4.62
4	Salmary Pty Limited	5,019,178	4.54
5	Mrs Ruth Winifred Chapman	2,967,864	2.68
6	Mr Michael Shaun McLagan & Mrs Patricia Ann McLagan	2,775,400	2.51
7	MRJ Capital Pty Limited	2,550,000	2.31
8	Wilson Funds Limited	1,935,793	1.75
9	Mr Richard Frank Agnew Wills & Mrs Margaret Afiatta Oscar Wills	1,500,000	1.36
10	Donna Rose Braunthal	1,326,658	1.20
11	Mr James Malackey	1,326,150	1.20
12	Conquest Investments Pty Ltd	1,300,000	1.18
13	Eatonia Holdings Pty Limited	1,287,397	1.16
14	Brownvalley Investments Pty Ltd	1,202,897	1.09
15	Jaswear Pty Limited	1,157,416	1.05
16	Mr Peter David Emmerton & Mr Robert Voet	1,138,805	1.03
17	Mr Steven Bruce Troughton & Mrs Wendy Ann Troughton	1,100,000	0.99
18	Andalusia Pty Ltd	1,000,000	0.90
18	Mr Paul Anthony Cooper	1,000,000	0.90
19	Cadden Human Resource Services Pty Ltd	982,919	0.89
20	Gracelite Pty Ltd	966,224	0.87
Total		56,401,680	50.98

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Corporate Directory

Non–Executive Directors
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Russel Pillemer
Steven Hatch

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Kevin Levine

Company Secretary
Sharad Loomba

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About Rubicor

The Rubicor Group is one of the largest recruitment services companies providing services throughout Australia, New Zealand and South East Asia. Operating as a network of 18 specialist recruitment brands, the Group offers search, selection, bulk recruitment, professional and support level contracting services and organisational development.

Established in 2005, The Rubicor Group operates from 17 offices and specialises in the provision of permanent and contract recruitment across Professional Services, ICT & Digital Media, Mining Resources & Engineering, Health, Human Resource Consulting and Workforce Solutions.

The combined strength of our house of brands further cements Rubicor's position as a diverse and widely networked organisation with a consummate ability to match talent with global opportunities. More information is available at www.rubicor.com.au

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