



ABN 73 010 544 699

HALF-YEARLY REPORT

31 December 2013

AHC LIMITED ABN 73 010 544 699
INTERIM FINANCIAL REPORT

DIRECTORS' REPORT

Your Directors submit the financial report of AHC Limited for the half-year ended 31 December 2013.

The names of the Directors and Executives who held office during or since the end of the half-year are: -

DIRECTORS

- Ian Roderick MacLeod
- Wayne Benson Lester
- Rod Lindsay MacLeod
- Rodney Joseph Walsh
- Sheryl Anne MacLeod

Company Secretary

- Sheryl Anne MacLeod

REVIEW OF OPERATIONS

Delisting

As per company announcements in the second half of 2013 the Company was officially delisted from the ASX official list on 20 December 2013.

All queries about share sales and purchases should be made to:

Company Secretary
AHC Limited
PO Box 34
Oxenford Qld 4210
(07) 55 732666

Worongary Town Centre

At the close of 2013 AHC completed more than 5 lease renewals at the centre which also consisted of modest market increases.

This renewal activity is consistent with the improving economy and property market activity on the Gold Coast as well as the success of Worongary Town Centre.

AHC Limited also agreed terms to add a 24hr fitness centre which will proceed subject to local authority approval, commencing early 2014. This will be a great addition to Worongary Town Centre by adding another fantastic service for the local community. We envisage that this will add to the eateries and coffee shop patronage also.

Southside Town Centre - Gympie

Southside Town Centre at the end of 2013 saw the Caltex Service Station officially opened by Gympie State MP David Gibson a Southside resident.

It has been reported by the Caltex franchisee that the new store had really started to grab the public's attention and blitzed its first Christmas and New Year period.

Further AHC Limited has agreed terms with a dentist practise to join the centre subject to local authority approval commencing early 2014.

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DIRECTORS' REPORT

Southside Town Centre is building its profile as the prominent convenient shopping destination whilst offering a broad tenancy mix.

We hope to report 100% occupancy in the near future as Gympie continues to recover from the devastating floods of 2011 and 2012.

Proposed Parkhurst Shopping Centre - Rockhampton

Community awareness and excitement is building within Parkhurst and greater Rockhampton as we field strong inquiry about a commencement date.

AHC Limited at the close of 2013 continued the minor amendments of the site plan and architectural design in order to commence the next stage of structural and related designs.

AHC further were completing the final instructions to our engineers for the anticipated lodgement of operational works applications for - Bulk Earthworks, Storm water, Sewer, Water and Sewer works.

Leasing of the centre has been progressing well and inquiry strong from major national companies.

Saltwater Estate - Helensvale

The Saltwater development currently consists of only four commercial lots for sale on the M1 at Helensvale after all residential land was previously sold and settled.

Unfortunately we cannot report further sales of the commercial holdings however, I can report that inquiry and offers began to be received once again in December 2013 as the construction on previously sold lots is now being visualised.

Due to the high calibre of building quality within the precinct other interested parties are once again commencing negotiations.

We firmly believe that with an improving local economy on the Gold Coast new sales are very close.

Finally I am happy to report that AHC Limited has continued to improve sales values on each and every sale. The commercial land remaining is unequalled in the northern corridor for those interested in marketing to over 100,000 passing vehicles each and every day.

Drury Lane Industrial - Hervey Bay

AHC Limited has continued to undertake extensive design work for various operational works applications to be submitted to the local authority consisting of Earthworks, Sewer, Water reticulation, Stormwater drainage, Road works etc however this has only been achievable from available cash flow.

Closing out 2013 AHC Limited and the Potter Group who is developing a large residential subdivision adjacent to the AHC subdivision jointly agreed to a preliminary design approval for an upgraded intersection fronting the industrial holdings.

In a joint venture with the Potter Group the intersection will be designed and constructed in 2014 following agreement on its preliminary design by the Department of Transport and Main Roads in late 2013.

Hervey Bay is commencing a property recovery and we hope that 2014 will see this development progress.

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INTERIM FINANCIAL REPORT**

DIRECTORS' REPORT

Howard Residential Estate - Hervey Bay

Unfortunately due to unavailable cash flow this development has not progressed any further throughout 2013.

We are hopeful to report further activity at the close of this full financial year.

AUDITOR'S INDEPENDENCE DECLARATION

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

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

Director



ROD LINDSAY MACLEOD
MANAGING DIRECTOR

Dated this 28th day of February 2014

AHC LIMITED ABN 73 010 544 699

**AUDITOR'S INDEPENDENCE DECLARATION UNDER
SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF AHC LIMITED**

I declare that, to the best of my knowledge and belief during the half-year ended 31 December 2013, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

WPIAS Pty Ltd
Authorised Audit Company No. 440306



LEE-ANN DIPPENAAR BCom CA RCA
DIRECTOR

Dated this 28th day of February 2014

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HELENSVALE QLD 4212

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WPIAS a Limited Partnership

WPIAS Pty Ltd ABN 99 163 915 482 an Authorised Audit Company



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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

| | Half-year Ended 31 December 2013 \$ | Half-year Ended 31 December 2012 \$ |
|---|---|---|
| Revenues | 4,062,148 | 6,253,796 |
| Other Income | 14,924 | 258,980 |
| Net loss on revaluation of properties | - | - |
| Loss on disposing of property plant & equipment | - | (307,496) |
| Changes in Inventories | (1,152,191) | (3,323,319) |
| Cost of Goods Sold | (106,913) | (702,880) |
| Borrowing costs expense | (1,006,430) | (1,197,297) |
| Depreciation & Amortisation | (28,464) | (46,878) |
| Employee Benefits Expense | (556,718) | (469,719) |
| Rates and Taxes | (208,073) | (188,290) |
| Repairs & Maintenance | (85,300) | (104,803) |
| Rent | (29,192) | (10,967) |
| Other Expenses | <u>(646,012)</u> | <u>(497,840)</u> |
| Profit/(Loss) before income tax expense | 257,779 | (336,713) |
| Income tax (expense)/revenue | <u>(79,700)</u> | <u>93,622</u> |
| Profit/(Loss) for the period | <u>178,079</u> | <u>(243,091)</u> |
| Other comprehensive income for the period, net of tax | - | - |
| Total comprehensive income/ (loss) for the period | <u>178,079</u> | <u>(243,091)</u> |
| Profit/(Loss) attributable to members of the entity | <u>178,079</u> | <u>(243,091)</u> |
| Total comprehensive income/(loss) attributable to members of the Entity | <u>178,079</u> | <u>(243,091)</u> |
| Earnings per Share: | Cents per share | Cents per share |
| Basic earnings per share (cents per share) | 3.20 | (4.34) |
| Diluted earnings per share (cents per share) | 3.20 | (4.34) |

The accompanying notes form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013**

| | As at 31 December 2013 \$ | As at 30 June 2013 \$ |
|--------------------------------------|------------------------------------|--------------------------------|
| Current Assets | | |
| Cash and cash equivalents | 86,028 | 363,601 |
| Trade & Other Receivables | 10,004 | 304,435 |
| Inventories | 7,591,384 | 8,689,240 |
| Other current assets | 64,857 | 62,203 |
| TOTAL CURRENT ASSETS | 7,752,273 | 9,419,479 |
| Non-Current Assets | | |
| Property, plant and equipment | 8,295,628 | 5,685,884 |
| Deferred tax assets | 674,830 | 609,475 |
| Investment Property | 52,500,000 | 52,500,000 |
| TOTAL NON-CURRENT ASSETS | 61,470,458 | 58,795,359 |
| TOTAL ASSETS | 69,222,731 | 68,214,838 |
| Current Liabilities | | |
| Trade & Other Payables | 1,420,402 | 1,385,896 |
| Borrowings | 386,108 | 344,172 |
| Current tax liabilities | 5,197 | 9,883 |
| TOTAL CURRENT LIABILITIES | 1,811,707 | 1,739,951 |
| Non-Current Liabilities | | |
| Deferred tax liability | 5,559,870 | 5,414,816 |
| Provisions | 65,563 | 47,441 |
| Borrowings | 34,737,661 | 34,070,339 |
| TOTAL NON-CURRENT LIABILITIES | 40,363,094 | 39,532,596 |
| TOTAL LIABILITIES | 42,174,801 | 41,272,547 |
| Net Assets | 27,047,930 | 26,942,291 |
| Equity | | |
| Issued Capital | 1,707,702 | 1,780,142 |
| Retained Earnings | 25,340,228 | 25,162,149 |
| Total Equity | 27,047,930 | 26,942,291 |

The accompanying notes form part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

| | Half-year Ended 31 December 2013 \$ | Half-year Ended 31 December 2012 \$ |
|--|---|---|
| Cash Flows from Operating Activities | | |
| Receipts from customers | 5,166,470 | 7,239,638 |
| Interest received | 372 | 50,697 |
| Other income | 14,553 | 208,294 |
| Payment to suppliers and employees | (2,451,146) | (3,712,093) |
| Borrowing costs | (1,006,432) | (1,197,297) |
| Income tax refund(paid) | - | (484,449) |
| Net Cash Provided by (Used in) Operating Activities | <u>1,723,817</u> | <u>2,104,790</u> |
| Cash Flows from Investing Activities | | |
| Proceeds from sale of plant and equipment | - | 2,050,000 |
| Proceeds from sale of investments | - | - |
| Payment for Investment Property | - | (4,036,715) |
| Purchase of plant & equipment | (2,638,208) | (111,007) |
| Net Cash Provided by (Used in) Investing Activities | <u>(2,638,208)</u> | <u>(2,097,722)</u> |
| Cash Flows from Financing Activities | | |
| Proceeds from borrowings | 1,695,498 | 1,491,155 |
| Repayment of borrowings | (996,458) | (487,622) |
| Dividend paid | - | (559,511) |
| Share Buy Back Payment | (72,440) | - |
| Net Cash Provided by (Used in) Financing Activities | <u>626,600</u> | <u>444,022</u> |
| Net Increase (Decrease) in Cash Held | <u>(287,791)</u> | <u>451,090</u> |
| Cash and cash equivalents at beginning of period | 363,601 | (297,103) |
| Cash and cash equivalents at the end of period | <u>75,810</u> | <u>153,987</u> |

The accompanying notes form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

| | Note | Share Capital Ordinary | Retained Earnings | Asset Revaluati on Reserve | Total |
|---|------|------------------------------|----------------------|-------------------------------------|------------|
| Balance at 1.7.2012 | | 1,780,142 | 25,661,119 | - | 27,441,261 |
| Shares bought back during the year | | - | | | - |
| Loss attributable to members of the entity | | - | (243,091) | - | (243,091) |
| Sub-total | | 1,780,142 | 25,418,028 | - | 27,198,170 |
| Dividends paid or provided for | | - | (559,511) | - | (559,511) |
| Balance at 31.12.2012 | | 1,780,142 | 24,858,517 | - | 26,638,659 |
| Balance at 1.7.2013 | | 1,780,142 | 25,162,149 | - | 26,942,291 |
| Shares bought back during the year | | (72,440) | | | (72,440) |
| Profit attributable to members of the entity | | - | 178,079 | - | 178,079 |
| Total other comprehensive income for the period | | - | - | - | - |
| Sub-total | | 1,707,702 | 25,340,228 | - | 27,047,930 |
| Dividends paid or provided for | | - | - | - | - |
| Balance at 31.12.2013 | | 1,707,702 | 25,340,228 | - | 27,047,930 |

The accompanying notes form part of these financial statements.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2013 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The company is a for-profit entity for financial reporting purposes under Australia Accounting Standards.

This interim financial report is intended to provide users with an update on the latest financial statements of AHC Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the company for the year ended 30 June 2013, together with any public announcements made during the following half-year.

b. Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements, except in relation to some of the matters discussed at Note 1c below.

c. New and Revised Accounting requirements Applicable to the Current Half-year Reporting Period

(i) Fair value measurements and disclosures

The Company has adopted AASB 13: *Fair Value Measurement* and AASB 2011-8: *Amendments to Australian Accounting Standards arising from AASB 13* from 1 July 2013 together with consequential amendments to other Standards. These Standards became mandatorily applicable from 1 January 2013 and became applicable to the Company for the first time in the current half-year reporting period 1 July 2013 to 31 December 2013. AASB 13 sets out a comprehensive framework for measuring the fair value of assets and liabilities and prescribes enhanced disclosures regarding all assets and liabilities measured at fair value. New disclosures prescribed by AASB 13 that are material to this interim financial report have been provided in Note 11. Although these Standards do not significantly impact the fair value amounts reported in the Company's financial statements, the directors have determined that additional accounting policies providing a general description of fair value measurement and each level of the fair value hierarchy, as set out in Note 1(d), should be incorporated in these financial statements.

(ii) Other

Other new and amending Standards that became applicable to the Company for the first time during this half-year reporting period are as follows:

AASB 119: *Employee Benefits* (September 2011) and AASB 2011-10: *Amendments to Australian Accounting Standards arising from AASB 119* (September 2011).

These Standards did not affect the Company's accounting policies or the amounts reported in the financial statements, mainly because the Company does not have defined benefit plan assets or obligations.

d. Fair Value of Assets and Liabilities

As fair value is a market-based measure, the closest equivalent observable market pricing

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

information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Valuation techniques

In the absence of an active market for an identical asset or liability, the Company selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Company are consistent with one or more of the following valuation approaches:

- *Market approach:* valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach:* valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach:* valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable,

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

the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Company would change the categorisation within the fair value hierarchy only in the following circumstances:

- (i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
- (ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Company recognises transfers between levels of the fair value hierarchy (ie transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

e. Critical Accounting Estimates and Significant Judgments Used in Applying Accounting Policies

The critical estimates and judgments are consistent with those applied and disclosed in the June 2013 annual report.

NOTE 2: GOING CONCERN

The financial statements have been prepared on a going concern basis, which contemplates the continuation of normal business operations and the realisation of assets and settlement of liabilities in the normal course of business.

Based on the approved budgeted cash flow forecast the company has sufficient resources to continue as a going concern. This is dependent on realisation of cash flows as contemplated in the forecast, including timing of revenue streams, containment of expenditure and renegotiation of the bank finance facilities, including sufficient support provided by the directors, if required.

The directors have prepared the financial statements on the going concern basis, as it is their intent to meet payment obligations from cash flows received in the normal course of business and to renegotiate the repayment terms of the finance facilities.

NOTE 3: RESULTS FOR THE PERIOD

The company reports an after tax operating profit of \$178,079, an increase on the loss of \$243,091 reported in the prior corresponding December period.

NOTE 4: DIVIDENDS

| | Half-year Ended 31 December 2013 | Half-year Ended 31 December 2012 |
|--|--|--|
| Distributions paid/provided for: | | |
| Interim fully franked ordinary dividend paid on 28th December 2012 | | |
| 10 cents per share franked at the rate of 30% | | 559,511 |

There was no dividend declared or paid during the half year ended 31 December 2013

NOTE 5: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There has been no change in contingent liabilities since the last annual reporting period.

NOTE 6: EVENTS AFTER THE END OF THE INTERIM PERIOD

There were no subsequent events that would materially affect the financial accounts.

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

NOTE 7: OPERATING SEGMENTS

| | Commercial | | Housing | | Total | |
|--|------------|---------|---------|---------|---------|---------|
| | 2013 | 2012 | 2012 | 2012 | 2013 | 2012 |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| (1) Segment Performance | | | | | | |
| Six months ended December 2013 | | | | | | |
| REVENUE | | | | | | |
| External Sales | 4,077 | 5,978 | - | 534 | 4,077 | 6,512 |
| Other Segments | - | - | - | - | - | - |
| Total Sales Revenue | 4,077 | 5,978 | - | 534 | 4,077 | 6,512 |
| Total Segment Revenue | 4,077 | 5,978 | - | 534 | 4,077 | 6,512 |
| Unallocated Revenue | | | | | - | - |
| Total Revenue from Ordinary Activities | | | | | 4,077 | 6,512 |
| Segment profit/(loss) before tax | 258 | (355) | - | (115) | 258 | (337) |
| Unallocated expenses net of unallocated revenue | | | | | - | - |
| Profit (loss) from ordinary activities before income tax expense | | | | | 258 | (337) |
| Income Tax (Expense)/Revenue | | | | | (84) | 94 |
| Profit from ordinary activities after income tax expense | | | | | 174 | (243) |
| Extraordinary items after income tax | | | | | - | - |
| Segment Net Profit | | | | | 174 | (243) |
| (II) SEGMENT ASSETS | | | | | | |
| | Commercial | | Housing | | Total | |
| | \$000's | | \$000's | | \$000's | |
| Opening Balance 1 July 2013 | 68,196 | | 19 | | 68,215 | |
| Additions | 2,706 | | - | | 2,706 | |
| Disposals | (1,679) | | (19) | | (1,698) | |
| Closing Balance 31 December 2013 | 69,223 | | - | | 69,223 | |

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

NOTE 8: FAIR VALUE MEASUREMENT

| | | Fair Value Measurements at 31 December 2013 Using: |
|-----------------------|------|---|
| | | Significant Observable Inputs Other than Level 1 Inputs \$000 (Level 2) |
| Description | Note | |
| Investment & Property | | 52,500 |

| | | Fair Value Measurements at 30 June 2013 Using: |
|-----------------------|------|---|
| | | Significant Observable Inputs Other than Level 1 Inputs \$000 (Level 2) |
| Description | Note | |
| Investment & Property | | 52,500 |

Valuation Techniques and Inputs Used to Determine Level 2 Fair Values

| Description | Fair Value at 31 December 2013 \$000 | Description of Valuation Techniques | Inputs Used |
|-----------------------|---|-------------------------------------|---------------|
| Level 2 | | | |
| Property & Investment | 52,500 | Valuation based on Rental Income | Rental Income |

DIRECTORS' DECLARATION

The directors of the company declare that: -

1. The financial statements and notes, as set out on pages 6 - 14 are in accordance with the Corporations Act 2001, including
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - (b) giving a true and fair view of the company's financial position as at 31 December 2013 and of its performance for the half-year ended on that date.

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

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



ROD L. MACLEOD - DIRECTOR

Dated the 28th day of February 2014

AHC LIMITED ABN 73 010 544 699

**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE MEMBERS OF AHC LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of AHC Limited (the company), which comprises the Statement of Financial Position as at 31 December 2013, and the Statement of Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the Directors' Declaration.

Directors' Responsibility for the Half-Year Financial Report

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

Auditors' Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of an Interim Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the company's financial position as at 31 December 2013 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of AHC Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Matters Relating to the Electronic Presentation of the Reviewed Financial Report

This review report relates to the financial report of AHC Limited for the half-year ended 31 December 2013, intended to be included on the company's website. The company's directors are responsible for the integrity of the company's website. We have not been engaged to report on the integrity of the company's website. This review report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the reviewed financial report to confirm the information contained in the website version of the financial report.

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WPIAS a Limited Partnership

WPIAS Pty Ltd ABN 99 163 915 482 an Authorised Audit Company



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AHC LIMITED ABN 73 010 544 699

**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE MEMBERS OF AHC LIMITED**

Independence

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

Conclusion

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

- (a) giving a true and fair view of the company's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
- (b) complying with AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

WPIAS Pty Ltd

Authorised Audit Company No. 440306



LEE-ANN DIPPENAAR BCom CA RCA
DIRECTOR

Dated this 28th day of February 2014

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