Pyne Gould Corporation Limited

INTERIM REPORT

For the period ended 31 December 2013

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COMPANY REPORT

On behalf of the Board, here is the interim report for Pyne Gould Corporation Limited ("PGC") for the six months ending 31 December 2013.

PGC made an unaudited after tax loss from continuing operations of $6.626 million for the half year to 31 December 2013 compared with a profit of $1.907m for the same period last year.

PGC expects to report a full year profit for the 12 months to 30 June 2014.

PROFIT AND LOSS

PGC's core business of Torchlight achieved a $2.2m cash profit over the half (compared with $1.65m in the same period last year).

This was offset by PGC legal and consulting costs ($3.2m - up from $1.8m last year) and non-cash charges ($6.02m - compared with non cash income of $2.46m last year). The non-cash charges were foreign exchange translation of $2.613m and equity accounting its share of accounting losses from its 27% share holding in Equity Partners Infrastructure Company No.1 Limited ($2.275m).

BALANCE SHEET

PGC continued to execute its stated strategy of divesting non-core assets and focusing on growing its Torchlight business.

PGC ended the period with net current assets of $12m and non-current assets of $113m. PGC has no short or long term bank debt.

The company's net tangible assets per share value was 58 cents at 31 December 2013, compared with 40 cents at 31 December 2012.

Over the period, PGC spent $3.087m buying back shares and reduced its shares on issue from around 216.6m shares to around 209.8m shares.

Certain key events occurred outside this reporting period. Principally, and as announced to the market, the settlement of the sale of Perpetual Trust and the settlement of the sale of the final holding in van Eyk occurred in January and February 2014 respectively.

PGC

During the period, PGC announced its intention to migrate the company to Guernsey as a prelude to the company seeking a listing on the London Stock Exchange.

In December, shareholders voted in favour of two special resolutions to give effect to this proposal. Over 98 percent of the votes cast on each special resolution were in favour.

With this strong mandate from shareholders, PGC immediately began the process of migration. Post the reporting period, this was completed and PGC is now a Guernsey-domiciled company. PGC's previous New Zealand constitution was revoked and the company has adopted, in place of the revoked constitution, new Guernsey law memorandum and articles of incorporation (the New Guernsey Articles).

These changes are an important step alongside the company's strategy of exiting non-core assets as we focus on the growth of Torchlight in the United Kingdom and Australia and seeking listing on the London Stock Exchange. We will continue to update shareholders on the progress the company is making as this new direction is implemented.

George Kerr
Managing Director
24 March 2014

RECONCILIATION TO GAAP PROFIT

6 MONTHS TO 31 DECEMBER 2013

	CONTINUING OPERATIONS				
	Torchlight Investment Group	Property Group	Head Office	Inter-segment Elimination	Total
GROUP					
DECEMBER 2013 - UNAUDITED					
External income					
Management fees and trustee fees revenue	3,018	-	-	-	3,018
Other income	22	17	-	-	39
Total fees and other income	**3,040**	**17**	**-**	**-**	**3,057**
Interest income	1,887	17	64	-	1,968
Interest expense	10	73	23	-	106
Net operating income	**4,917**	**(39)**	**41**	**-**	**4,919**
Legal and consultancy	1,620	91	1,528	-	3,239
Foreign exchange (gains)/losses	2,613		662	443	3,718
Selling and administration expenses	1,106	157	1,054	-	2,317
Impairment asset expense and investment write down	4	(8)	-	-	(4)
Operating Profit/(Loss)	**(426)**	**(279)**	**(3,203)**	**(443)**	**(4,351)**
Equity accounted share of loss	2,275	-	-	-	2,275
Income tax expense	-	-	-	-	-
GAAP Profit/(Loss)	**(2,701)**	**(279)**	**(3,203)**	**(443)**	**(6,626)**
Reconciliation to cash profit					
GAAP Profit/(Loss)	(2,701)	(279)	(3,203)	(443)	(6,626)
Add back:					
Foreign exchange (gains)/losses	2,613	-	662	443	3,718
Equity accounted share of loss	2,275	-	-	-	2,275
Cash profit/(loss)	**2,187**	**(279)**	**(2,541)**	**-**	**(633)**

RECONCILIATION TO GAAP PROFIT

6 MONTHS TO 31 DECEMBER 2012

	DISCONTINUED OPERATIONS		CONTINUING OPERATIONS			
	van eyk Group	**Perpetual Group**	**Torchlight Investment Group**	**Property Group**	**Head Office**	**Total**
GROUP						
DECEMBER 2012 - UNAUDITED						
External income						
Management fees and trustee fees revenue	5,611	7,533	2,041	1,209	-	16,394
Other income	62	-	74	239	2,333	2,708
Total fees and other income	**5,673**	**7,533**	**2,115**	**1,448**	**2,333**	**19,102**
Interest income	607	16	1,650	4,715	33	7,021
Interest expense	102	104	3	1,152	39	1,400
Net operating income	**6,178**	**7,445**	**3,762**	**5,011**	**2,327**	**24,723**
Legal and consultancy	1,491	-	1,169	260	425	3,345
Foreign exchange (gains)/losses	-	-	564	-	-	564
Selling and administration expenses	3,711	8,720	382	1,396	(605)	13,604
Impairment asset expense and investment write down	-	-	561	3,511	-	4,072
Operating Profit/(Loss)	**976**	**(1,275)**	**(1,086)**	**(156)**	**2,507**	**3,138**
Equity accounted share of loss	-	-	1,530	-	-	1,530
Income tax expense	(123)	-	-	-	-	(123)
GAAP Profit/(Loss)	**853**	**(1,275)**	**(444)**	**(156)**	**2,507**	**1,485**
Reconciliation to cash profit						
GAAP Profit/(Loss)	853	(1,275)	(444)	(156)	2,507	1,485
Add back:						
Foreign exchange (gains)/losses	-	-	564	-	-	564
Equity accounted share of loss	-	-	1,530	-	-	1,530
Cash profit/(loss)	**853**	**(1,275)**	**1,650**	**(156)**	**2,507**	**3,579**

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 31 December 2013

	NOTE	UNAUDITED 6 months Dec 13 $000	UNAUDITED 6 months Dec 12 $000	AUDITED 12 months Jun 13 $000
Continuing operations				
Management fees and trustee fees revenue		3,018	3,250	18,651
Other revenue		-	-	337
Other income		39	2,646	11,264
Total fees and other income		**3,057**	**5,896**	**30,252**
Interest income		1,968	6,398	12,799
Interest expense		106	1,194	510
Net interest income / (expense)		**1,862**	**5,204**	**12,289**
Net operating income		**4,919**	**11,100**	**42,541**
Selling and administration expenses	5	9,274	3,591	13,549
Impaired asset expense and investment write-down	6	(4)	4,072	8,672
Operating profit / (loss)		**(4,351)**	**3,437**	**20,320**
Share of equity accounted investees' loss		(2,275)	(1,530)	(313)
Other income recognised from equity accounting		-	-	4,347
Profit / (Loss) from continuing operations before income tax		**(6,626)**	**1,907**	**24,354**
Income tax (benefit) / expense		-	-	-
Profit / (Loss) from continuing operations		**(6,626)**	**1,907**	**24,354**
Discontinued operations				
Profit / (Loss) from discontinued operations, before income tax	22	-	(299)	3,974
Gain / (Loss) on disposal of discontinued operations		-	-	17,339
Income tax expense / (benefit)	22	-	123	(509)
Profit / (Loss) from discontinued operations		**-**	**(422)**	**20,804**
Profit / (Loss) for the period		**(6,626)**	**1,485**	**45,158**
Other comprehensive income, net of income tax				
Items that may be reclassified subsequently to profit and loss				
Share of associates' other comprehensive income, after tax		1,613	(298)	(1,342)
Translation of foreign associates		-	-	57
Foreign Currency Translation Reserve (FCTR) released on disposal of associate		-	-	(134)
Translation of foreign subsidiaries		(4,170)	(381)	(2,830)
Total comprehensive income / (loss) for the period		**(9,183)**	**806**	**40,909**
Profit / (Loss) attributable to:				
Owners of the Company		(6,626)	958	44,424
Non-controlling interests		-	527	734
Profit / (Loss) for the period		**(6,626)**	**1,485**	**45,158**
Total comprehensive income attributable to:				
Owners of the Company		(9,183)	279	40,175
Non-controlling interests		-	527	734
Total comprehensive income / (loss) for the period		**(9,183)**	**806**	**40,909**
Earnings per share attributable to the Owners of the Company		**Cents**	**Cents**	**Cents**
Basic and diluted (loss) / earnings per share	9	(3.1)	0.4	20.5
Basic and diluted (loss) / earnings per share - continuing operations	9	(3.1)	0.9	11.2

The notes on pages 14 to 32 are an integral part of these financial statements.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 December 2013

	NOTE	Share Capital $000	Foreign Currency Translation Reserve $000	Accumulated Losses $000	Non Controlling Interest $000	Total Equity $000
DECEMBER 2013 - UNAUDITED						
Balance at 1 July 2013		**358,114**	**(2,773)**	**(217,657)**	**-**	**137,684**
Total comprehensive income for the period						
Loss for the period		-	-	(6,626)	-	(6,626)
Other comprehensive income						
Share of associates' other comprehensive income, net of income tax		-	-	1,613	-	1,613
Translation of foreign subsidiaries		-	(4,170)	-	-	(4,170)
Total other comprehensive income		**-**	**(4,170)**	**1,613**	**-**	**(2,557)**
Total comprehensive income for the period		**-**	**(4,170)**	**(5,013)**	**-**	**(9,183)**
Transactions with owners, recorded directly in equity						
Share buy back	10	(3,059)	-	-	-	(3,059)
Share buy back costs		(28)	-	-	-	(28)
Total transactions with owners		**(3,087)**	**-**	**-**	**-**	**(3,087)**
Balance at 31 December 2013		**355,027**	**(6,943)**	**(222,670)**	**-**	**125,414**
DECEMBER 2012 - UNAUDITED						
Balance at 1 July 2012		**358,114**	**134**	**(260,739)**	**-**	**97,509**
Total comprehensive income for the period						
Profit for the period		-	-	958	527	1,485
Other comprehensive income						
Share of associates' other comprehensive income, net of income tax		-	-	(298)	-	(298)
Translation of foreign subsidiaries		-	(381)	-	-	(381)
Total other comprehensive income		**-**	**(381)**	**(298)**	**-**	**(679)**
Total comprehensive income for the period		**-**	**(381)**	**660**	**527**	**806**
Transactions with owners, recorded directly in equity						
Initial recognition of non controlling interest		-	-	-	293	293
Total transactions with owners		**-**	**-**	**-**	**293**	**293**
Balance at 31 December 2012		**358,114**	**(247)**	**(260,079)**	**820**	**98,608**

The notes on pages 14 to 32 are an integral part of these financial statements.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the period ended 31 December 2013

	Share Capital $000	Foreign Currency Translation Reserve $000	Accumulated Losses $000	Non Controlling Interest $000	Total Equity $000
JUNE 2013 - AUDITED					
Balance at 1 July 2012	**358,114**	**134**	**(260,739)**	**-**	**97,509**
Total comprehensive income for the year					
Profit for the year	-	-	44,424	734	45,158
Other comprehensive income					
Share of associates' other comprehensive income, net of income tax	-	-	(1,342)	-	(1,342)
FCTR derecognised on disposal of associate	-	(134)	-	-	(134)
Translation of foreign associates	-	57	-	-	57
Translation of foreign subsidiaries	-	(2,830)	-	-	(2,830)
Total other comprehensive income	**-**	**(2,907)**	**(1,342)**	**-**	**(4,249)**
Total comprehensive income for the year	**-**	**(2,907)**	**43,082**	**734**	**40,909**
Transactions with owners, recorded directly in equity					
Initial recognition of Non-controlling interest	-	-	-	293	293
Non-controlling interest derecognised on disposal of van Eyk	-	-	-	(1,027)	(1,027)
Total transactions with owners	**-**	**-**	**-**	**(734)**	**(734)**
Balance at 30 June 2013	**358,114**	**(2,773)**	**(217,657)**	**-**	**137,684**

The notes on pages 14 to 32 are an integral part of these financial statements.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2013

	NOTE	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
ASSETS				
Current assets				
Cash and cash equivalents		380	811	377
Advances to associates	18	11,725	11,489	20,362
Finance receivables - MARAC		-	42,046	-
Finance receivables - Other	11	2,658	2,493	3,420
Trade and other receivables		6,216	3,212	13,818
Current tax asset		17	16	18
Assets held for sale - Perpetual and van Eyk Groups	22	-	21,018	-
Assets held for sale - Other	16	3,408	3,390	3,949
Prepayments		263	-	176
Total current assets		**24,667**	**84,475**	**42,120**
Non-current assets				
Advances to associates	18	1,215	-	1,269
Finance receivables - MARAC		-	15,596	-
Finance receivables - Other	11	33,859	35,296	32,077
Investment property	12	4,812	19,044	4,800
Property, plant and equipment		1,830	1,828	1,832
Investment in associates	15	64,877	47,522	62,619
Investments - Available for sale financial assets	13	7	677	160
Investments - Loans and receivables	14	355	9,570	355
Investments - Fair value through profit or loss	19	6,081	-	6,610
Total non-current assets		**113,036**	**129,533**	**109,722**
Total assets		**137,703**	**214,008**	**151,842**
LIABILITIES				
Current liabilities				
Bank overdrafts		98	184	239
Liabilities held for sale - Perpetual and van Eyk Groups	22	-	11,737	-
Borrowings		423	1,423	588
Advances from associates	18	992	1,414	564
Liabilities for MARAC finance receivables		-	59,215	-
Other liabilities	17	10,776	10,522	12,767
Total current liabilities		**12,289**	**84,495**	**14,158**
Non-current liabilities				
Liabilities for MARAC finance receivables		-	26,481	-
Other liabilities	17	-	4,424	-
Total non-current liabilities		**-**	**30,905**	**-**
Total liabilities		**12,289**	**115,400**	**14,158**

The notes on pages 14 to 32 are an integral part of these financial statements.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2013

	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
EQUITY			
Share capital	355,027	358,114	358,114
Accumulated losses and reserves	(229,613)	(260,326)	(220,430)
Total equity attributable to Owners of the Company	**125,414**	**97,788**	**137,684**
Non controlling interest	-	820	-
Total equity	**125,414**	**98,608**	**137,684**
Total equity and liabilities	**137,703**	**214,008**	**151,842**

The notes on pages 14 to 32 are an integral part of these financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 December 2013

	NOTE	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
CASH FLOWS FROM OPERATING ACTIVITIES				
Interest received		1	70	110
Rental Income		16	-	381
Fees and other income received		2,822	16,135	43,471
Total cash provided from operating activities		**2,839**	**16,205**	**43,962**
Payments to suppliers and employees		6,334	17,079	33,336
Interest paid		106	558	419
Taxation paid		-	(9)	4
Payments under Real Estate Credit Limited management agreement		-	445	-
Total cash applied to operating activities		**6,440**	**18,073**	**33,759**
Net cash flows from / (applied to) operating activities	**8**	**(3,601)**	**(1,868)**	**10,203**
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of assets held for sale		-	24,926	25,325
Proceeds from sale of investment property		489	13,203	736
Repayment of advances to other related parties		603	-	1,563
Proceeds from repayment of finance receivables		1,033	7,445	5,911
Proceeds from redemption of investment		-	1,300	-
Proceeds from disposal of business		7,767	-	12,591
Proceeds from repayment of advances to associates		7,998	6,969	-
Proceeds from redemption of available for sale financial assets		169	-	1,837
Proceeds from sale of property, plant, equipment and intangible assets		-	140	-
Total cash provided from investing activities		**18,059**	**53,983**	**47,963**
Increase in advances to associates		-	-	338
Purchase of assets held for sale		-	-	18
Increase in finance receivables - other		3,567	27,474	26,033
Increase in other investments		-	-	462
Increase in investment in associates		6,618	530	536
Increase in advances to other related parties		877	-	10,823
Purchase of property, plant, equipment and intangible assets		-	-	7
Total cash applied to investing activities		**11,062**	**28,004**	**38,217**
Net cash flows from investing activities		**6,997**	**25,979**	**9,746**

The notes on pages 14 to 32 are an integral part of these financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the period ended 31 December 2013

	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
CASH FLOWS FROM FINANCING ACTIVITIES			
Share repurchase	3,087	-	-
Decrease in borrowings	165	20,091	12,061
Total cash applied to financing activities	**3,252**	**20,091**	**12,061**
Net cash flows applied to financing activities	**(3,252)**	**(20,091)**	**(12,061)**
Net increase in cash and cash equivalents	**144**	**4,020**	**7,888**
Opening cash and cash equivalents	138	(7,750)	(7,750)
Opening cash and cash equivalents - van Eyk Group	-	955	-
Closing cash and cash equivalents	**282**	**(2,775)**	**138**
Cash and cash equivalents consists of:			
Cash at bank	380	811	377
Bank overdraft	(98)	(184)	(239)
Cash at bank in assets held for sale - Perpetual and van Eyk Groups	-	850	-
Bank overdraft in liabilites held for sale - Perpetual and van Eyk Groups	-	(4,252)	-
Closing cash and cash equivalents	**282**	**(2,775)**	**138**

The notes on pages 14 to 32 are an integral part of these financial statements.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

For the period ended 31 December 2013

1. REPORTING ENTITY

The financial statements presented are the condensed interim consolidated financial statements comprising Pyne Gould Corporation Limited ("the Holding Company" or "the Company" or "PGC") and its subsidiaries, joint ventures and associates ("the Group").

Entities within the Group offer financial and asset management services. Trustee services were discontinued in the previous period. The registered office address is Sarnia House, Le Turchot, St Peter Port, Guernsay (formerly 80 Queen Street, Auckland).

These condensed consolidated interim financial statements were authorised for issue in accordance with a resolution of the Directors on 24 March 2014.

2. BASIS OF PREPARATION

The financial statements presented here are for the following periods:
At 31 December 2013: 6-month period - unaudited
At 31 December 2012: 6-month period - unaudited
At 30 June 2013: 12-month period - audited

(a) Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP) as appropriate for interim financial statements and comply with NZ IAS 34 and IAS 34 Interim Financial Reporting. They do not include all the information required for full annual financial statements, and should be read in conjunction with the financial statements for the Group as at and for the year ended 30 June 2013 ('Annual Financial Statements').

The Company and all entities within the Group are profit-oriented entities. The Company is a reporting entity and an issuer for the purposes of the Financial Reporting Act 1993.

(b) Going concern

These financial statements have been prepared on a going concern basis, as the Group has no bank debt, Group current assets exceed current liabilities and assets are expected to be realised to meet liabilities as and when they fall due.

3. SIGNIFICANT ACCOUNTING POLICIES

The following new standards and amendments to standards were applied during the period:

NZ IFRS 13 Fair Value Measurement was adopted this period and resulted in additional disclosure.

The 'package of 5' (NZ IFRS 10, NZ IFRS 11, NZIFRS 12, NZIAS 27 and NZ IAS 28) was adopted this period. There was no material impact resulting from the adoption of these standards.

Improvements to NZ IFRS: 2009 - 2011 cycle.
The amendment had no impact.

4. SEGMENT ANALYSIS

The Group has 3 continuing reportable segments, as described below, which are the Group's strategic divisions.

During the year ended 30 June 2013 the Group discontinued the van Eyk Group and Perpetual Group reportable segments.

The following summary describes the operations in each of the Group's continuing reportable segments:

Torchlight Investment Group	Provider of investment management services and a proprietary investor (both directly and in funds it manages).
Property Group	Management of the Group's property assets.
Head Office	Parent Company that holds investments in and advances to / from subsidiaries.

Information regarding the results of each reportable segment is shown on the following page. Performance is measured based on segment profit/(loss) for the year, as included in the internal management reports that are reviewed by the Managing Director. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

4. SEGMENT ANALYSIS (CONTINUED)

	CONTINUING OPERATIONS				
	Torchlight Investment Group	Property Group	Head Office	Inter-segment Elimination	Total
GROUP					
December 2013 - Unaudited					
External income					
Management fees and trustee fees revenue	3,018	-	-	-	3,018
Interest income	1,887	17	64	-	1,968
Other income	22	17	-	-	39
Internal income					
Commission and fees	-	-	100	(100)	-
Total segment income	**4,927**	**34**	**164**	**(100)**	**5,025**
Expenses					
Personnel expenses	-	-	(1)	-	(1)
Interest expense	10	73	23	-	106
Other operating expenses	5,339	248	3,345	343	9,275
Total operating expenses	**5,349**	**321**	**3,367**	**343**	**9,380**
Impairment	4	(8)	-	-	(4)
Equity accounted share of loss	2,275	-	-	-	2,275
Profit / (Loss) before tax	**(2,701)**	**(279)**	**(3,203)**	**(443)**	**(6,626)**
Income tax benefit /(expense)	-	-	-	-	-
Profit / (Loss) after tax	**(2,701)**	**(279)**	**(3,203)**	**(443)**	**(6,626)**
Total assets	**259,679**	**8,560**	**45,815**	**(176,350)**	**137,704**
Total liabilities	**41,084**	**23,528**	**(39,650)**	**(12,672)**	**12,289**

4. SEGMENT ANALYSIS (CONTINUED)

	DISCONTINUED OPERATIONS		CONTINUING OPERATIONS				
	van Eyk Group	Perpetual Group	Torchlight Investment Group	Property Group	Head Office	Inter-segment Elimination	Total
GROUP							
December 2012 - Unaudited							
External income							
Management fees and trustee fees revenue	5,611	7,533	2,041	1,209	-	-	16,394
Interest income	607	16	1,650	4,715	33	-	7,021
Other income	62	-	74	239	2,333	-	2,708
Internal income							
Commission and fees	-	-	400	-	-	(400)	-
Total segment income	**6,280**	**7,549**	**4,165**	**6,163**	**2,366**	**(400)**	**26,123**
Expenses							
Personnel expenses	3,660	3,683	2	47	(1,436)	-	5,956
Interest expense	102	104	3	1,152	39	-	1,400
Other operating expenses	1,542	5,037	2,513	1,609	1,256	(400)	11,557
Total operating expenses	**5,304**	**8,824**	**2,518**	**2,808**	**(141)**	**(400)**	**18,913**
Impairment	-	-	561	3,511	-	-	4,072
Equity accounted share of loss	-	-	1,530	-	-	-	1,530
(Loss) / Profit before tax	**976**	**(1,275)**	**(444)**	**(156)**	**2,507**	**-**	**1,608**
Income tax benefit /(expense)	(123)	-	-	-	-	-	(123)
(Loss) / Profit after tax	**853**	**(1,275)**	**(444)**	**(156)**	**2,507**	**-**	**1,485**
Total assets	**15,562**	**17,286**	**323,559**	**93,936**	**102,102**	**(338,437)**	**214,008**
Total liabilities	**14,232**	**18,250**	**178,338**	**119,129**	**2,153**	**(216,702)**	**115,400**

4. SEGMENT ANALYSIS (CONTINUED)

	DISCONTINUED OPERATIONS		CONTINUING OPERATIONS				
	van Eyk Group	Perpetual Group	Torchlight Investment Group	Property Group	Head Office	Inter-segment Elimination	Total
GROUP							
June 2013 - Audited							
External income							
Management fees and trustee fees revenue	11,397	9,524	16,648	2,003	-	-	39,572
Interest income	68	158	4,465	8,297	37	-	13,025
Other revenue		-	-	337	-	-	337
Other income	4,983	200	173	10,808	338	-	16,502
Gain on disposal of discontinued operation	10,195	7,144	-	-	-	-	17,339
Internal income							
Management fee and trustee fees revenue	-	-	483	-	-	(483)	-
Other income	-	55	-	-	-	(55)	-
Total segment income	**26,643**	**17,081**	**21,769**	**21,445**	**375**	**(538)**	**86,775**
Expenses							
Personnel expenses	5,590	5,031	15	47	(249)	-	10,434
Interest expense	140	179	15	433	61	-	828
Other operating expenses	7,895	3,534	6,442	2,652	5,181	(538)	25,166
Total operating expenses	**13,625**	**8,744**	**6,472**	**3,132**	**4,993**	**(538)**	**36,428**
Impairment	8	34	709	7,963	-	-	8,714
Equity accounted share of loss	-	-	(313)	-	-	-	(313)
Other income recognised from equity accounting	-	-	4,347	-	-	-	4,347
Profit / (Loss) before tax	**13,010**	**8,303**	**18,622**	**10,350**	**(4,618)**	**-**	**45,667**
Income tax benefit /(expense)	-	(509)	-	-	-	-	(509)
Profit / (Loss) before tax	**13,010**	**7,794**	**18,622**	**10,350**	**(4,618)**	**-**	**45,158**
Non-controlling interests	-	(734)	-	-	-	-	(734)
Profit / (Loss) for the year attributable to the owners of the company	**13,010**	**7,060**	**18,622**	**10,350**	**(4,618)**	**-**	**44,424**
Total assets	**-**	**-**	**404,749**	**(16,536)**	**69,228**	**(305,599)**	**151,842**
Total liabilities	**-**	**-**	**180,152**	**(1,847)**	**(22,528)**	**(141,619)**	**14,158**

5. SELLING AND ADMINISTRATION EXPENSES

	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
Personnel expenses	(1)	(1,387)	(186)
Directors' fees	157	125	276
Audit fees - PricewaterhouseCoopers	252	373	396
(Gain) / Loss on disposal of assets	(7)	379	856
Operating lease expense as a lessee	-	79	-
Legal and consultancy fees	3,239	1,855	5,966
Foreign exchange (gains)/losses	3,718	564	3,405
Other operating expenses *	1,916	1,603	2,836
Total selling and administration expenses	**9,274**	**3,591**	**13,549**

** Other operating expenses include property expenses, listing and regulatory costs and other overhead expenditure.*

6. IMPAIRED ASSET EXPENSE

	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
Assets held for sale	(8)	(182)	-
MARAC financial receivables	-	3,385	7,501
Other finance receivables individually assessed	-	353	763
Available for sale financial assets	4	692	398
Investment in PGW	-	(331)	-
Other assets individually assessed for impairment	-	-	10
Investment property change in fair value	-	155	-
Total impaired asset expense	**(4)**	**4,072**	**8,672**

7. TAX

The income tax expense for NZ Companies is nil as the Group has tax losses available to carry forward as at 31 December 2013, subject to meeting shareholder continuity requirements.

8. RECONCILIATION OF PROFIT / (LOSS) AFTER TAX TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
Profit / (Loss) for the year	**(6,626)**	**1,485**	**45,158**
Add / (less) non-cash items:			
Revaluation of investment property	-	-	(2,721)
Loss on sale of investment property	-	-	-
Accruals, capitalised interest and prepaid items	-	(3,358)	-
Disposal of property, plant and equipment	-	-	856
Disposal of business	-	-	(17,339)
(Gain) / Loss on sale of investments	22	(2,737)	-
Foreign exchange (gain) / loss	3,718	554	3,871
Share of equity accounted investees' (profit) / loss	2,275	1,530	313
Other income recognised from equity accounting	-	-	(4,347)
Gain on MARAC termination	-	-	(7,732)
Impairment loss on non-current assets recognised in profit and loss	-	326	8,672
Change in fair value of investments	4	798	-
Depreciation and amortisation of non-current assets	1	419	574
Management fees	-	-	(2,280)
Total non-cash items	**6,020**	**(2,468)**	**(20,133)**
Add / (less) movements in working capital items:			
Trade and other receivables	8,277	12,646	8,857
Other assets	541	(197)	-
Other liabilities	(1,991)	(1,607)	(2,443)
MARAC finance recievables	-	(445)	-
Advances to related parties	-	-	1,400
Advances to associates	8,637	-	-
Advances from associates	428	-	-
Trade and other payables	(165)	152	1,226
Current tax	1	132	(4)
Total movements in working capital items	**15,728**	**10,681**	**9,036**
Add / (less) items classified as investing activities	***(18,723)***	***(11,566)***	***(23,858)***
Net cash flows from operating activities	**(3,601)**	**(1,868)**	**10,203**

9. EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing net profit after tax by the weighted average number of ordinary shares on issue during the period.

	UNAUDITED Dec 13	UNAUDITED Dec 12	AUDITED Jun 13
Profit / (loss) after tax attributable to Owners of the Company ($000)	(6,626)	958	44,424
Profit / (loss) after tax attributable to Owners of the Company - continuing operations ($000)	(6,626)	1,907	24,354
Profit / (loss) after tax attributable to Owners of the Company - discontinued operations ($000)	-	(949)	20,070
Weighted average number of ordinary shares on issue (000)	215,092	216,630	216,630
Basic and diluted (loss) / earnings (cents per share)	**(3.1)**	**0.4**	**20.5**
Basic and diluted (loss) / earnings (cents per share) - continuing operations	**(3.1)**	**0.9**	**11.2**
Basic and diluted (loss) / earnings (cents per share) - discontinued operations	**-**	**(0.4)**	**9.3**
Net tangible assets per share *	**58c**	**40c**	**64c**

** Net tangible assets are calculated by deducting deferred tax and intangible assets (including in relation to discontinued operations) from total equity attributable to owners of the Company. Net tangible assets per share are calculated by dividing the net tangible assets by the shares on issue at 31 December 2013.*

10. SHARE CAPITAL

	Dec 13 Shares 000	Dec 12 Shares 000	Jun 13 Shares 000
Number of Issued shares			
Opening Balance	216,630	216,630	216,630
Share buy back	(6,866)	-	-
Closing balance	**209,764**	**216,630**	**216,630**

The shares bought back in the period were cancelled immediately.

11. FINANCE RECEIVABLES - OTHER

	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
Current			
Gross finance receivables	2,732	2,647	3,494
Less allowance for impairment	(74)	(154)	(74)
Total current	**2,658**	**2,493**	**3,420**
Non-Current			
Gross finance receivables - Co-investment in RCL	33,859	35,296	32,077
Total non-current	**33,859**	**35,296**	**32,077**
Total finance receivables	**36,517**	**37,789**	**35,497**

12. INVESTMENT PROPERTY

	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
Opening balance	4,800	20,974	20,974
Acquisitions and enforced security	-	800	800
Change in fair value	-	(155)	2,721
Costs capitalised	12	-	-
Disposals	-	(2,575)	(16,068)
Transfer to assets held for sale	-	-	(3,627)
Closing balance	**4,812**	**19,044**	**4,800**

During the period no investment properties were acquired as a result of enforcement of security over finance receivables (December 2012: $0.8 million; June 2013: $0.8 million).

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13. INVESTMENTS - AVAILABLE FOR SALE FINANCIAL ASSETS

	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
Strait Resources Limited (SRQ)	7	677	12
Other investments	-	-	148
	7	**677**	**160**

14. INVESTMENTS - LOANS AND RECEIVABLES

	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
Zero coupon bond	-	9,215	-
Other loans and receivables	355	355	355
	355	**9,570**	**355**

15. INVESTMENT IN ASSOCIATES

	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
Torchlight Fund Limited Partnership (TFLP)	49,188	30,531	46,268
Equity Partners Infrastructure Company No.1 Limited (EPIC)	15,689	16,991	16,351
Total Carrying amount at end of year	**64,877**	**47,522**	**62,619**
Total assets of associates	428,317	404,710	423,758
Total liabilities of associates	(135,666)	(155,461)	129,253
Total revenue of associates	907	11,542	95,898
Total net profit / (loss) after tax of associates	(8,434)	(5,682)	31,133

Torchlight Fund Limited Partnership (TFLP)

The Group increased its investment in TLP to 20.5% through the purchase of partnership interests from existing limited partners in the period to 2 October 2012. From this date, the Group considered TLP to be an associate.

On 21 December 2012, the assets and liabilities of TLP were transferred to Torchlight Fund Limited Partnership ('TFLP'), a newly formed limited partnership registered in the Cayman Islands. The investment held by TLP in TFLP was then in specie distributed to the limited partners of TLP.

15. INVESTMENT IN ASSOCIATES (CONTINUED)

Equity Partners Infrastructure Company No.1 Limited (EPIC)
EPIC's reporting dates are 31 March and 30 September. For the purpose of applying the equity method of accounting, the financial statements for the six months ended 30 September 2013 have been used. The directors consider there were no significant transactions between that date and 31 December 2013 and as such no adjustments have been made.

At 31 December 2013, the Group held a 26.96% stake in EPIC (December 2012: 26.96%; June 2013: 26.96%).

van Eyk Research Pty Limited (van Eyk)
The Group retains a convertible note issued by van Eyk, which if converted would give the Group a 27.1% interest in van Eyk (refer note 19). Due to the existence of these potential ordinary shares van Eyk is still considered to be an associate. As there is no equity holding no amounts have been equity accounted.

The convertible note was converted and sold subsequent to period end (refer note 23).

16. ASSETS HELD FOR SALE - OTHER

	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
Balance at end of period	**3,408**	**3,390**	**3,949**
Represented by:			
Investment property	3,408	3,390	3,949
	3,408	**3,390**	**3,949**

17. OTHER LIABILITIES

	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
Current			
Trade payables	10,776	8,232	11,777
Income in advance	-	2,290	-
Employee entitlements	-	-	990
Total other current liabilities	**10,776**	**10,522**	**12,767**
Non-current			
Income in advance	-	4,424	-
Total other non-current liabilities	**-**	**4,424**	**-**
Total other liabilities	**10,776**	**14,946**	**12,767**

18. RELATED PARTY TRANSACTIONS

PARENT AND ITS ASSOCIATED ENTITY

AEP LP

AEP LP is the parent of PGC holding 78.16% of PGC's shares at 31 December 2013.

AEP LP charged PGC consulting and administrative fees of $0.06 million (December 2012: $0.4 million; June 2013: $0.5 million for cost recoveries and restructuring advice). The balance receivable at 31 December 2013 is $0.06 million (December 2012: $0.3 million; June 2013: $0.06 million receivable).

AEP GP

AEP GP is the general partner of AEP LP. AEP GP charged PGC management fees of $0.3 million (December 2012: $0.2 million; June 2013: $0.5 million) and $0.4 million for administrative costs and M&A expense reimbursements. The balance receivable at 31 December 2013 is $0.2 million (June 2013: $0.1 million).

SUBSIDIARIES

Advances to and from subsidiaries are interest free and repayable on demand. During the six months ended 31 December 2013, no impairment was recognised in respect of these advances (December 2012: nil; June 2013: nil). Total balance receivable at 31 December 2013 is $136.5 million (December 2012: $157.8 million; 30 June 2013: $143.7 million) and total balance payable to subsidiaries is $92.1 million (December 2012: $92.8 million; June 2013: $92.1 million).

Management fees of $0.1million (December 2012: nil; June 2013: nil) were recognised for head office services provided to subsidiaries.

ASSOCIATES

	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
Advances to associates			
Current			
Torchlight Fund Limited Partnership (TFLP)	-	11,489	-
Torchlight Fund LP (Caymans)	11,514	-	19,497
van Eyk Research Pty Limited	211	-	865
	11,725	**11,489**	**20,362**
Non current			
van Eyk associated person	1,215	-	1,269
Total	**12,940**	**11,489**	**21,631**
Advances from associates			
Current			
EPIC	992	1,414	564
Total	**992**	**1,414**	**564**

18. RELATED PARTY TRANSACTIONS (CONTINUED)

EPIC

The Group used to be the manager of EPIC. On 13 February 2012, the Management Agreement was terminated. Under the termination agreement, EPIC agreed to pay a termination fee of $4.8 million and Moto performance fee of $3.3 million and the Group agreed to provide certain management services under a secondment agreement over a 12 month period for $0.7 million and to reimburse EPIC for advisors fees incurred in connection with the arrangement. On 4 May 2012 and 29 June 2012, EPIC issued an additional 5.96 million and 13.7 million shares respectively to the Group in satisfaction of amounts owing. From 4 May 2012, EPIC was considered an associate. In the year ended 30 June 2012, an impairment charge of $2.5 million was recognised against the management contract recognised as an intangible asset; retainer, redemption and management fees of $0.6 million and $1.3 million and $1 million were recognised and an impairment charge of $2.7 million was recognised on the Group's previous investment in EPIC.

During the year ended 30 June 2013, the EPIC termination and secondment agreement was extended to 13 February 2014. Income recognized for management services in the six months to December 2013 was $nil (December 2012: $0.4 million; June 2013: $0.4 million) and reimbursement expense was $0.4 million (December 2012: $0.5 million; June 2013: $1.2 million). The balance payable at 31 December 2013 is $2.5 million (December 2012: $1.4 million; June 2013: $2.0 million).

van Eyk and associated person

At 30 June 2012, the Group had provided loans to van Eyk (AU$1.8 million, NZ$2.3 million) and associated parties (AU$0.9 million, NZ$1.3 million). During the year ended 30 June 2013, the Directors concluded that van Eyk was a subsidiary and therefore it was consolidated from 1 July 2012. In March 2013, van Eyk purchased all the issued share capital of Perpetual Portfolio Management Limited (PPM) (including its subsidiaries), a wholly owned subsidiary of PGC. Further, in March 2013, the Group purchased AU$2.8 million additional shares in van Eyk (partially settled through conversion of the existing AU$1.8 million loan) and then sold its share investment in van Eyk by disposing of wholly owned subsidiary van Eyk Group Holdings Pty Limited (VEGH) (previously Torchlight Australia Pty Limited), to a third party.

As partial settlement for these transactions, the PGC Holding Company was assigned the loan to van Eyk associated person (AU$1 million) from VEGH, provided an advance (AU$0.7 million, NZ$0.9 million) to van Eyk and was issued a convertible note (A$5.6 million, NZ$7.0 million). The balance receivable from the van Eyk associated party and loan to van Eyk are $1.3 million (30 June 2013: $1.3 million) and $0.2 million (30 June 2013: $0.9 million) respectively at 31 December 2013. The carrying value of the convertible note at 31 December 2013 is $6.1 million, AU$5.6 million (30 June 2013: $6.6 million, AU$5.6 million). The loan to an associated party of van Eyk accrues interest at 8%. Interest recognised during the period was $0.05 million (30 June 2013: $0.1 million). The loan to van Eyk accrues interest at the BBSY plus 2% per annum. Interest recognised during the period was $0.01 million.

Torchlight Fund No. 1 LP (TLP)

The Group as manager of TLP received management, investment acquisition and performance fees from TLP. Management fees are equal to 1.85% per annum of total committed capital until the end of the Investment Period (three years from 26 October 2010, unless terminated earlier by the manager or extended by the advisory committee) and 1.85% per annum of the invested capital thereafter. Investment acquisition fees are 1.5% of the purchase price of investments made and profit share is 20% of returns in excess of 8% per annum paid to Limited Partners on a pro rata basis. During the period to 21 December 2012, total fees recognised were $1.3 million (June 2013: $13.9 million). Due to the in specie distribution on 21 December 2012 loan advance amounts owing from TLP are now repayable by TFLP.

On 22 March 2012 and 26 March 2012, the Group paid $0.95 million and $0.45 million respectively to facilitate additional investment in TLP by an unrelated party which was guaranteed in full by TLP. This was repaid in full in the year ended 30 June 2013.

18. RELATED PARTY TRANSACTIONS (CONTINUED)

TFLP

A subsidiary of PGC, Torchlight GP Limited (a Caymans Registered company) is the general partner of TFLP and is entitled to management, investment acquisition and performance fees on a similar basis to the previous arrangement between the Group and TLP. Management fees of AU$1.96 million were recognized (December 2012: AU$0.12 million; June 2013: AU$1.5 million).

At balance date, the amount receivable from TFLP was $11.5 million (June 2013: $19.5 million). General advances accrue interest at 9%. Total interest recognised during the period was $0.8 million (December 2012: $0.6 million; June 2013: $1.2 million).

RCL Finance Receivables - sub participation

During the 2013 year, subsidiaries of PGC co-invested with TFLP in RCL finance receivables through participation agreements for AU$21.2 million. The co-investment accrued interest at rates between 3.80% and 10.96% (December 2012: 11.54% and 11.94%; June 2013: 11.54% and 11.94%). Total interest recognised during the period was $1.1 million (December 2012: $1.7 million; June 2013: $3.3 million). The total investment in RCL finance receivables as at 31 December 2013 is $33.9 million (December 2012: $32.5 million; June 2013: $32.1 million).

Fund management fees

The Perpetual Group segment was disposed of in a series of transactions and deconsolidated in March and April 2013, consequently no fees were received by the Perpetual Group segment for fund management services provided during the period (December 2012: $3 million; June 2013: $4.2 million).

Key Management Personnel

Key management personnel, being Directors of the Group and staff reporting directly to the Managing Director, transacted with the Group during the period as follows:

	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
Key management personnel compensation is as follows:			
Short-term employee benefits	713	1,391	1,274
Termination benefits	-	-	1,114
Total	**713**	**1,391**	**2,388**

19. INVESTMENTS - FAIR VALUE THROUGH PROFIT OR LOSS

	UNAUDITED	UNAUDITED	AUDITED
	Dec 13	**Dec 12**	**Jun 13**
	$000	**$000**	**$000**
Convertible note - van Eyk	6,081	-	6,610
Total Investments - Fair value through profit or loss	**6,081**	**-**	**6,610**

The van Eyk convertible note has a face value of AU$5.6 million and accrues no interest. The note may be converted to shares at the Group's request at AU$0.9 per share (6,222,222 shares), or redeemed by van Eyk at Market Value per share (as defined in the convertible note agreement) multiplied by 6,222,222. Alternatively, on the occurrence of a Corporate Action (as defined in the convertible note agreement), van Eyk must redeem the note by paying the Market Value per share multiplied by 6,222,222 in cash to PGC, or if acceptable to PGC, the face value of AU$5.6 million in cash plus either van Eyk shares for the balance at AU$0.9 per share or some other securities.

If PGC were to convert and receive 6,222,222 shares, it would hold 27.1% of the issued share capital of van Eyk.

The convertible note was converted and sold subsequent to period end (refer note 23).

20. FAIR VALUE

The following methods and assumptions were used to estimate the fair value of each class of financial asset and financial liability.

Finance receivables
The fair value of the Group's finance receivables was calculated based on discounted cash flow analysis using current market interest rates for loans of similar nature and term or by reference to the value of the underlying collateral.

Investments - listed securities
The fair value of the Group's listed securities is determined based on the closing bid price of each security at balance date.

Other loans and receivables
The fair value of other loans and receivables are considered equivalent to their carrying value due to their short term nature.

Borrowings
The fair value of debenture stock, deposits, bank borrowings and other borrowings is based on the current market interest rates payable by the Group for debt of similar maturities.

Other financial assets and liabilities
The fair value of all other financial assets and liabilities is considered equivalent to their carrying value due to their short term nature.

Investments - Fair value through profit or loss
The financial statements include convertible notes which are measured at fair value (note 19). The fair value assumes a price per share not supportable by observable market prices or rates. In determining the fair value a price per share of AU$0.9 is used. If this input was AU$0.4 higher the carrying amount of the shares would increase by NZD$2.70 million.

20. FAIR VALUE (CONTINUED)

Fair value of financial assets and liabilities

	UNAUDITED Dec 13		UNAUDITED Dec 12		AUDITED Jun 13	
	Carrying Value $000	Fair Value $000	Carrying Value $000	Fair Value $000	Carrying Value $000	Fair Value $000
Financial assets						
Cash and cash equivalents	380	380	811	811	377	377
Finance receivables - other	36,517	36,517	37,789	37,789	35,497	35,497
Finance receivables - MARAC	-	-	57,642	57,642	-	-
Investments - Available for sale financial assets	7	7	677	677	160	160
Advances to associates	12,940	12,940	11,489	11,489	21,631	21,631
Investments - Loans and receivables	355	355	9,570	9,570	355	355
Investments - Fair value through profit or loss	6,081	6,081	-	-	6,610	6,610
Trade and other receivables	6,216	6,216	3,212	3,212	13,818	13,818
Total financial assets	**62,496**	**62,496**	**121,190**	**121,190**	**78,448**	**78,448**
Financial liabilities						
Bank overdrafts	98	98	184	184	239	239
Borrowings	423	423	1,423	1,423	588	588
Advances from associates	992	992	1,414	1,414	564	564
Liabilities for MARAC finance receivables	-	-	85,696	85,696	-	-
Other financial liabilities	10,776	10,776	8,232	8,232	12,767	12,767
Total financial liabilities	**12,289**	**12,289**	**96,949**	**96,949**	**14,158**	**14,158**

Fair Value Hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value grouped as follows:

a) Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities

b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices), and

c) Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

20. FAIR VALUE (CONTINUED)

	NOTE	UNAUDITED Dec-13 Level 1 $000	Level 2 $000	Level 3 $000	Total $000
Financial assets					
Available for sale investments held at fair value	13	7	-	-	7
Investments at fair value through profit or loss	19	-	-	6,081	6,081
Total Financial Assets		**7**	**-**	**6,081**	**6,088**

There were no transfers between level 1 and 2 in the period.

	NOTE	UNAUDITED Dec-12 Level 1 $000	Level 2 $000	Level 3 $000	Total $000
Financial assets					
Available for sale investments held at fair value	13	677	-	-	677
Investments at fair value through profit or loss	19	-	-	-	-
Total Financial Assets		**677**	**-**	**-**	**677**

There were no transfers between level 1 and 2 in the period.

	NOTE	AUDITED Jun-13 Level 1 $000	Level 2 $000	Level 3 $000	Total $000
Financial assets					
Available for sale investments held at fair value	13	12	148	-	160
Investments at fair value through profit or loss	19	-	-	6,610	6,610
Total Financial Assets		**12**	**148**	**6,610**	**6,770**

There were no transfers between Level 1 and 2 in the year.

20. FAIR VALUE (CONTINUED)

Reconciliation of Level 3 fair value measurements of financial assets

	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
Investments held at fair value			
Balance at the beginning of the year	***6,610***	-	-
Gains/(losses) recognised in profit or loss	(529)	-	(390)
Gains/(losses) recognised in other comprehensive income	-	-	-
Purchases	-	-	7,000
Sales	-	-	-
Transfers into/(out of) Level 3	-	-	-
Balance at the end of the year	***6,081***	-	***6,610***

Of the total gains or losses for the period included in profit or loss (which relate to foreign exchange losses) $0.53 million loss (December 2012:nil; June 2013:$0.39 million loss) relates to assets held at the end of the reporting period. The loss is recorded within Selling and administration expenses in the Statement of Comprehensive Income.

Categories of financial instruments

	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
Financial assets			
Fair value through profit or loss	6,081	-	6,610
Loans and receivables	56,408	120,512	71,678
Available-for-sale financial assets	7	677	160
Financial liabilities			
Financial liabilities at amortised cost	12,289	96,949	14,158

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21. CONTINGENT LIABILITIES AND COMMITMENTS

	UNAUDITED Dec 13 $000	UNAUDITED Dec 12 $000	AUDITED Jun 13 $000
Letters of credit, guarantees and performance bonds	115	-	315
Bank Guarantee - Perpetual Trust Limited	-	-	3,000
Total contingent liabilities	**115**	**-**	**3,315**

PGC is currently involved in a dispute in the employment court in respect of claims made by a former employee. PGC refutes the claims and will continue to defend its position. PGC has a contingent liability in respect of a potential adverse ruling by the tribunal.

22. DISCONTINUED OPERATIONS

Divestment of Perpetual and van Eyk Groups
During the year to 30 June 2013 the Board of Directors executed agreements to dispose of the Group's investment in Perpetual Group and van Eyk. The Directors concluded that control of PTL passed to the new owner on signing of the sale agreement and PTL was de-consolidated at that point.

The sale of PTL was settled on the 3 January 2014.

Under the terms of the agreement for sale of PTL, PGC is entitled to the payment of an additional amount (Carry) of up to 40% of the proceeds in excess of the Purchase Price from certain future Corporate Events (as defined in the sales agreement). No asset has been recognised in relation to the Carry as there is no certainty as to the timing of Corporate Events or the value of the additional amount.

23. SUBSEQUENT EVENTS

Perpetual Trust Limited settlement
PGC completed the sale of Perpetual Trust Limited (PTL) during January 2014.

van Eyk
On 7 February 2014, PGC sold its residual stake in van Eyk, converting the AU$5.6m convertible note to shares and selling these at book value.

Migration
On 14 February 2014, PGC completed its migration to Guernsey. PGC has been removed from the New Zealand companies register as a New Zealand company and is now registered in Guernsey. PGC's New Zealand constitution has been revoked and PGC has adopted, in place of the revoked constitution, new Guernsey law memorandum and articles of incorporation (the New Guernsey Articles).

Both the Migration and the New Guernsey Articles were approved by PGC's shareholders at its annual meeting on 10 December 2013.

Torchlight Fund LP
During January and February 2014 the Group purchased additional partnership interests of $6.88 million in Torchlight Fund LP.

NOTES

NOTES

DIRECTORY

DIRECTORS
Bryan Mogridge - Independent Chairman
George Kerr - Non-Independent Director
Gregory Bright - Independent Director
Russell Naylor - Non-Independent Director
Michael Carolan - Non-Independent Director

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