



Model half-year report

Half-years ending on or after
31 December 2023

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The information in this publication is current as of 26 October 2023 and entities should ensure any developments occurring from this date to the date of authorising of the financial statements are appropriately taken into account. This publication is updated annually (for December half-year reporting periods) and the latest edition can be found at www.deloitte.com/au/models.

About the model half-year report

This model half-year report can be used as a guide in achieving best practice outcomes in Tier 1 and Tier 2 half-year financial reporting.

Purpose and basis of preparation

This model half-year report has been developed by Deloitte Touche Tohmatsu to assist users with the preparation of **half-year reports** for a **consolidated entity** in accordance with:

- Provisions of the *Corporations Act 2001*
- Australian Accounting Standard AASB 134 *Interim Financial Reporting*
- Other requirements and guidelines current as at the date of issue, including the ASX Listing Rules of ASX Limited and Australian Securities and Investments Commission (ASIC) Class Orders/Corporations Instruments, Regulatory Guides and Media Releases.

Where appropriate, this model half-year report also adopts the classification criteria and other guidance contained in AASB 101 *Presentation of Financial Statements*.

About GAAP Holdings (Australia) Interim Limited

GAAP Holdings (Australia) Interim Limited is a **listed for-profit disclosing entity** and is assumed to have presented financial statements in accordance with Australian Accounting Standards for a number of years. Therefore, it is **not a first-time adopter** of Australian Accounting Standards. AASB 1 *First-time Adoption of Australian Accounting Standards* includes additional disclosure requirements for interim periods covered by an entity's first Australian-Accounting-Standards financial statements – these are not illustrated in this publication.

The interim financial report illustrates the **presentation of a set of condensed financial statements**, as envisaged by AASB 134:8. If a complete set of financial statements is published in the interim financial report, the form and content of those statements should conform to the requirements of AASB 101 *Presentation of Financial Statements* for a complete set of financial statements.

GAAP Holdings (Australia) Interim Limited's year end is 30 June 2023. Accordingly, it is preparing a half-year report for the half-year ending 31 December 2023.

The emphasis in AASB 134 *Interim Financial Reporting* is to explain the events and transactions that are significant to an understanding of the changes in financial position and performance of the entity since the end of the last annual reporting period (AASB 134:15). The illustrative disclosures included in these model financial statements provide a number of examples of how these disclosures can be included in half-year financial reports for various common situations. Each entity will need to disclose information relevant to their particular facts and circumstances in order to meet the requirements of AASB 134.

Note: This publication illustrates the half-year report of a fictional listed company GAAP Holdings (Australia) Interim Limited. Accordingly, users of this publication should not attempt to cross-reference back 'facts' in this model half-year report to the *December 2023 Tier 1 models and reporting considerations* publication.

Tier 1 and Tier 2 reports

The model half-year report includes disclosures that apply to Tier 1 and Tier 2 general purpose financial statements.



Entities reporting under Tier 2 (Simplified Disclosures)

Under Australian Accounting Standards – Simplified Disclosures, entities comply with AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*, which prescribes the disclosure requirements in **annual** general purpose financial statements. AASB 1060 does not address presentation of interim financial reports (AASB 134 *Interim Financial Reporting*), segment information (AASB 8 *Operating Segments*) and earnings per share (AASB 133 *Earnings per Share*) (AASB 1060:33). AASB 1060 requires entities preparing **half-year** general purpose financial statements to apply the relevant Standards in preparing and presenting information (i.e. AASB 134 and the relevant Standards).

More information about the Australian differential framework can be found in *The Australian financial reporting guide*, available at www.deloitte.com/au/models.

Source references

References to the relevant requirements are provided in the left-hand column of each page of the model financial report. Where doubt exists as to the appropriate treatment, examination of the source of the disclosure requirement is recommended.

In some cases, additional references to other pronouncements are provided that are not mandatory in half-year financial reports, but which may provide a useful basis in developing disclosures in half-year financial statements in accordance with the requirements of AASB 134. These source references are provided in parentheses.

Limitations

This model half-year report is not designed to meet specific needs of specialised industries and not-for-profit and public sector entities. Rather, it is intended to meet the needs of the vast majority of entities in complying with the half-year reporting requirements of the *Corporations Act 2001*. Inquiries regarding specialised industries (e.g. life insurance companies, credit unions, etc.) should be directed to an industry specialist at your nearest Deloitte Touche Tohmatsu office.

This model half-year report does not, and cannot be expected to, cover all situations that may be encountered in practice. Knowledge of the disclosure provisions of the *Corporations Act 2001*, Australian Accounting Standards and Interpretations are prerequisites for the preparation of financial reports.

This publication is an illustration only and does not represent the only manner in which an entity's reporting obligations may be met. We strongly encourage preparers of financial statements to ensure that disclosures made in their half-year reports are relevant, practical and useful.

The information in this document is current as of 26 October 2023. Entities should ensure any developments occurring after this date are appropriately taken into account.

Deloitte Australian financial reporting guide

Entities preparing half-year financial statements may find the information in the *Deloitte Australian financial reporting guide* useful. The guide provides a roadmap to financial reporting requirements and the differential reporting framework in Australia.



The Deloitte Australian financial reporting guide is available at www.deloitte.com/au/models. References to sections in the guide in this model half-year report are to the 13th Edition expected to be published by early 2024. Entities may wish to refer to later editions of the guide if they are available.

Abbreviations

Abbreviations used in this illustration are as follows:

Abbreviation	Meaning
AASB	Australian Accounting Standards Board, or reference to an Accounting Standard issued by the Australian Accounting Standards Board
ACNC	The Australian Charities and Not-for-profits Commission
ASIC	Australian Securities and Investments Commission
ASIC-CO/ASIC-CI	Australian Securities and Investments Commission Class Order/Corporations Instrument issued pursuant to s.341(1) of the <i>Corporations Act 2001</i>
ASIC-RG	Australian Securities and Investments Commission Regulatory Guide
ASX-LR	Australian Securities Exchange Limited Listing Rule
ASX-GN	Australian Securities Exchange Limited Guidance Note
Corporations Act	<i>Corporations Act 2001</i>
Guide	The <i>Australian financial reporting guide</i> , available at www.deloitte.com/au/models
GPFS	General purpose financial statements
IASB	International Accounting Standards Board (IASB®)
IFRS/IAS	International Financial Reporting Standard issued by the IASB or its predecessor
IFRIC	International Financial Reporting Interpretations Committee or its predecessor, or reference to an Interpretation issued by the International Financial Reporting Interpretations Committee
Int	Interpretation issued by the AASB
Reg	Regulation of the <i>Corporations Regulations 2001</i>
s.	Section of the <i>Corporations Act 2001</i>

What's new in financial reporting?

This section provides a high-level overview of the key financial reporting considerations for half-year periods ending on 31 December 2023

Summary of changes

Relevant to half-year reports at 31 December 2023

The following considerations should be considered for half-year financial reports at 31 December 2023

What's changed?	Who is affected?	What needs to be considered?
Overall considerations		
<p>Although Australia and other parts of the world have experienced improvements in economic conditions with easing inflation and interest rates stabilising, the uncertain economic outlook as a result of geopolitical instability and conflicts, increasing energy prices, labour shortages and uncertain demand outlooks may have a pervasive impact on financial reporting.</p>	<p>Virtually all entities are affected in some way</p>	<p>An important response to these challenges is to enhance the transparency of the financial report so that readers understand the impacts of current economic conditions and the key assumptions made in forecasts and other models used in preparing the financial report.</p> <p>Australian Accounting Standards accommodate this through specific measurement requirements and associated disclosure requirements, and an overall requirement to explicitly call out key judgements and estimates made in applying the entity's accounting policies, information about assumptions about the future and sources of estimation uncertainty. These disclosures are critical to a reader's understanding of the financial report and are a key focus area for regulators.</p> <p>Disclosure needs to consider both positive and negative developments. The decisions, judgements and uncertainties involved in compiling the financial statements should be clearly disclosed. The overall report should outline the impacts, how risks are managed and overall impact on the entity. This may be included in the operating and financial review (OFR) and also in the financial statements disclosures, e.g. around critical judgements and estimation uncertainties and sensitivity analyses.</p> <p>More information and available resources are included in section B1.2 <i>Ongoing financial reporting considerations in times of uncertainty</i> and specifically in relation to complex financing arrangements in section B1.4.5 of the December 2023 <i>Tier 1 models and reporting considerations</i> publication.</p>

What's changed?	Who is affected?	What needs to be considered?
Disclosure considerations		
<p>Entities need to respond to a continuing global push for standardised environmental, social and governance (ESG) reporting and be aware of recent Australian developments exploring how global developments are being implemented in the Australian context.</p> <p>The Federal Government is moving toward mandatory climate-related financial disclosures starting in 2024-2025 and the AASB has issued proposed Australian Sustainability Reporting Standards that are based on IFRS Sustainability Disclosure Standards adopting a "climate first" approach.</p>	<p>The majority of entities reporting under the Corporations Act and all entities reporting under the <i>National Greenhouse and Energy Act 2007</i>. Possible extension to public sector and not-for-profit entities in due course.</p>	<p>Entities need to understand the likely requirements, when they will apply to the entity and the information and data required for compliance and the phase-in of assurance requirements. The initial focus may be on governance arrangements over sustainability matters (including policy determination), resource and learning needs and systems development or enhancement (including controls, processes and procedures).</p> <p>In the meantime, ASIC has maintained its focus on disclosures in the OFR, including business risk disclosures (including material risks and opportunities from climate change and considering greenwashing). Entities should consider whether to disclose (or enhance existing disclosures) of information that would be relevant under the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.</p> <p>Financial reporting areas that may be impacted by sustainability matters include asset impairment, changes in useful lives, valuation of assets, provisions and contingent liabilities and expected credit losses. Financial and other information should be consistent, specific and supported by documentation and evidence (see section B1.3 <i>Sustainability (including climate) financial disclosures developments</i> of the December 2023 <i>Tier 1 models and reporting considerations</i> publication).</p>
<p>There is an increasing focus on greenwashing from ASIC and investors.</p>	<p>Virtually all entities are affected in some way</p>	<p>The global push for a shift to "net zero" greenhouse gas emissions means balancing stakeholder demands with organisational realities and exposes entities to the risks of greenwashing, with serious regulatory and legal implications. ASIC has become much more active in this space recently and has released a number of media releases announcing actions against many entities on greenwashing as well as commencing its third greenwashing civil penalty proceeding in the Federal Court in August 2023.</p> <p>For a discussion of greenwashing see section B1.2.1 <i>Effective communication in financial reporting through transparency</i> of the December 2023 <i>Tier 1 models and reporting considerations</i> publication.</p>
<p>A change in the way in which accounting policies are disclosed in financial reports is effective for the first time for half-year reporting periods ending 31 December 2023, requiring disclosure of material accounting policy information instead of significant accounting policies.</p>	<p>Entities preparing GPFS</p>	<p>These changes place an emphasis on meaningful, entity-specific accounting policy information rather than repeating the requirements of Standards as accounting policies.</p> <p>For more information see section see section B1.4.1 <i>Accounting policy disclosure changes</i> of the December 2023 <i>Tier 1 models and reporting considerations</i> publication.</p>

What's changed?	Who is affected?	What needs to be considered?
Underlying accounting changes		
New insurance Standard effective for the first time for half-year reporting periods ending 31 December 2023.	Insurance entities and entities which issue insurance contracts	<p>AASB 17 <i>Insurance Contracts</i> is effective for annual reporting periods beginning on or after 1 January 2023. It is important to note that AASB 17 applies to insurance contracts regardless of the issuer, i.e. AASB 17 does not apply only to insurance or reinsurance entities. This means that some contracts entered into by non-insurers may be in the scope of AASB 17 and consequently will need to be accounted for using the requirements in AASB 17.</p> <p>For more information see section B1.4.2 <i>New insurance standard for accounting for insurance contracts</i> of the December 2023 <i>Tier 1 models and reporting considerations</i> and publication Deloitte publication A Closer Look — IFRS 17 for Non-insurers.</p>
Amendments to AASB 112 <i>Income Taxes</i> introduce an exception to the recognition and disclosure of deferred taxes arising from deferred taxes arising from the OECD Pillar Two reforms.	Entities that have global revenue of at least EUR750 million per annum	<p>The amendments to AASB 112, issued in June 2023, are effective on issue (with disclosure required that the exception has been applied), with additional disclosures required in annual periods beginning on or after 1 January 2023.</p> <p>For more information see B1.4.6 <i>Global agreement on corporate taxation</i> of the December 2023 <i>Tier 1 models and reporting considerations</i> publication.</p>
Amendments to AASB 112 <i>Income Taxes</i> introduce an exception to the initial recognition exemption so that it does not apply to transactions that give rise to equal taxable and deductible temporary differences.	Entities that have leases and make-good, decommissioning, restoration and similar obligations	<p>Prior to the issue of the amendments there were different views on whether the initial recognition exemption in AASB 112 applied to transactions that give rise to equal taxable and deductible temporary differences.</p> <p>Entities will need determine how the application of the amendments impact the recognition and disclosure of deferred taxes for these transactions. Given most entities adopted a 'net' approach to these items in the past, the amendments will likely not impact the net assets of an entity however, it may change the make-up of net deferred taxes recognised in the balance sheet.</p> <p>For more information see section B1.4.3 <i>Amendments for deferred tax related to assets and liabilities arising from a single transaction</i> of the December 2023 <i>Tier 1 models and reporting considerations</i> publication.</p>

The above table is a high-level summary and each entity will be affected differently. Accordingly, financial report preparers should consider their own specific circumstances when preparing their half-year reports and ensure they fully consider all the requirements discussed in section B of the *December 2023 Tier 1 models and reporting considerations* publication.

Important note regarding ASIC focus areas

At the time of finalising this publication (26 October 2023), ASIC had not released its focus areas for 31 December 2023. Following a restructure of ASIC in July 2023, there is some uncertainty as to whether, and if so, how, ASIC will communicate its key focus areas for each reporting period.

For more information about ASIC's regulatory expectations and focus areas, see our [Clarity publication](#) *Navigating ASIC's regulatory expectations*.

Summary of mandatory new and amended pronouncements

The table below summarises the amended reporting requirements that must be applied for the first time for half-years ending 31 December 2023:

Date issued	Pronouncement	Effective for annual reporting periods beginning on or after
Applicable to half-year financial statements¹		
July 2017	AASB 17 <i>Insurance Contracts</i> , AASB 2020-5 <i>Amendments to Australian Accounting Standards – Insurance Contracts</i> , AASB 2021-7 <i>Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections</i> (insofar as insofar as the Standard relates to editorial corrections that are effective for the current year and apply to AASB 17), AASB 2022-1 <i>Amendments to Australian Accounting Standards – Initial Application of AASB 17 and AASB 9 – Comparative Information</i> and AASB 2022-8 <i>Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments</i>	1 January 2023
March 2021 December 2021	AASB 2021-2 <i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates</i> and AASB 2021-6 <i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards</i>	1 January 2023
June 2021	AASB 2021-5 <i>Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
December 2022	AASB 2022-7 <i>Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards</i>	1 January 2023
June 2023	AASB 2023-2 <i>Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules</i>	1 January 2023 ²
Applicable only to half-year Tier 2 (Simplified Disclosures) financial statements		
September 2023	AASB 2023-4 <i>Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules: Tier 2 Disclosures</i>	1 January 2023 ³

In addition to new pronouncements, entities should also consider the impacts of recent IFRS Interpretations Committee agenda decisions on the financial statements. [Agenda decisions and tentative agenda decisions](#) are available at www.ifrs.org.



A summary of recent agenda decisions can be found in our *Tier 1 models and reporting considerations* publications (section B2) available at www.deloitte.com/au/models.

¹ In addition to the pronouncements listed, AASB 2020-5 *Amendments to Australian Accounting Standards – Insurance Contracts* applies to annual periods beginning on or after 1 January 2021. However, AASB 2020-5 has the effect of deferring the mandatory application date of AASB 17 *Insurance Contracts* by two years from annual periods beginning on or after 1 January 2021 to annual periods beginning on or after 1 January 2023. As AASB 17 was originally effective for the earlier date, the Amending Standard is also effective for that earlier date to enact the extension. Accordingly, this pronouncement has not been included in the table.

² Additional disclosures about the impact of Pillar Two on the entity (in which Pillar Two legislation is enacted or substantively enacted but not yet in effect) and disclosure of the amount of current tax arising from Pillar Two taxes as required by paragraphs 88B–88D of the amendments is not required for any interim period ending on or before 31 December 2023.

³ Certain amendments made by AASB 2023-2 are effective on issue, whilst others are effective for annual periods beginning on or after 1 January 2023 that end on or after 30 September 2023, with earlier application permitted. However, in respect of interim reports, the disclosures required by paragraphs 88B–88D of AASB 112 *Income Taxes* (which are introduced by AASB 2023-2), are not required for interim periods ending on or before 31 December 2023. These disclosures include, for periods in which Pillar Two legislation is enacted or substantively enacted but not yet in effect, known or reasonably estimable information that helps users of financial statements understand the entity's exposure to Pillar Two income taxes. However, entities preparing half-year reports on or before 31 December 2023 can provide such information if they wish.

Impacts of adopting new and revised pronouncements

Applying new and revised pronouncements for the first time can result in direct changes in recognition, measurement, presentation and disclosure requirements. In addition, there can be consequential impacts on financial reports through the transitional provisions of the pronouncement and the existing requirements of other Australian Accounting Standards.

The table below outlines some of the areas where these consequential impacts should be considered:

Area	Consideration
Updates to accounting policies	The terminology and substance of accounting policies may need to be updated to reflect new recognition, measurement and other requirements.
Impact of transitional provisions	AASB 134 (paragraph 43) requires a change in accounting policy, other than one for which the transition provisions are specified by a new Australian Accounting Standard, to be reflected in accordance with AASB 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> . AASB 108 contains a general requirement that changes in accounting policies are retrospectively applied, but this does not apply to the extent an individual pronouncement has specific transitional provisions.
Disclosures about changes in accounting policies	Where an entity changes its accounting policy as a result of the initial application of an Australian Accounting Standard (including Interpretations as a result of AASB 1048 <i>Interpretation of Standards</i>) and it has an effect on the current period or any prior period, AASB 108 (subject to any specific transitional provisions of the Accounting Standard) requires the disclosure of a number of matters, e.g. the title of the Standard, the nature of the change in accounting policy, a description of the transitional provisions, and the amount of the adjustment for each financial statement line item affected.
Earnings per share (EPS)	AASB 134 (paragraph 43) requires a change in accounting policy, other than one for which the transition provisions are specified by a new Australian Accounting Standard, to be reflected by restating the financial statements of prior interim periods of the current financial year, and the comparable interim periods of prior financial years that will be restated in annual financial statements in accordance with AASB 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> . Further AASB 108 contains a general requirement that changes in accounting policies are retrospectively applied, but this does not apply to the extent an individual pronouncement has specific transitional provisions. Therefore, where applicable to the entity, as required by AASB 134, AASB 108 and AASB 133 <i>Earnings Per Share</i> , basic and diluted EPS should be adjusted for the impacts of adjustments resulting from changes in accounting policies accounted for retrospectively and the amount of any such adjustments should be disclosed as required by AASB 108.
Third statement of financial position	For annual financial statements, AASB 101:40A requires the presentation of a statement of financial position at the beginning of the preceding period in specified circumstances when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements or when it reclassifies items in its financial statements. However, in line with the general principles established in AASB 101:4 this requirement does not apply to interim financial reports. This is further confirmed by IAS 1:BC33 which explains that the IASB decided not to reflect in AASB 134:8 its decision to require the inclusion of a statement of financial position at the beginning of the preceding period in a complete set of financial statements in specified circumstances. Consequently, in condensed interim financial statements, an entity is only required to include those comparatives required by AASB 134. However, such entities could choose to voluntarily provide a third balance sheet, particularly where there are major accounting policy changes implemented as a result of new accounting standards or amendments.

Pronouncements not yet effective

AASB 134 does not require disclosure of new accounting standards and interpretations that are not yet effective. However, considering ASIC's expectations in the past that reporters consider the impact of major new accounting requirements that are not yet effective, entities should consider disclosing the impact of major new accounting requirements with the requirements of AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* (paragraphs 30 – 31).

See note 2 section *New and revised Australian Accounting Standards and Interpretations on issue but not yet effective* (below) for commentary.

Reporting deadlines

Summary of reporting deadlines for half-years

The following table summarises the reporting deadlines for half-year reports under the Corporations Act and, where relevant, the ASX Listing Rules and ASX Operating Rules (where relevant).

Source	Requirement	Listed disclosing entity	Non-listed disclosing entity
ASX 4.2A, ASX 4.2A.3, ASX 4.2B	Lodgement of Appendix 4D with the ASX	As soon as available (no later than when half-year reports are lodged with ASIC, and no later than 2 months after the half-year end) ⁴	n/a
ASX 4.2A, ASX 4.2A.1, ASX 4.2B, ASX Operating Rules	Lodgement of the Corporations Act half-year report with the ASX	As soon as available (no later than when half-year reports are lodged with ASIC, and no later than 2 months after the half-year end, or 75 days after half-year end in respect of certain entities) ⁵	n/a
s.320	Lodgement of the Corporations Act half-year report with ASIC	n/a (ASIC-CI 2016/181)	Within 75 days after the half-year end



ASX Limited publishes annual market announcements reporting calendars on its website for listed entities. The calendar for the 2024 year will be made available on the [ASX Online website](#).

⁴ In accordance with ASX Listing Rule 4.2A.3, mining exploration entities or oil and gas exploration entities are not required to provide the information set out in Appendix 4D. As ASX AQUA market participants are not subject to the ASX Listing Rules (but instead are subject to the ASX Operating Rules), these entities also do not need to provide the information set out in Appendix 4. For more information, see the guidance on reporting deadlines in our *Australian financial reporting guide*, available at www.deloitte.com/au/models.

⁵ In accordance with ASX Listing Rule 4.2B, the deadline for lodgement of the half-year report for mining exploration entities or oil and gas exploration entities is 75 days after the end of the accounting period. This deadline also applies to issuers whose securities are traded on the ASX AQUA market, as the reporting obligations for such issuers are linked to the reporting obligations under the Corporations Act and ASX Procedures 10A.4.2 and 10A.4.4 require documents to be lodged with the ASX at the same time as they are lodged with ASIC (or in the case of certain foreign ETFs, the timeline for the relevant overseas regulatory authority).

Deadlines applicable for 31 December 2023 half-year reports

The following tables summarise the reporting deadlines for half-year reporting periods ending 31 December 2023. Note: These reporting deadlines will be applicable to the majority of entities; however, care should be taken to ensure that the dates noted below are the appropriate dates for the entity in question.

Listed entities

Obligation	Deadline	Date applicable for 31 December 2023 reporting periods
Lodgement of Appendix 4D with ASX ⁶	2 months	29 February 2024
Lodgement of audited or reviewed half-year financial report ⁷		
• Mining and oil and gas exploration entities	75 days	15 March 2024
• ASX AQUA market issuers	75 days	15 March 2024
• Other issuers	2 months	29 February 2024

Unlisted entities

Obligation	Deadline	Date applicable for 31 December 2023 reporting periods
Lodgement of audited or reviewed half-year financial report – unlisted disclosing entities	75 days	15 March 2024

⁶ The Appendix 4D and Appendix 4E requirements do not apply to mining and oil and gas exploration entities or to issuers on the ASX Quoted Assets (AQUA) market. Mining and oil and gas exploration entities must continue to provide the additional ASX information required under the ASX Listing Rules in the normal timeframes, i.e. a quarterly report outlining activities for the quarter, together with Appendix 5B (quarterly cash flow report), both within one month of the end of each quarter.

⁷ Although there is a requirement to lodge the half-year report with both ASIC and the ASX, *ASIC Corporations (Electronic Lodgment of Financial Reports) Instrument 2016/181* (available at www.legislation.gov.au) allows entities listed on the ASX to lodge the reports electronically with the relevant market operator without also having to separately lodge the reports with ASIC.

Appendix 4D

Source

Appendix 4D, Item 1
Appendix 4D, Item 1

Current reporting period
Prior corresponding period

Half-year ended 31 December 2023
Half-year ended 31 December 2022

Appendix 4D, Item 2,
Footnote

Results for announcement to the market

The information below required by Appendix 4D, Items 2.1-2.6 must be placed at the beginning of the report. The other information required by Appendix 4D may be presented in whatever way is the most clear and helpful to users, e.g. combined with the body of the report, combined with notes to the accounts, or set out separately.

Key information

		<u>% Change</u>		<u>\$'000</u>
Appendix 4D, Item 2.1	Total revenue from ordinary activities	[Up/down]	___ %	to [Amount]
Appendix 4D, Item 2.2	Profit (loss) from ordinary activities after tax attributable to members	[Up/down]	___ %	to [Amount]
Appendix 4D, Item 2.3	Net profit (loss) for the period attributable to members	[Up/down]	___ %	to [Amount]

Appendix 4D, Item 5

Details relating to dividends

		<u>Amount per share</u>	<u>Franking⁽¹⁾</u>	<u>Total amount \$'000</u>
Appendix 4D, Item 2.4	Final dividend paid on 14 September 2023 (prior year)	___ cents	___ %	[Amount]
Appendix 4D, Item 2.4	Interim dividend declared on 15 February 2024 ⁽²⁾	___ cents	___ %	[Amount]

Appendix 4D, Item 2.5 Record date for determining entitlements to dividends 22 February 2024

Appendix 4D, Item 2.6 (1) All dividends are fully franked at a 30% tax rate.

Appendix 4D, Item 5 (2) The interim dividend is payable on 14 March 2024 and is not recognised as a liability as at 31 December 2023.

Appendix 4D, Item 2.4 If no dividends have been paid or proposed, the entity is required to make a statement that it is not proposed to pay dividends.

Additional information

Appendix 4D, Item 2.6 An entity is required to provide a brief explanation of any figures provided in relation to Items 2.1 to 2.4 necessary to enable the figures to be understood.

For example, an entity may include the following information:

- Abnormal items of income and expense during the period or corresponding period
- Details of discontinued operations
- Additional line items or subtotals explaining the composition of amounts.

Source

Results for announcement to the market (continued)

Additional requirements for dividends and distributions

Appendix 4D, Item 5

Item 5 of Appendix 4D requires the disclosure of details of individual and total dividends or distributions and dividend or distribution payments. The details must include the date on which each dividend or distribution is payable, and (if known) the amount per security of foreign sourced dividend or distribution.

Dividend or distribution reinvestment plans

Appendix 4D, Item 6

The entity is required to provide details of any dividend or distribution reinvestment plans in operation and the last date for receipt of an election notice for participation in any dividend or distribution reinvestment plan.

Net tangible assets per share

Appendix 4D, Item 3

	<u>31/12/2023</u>	<u>30/06/2023*</u>
Net tangible assets per share	___ cents	___ cents

* The information for 30 June 2023 has been restated for the *[describe the change in accounting policy or error]* as explained in Note 2 to the attached half-year financial statements.

Calculation of net tangible assets per share

Appendix 4D does not provide explicit guidance on how net tangible assets are calculated, although that term is used in many places in the ASX Listing Rules in addition to Appendix 4D. The following information may be used as guidance:

- [Chapter 19](#) of the ASX Listing Rules provides a definition of ‘net tangible asset backing’ for the purposes of disclosure by listed investment entities under ASX Listing Rules 4.10.2 and 4.12
- The [ASX Clearance \(Futures\) Operating Rules](#) provides a definition of net tangible assets (in Part 1) for the purposes of those rules. This definition explains that both intangible assets (within the meaning of AASB 138 *Intangible Assets*, including goodwill) and deferred tax assets should be excluded from net tangible assets for the purposes of those rules
- The ASX [Introduction to Investment Products](#) publication explains that net tangible assets of listed investment companies and trusts is the assets of the entity less any liabilities and intangible assets.

It is understood that the ASX will accept a lease right-of-use asset being classified as tangible or intangible following the character of the underlying asset. So, for example, a lease right-of-use asset associated with a lease of plant and equipment would be classified as tangible for the purposes of the net tangible assets per share calculation.

Where judgement is applied in determining the net tangible assets per share, additional explanation may be required.

Entities over which control has been gained or loss during the period

Appendix 4D, Item 4

Details provided must include the following:

- Name of the entity
- The date of the gain or loss of control
- Where material to an understanding of the report – the contribution of such entities to the reporting entity’s profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period.

Source

Appendix 4D, Item 7

Details of associates and joint ventures

Details to be provided include:

- Name of the associate or joint venture
- Details of the reporting entity's percentage holding in each of these entities
- Where material to an understanding of the report – aggregated share of profits (losses) of these entities, details of contributions to net profit for each of these entities
- Comparative figures for each of these disclosures for the previous corresponding period.

Appendix 4D, Item 8

Foreign entities

Foreign entities are required to disclose which set of accounting standards is used in compiling the report (e.g. IFRS Accounting Standards).

Appendix 4D, Item 9

Information about audit or review

If the accounts contain an independent audit report or review that is subject to a modified opinion, emphasis of matter or other matter paragraph, a description of the modified opinion, emphasis of matter or other matter paragraph.

In practice, some entities choose to provide information about the audit or review even where the report is unqualified (consistent with the requirements for preliminary final reports under Appendix 4E for full-years). The following example is the type of wording commonly used in these cases:

"This Appendix 4D is based on the attached half-year financial report which has been reviewed by the Group's auditors, Deloitte Touche Tohmatsu. A copy of Deloitte's unqualified review report can be found on page 25."

GAAP Holdings (Australia) Interim Limited

ACN 123 456 789

Half-year report for the half-year ended
31 December 2023

Directors' report

Source

ASIC-CI 2016/188

Information required by s.306 may be transferred to a document attached to the directors' report and half-year financial report where a clear cross reference to the pages containing the excluded information exists and certain conditions are satisfied. Where the information is transferred to the half-year financial report it will be subject to audit or review.

s.1308(7)

Where the directors' report contains information in addition to that required by the *Corporations Act 2001*, the information will be regarded as part of the directors' report for the purposes of s.1308 'False or misleading statements'.

The directors submit herewith the financial report of GAAP Holdings (Australia) Interim Limited and its subsidiaries (the Group) for the half-year ended 31 December 2023. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

Directors

s.306(1)(b)

The names of the directors of the company during or since the end of the half-year are:

Mr C.J. Chambers	Mr B.M. Stavrinidis
Mr P.H. Taylor	Mr W.K. Flinders
Ms F.R. Ridley	Ms L.A. Lochert
Mr A.K. Black	Ms S.M. Saunders

s.306(1)(b)

The above named directors held office during and since the end of the half-year except for:

- Mr W.K. Flinders – resigned 20 July 2023
- Ms S.M. Saunders – appointed 3 August 2023
- Ms L.A. Lochert – appointed 27 July 2023 and resigned 4 December 2023

Review of operations

s.306(1)(a)

The directors' report must contain a review of the consolidated entity's operations during the half-year and the results of those operations. The *Corporations Act 2001* contains no guidance on the contents of this review.

ASX-GN10

In preparing this disclosure, entities may wish to refer to:

- [ASX Guidance Note 10](#) *Review of Operations and Activities: Listing Rule 4.10.17*
- The G100's *Guide to Review of Operations and Financial Condition*, providing guidance on the form and content of the consolidated entity's review of operations and the results of those operations, including specific guidance on items which might be appropriately included in such a review
- [ASIC Regulatory Guide 247](#) *Effective disclosure in an operating and financial review* (RG 247) which it is designed to provide guidance on preparing an operating and financial review (OFR) in the directors' report of a listed entity under s.299A of the *Corporations Act*.

Source

ASX-GN10

Review of operations (continued)

It is recommended that the review should provide users, being shareholders, prospective investors and other interested stakeholders, an understanding of the consolidated entity by providing short and long-term analysis of the business as seen through the eyes of the directors. As such, the review should aim to meet the information needs of users of financial reports relating to the current reporting period and also provide them with a basis for forming a view as to likely future performance in the context of the strategies of the consolidated entity for achieving long-term value creation and known trends in performance. This requires that the review contains a discussion of the operations of the period, including an explanation of unusual or infrequent events and transactions, and an analysis of the opportunities and risks facing the consolidated entity, together with the planned approach to managing those opportunities and risks.

ASX-GN10

Given this context, preparers of annual reports are encouraged to provide the following disclosures which are recommended to be included and updated in half-year reports:

- An overview of the consolidated entity and its strategy
- A review of operations, considering both short and longer-term value creation in the context of the consolidated entity's strategy
- Information on investments made to enhance future value creating potential
- A review of the consolidated entity's financial condition
- An overview of risk management and governance practices.

This is aimed at anchoring the review in a strategic context of how the consolidated entity is aiming to enhance shareholder value, both in the short and long term. This includes discussion of both financial and non-financial elements of performance, including analysis using relevant financial and non-financial key performance indicators. The latter may include sustainability related indicators.

The recommended contents of the review include:

- Consolidated entity overview and strategy
 - Explaining the objectives of the consolidated entity and how they are to be achieved
 - Including a discussion and analysis of key financial and non-financial performance indicators used by management in their assessment of the consolidated entity and its performance (including relevant sustainability performance indicators)
 - Discussing the main factors and influences that may have a major effect on future results (including potential longer-term effects), whether or not they were significant in the period under review. This may include discussion of market opportunities and risks; competitive advantage; changes in market share or position; economic factors; key customer and other relationships; employee skills and training; environmental, occupational health and safety aspects; significant legal issues; and innovation and technological developments
- Review of operations
 - Discussing the main activities of the consolidated entity, including significant features of operating performance for the period under review. It should cover all aspects of operations, focussing on the consolidated entity as a whole 'through the eyes of the directors'. It should not be boilerplate, and should cover significant aspects of the consolidated entity's performance in the period, financial and non-financial. Consideration should be given to unusual or infrequent events or transactions, including material acquisitions or disposals, major sources of revenues and expenses, and changes in factors which affect the results to enable users to assess the significance of the ongoing and core activities of the consolidated entity to identify the sustainability of performance over the longer-term

Source

Review of operations (continued)

- Providing the overall return attributable to shareholders in terms of dividends and increases in shareholders' funds, including a commentary on the comparison between the results of the financial year and dividends, both in total and in per share terms, and indicating the directors' overall distribution policy
- Providing information on investments made for future performance, including capital expenditure and other expenditure enhancing future performance potential. This may include marketing and advertising spend to enhance brand loyalty and reputation; staff training and development programmes; quality improvement and health and safety programs; customer relationship management; and expansion of production capacity
- Review of financial conditions
 - Capital structure of the consolidated entity including capital funding and treasury policies and objectives
 - Cash from operations and other sources of capital
 - Discussion of the liquidity and funding at the end of the period under review, including restrictions on funds transfer, covenants entered into and the maturity profile of borrowings
 - Discussing the resources available to the consolidated entity not reflected in the statement of financial position, for example mineral reserves, key intellectual property (e.g. databases or specific entity competences); market-position; employee competences or resources / skills and their role in creating longer-term value
 - Impact of legislation and other external requirements having a material effect on the financial condition in the reporting period or expected to have a material effect on the financial condition in future periods
- Risk management and corporate governance practices, including management of both financial and non-financial risks.

ASIC-RG 230

Non-IFRS financial information

If the directors consider it appropriate to include non-IFRS financial information in the operating and financial review (OFR), the directors' report or another document in the annual report, the guidelines in Section D of [ASIC Regulatory Guide 230](#) *Disclosing non-IFRS financial information* should be followed to assist in reducing the risk of non-IFRS financial information being misleading⁸.

Important considerations include that:

- IFRS financial information should be given equal or greater prominence compared to non-IFRS financial information, in particular IFRS profit
- Non-IFRS information should:
 - Be explained and reconciled to IFRS financial information
 - Be calculated consistently from period to period
 - Be unbiased and not used to remove 'bad news'.

Entities should refer to the complete document when preparing their reports as it provides detailed guidance for presenting non-IFRS financial information.

A clear statement should be made about whether the non-IFRS information has been audited or reviewed in accordance with Australian Auditing Standards.

⁸ Non-IFRS financial information is financial information presented other than in accordance with all relevant Australian Accounting Standards

Source

s.306(1A)

Auditor's independence declaration

The auditor's independence declaration is included on page 23 of the half-year report.

ASIC-CI 2016/188

The auditor's declaration under s.307C in relation to the audit or review for the half-year may be transferred from the directors' report into a document which is included with the directors' report and the half-year financial report. The auditor's independence declaration may not be transferred to the half-year financial report. The directors' report must include a prominent cross-reference to the page(s) containing the auditor's declaration.

True and fair view

s.306(2)

If the half-year financial report includes additional information in the notes to the condensed consolidated financial statements necessary to give a true and fair view of the financial performance and position of the disclosing entity (including the consolidated entity), the directors' report must also:

- Set out the directors' reasons for forming the opinion that the inclusion of that additional information was necessary to give a true and fair view required by s.305
- Specify where that information can be found in the half-year financial report.

ASIC-CI 2016/188

This additional information may not be transferred to the half-year financial report.

Rounding off of amounts

ASIC-CI 2016/191

If the company is of the kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and consequently the amounts in the directors' report and the financial statements are rounded, that fact must be disclosed in the financial statements or the directors' report.

Where the conditions of the Corporations Instrument are met, entities may round to the nearest dollar, nearest thousand dollars, nearest hundred thousand dollars, or to the nearest million dollars, depending upon the total assets of the entity. The appropriate rounding should be included in the disclosure below:

ASIC-CI 2016/191,
Clause 5(v)

The company is of a kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in this directors' report are rounded off to the nearest [*dollar/thousand dollars / hundred thousand dollars/ million dollars*], unless otherwise indicated.

ASIC-CI 2016/191,
Clause 4, 5(g)

Where the Corporations Instrument is applied, certain amounts in the financial statements are required to be rounded to differing levels of precision. It is important to ensure these amounts are shown using the correct level of precision and column headings and narrative information uses the correct level of rounding as required by the Corporations Instrument.

Source

s.306(3)(a)

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the Directors

(Signature)

s.306(3)(c)

C.J. Chambers

Director

s.306(3)(b)

Sydney, 15 March 2024

Auditor's independence declaration

Source

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

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50 Bridge Street
Sydney NSW 2000
Australia

Phone: +61 (02) 9322 7000
www.deloitte.com

The Board of Directors
GAAP Holdings (Australia) Interim Limited
167 Admin Ave
Sydney NSW 2000

15 March 2024

Dear Board Members,

GAAP Holdings (Australia) Interim Limited

s.306(1A), s.307C,
ASIC-CI 2016/188

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of GAAP Holdings (Australia) Interim Limited.

As lead audit partner for the review of the half-year financial report of GAAP Holdings (Australia) Interim Limited for the half-year ended 31 December 2023, 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 review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

T.L. Green
Partner
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.
Member of Deloitte Asia Pacific Limited and the Deloitte organisation.

Source

s.307C(1), (3)

If an audit firm, audit company or individual auditor conducts an audit or review of the financial report for the financial year, the individual or lead auditor must give the directors of the company, registered scheme or disclosing entity a written declaration that, to the best of the individual or lead auditor's knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit or review
- No contraventions of any applicable code of professional conduct in relation to the audit or review.

Alternatively, if contraventions have occurred, the auditor is required to set out those contraventions in a written declaration that, and include a statement in the declaration that to the best of the individual or lead auditor's knowledge and belief, those contraventions are the only contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the audit or review, or
- Any applicable code of professional conduct in relation to the audit or review.

s.307C(5)(a)

The auditor's independence declaration must be given when the auditor's report is given to the directors of the company, registered scheme or disclosing entity (other than when the conditions in s.307(5A) are satisfied – see below) and must be signed by the person making the declaration.

s.307C(5A)

A declaration under s.307C(1) or s.307C(3) in relation to a financial report for a half-year satisfies the conditions in this subsection if:

- The declaration is given to the directors of the company, registered scheme or disclosing entity before the directors pass a resolution under s.306(3) in relation to the directors' report for the half-year
- A director signs the directors' report within 7 days after the declaration is given to the directors
- The auditor's report on the financial report is made within 7 days after the directors' report is signed
- The auditor's report includes either of the following statements:
 - A statement to the effect that the declaration would be in the same terms if it had been given to the directors at the time the auditor's report was made
 - A statement to the effect that circumstances have changed since the declaration was given to the directors, and setting out how the declaration would differ if it had been given to the directors at the time the auditor's report was made.

s.307C(5B)

An individual auditor or lead auditor is not required to give a declaration under s.307C(1) and s.307C(3) in respect of a contravention if:

- The contravention was a contravention by a person of s.324CE(2) or s.324CG(2) (strict liability contravention of specific independence requirements by individual auditor or audit firm), or s.324CF(2) (contravention of independence requirements by members of audit firms)
- The person does not commit an offence because of s.324CE(4), s.324CF(4) or s.324CG(4) (quality control system defence).

Independent auditor's report

Source

An independent auditor's report shall be prepared by the auditor in accordance with the Australian Auditing Standards. This publication does not include a model auditor's report.

Duty to report

Where the half-year financial report is subject to review

s.309(4)

An auditor who reviews the financial report for a half-year must report to members on whether the auditor became aware of any matter in the course of the review that makes the auditor believe that the financial report does not comply with Division 2 of Part 2M.3 of the *Corporations Act 2001*, i.e.:

- Section 302 (disclosing entity must prepare half-year financial report and directors' report)
- Section 303 (contents of half-year report)
- Section 304 (compliance with accounting standards and regulations)
- Section 305 (true and fair view)
- Section 306 (half-year directors' report).

s.309(5)

The review report must:

- Describe any matter the auditor became aware of in the course of the review that makes the auditor believe that the financial report does not comply with Division 2 of Part 2M.3 of the *Corporations Act 2001* (i.e. the provisions dealing with the half-year financial report and directors' report)
- Say why that matter makes the auditor believe the financial report does not comply with Division 2.

Where the half-year financial report is subject to audit

s.309(1)

An auditor who audits the financial report for a half-year must report to members on whether the auditor is of the opinion that the financial report is in accordance with this Act, including:

- Section 304 (compliance with accounting standards)
- Section 305 (true and fair view).

If not of that opinion, the auditor's report must say why.

s.309(2)

If the auditor is of the opinion that the financial report does not comply with an accounting standard, the auditor's report must, to the extent that it is practicable to do so, quantify the effect that non-compliance has on the financial report. If it is not practicable to quantify the effect fully, the report must say why.

s.309(3), s.307(b)-(d)

The auditor's report must describe:

- Any defect or irregularity in the financial report
- Any deficiency, failure or shortcoming in respect of the following matters:
 - Whether the auditor has been given all information, explanation and assistance necessary for the conduct of the audit
 - Whether the company, registered scheme or disclosing entity has kept financial records sufficient to enable a financial report to be prepared and audited
 - Whether the company, registered scheme or disclosing entity has kept other records and registers as required by the *Corporations Act 2001*.

Directors' declaration

Source

The directors declare that:

- s.303(4)(c) (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; and
- s.303(4)(d) (b) 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.

s.303(5) Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors

s.303(5) (Signature)
C.J. Chambers
Director

s.303(5) Sydney, 15 March 2024

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Condensed consolidated statement of profit or loss and other comprehensive income

for the half-year ended 31 December 2023

(Alternative 1: Single statement presentation, with expenses analysed by function)

	Note	Consolidated	
		Half-year ended	
		31/12/2023 \$'000	31/12/2022 \$'000 Restated*
Continuing operations			
Revenue	5		
Cost of sales			
Gross profit			
Other income			
Distribution costs			
Administrative expenses			
Other expenses			
Share of results of associates			
Share of results of joint ventures			
Finance income – interest income			
Finance income - other			
Gains and losses arising from the derecognition of financial assets measured at amortised cost			
Gains and losses on reclassification of financial assets from amortised cost to FVTPL			
Gains and losses on reclassification of financial assets from FVTOCI to FVTPL			
Impairment losses and gains (including reversals of impairment losses) on financial assets ⁹			
Other gains and losses	6		
Finance costs			
Profit/(loss) before tax	6		
Income tax expense			
Profit/(loss) for the period from continuing operations			

⁹ AASB 101:82(ba) requires impairment losses (including reversals of impairment losses or impairment gains) to be presented on the face of the statement of profit or loss. These impairment losses may arise from operating activities or from investing/financing activities. Therefore, when presenting a sub-total for operating profit it will be more meaningful to split the impairment losses into those which arise from operating activities, for example from trade and other receivables above operating profit, and those which arise from investing/financing activities, for example from debt securities, below operating profit.

	Note	Consolidated	
		Half-year ended	
		31/12/2023 \$'000	31/12/2022 \$'000 Restated*
Discontinued operation			
Profit/(loss) for the period from discontinued operation	14		
Profit/(loss) for the period			
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Gain/(loss) on revaluation of property			
Remeasurement of net defined benefit liability			
Fair value gain/(loss) on equity investments designated as at FVOCI			
Fair value gain/(loss) on financial liabilities designated as at FVTPL attributable to changes in credit risk			
Share of other comprehensive income of associates			
Share of other comprehensive income of joint ventures			
Other <i>[describe]</i>			
Income tax relating to items that will not be reclassified subsequently to profit or loss			
Items that may be reclassified subsequently to profit or loss			
Debt instruments measured at FVTOCI:			
- Fair value gain/(loss) on investments in debt instruments measured at FVTOCI			
- Less: Cumulative (gain)/loss on investments in debt instruments classified as at FVTOCI reclassified to profit or loss upon disposal			
- Less: Cumulative (gain)/loss on investments in debt instruments classified as at FVTOCI reclassified to profit or loss upon reclassification from FVTOCI to FVTPL			
Cash flow hedges:			
- Fair value gain/(loss) on hedging instruments			
- Less: Cumulative (gain)/loss arising on hedging instruments reclassified to profit or loss			
Foreign currency translation, net of investment hedges of a foreign operation:			
- Foreign exchange differences on translation of foreign operations			
- Less: (Gain)/loss reclassified to profit or loss on disposal of foreign operation			
- Gain/(loss) arising on hedging instruments designated as hedges of the net assets in foreign operation			
- Less: (Gain)/loss on hedging instruments reclassified to profit or loss on disposal of foreign operation			

	Consolidated	
	Half-year ended	
	31/12/2023	31/12/2022
	\$'000	\$'000
Note		Restated*
Cost of hedging:		
- Changes in the fair value during the period in relation to transaction-related hedged items		
- Changes in the fair value during the period in relation to time-period related hedged items		
- Less: Cumulative (gain)/loss arising on changes in the fair value in relation to transaction-related hedged items reclassified to profit or loss		
- Less: Amortisation to profit or loss of cumulative (gain)/loss arising on changes in the fair value in relation to time-period related hedged item		
Share of other comprehensive income of associates		
Share of other comprehensive income of joint ventures		
Other <i>[describe]</i>		
Income tax relating to items that may be reclassified subsequently to profit or loss		
Other comprehensive income for the period, net of income tax		
Total comprehensive income for the period		
Profit attributable to:		
- Owners of the parent		
- Non-controlling interests		
Total comprehensive income attributable to:		
- Owners of the parent		
- Non-controlling interests		

	Consolidated	
	Half-year ended	
	31/12/2023	31/12/2022
	\$'000	\$'000
Note		Restated*

Earnings per share

From continuing operations

- Basic (cents per share)
- Diluted (cents per share)

From continuing operations and discontinued operations

- Basic (cents per share)
- Diluted (cents per share)

* The comparative information has been restated as a result of *[the change in accounting policy/prior period error]* discussed in note 2.

Source references: AASB 134:8(b)(i), 10, 11, 14 and 20(b)

The above presentation is consistent with our *Tier 1 models and reporting considerations* publication for the year ended 31 December 2023. Some of the detailed line item disclosures are not specifically required by AASB 134. Entities should consider the most appropriate disclosures for presenting the information. However, entities should consider the requirements of AASB 101:10 which requires that, for each component of the condensed interim financial statements (statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows), each of the headings and subtotals that were included in the entity's most recent annual financial statements should be disclosed. Additional line items are required if their omission would make the condensed interim financial statements misleading.

Condensed consolidated statement of profit or loss

for the half-year ended 31 December 2023

(Alternative 2: Presentation as two statements, with expenses analysed by nature)

	Note	Consolidated	
		Half-year ended	
		31/12/2023	31/12/2022
		\$'000	\$'000
			Restated*
Continuing operations			
Revenue	5		
Other income			
Finance income – interest income			
Finance income – other			
Changes in inventories of finished goods and work in progress			
Raw materials and consumables used			
Depreciation and amortisation expense			
Employee benefits expense			
Finance costs			
Transport costs			
Advertising costs			
Impairment of property, plant and equipment			
Impairment of goodwill			
Other expenses			
Share of results of associates			
Share of results of joint ventures			
Gains and losses arising from the derecognition of financial assets measured at amortised cost			
Gains and losses on reclassification of financial assets from amortised cost to FVTPL			
Impairment losses (including reversals of impairment losses) on financial assets and contract assets ¹⁰			
Gains and losses on reclassification of financial assets from FVTOCI to FVTPL			
Other gains and losses			
Profit/(loss) before tax	6		
Income tax expense			
Profit/(loss) for the period from continuing operations			
Discontinued operation			
Profit/(loss) for the period from discontinued operation	14		
Profit/(loss) for the period			

¹⁰ AASB 101:82(ba) requires impairment losses (including reversals of impairment losses or impairment gains) to be presented on the face of the statement of profit or loss. These impairment losses may arise from operating activities or from investing/financing activities. Therefore, when presenting a sub-total for operating profit it will be more meaningful to split the impairment losses into those which arise from operating activities, for example from trade and other receivables above operating profit, and those which arise from investing/financing activities, for example from debt securities, below operating profit.

	Consolidated	
	Half-year ended	
	31/12/2023	31/12/2022
	\$'000	\$'000
Note		Restated*
Attributable to:		
Owners of the parent		
Non-controlling interests		

Earnings per share

From continuing operations

- Basic (cents per share)
- Diluted (cents per share)

From continuing and discontinued operations

- Basic (cents per share)
- Diluted (cents per share)

* The comparative information has been restated as a result of *[the change in accounting policy/prior period error]* discussed in note 2.

Source references: AASB 134:8(b)(ii), 10, 11, 11A, 14 and 20(b)

The above presentation is consistent with our *Tier 1 models and reporting considerations* publication for the year ended 31 December 2023. Some of the detailed line item disclosures are not specifically required by AASB 134. Entities should consider the most appropriate disclosures for presenting the information. However, entities should consider the requirements of AASB 101:10 which requires that, for each component of the condensed interim financial statements (statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows), each of the headings and subtotals that were included in the entity's most recent annual financial statements should be disclosed. Additional line items are required if their omission would make the condensed interim financial statements misleading.

Condensed consolidated statement of comprehensive income

for the half-year ended 31 December 2023

(Alternative 2: Presentation as two statements, with expenses analysed by nature – continued)

	Consolidated	
	Half-year ended	
	31/12/2023 \$'000	31/12/2022 \$'000 Restated*
Profit/(loss) for the period		
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Gain/(loss) on revaluation of property		
Remeasurement of net defined benefit liability		
Fair value gain/(loss) on investments in equity investments designated as at FVOCI		
Fair value gain/(loss) on financial liabilities designated as at FVTPL attributable to changes in credit risk		
Share of other comprehensive income of associates		
Share of other comprehensive income of joint ventures		
Other <i>[describe]</i>		
Income tax relating to items that will not be reclassified subsequently to profit or loss		
Items that may be reclassified subsequently to profit or loss		
Debt instruments measured at FVTOCI:		
- Fair value gain/(loss) on investments in debt instruments measured at FVTOCI		
- Less: Cumulative (gain)/loss on investments in debt instruments classified as at FVTOCI reclassified to profit or loss upon disposal		
- Less: Cumulative (gain)/loss on investments in debt instruments classified as at FVTOCI reclassified to profit or loss upon reclassification from FVTOCI to FVTPL		
Cash flow hedges:		
- Fair value gain/(loss) on hedging instruments		
- Less: Cumulative (gain)/loss arising on hedging instruments reclassified to profit or loss		

	Consolidated	
	Half-year ended	
	31/12/2023	31/12/2022
	\$'000	\$'000
Note		Restated*
Items that may be reclassified subsequently to profit or loss (continued)		
Foreign currency translation, net of investment hedges of a foreign operation:		
- Foreign exchange differences on translation of foreign operations		
- Less: (Gain)/loss reclassified to profit or loss on disposal of foreign operation		
- Gain(loss) arising on hedging instruments designated as hedges of the net assets in foreign operation		
- Less: (Gain)/loss on hedging instruments reclassified to profit or loss on disposal of foreign operation		
Cost of hedging:		
- Changes in the fair value during the period in relation to transaction-related hedged items		
- Changes in the fair value during the period in relation to time-period related hedged items		
- Less: Cumulative (gain)/loss arising on changes in the fair value in relation to transaction-related hedged items reclassified to profit or loss		
- Less: Amortisation to profit or loss of cumulative (gain)/loss arising on changes in the fair value in relation to time-period related hedged item		
Share of other comprehensive income of associates		
Share of other comprehensive income of joint ventures		
Other <i>[describe]</i>		
Income tax relating to items that may be reclassified subsequently to profit or loss		
Other comprehensive income for the period, net of income tax		
Total comprehensive income for the period		
Total comprehensive income attributable to:		
- Owners of the parent		
- Non-controlling interests		

* The comparative information has been restated as a result of *[the change in accounting policy/prior period error]* discussed in note 2.

Source references: AASB 134:8(b)(ii), 10, 11, 14 and 20(b)

Condensed consolidated statement of financial position

as at 31 December 2023

	Note	Consolidated	
		31/12/2023 \$'000	30/06/2023 \$'000 Restated*
Assets			
Current assets			
Cash and cash equivalents			
Trade and other receivables			
Contract assets			
Contract costs			
Right to returned goods asset			
Finance lease receivables			
Investments			
Derivative financial assets	17		
Other financial assets			
Inventories			
Current tax assets			
<i>[Other – describe]</i>			
Assets classified as held for sale			
Total current assets			
Non-current assets			
Contract assets			
Contract costs			
Investments in financial assets			
Finance lease receivables			
Derivative financial assets	17		
Property, plant and equipment	7		
Right-of-use assets			
Investment property			
Investments in associates	9		
Interests in joint ventures			
Goodwill	10		
Other intangible assets			
Deferred tax assets			
<i>[Other – describe]</i>			
Total non-current assets			
Total assets			

	Note	Consolidated	
		31/12/2023 \$'000	30/06/2023 \$'000 Restated*
Liabilities			
Current liabilities			
Trade and other payables	13		
Contract liabilities			
Refund liability			
Lease liabilities			
Borrowings	12		
Derivative financial instruments	17		
Other financial liabilities			
Current tax liabilities			
Deferred income – government grant			
Provisions			
<i>[Other – describe]</i>			
Liabilities directly associated with assets classified as held for sale			
Total current liabilities			
Non-current liabilities			
Contract liabilities			
Lease liabilities			
Borrowings	12		
Convertible loan notes			
Other financial liabilities			
Liability for share-based payments			
Retirement benefit obligations			
Deferred income – government grant			
Provisions			
Deferred tax liabilities			
<i>[Other – describe]</i>			
Total non-current liabilities			
Total liabilities			
Net assets			
Equity			
Capital and reserves			
Share capital	11		
Reserves			
Retained earnings			
Equity attributable to owners of the parent			
Non-controlling interest			
Total equity			

* The comparative information has been restated as a result of *[the change in accounting policy/prior period error]* discussed in note 2.

Source references: AASB 134:8(a), 10, 14 and 20(a)

Condensed consolidated statement of changes in equity

for the half-year ended 31 December 2023

Consolidated	Share capital \$'000	Properties revaluation reserve \$'000	Investments revaluation reserve \$'000	Option premium on convertible notes \$'000	Financial liabilities at FVTPL credit risk reserve \$'000	Cash flow hedging reserve \$'000	Cost of hedging reserve \$'000	Foreign currency translation reserve \$'000	Share-based payments reserve \$'000	Retained earnings \$'000	Attributable to owners of the parent \$'000	Non- controlling interest \$'000	Total equity \$'000
Balance as at 1 July 2022													
Effect of <i>[the change in accounting policy/prior period error]</i> for <i>[insert as relevant]</i> (note 2)*													
Balance as at 1 July 2022 – As restated													
Profit for the period													
Other comprehensive income for period													
Total comprehensive income for the period													
Issue of shares													
Dividends (note 8)													
Share buy-back													
Share-based payments													
Balance at 31 December 2022													
Balance as at 1 July 2023													
Profit for the period													
Other comprehensive income for period													
Total comprehensive income for the period													
Dividends provided for or paid (note 8)													
Share buy-back													
Share-based payments													
Difference arising on disposal of interest in Sub B Limited (note 15)													
Non-controlling interests arising on the acquisition of Sub X Limited (note 16)													
Balance at 31 December 2023													

* The comparative information has been restated as a result of *[the change in accounting policy/prior period error]* for *[insert as relevant]* as discussed in note 2.

Source references: AASB 134:8(c), 10, 14 and 20(c)

Condensed consolidated statement of cash flows

for the half-year ended 31 December 2023

	Consolidated	
	Half-year ended	
	31/12/2023	31/12/2022
Note	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers		
Payments to suppliers and employees		
Cash generated [from/(used in)] operations		
Transaction costs on acquisition of subsidiary		
Income taxes paid		
Net cash [from/(used in)] operating activities		
Cash flows from investing activities		
Interest received		
Dividends received from associates		
Dividends received from joint ventures		
Dividends received from equity instruments designated at FVTOCI		
Proceeds on disposal of equity instruments held at FVTOCI		
Proceeds on disposal of subsidiary	14	
Proceeds from sale of interests in associates	9	
Proceeds on disposal of property, plant and equipment		
Purchases of property, plant and equipment		
Government grants towards purchase of equipment		
Acquisition of investment in an associate	9	
Purchases of equity instruments designated at FVTOCI		
Purchases of patents and trademarks		
Acquisition of subsidiary	15	
Cash receipts from derivatives hedging investments		
Cash payments of derivatives hedging investments		
Net cash [(used in)/from] investing activities		

	Note	Consolidated	
		Half-year ended	
		31/12/2023	31/12/2022
		\$'000	\$'000
Cash flows from financing activities			
Dividends paid	8	-	-
Interest paid			
Transaction costs related to loans and borrowings			
Repayments of loans and borrowings	11		
Proceeds from loans and borrowings	11		
Repayment of lease liabilities			
Proceeds on issue of convertible loan notes			
Proceeds on issue of shares			
Share buy-back			
Proceeds on disposal of partial interest in a subsidiary that does not involve loss of control			
Cash receipts/(payments) from derivatives hedging borrowings			
Cash payments of derivative hedging borrowings			
Net cash [(used in)/from] financing activities			
Net [increase/(decrease)] in cash and cash equivalents			
Cash and cash equivalents at beginning of the period			
Effect of foreign exchange rate changes			
Cash and cash equivalents at the end of the period			

Source references: AASB 134:8(d), 10, 14 and 20(d)

Notes to the consolidated financial statements

Source

1. General information

Statement of compliance

AASB 134:19

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with IFRS Accounting Standard IAS 34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. 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.

AASB 134:16A(a)

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2023 annual financial report for the financial year ended 30 June 2023 except as discussed in note 2 *Adoption of new and revised Australian Accounting Standards*. The accounting policies are consistent with Australian Accounting Standards and with IFRS Accounting Standards.

Rounding off of amounts

ASIC-CI 2016/191

If the company is of a kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and consequently the amounts in the directors' report and the financial statements are rounded, that fact must be disclosed in the financial statements or the directors' report.

Where the conditions of the Corporations Instrument are met, entities may round to the nearest dollar, nearest thousand dollars, nearest hundred thousand dollars, or to the nearest million dollars, depending upon the total assets of the entity. The appropriate rounding should be included in the disclosure below:

ASIC-CI 2016/191,
Clause 5(v)

The company is of a kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the half-year financial report are rounded off to the nearest [*dollar, thousand dollars/ hundred thousand dollars/ million dollars*], unless otherwise indicated.

ASIC-CI 2016/191,
Clause 4, 5(g)

Where the Corporations Instrument is applied, certain amounts in the financial statements are required to be rounded to differing levels of precision. It is important to ensure these amounts are shown using the correct level of precision and column headings and narrative information uses the correct level of rounding as required by the Corporations Instrument.

Source

2. Adoption of new and revised Australian Accounting Standards

Change in accounting policy

AASB 134:16A(a)

Where accounting policy or methods of computation changes have been made since the most recent annual financial statements, the half-year financial report is required to include a description of the nature and effect of the change.

AASB 134:43

A change in accounting policy, other than one for which the transition is specified by a new Australian Accounting Standard, is reflected by:

- Restating the financial statements of the comparable half-year period of any prior annual reporting periods that will be restated in the annual financial statements in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, or
- When it is impracticable to determine the cumulative effect at the beginning of the annual reporting period of applying a new accounting policy to all prior periods, adjusting the financial statements of the comparable half-year period of any prior annual reporting periods to apply the new accounting policy prospectively from the earliest date practicable.

AASB 134:44

That is, any change in accounting policy is applied either retrospectively or, if that is not practicable, prospectively, from no later than the beginning of the annual reporting period.

The detailed disclosure requirements of AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* in respect of changes in accounting policy or of a new or amended standard itself in respect of transition do not apply unless specifically added to AASB 134 by means of a consequential amendment. However, judgement will be required to determine the appropriate disclosures necessary to satisfy the requirements of AASB 134 as well as investor expectations of information on changes in, for example, reported profits.

The appropriate level of disclosure will differ depending on the extent and nature of the changes resulting from changes in accounting policy or from the application of each new or amended standard and any additional requirements on the disclosure of changes in accounting policies or on the presentation of comparative information applied by relevant regulators should also be taken into account.

In assessing the necessary disclosures in the condensed interim financial statements, entities should consider the need to provide information on, for example, the following:

- The new accounting policies applied
- The transitional method adopted and any choices provided by the new or amended standard
- The judgements and estimates applied
- The quantitative effects
- Presentation and restatement of comparative information.

Whilst the requirements of AASB 101 *Presentation of Financial Statements* on key judgements and sources of estimation uncertainty do not apply to condensed half-year financial statements, an indication of the judgements taken in applying new requirements can enhance the value of the disclosures provided.

In addition, whilst not directly applicable to condensed half-year financial statements, the transitional disclosures required in annual financial statements might be referred to in considering whether any more specific quantitative disclosures should be provided.

(AASB 108.14-15)
AASB 108.28(a)-e)

[Describe the nature of the change in accounting policy, describe the transitional provisions (when applicable) and describe the transitional provisions that might have an effect on future periods (when applicable)].

Source

2. Adoption of new and revised Australian Accounting Standards (continued)

Change in accounting policy (continued)

(AASB 108.28(f)) The following table summarises the impact of the change in policy on the financial statements of the Group¹¹.

(AASB 108.28(f)(i))	<u>31/12/2023</u> \$'000	<u>31/12/2022</u> \$'000
Consolidated statement of profit or loss and other comprehensive income <i>[Describe captions affected]</i> Increase/(decrease) in profit for the period		
Other comprehensive income for the period, net of income tax <i>[Describe captions affected]</i> Increase/(decrease) in other comprehensive income for the period, net of income tax		
Total increase/(decrease) in comprehensive income for the period		
(AASB 108.28(f)(ii))	<u>31/12/2023</u> \$'000	<u>30/06/2023</u> \$'000
Consolidated statement of financial position <i>[Describe captions affected]</i> Increase/(decrease) in net assets		

There is no impact on the consolidated statement of cash flows.

(AASB 108.28(g)) *[Describe the amount of the adjustment relating to periods before those presented (to the extent practicable)]*

(AASB 108.28(h)) *[If retrospective application is impracticable for a particular prior period, or for periods before those presented, describe the circumstances that led to the existence of that condition and describe how and from when the change in accounting policy has been applied].*

(AASB 108.28(f)(ii)) The impact of the change in policy on both basic and diluted earnings per share is presented in the following table.

	Impact on profit for the year from continuing operations		Impact on basic earnings per share		Impact on diluted earnings per share	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Changes in accounting policies relating to: <i>[Specify relevant changes in accounting policy]</i>						

¹¹ The disclosures are based on profit or loss and other comprehensive income presented as a single statement.

Source

2. Adoption of new and revised Australian Accounting Standards (continued)

AASB 134:15B(g), 24, 25
(AASB 108.41, 45)
(AASB 108.49(a))

Prior period errors

[Describe the nature of the prior period error.]

(AASB 108.49(b)(i))

The following table summarises the impact of the prior period error on the financial statements of the Group¹².

31/12/2022
\$'000

Consolidated statement of profit or loss and other comprehensive income

[Describe captions affected]

Increase/(decrease) in profit for the period

31/12/2022
\$'000

Other comprehensive income for the period, net of income tax

[Describe captions affected]

Increase/(decrease) in other comprehensive income for the period, net of income tax

Total increase/(decrease) in comprehensive income for the period

30/06/2023
\$'000

Consolidated statement of financial position

[Describe captions affected]

Increase/(decrease) in net assets

There is no impact on the consolidated statement of cash flows.

(AASB 108:49(b)(ii))

The impact of the prior period error on both basic and diluted earnings per share is presented in the following table.

	Impact on profit for the year from continuing operations		Impact on basic earnings per share		Impact on diluted earnings per share	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

Changes relating to prior period errors:

[Specify relevant prior period error]

(AASB 108:49(d))

[If retrospective restatement is impracticable for a particular prior period, the circumstances that led to the existence of that condition and a description of how and from when the error has been corrected.]

¹² The disclosures are based on profit or loss and other comprehensive income presented as a single statement.

Source

2. Adoption of new and revised Australian Accounting Standards (continued)

New and amended Accounting Standards that are effective for the current period

(AASB 101:31)

There is no requirement to present a full listing of mandatorily effective standards. Disclosures should only include Accounting Standards, amendments to Accounting Standards and other pronouncements that:

- Are mandatorily effective for the current period
- Are applicable to the entity's circumstances
- Have a material impact on the entity, or where the information disclosed is material.

AASB 134:16A(a)

AASB 108:28(a), (b), (c), (d)

The Group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2023.

Set out below are the new and revised Standards and amendments thereof [*and Interpretations*] effective for the current half-year that are relevant to the Group:

Pronouncement	Impact
<p>(AASB 112:98J-98L)</p> <p>AASB 2021-2 <i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates</i></p>	<p>Requires the disclosure of material accounting policy information and clarifies how entities should distinguish changes in accounting policies and changes in accounting estimates.</p> <p>The application of the amendments did not have a material impact on the Group's consolidated financial statements but has changed the disclosure of accounting policy information in the financial statements.</p>
<p>AASB 2021-5 <i>Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>¹³</p>	<p>Clarifies that deferred taxes must be recognised where, on initial recognition of an asset or liability, the transaction gives rise to equal taxable and deductible temporary differences.</p> <p>The Group has recognised an increase of \$__ million in deferred tax liabilities for right-of-use assets and an increase of \$__ million in deferred tax assets for lease liabilities as at 30 June 2023. The previously recognised net deferred tax [<i>liability/asset</i>] of \$__ million was derecognised. In accordance with the transition provisions, similar adjustments were made at 1 July 2022 in respect of right-of-use assets and lease liabilities. There was no impact on the statement of financial position, statement of cash flows or profit or loss in the current or preceding period.</p>

¹³ This example disclosure assumes that the entity currently recognises deferred taxes arising from leases, decommissioning obligations and similar items on the basis of the transaction as a whole. Where the entity currently adopts different accounting treatment for these items, the wording should be amended and tailored as necessary. This example also illustrates the disclosures about the adjustments made in respect of right-of-use assets and lease liabilities. Similar disclosure should also be included where the entity has decommissioning, restoration and similar liabilities with a corresponding amount recognised as part of the cost of the asset.

Source

2. Adoption of new and revised Australian Accounting Standards (continued)

New and amended Accounting Standards that are effective for the current period (continued)

AASB 112:88A

Pronouncement	Impact
AASB 2023-2 <i>Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules</i>	<p>Prohibits the recognition and disclosure of deferred taxes arising from OECD Pillar Two income taxes and requires certain disclosures related to those taxes.</p> <p>The Group has applied the mandatory exception to the recognition and disclosure of deferred taxes arising from OECD Pillar Two income taxes. The Group will disclose any known or reasonably estimable information that helps users of financial statements understand the entity's exposure to Pillar Two income taxes arising from Pillar Two legislation that is substantively enacted in any jurisdiction in which the entity operates. As at 31 December 2023, substantive enactment has not occurred in any of those jurisdictions.</p> <p>Furthermore, the entity will separately disclose the amount of current tax arising from Pillar Two taxes in periods where the Pillar Two legislation is operative.</p>

Other pronouncements

The below mandatorily effective standards for the current half-year have not been included in the illustrative disclosures below as they are not relevant, or are not material, to the Group:

- AASB 17 *Insurance Contracts* (as amended)¹⁴ (see discussion on page 48)
- AASB 2021-6 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards*
- AASB 2022-7 *Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards*
- AASB 2023-4 *Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules: Tier 2 Disclosures*.

¹⁴ Relevant amendments include AASB 2020-5 *Amendments to Australian Accounting Standards – Insurance Contracts*, AASB 2021-7 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections* (insofar as the Standard relates to editorial corrections that are effective for the current year), AASB 2022-1 *Amendments to Australian Accounting Standards – Initial Application of AASB 17 and AASB 9 – Comparative Information* and AASB 2022-8 *Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments*. The editorial corrections in AASB 2021-7 that apply to annual reporting periods beginning on or after 1 January 2023 relate to AASB 17 *Insurance Contracts*. Therefore, this Standard should only be included where AASB 17 is applicable to the entity.

Source

2. Adoption of new and revised Australian Accounting Standards (continued)

New and amended Accounting Standards that are effective for the current period (continued)

Material accounting policy information

Under AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates* standardised information or information that only duplicates or summarises the requirements of Australian Accounting Standards may be less useful to users of financial statements. Removal of this 'boilerplate' information can substantially reduce the volume of disclosure in financial statements.

AASB 101 *Presentation of Financial Statements* notes the following areas as examples where an entity is likely to consider accounting policy information material to its financial statements if that information relates to material transactions, other events or conditions and the accounting policy (AASB 101.117B):

Potentially material accounting policy information	Illustrative examples
The entity changed its accounting policy during the reporting period and this change resulted in a material change to the information in the financial statements	<ul style="list-style-type: none"> Impact of various amendments to Australian Accounting Standards and IFRIC agenda decisions
The entity chose the accounting policy from one or more options permitted by Australian Accounting Standards	<ul style="list-style-type: none"> Measurement of property, plant and equipment at cost or on the revaluation basis Classification of investments in equity instruments as fair value through other comprehensive income
The accounting policy was developed in accordance with AASB 108 in the absence of an Australian Accounting Standard that specifically applies	<ul style="list-style-type: none"> Accounting for the R&D tax offset as either a government grant or income tax
The accounting policy relates to an area for which an entity is required to make significant judgements or assumptions in applying an accounting policy, and the entity discloses those judgements or assumptions	<ul style="list-style-type: none"> Determination of cash-generating units when undertaking impairment testing of assets Allocation of the transaction price to performance obligations and when the entity recognises revenue in relation to complex revenue streams Treatment of uncertain tax provisions
The accounting required for the material transactions, other events or conditions is complex and users of the entity's financial statements would otherwise not understand those material transactions, other events or conditions	<ul style="list-style-type: none"> Recognition and measurement of written puts over non-controlling interests Deferred tax consequences of investments in subsidiaries within tax-consolidated groups.

AASB Practice Statement 2 *Making Materiality Judgements* (as amended by AASB 2021-2) provides further detail on determining whether accounting policy information is material.

More information can be found in [IFRS in Focus](#) *IASB amends IAS 1 and IFRS Practice Statement 2 with regard to the disclosure of accounting policies*.

Source

2. Adoption of new and revised Australian Accounting Standards (continued)

New and amended Accounting Standards that are effective for the current period (continued)

Initial adoption of AASB 17 Insurance Contracts (and related amending standards)

AASB 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes AASB 4 *Insurance Contracts*, AASB 1023 *General Insurance Contracts* and AASB 1038 *Life Insurance Contracts*.

AASB 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach. The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

AASB 17 is a complex accounting standard that captures contracts issued that transfer significant insurance risk. Such contracts can be issued by any entity including non-insurers who have not applied insurance accounting prior to AASB 17. Accordingly, entities may need support from professionals such as actuaries and accountants to assist in the application of this new Standard.

Illustrative disclosures for entities applying IFRS 17 are available in [Deloitte's publication](#) *Illustrative disclosures for insurers applying IFRS 17*.

International Tax Reform – Pillar Two Model Rules

AASB 2023-2 *Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules* amends the scope of AASB 112 *Income Taxes* to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in AASB 112, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

Following the amendments, an entity is required to disclose that it has applied the exception and disclose separately its current tax expense (income) related to Pillar Two income taxes. Further, in periods in which Pillar Two legislation is enacted or substantively enacted but not yet in effect, the Group is required to disclose known or reasonably estimable information that helps users of financial statements understand the Group's exposure to Pillar Two income taxes arising from that legislation.

Additional disclosures about the impact of Pillar Two on the entity (in which Pillar Two legislation is enacted or substantively enacted but not yet in effect, in any jurisdiction in which an entity operates) and disclosure of the amount of current tax arising from Pillar Two taxes as required by paragraphs 88B–88D of the amendments is not required for any interim period ending on or before 31 December 2023. However, entities may choose to provide such information.

Entities may choose to provide any known or reasonably estimable information about the entity's exposure to Pillar Two taxes if it is available even if legislation has not yet been enacted or substantively enacted but not yet in effect.

Source

2. Adoption of new and revised Australian Accounting Standards (continued)

New and amended Accounting Standards that are effective for the current period (continued)

International Tax Reform – Pillar Two Model Rules (continued)

In its focus areas for [30 June 2023 financial reports](#), ASIC notes that financial reports “should provide information about the impact where a group has operations in countries that have enacted Pillar II tax reforms and the group has operations in low tax jurisdictions”.

New and revised Australian Accounting Standards and Interpretations on issue but not yet effective

AASB 108.30

Although not strictly required, entities preparing general purpose financial statements should consider whether they should disclose information about significant new Accounting Standards and Interpretations which may have a material impact on the reported financial performance and/or financial position of the entity.

This is particularly relevant where major new Australian Accounting Standards are applicable in future periods, or where a particular amendment is expected to have a material impact on the entity.

Source

AASB 134:16A

AASB 134:16A(a)

AASB 134:16A(c)

3. Significant changes from the annual financial statements

General requirements

AASB 134 contains a number of specific disclosures that are required in interim financial reports, including:

- A statement that the same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements or, if those policies or methods have been changed, a description of the nature and effect of the change
- The nature and amount of items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

The examples below illustrate or explain how these requirements might be met in specific circumstances. Entities should develop disclosures that meet the requirements of AASB 134 and reflect the entity's specific transactions and events.

Supply chain disruptions, labour shortages, commodity prices and general inflationary pressures

For the past few years Australia and the rest of the world have faced challenging economic conditions as a result of the COVID 19 pandemic, geopolitical instability, increasing interest rates and energy prices, supply chain constraints, labour shortages, inflation, global banking sector instability and extreme weather events in Australia. However, Australia and other parts of the world have seen improvements in economic conditions with easing inflation in some areas and interest rates are stabilising. In Australia goods prices have eased however many services prices are increasing. Increasing energy prices, supply chain constraints and labour shortages are still present. The recent increase in overseas migration in Australia is expected to alleviate labour shortages in some areas. Further, although supply chain constraints are still present in some industries, businesses are starting to recover from the setbacks of the recent constraints.

Where the challenges still continue it results in similar impacts and issues for consideration to those of previous periods when preparing financial reports for 31 December 2023. The impacts of the improvements in the economic conditions and an uncertain economic outlook however also need to be considered.

An important response to the challenges is to enhance the transparency of the financial report so that readers understand the impacts on the entity and the decisions, judgements and uncertainties involved in compiling the financial report.

One of ASIC's key focus areas for both June 2023 and December 2022 financial reporting was disclosure. Entities might expect regulatory scrutiny to continue to be rigorous. Early planning and timely preparation of position papers will enable management and directors to make informed decisions on key estimates and judgments and will support the quality of the financial information provided to the market.

For a detailed discussion of the areas where these types of uncertainties, unexpected events and developments impact financial reporting and disclosure see section B1.2 of the *December 2022 Tier 1 models and reporting considerations* publication available at www.deloitte.com/au/models.

Source

3. Significant changes from the annual financial statements (continued)

Recent IFRIC agenda decisions

IFRIC has issued a number of agenda decisions which include the below. Entities should consider whether they are impacted by any of the IFRIC agenda decisions and whether they need to change their accounting policies as a result of the agenda decisions but are entitled to 'sufficient time' to do so:

- Definition of a lease - substitution rights (IFRS 16 Leases) (April 2023):** The [agenda decision](#) deals with a fact pattern where a customer enters into a 10 year contract with a supplier for the use of 100 similar new assets, being batteries used in electric buses. The supplier can substitute the batteries, subject to compensation for lost revenue and costs. However, the supplier would not benefit economically from substituting a battery that has been used for less than three years. The agenda decision concludes that each battery is an 'identified asset' for the purposes of IFRS 16 and further determined the supplier did not have a substantive right to substitute a battery during the period of use. The application of the lease definition and substantive substitution rights requirements of IFRS 16 (AASB 16) are fact specific and can be complex in practice
- Lessor forgiveness of lease payments (IFRS 16 Leases) (October 2022):** The [agenda decision](#) relates to a request about a lessor's application of IFRS 9 and IFRS 16 in accounting for a specific rent concession in which the only change to the lease contract is the lessor's forgiveness of lease payments due from the lessee under that contract. The Committee concluded that, before the rent concession is granted, the lessor measures expected credit losses on the operating lease receivable as required by IFRS 9: 5.5.17. This measurement of expected credit losses includes the lessor considering its expectations of forgiving lease payments recognised as part of that receivable. The Committee further concluded that on the date the rent concession (described in the request) is granted, the lessor applies: (1) the derecognition requirements in IFRS 9 to forgiven lease payments that the lessor has recognised as an operating lease receivable; (2) the lease modification requirements in IFRS 16 to forgiven lease payments that the lessor has not recognised as an operating lease receivable
- Demand deposits with restrictions on use arising from a contract with a third party (IAS 7 Statement of Cash Flows) (April 2022):** The [agenda decision](#) is in respect of whether an entity includes demand deposits with restrictions on use as a component of cash and cash equivalents. The Committee concluded that this does not result in the deposit no longer being cash unless those restrictions change the nature of the deposit in a way that it would no longer meet the definition of cash in IAS 7. The Committee also concluded that when relevant to an understanding of its financial position, the entity would disaggregate the 'cash and cash equivalents' line item and present the demand deposit separately as an additional line item.

Entities that have not reflected the guidance in their prior annual report

AASB 134:16A(a)

Where entities first reflect the impacts of IFRIC agenda decisions in the current half-year, entities should provide a description of the nature and effect of the change where material.

AASB 134:43

Further where a change in accounting policy is required, comparative financial information should be retrospectively restated where material.

In addition, information about the change in accounting policy should be provided.

Source

3. Significant changes from the annual financial statements (continued)

Other changes in accounting policy

Illustrative disclosures provided below for IFRIC agenda decision *Definition of a Lease—Substitution Rights (IFRS 16 Leases)* can be used as a guide in developing disclosures reflecting the circumstances of the entity for this and other IFRIC agenda decisions which impact the entity for the first time.

Change in accounting policy - Definition of a lease

AASB 134:16A(a)
AASB 134:43
(AASB 108:29)

The IFRS Interpretations Committee (IFRIC) has issued an agenda decision related to the *Definition of a Lease—Substitution Rights (IFRS 16 Leases)*. The agenda decision considers the definition of a lease with specific reference to substitution rights and considers the criteria which are required to be met for a substitution right to be substantive.

The Group's contracts have been reassessed in light of the guidance in the agenda decision (and AASB 16 *Leases*) and certain contracts which were previously considered to have substitution rights (and so were accounted for as service contracts) have been reassessed as containing a lease.

Historical financial information has been restated to account for the impact of the change in accounting policy, as below¹⁵.

Financial statement item	31/12/2023 Dr/(Cr)	30/06/2023 Dr/(Cr)
Consolidated statement of financial position		
Right-of-use assets		
Deferred tax assets		
Total assets		
Lease liabilities		
Deferred tax liabilities		
Total liabilities		
Total net assets		
Retained earnings		
Total equity		
	Half-year ended 31/12/2023 Dr/(Cr)	Half-year ended 31/12/2022 Dr/(Cr)
Consolidated statement of comprehensive income		
Other expenses		
Finance costs		
Profit/(loss) before tax		
Income tax		
Profit/(loss) for the period		

¹⁵ The impact on the current period (as required by AASB 108:28(f)) may not be considered material.

Source

3. Significant changes from the annual financial statements (continued)

Other changes in accounting policy (continued)

Change in accounting policy – Definition of a lease (continued)

	Half-year ended 31/12/2023 Dr/(Cr)	Half-year ended 31/12/2022 Dr/(Cr)
Consolidated statement of cash flows		
Cash from operating activities		
Payments to suppliers and employees		
Cash generated from operations		
Net cash from operating activities		
Financing activities		
Interest paid		
Repayment of lease liabilities		
Net cash (used in)/from financing activities		

(AASB 108.28(f)(ii))

The impact of the change in policy on both basic and diluted earnings per share is presented in the following table.

	Impact on profit for the half-year from continuing operations		Impact on basic earnings per share		Impact on diluted earnings per share	
	Half-year ended		Half-year ended		Half-year ended	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Changes in accounting policy relating to the definition of a lease with specific reference to substitution rights						

Historical financial information in the relevant notes to the financial statements must also be restated to account for the impact of the change in accounting policy. This may include the following notes:

- Profit for the year (depreciation of right-of-use assets)
- Finance costs (interest on lease liabilities)
- Income tax
- Leases (Group as a lessee)
- Deferred tax
- Lease liabilities
- Financial Instruments (with reference to lease liabilities).

Where relevant, the above information may be presented together with other information about changes in accounting policies (see Note 2. Adoption of new and revised Australian Accounting Standards).

Source

AASB 134:16A(g)(v)

4. Operating segments

Products and services from which reportable segments derive their revenues

Information reported to the Group's Chief Executive (the Chief Operating Decision Maker (CODM)) for the purposes of resource allocation and assessment of segment performance is focused on the category of customer for each type of activity. The principal categories of customer are direct sales to major customers, wholesalers and internet sales. The Group's reportable segments under AASB 8 *Segment Reporting* are therefore as follows:

- [Segment A] Electronic equipment – direct sales customers
- [Segment B] Electronic equipment – wholesale customers
- [Segment C] Electronic equipment – internet customers
- [Segment D] Leisure goods – wholesale customers
- [Segment E] Leisure goods – retail outlets
- [Segment F] Computer software – installation of computer software for specialised business applications
- [Segment G] Construction – construction of residential properties
- [Segment H] *[Describe]*

The leisure goods segments supply sports shoes and equipment, as well as outdoor play equipment.

The electronic equipment (direct sales) segment includes a number of direct sales operations in various cities within Country A each of which is considered as a separate operating segment by the CODM. For financial statements presentation purposes, these individual operating segments have been aggregated into a single operating segment taking into account the following factors:

- These operating segments have similar long-term gross profit margins
- The nature of the products and production processes are similar
- The methods used to distribute the products to the customers are the same.
- *[Specify any other factors]*

Two operations (the manufacture and sale of toys and bicycles) were discontinued with effect from 27 October 2023. The segment information reported on the next pages does not include any amounts for these discontinued operations (see note 15).

Other operations include *[identify other operations and their sources of revenue if any.]*

Information regarding these segments is presented below.

Source

4. Operating segments (continued)

AASB 134:16A(g)(i), (iii) The following is an analysis of the Group's revenue and results by reportable operating segment for the half-years under review:

	Revenue		Segment profit	
	Half-year ended		Half-year ended	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	\$'000	\$'000	\$'000	\$'000
		Restated*		Restated*
Continuing operations				
Segment A				
Segment B				
Segment C				
Segment D				
Segment E				
Segment F				
Segment G				
Segment H				
Total				
Central administration costs				
Share of profits from associates				
Share of profits from joint ventures				
Finance income				
Other gains and losses				
Finance costs				
Other <i>[describe]</i>				
AASB 134:16A(g)(vi) Profit before tax				
Discontinued operations				
Profit for the period from discontinued operations				
Income tax expense (continuing and discontinued operations)				
Profit after tax and discontinued operations				

* See note 2 for details regarding the change in accounting policy

AASB 134:16A(g)(i), (ii) The revenue reported above represents revenue generated from external customers. There were no intersegment sales during the half-year.

AASB 134:16A(g)(v) The accounting policies of the reportable segments are the same as the Group's accounting policies.

AASB 134:16A(g)(v), (vi) Segment profit represents the profit earned by each segment without allocation of the share of profits of associates and joint ventures, central administration costs including directors' salaries, finance income, non-operating gains and losses in respect of financial instruments and finance costs, and income tax expense. This is the measure reported to the Group's Chief Executive for the purpose of resource allocation and assessment of segment performance.

Source

4. Operating segments (continued)

AASB 134:16A(g)(ii)

Separate disclosure of intersegment revenues, if included in the measure of segment profit or loss reviewed by the chief operating decision maker or otherwise regularly provided to the chief operating decision maker, is required, if material.

AASB 134:16A(g)(vi)

The interim financial report shall include a reconciliation of the total of the reportable segments' measures of profit or loss to the entity's profit or loss before tax expense (tax income) and discontinued operations. However, if an entity allocates to reportable segments items such as tax expense (tax income), the entity may reconcile the total of the segments' measures of profit or loss to profit or loss after those items. Material reconciling items shall be separately identified and described in that reconciliation.

AASB 134:16A(g)(iv)

The following is an analysis of the Group's assets and liabilities by reportable operating segment:

	Segment assets		Segment liabilities	
	31/12/2023	30/06/2023	31/12/2023	30/06/2023
	\$'000	\$'000	\$'000	\$'000
		Restated*		Restated*
Continuing operations				
Segment A				
Segment B				
Segment C				
Segment D				
Segment E				
Segment F				
Segment G				
Segment H				
Total segment assets and liabilities				
Assets relating to discontinued operations				
Unallocated assets and liabilities				
Consolidated assets and liabilities				

At 30 June 2023, the operating segments included the assets of segment D and segment E which were sold on 27 October 2023.

Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments.

AASB 134:16A(g)(iv) requires disclosure of a measure of total assets and liabilities for a particular reportable segment if such amounts are regularly provided to the chief operating decision maker and if there has been a material change from the amount disclosed in the last annual financial statements for that reportable segment. The above disclosure assumes that there is a material change in the total assets for each reportable segment and assumes that there has not been a material change in the total liabilities for each reportable segment. If there is material change in the total assets of one or some of the reportable segment(s), the disclosure can be in the form of simply explaining material changes. For example:

"During the half-year reporting, the company made investments of \$___ to increase the existing operating capacity to manufacture the electronic equipment. "

Source

5. Revenue

Overview of requirements

AASB 134:16A(I)

AASB 134 requires an entity to disclose a disaggregation of revenue from contracts with customers required by paragraphs 114-115 of AASB 15 *Revenue from Contracts with Customers*.

(AASB 15.114)

An entity shall disaggregate revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

(AASB 15.B78)

The extent to which an entity's revenue is disaggregated for the purposes of this disclosure depends on the facts and circumstances that pertain to the entity's contracts with customers.

(AASB 15.B88)

When selecting the type of category (or categories) to use to disaggregate revenue, an entity shall consider how information about the entity's revenue has been presented for other purposes, including all of the following:

- Disclosures presented outside the financial statements (for example, in earnings releases, annual reports or investor presentations)
- Information regularly reviewed by the chief operating decision maker for evaluating the financial performance of operating segments
- Other information that is similar to the types of information identified in (a) and (b) and that is used by the entity or users of the entity's financial statements to evaluate the entity's financial performance or make resource allocation division.

(AASB 15.B89)

Examples of categories that might be appropriate include, but are not limited to:

- Type of good or service (for example, major product lines)
- Geographical region (for example, country or region)
- Market or type of customer (for example, government and non-government customers)
- Contract duration (for example, short-term and long-term contracts)
- Timing of transfer of goods or service (for example, revenue from goods or services transferred to customers at a point in time and revenue from goods or services transferred over time)
- Sales channels (for example, goods sold directly to consumers and goods sold through intermediaries).

(AASB 15.115)

In addition, an entity shall disclose sufficient information to enable users of financial statements to understand the relationship between the disclosure of disaggregated revenue and revenue information that is disclosed for each reportable segment, if the entity applies AASB 8 *Operating Segments*.

In the illustrative financial statements the Group has assessed that the disaggregation of revenue by operating segments is appropriate in meeting this disclosure requirement as this is the information regularly reviewed by the chief operating decision maker (CODM) in order to evaluate the financial performance of the entity.

See our [Clarity publication](#) *Disaggregated revenue disclosures - The relevance and value of more transparent revenue disclosures* for more information.

Other considerations

AASB 15.113(a) requires revenue recognised from contracts with customers to be disclosed separately from its other sources of revenue (e.g. rental income) unless that amount is presented separately in the statement of comprehensive income in accordance with other Standards. As the Group has no other sources of revenue apart from revenue from contracts with customers this disclosure has not been made in this model half-year report.

Source

5. Revenue (continued)

Disaggregation of revenue

The Group derives its revenue from the transfer of goods and services over time and at a point in time in the following major product lines. The disclosure of revenue by product line is consistent with the revenue information that is disclosed for each reportable segment under AASB 8 *Operating Segments* (see Note 4). :

AASB 134:16A(I)

External revenue by product line

Electronic equipment – direct sales customers
 Electronic equipment – wholesaler customers
 Electronic equipment – internet customers
 Leisure goods – wholesaler customers
 Leisure goods – retail outlets
 Computer software installation
 Construction
 Leisure goods – wholesaler customers (toys - discontinued)
 Leisure goods – retail outlets (toys - discontinued)

External revenue by timing of revenue

Goods transferred at a point in time
 Goods transferred over time
 Services transferred at a point in time
 Services transferred over time

(AASB 15.115)

Shown in the segment note as follows:

Continuing operations
 Discontinuing operations

Revenue	
Half-year ended	
31/12/2023	31/12/2022
\$'000	\$'000 Restated*

Source

6. Results for the period

Overview of requirements

AASB 134:16A(b)	The notes to the condensed consolidated financial statements shall include explanatory comments about the seasonality or cyclicity of the half-year operations, if not disclosed elsewhere in the half-year financial report.
AASB 134:16A(c)	The notes to the condensed consolidated financial statements shall disclose, if not disclosed elsewhere in the half-year financial report, the nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence.
AASB 134:15B	<p>The following is a list of events and transactions for which disclosures would be required if they are significant (the list is not exhaustive):</p> <ul style="list-style-type: none"> • The write-down of inventories to net realisable value and the reversal of such a write-down • Recognition of a loss from the impairment of financial assets, property, plant and equipment, intangible assets, or other assets, and the reversal of such an impairment loss • The reversal of any provisions for the costs of restructuring • Acquisitions and disposals of items of property, plant and equipment • Commitments for the purchase of property, plant and equipment • Litigation settlements • Corrections of prior period errors • Changes in the business or economic circumstances that affect the fair value of the financial assets and financial liabilities, whether those assets or liabilities are recognised at fair value or amortised cost • Any loan default or breach of a loan agreement that has not been remedied on or before the reporting date • Related party transactions • Transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments • Changes in the classification of financial assets as a result of a change in the purpose or use of those assets • Changes in contingent liabilities or contingent assets.
AASB 134:15C	Individual Australian Accounting Standards provide guidance regarding disclosure requirements for many of the above items listed above. When an event or transaction is significant to an understanding of the changes in an entity's financial position or performance since the last annual reporting period, its interim financial report should provide an explanation of an update to the relevant information included in the financial statements of the last annual reporting period.

Level of detail in explanatory note disclosures

AASB 134 does not specify the level of detail for the disclosures required by AASB 134:15, 15B and 16A. The guiding principle is that the interim disclosures should be those that are useful in understanding the changes in financial position and performance of the entity since the last annual reporting period. Detailed disclosures required by other Australian Accounting Standards are not required in an interim financial report that includes condensed financial statements and selected explanatory notes. Therefore, in general, the level of detail in interim note disclosures will be less than the level of detail in annual note disclosures. The following examples illustrate this point.

For example, paragraph 126 of AASB 136 *Impairment of Assets* requires disclosure of impairment losses and reversals for each class of assets. The disclosure of impairment losses and reversals required by AASB 134:15B(b) will generally be made at the entity-wide level in condensed interim financial statements except when a particular impairment or reversal is deemed significant to an understanding of the changes in financial position and performance of the entity since the end of the last annual reporting period.

Source

AASB 134:16A(d)

7. Change in accounting estimates

During the half-year the directors reassessed the useful life of certain items of plant and equipment, as follows:

Plant and equipment class	Previous estimate of useful lives used in the calculation of depreciation	Revised estimate of useful lives used in the calculation of depreciation
Buildings	50 years	40 to 45 years
Equipment under lease	5 to 10 years	5 to 7 years

The financial effect of this reassessment, assuming the assets are held until the end of their estimated useful lives, is to increase consolidated depreciation expense in the current half-year by \$ ____, and for the next four financial years, by the following amounts:

Financial years	\$'000
2024	
2025	
2026	
2027	

8. Dividends

AASB 134:16A(f)

During the half-year, GAAP Holdings (Australia) Interim Limited made the following dividend payments:

	Half-year ended 31 December 2023		Half-year ended 31 December 2022	
	Cents per share	Total \$'000	Cents per share	Total \$'000
Fully paid ordinary shares				
Final dividend				

AASB 134:16A(h)

On 15 February 2024, the directors declared a fully franked interim dividend of [x] cents per share to the holders of fully paid ordinary shares in respect of the half-year ended 31 December 2023, to be paid to shareholders on 14 March 2024. This dividend has not been included as a liability in these financial statements. The total estimated dividend to be paid is \$ ____.

Source

AASB 134:16A(i)

9. Investments in associates

On 23 November 2023, the Group acquired a 30% interest in A Plus Limited, a company incorporated in Australia and engaged in the manufacture of electronic goods. The consideration for the acquisition was \$ ____.

At 30 June 2023, the Group held a 40% interest in K Plus Limited and accounted for the investment as an associate. In December 2022, the Group transferred a 30% interest to a third party for proceeds of \$ ____ . The Group has retained the remaining 10% interest, and from the date of selling the 30% interest, recognises the investment as an available-for-sale financial asset. This transaction has resulted in the recognition of a gain in profit or loss, calculated as follows:

	\$'000
Proceeds of disposal	
Add: Fair value of investment retained	
Less: Carrying amount of investment on the date of loss of significant influence	
Gain recognised on disposal of associate interest	

The Group recognised net income tax expense of \$ ____ on disposal of the associate interest, and additional deferred tax expense of \$ ____ relating to the fair value uplift of the remaining interest.

Source

AASB 134:16A(i),
AASB 3:61, B67(d)**10. Goodwill**Where there has been a business combination during the half-year, the entity is required to disclose the information required by AASB 3 *Business Combinations* in respect of goodwill.

		Half-year ended	
		31/12/2023	31/12/2022
		\$'000	\$'000
Gross carrying amount			
AASB 3:B67(d)(i)	Balance at beginning of the period		
AASB 3:B67(d)(ii)	Additional amounts recognised from business combinations occurring during the period (i) (note 16)		
AASB 3:B67(d)(iii)	Adjustments resulting from the subsequent recognition of deferred tax assets		
AASB 3:B67(d)(iv)	Derecognised on disposal of a subsidiary		
AASB 3:B67(d)(iv)	Reclassified as held for sale		
AASB 3:B67(d)(vi)	Effects of foreign currency exchange differences		
AASB 3:B67(d)(vii)	Other [describe]		
AASB 3:B67(d)(viii)	Balance at end of the period		
Accumulated impairment losses			
AASB 3:B67(d)(i)	Balance at beginning of the period		
AASB 3:B67(d)(v)	Impairment losses for the period		
AASB 3:B67(d)(iv)	Derecognised on disposal of a subsidiary		
AASB 3:B67(d)(iv)	Classified as held for sale		
AASB 3:B67(d)(vi)	Effect of foreign currency exchange differences		
AASB 3:B67(d)(viii)	Balance at end of the period		
Net book value			
At the beginning of the period			
At the end of the period			

AASB 3:B67(d)(ii), (iv)

- (i) Other than goodwill included in a disposal group that on acquisition met the criteria for classification as held for sale. No such acquisitions were made during the half-year (2022: nil).

Source

11. Issues, repurchases and repayments of debt and equity securities

AASB 134:16A(e)

Issued capital as at 31 December 2023 amounted to \$ ____ ([x] ordinary shares). There were no movements in the issued capital of the company in either the current or the prior half-years.

[Otherwise, describe or provide additional disclosure as appropriate, for example:]

During the half-year, the company issued [no.] ordinary shares for \$ ____ on exercise of [no.] share options issued under its executive share option plan. As a result of this share issue, \$ ____ was transferred from the equity-settled employee benefits reserve to issued capital. There were no other movements in the ordinary share capital or other issued share capital of the company in the current or prior half-year.

The company issued [no.] share options (2022: [no.]) over ordinary shares under its executive share option plan during the half-year. These share options had a fair value at grant date of \$ ____ per share option (2022: \$ ____).

Alternative ways to provide this disclosure

AASB 134:16A(e)
AASB 107:44A

AASB 134 requires the disclosure of issues, repurchases and repayments of debt and equity securities. AASB 107 also requires disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. One way to fulfil this disclosure requirement is by providing a reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities.

In half-year reports, entities may wish to present the information required by AASB 107 in order to meet the requirements of AASB 134 in respect of debt securities. Additional information about changes in equity securities will need to also be given to meet the requirements of AASB 134.

12. Borrowings

AASB 134:16A(e)

During the half-year, the Group obtained a new short-term bank loan to the amount of \$ ____ (June 2023: \$ ____). The loan bears interest at variable market rates and is repayable within one year. The proceeds from the loan have been used to meet short-term expenditure needs. Repayments of other bank loans amounting to \$ ____ (June 2023: \$ ____) were made in line with previously disclosed repayment terms.

The Group has one principal non-current bank loan:

A loan of \$ ____ (June 2022: \$ ____). The loan was taken out on *[date]*. Repayments commenced on *[date]* and will continue until *[date]*. The loan is secured by a floating charge over certain of the Group's trade receivables dated *[date]*, whose carrying value is \$ ____ (June 2022: \$ ____).

The Group is required to maintain trade receivables that are not past due with carrying value of \$ ____ as security for the loan. The loan carried interest at ____ per cent above 3-month London Inter-Bank Offered Rate (LIBOR).

However, in the first quarter of the current half-year, the Group transitioned its \$ ____ bank borrowings to Secured Overnight Financing Rate (SOFR). The \$ ____ bank borrowings that transitioned to SOFR had an additional fixed spread added of ____ bps. No other terms were amended as part of the transition.

The Group accounted for the change to SOFR using the practical expedient in AASB 9 *Financial Instruments*, which allows the Group to change the basis for determining the contractual cash flows prospectively by revising the effective interest rate. For more information, see Note 17.

Source

13. Trade and other payables

	31/12/2023	30/06/2023
	\$'000	\$'000
Trade payables		
Supplier financing arrangements		
Other trade payables		
Goods and services tax and other statutory liabilities		
Other payables		
Accruals		

AASB 134:16A(c)

in order to ensure easy access to credit for its suppliers and facilitate early settlement, during the current period the Group has entered into reverse factoring arrangements. The contractual arrangements in place permit the supplier to obtain the amounts billed less ___ per cent discount with the amounts paid by Bank A. The discount represents less than the trade discount for early repayment commonly used in the market.

The Group will repay Bank A the full invoice amount on the scheduled payment date as required by the invoice. As the arrangements do not permit the Group to extend finance from Bank A by paying Bank A later than the Group would have paid its supplier, the Group considers amounts payable to Bank A should be classified as trade payables. The reverse factoring arrangements permit Bank A to early settle invoices equal to \$ ___ per month, the maximum amount used in a month during the half year was \$ ___. At the period-end ___ per cent of trade payables were amounts owed under these arrangements.

AASB 134:16A(j)
(AASB 7.29(a))

The directors consider that the carrying amount of trade payables approximates their fair value.

14. Disposal of subsidiaries

AASB 134:16A(i)

(i) Disposal of interest in Sub B Limited

On 3 August 2023, the Group disposed of 20% of its interest in Sub B Limited, reducing its continuing interest to 80%. The proceeds on disposal of \$ ___ were received in cash.

The difference between the disposal proceeds and the amount transferred to non-controlling interests of \$ ___ has been recognised directly in equity.

AASB 134:16A(i)

(ii) Disposal of interest in Sub A Limited (discontinued operation)

On 27 October 2023, the Group disposed of Sub A Limited, which carried out all of its toy manufacturing operations. The proceeds on disposal of \$ ___ was received in cash.

The profit/(loss) for the half-year from the discontinued operation is analysed as follows:

	4 months	6 months
	ended	ended
	27/10/2023	31/12/2022
	\$'000	\$'000
Loss of toy manufacturing operations for the half-year		
Gain on disposal of toy manufacturing operations		

Source

AASB 134:16A(i)

14. Disposal of subsidiaries (continued)**(ii) Disposal of interest in Sub A Limited (discontinued operation) (continued)**

The following were the results of the toy business for the half-year:

	4 months ended 27/10/2023 \$'000	6 months ended 31/12/2022 \$'000
Revenue		
Operating expenses		
Profit before income tax		
Income tax expense/(benefit)		
Profit after income tax		

The net assets of Sub A Limited at the date of disposal were as follows:

	27/10/2023 \$'000
Net assets disposed of (excluding goodwill)	
Attributable goodwill	
Gain on disposal	
Total consideration	
Satisfied by cash, and net cash inflow arising on disposal	

A gain of \$ ___ was recognised on the disposal of Sub A Limited. No tax charge or credit arose on the transaction.

Source

AASB 134:16A(i),
AASB 3:59-63, B64-B67

15. Acquisition of subsidiary

About the illustrative disclosures

Where there has been a business combination during or since the end of the half-year, AASB 134:16A(i) requires disclosure of the information required by AASB 3 *Business Combinations* in the interim financial report. The following disclosure illustrates the relevant disclosures specified by AASB 3 in respect of the illustrated business combinations. Where the following items are relevant to a particular business combination, additional disclosures are required that are not illustrated below:

- Contingent liabilities
- Equity instruments issued by the acquirer as consideration for the business combination
- Bargain purchase gains
- A business combination achieved in stages.

The disclosures illustrated should be given separately for each business combination except that certain disclosures may be disclosed in aggregate for business combinations that are individually immaterial.

AASB 134:16A(i),
AASB 3:B65

AASB 134:16A(i),
AASB 3:B64(a)-(d)

On 16 November 2023, the Group acquired an 80% interest in Sub X Limited, thereby obtaining control of Sub X Limited. Sub X Limited is engaged in distribution activities and qualifies as a business as defined in AASB 3 *Business Combinations*. Sub X Limited was acquired with the objective of significantly improving the Group's distribution logistics.

AASB 3:B64(f)

Consideration transferred

\$'000

AASB 3:B64(g)(i)

Cash

Contingent consideration arrangement (i)

Add: Settlement of legal claim against Sub X Limited (ii)

AASB 3:B64(g)(ii), (iii)

(i) The contingent consideration requires the Group to pay the non-controlling interests an additional \$ ___ if Sub X Limited's profit before interest and tax (PBIT) in each of the financial years 2023 and 2024 exceeds \$ ___. No amount is payable if the PBIT target is not met. Sub X Limited's PBIT for the past three years has been \$ ___ on average and the directors expect that the specified target will be met. \$ ___ represents the estimated fair value of this obligation.

AASB 3:B64(l)

(ii) Prior to the acquisition of Sub X Limited, the Group was pursuing a legal claim against that company in respect of damage to goods in transit to a customer. Although the Group was confident of recovery, this amount has not previously been recognised as an asset. In line with the requirements of AASB 3, the Group has recognised the effective settlement of this legal claim on the acquisition of Sub X Limited by recognising \$ ___ (being the estimated fair value of the claim) as a gain in profit or loss within the 'other income' line item. This has resulted in a corresponding increase in the consideration transferred.

AASB 3:B64(m)

Acquisition-related costs amounting to \$ ___ have been excluded from the consideration transferred and have been recognised as an expense in profit or loss in the half-year, within the 'other expenses' line item.

Source

15. Acquisition of subsidiary (continued)

AASB 3:B64(i)

Assets acquired and liabilities assumed at the date of acquisition

	\$'000
Current assets	
Cash and cash equivalents	
Trade receivables (i)	
Loans (ii)	
Inventories	
Non-current assets	
Plant and equipment	
Right-of-use assets	
Intangible assets	
Current liabilities	
Trade and other payables	
Lease liabilities	
Provisions	
Non-current liabilities	
Lease liabilities	
Provisions	
Deferred tax liabilities	

AASB 3:B64(h)

(i) Trade receivables acquired with a fair value of \$ ____ had gross contractual amounts of \$ ____ . The best estimate at acquisition date of the contractual cash flows not expected to be collected is \$ ____ .

AASB 3:B64(h)

(ii) Loans acquired had a fair value of \$ ____ and gross contractual amounts receivable of \$ ____ . The best estimate at acquisition date of the contractual cash flows not expected to be collected is \$ ____ .

AASB 3:B64(h)

Disclosure must be made, by each major class of receivables (e.g. loans, direct finance leases), of the fair value of the receivables, the gross contractual amounts receivable, and the best estimate at the acquisition date of the contractual cash flows not expected to be collected.

AASB 3:B67(a)

The initial accounting for the acquisition of Sub X Limited has only been provisionally determined at the end of the half-year. At the end of the half-year, the final valuation report in respect of the plant and equipment acquired had not yet been received. At the date of finalisation of this half-year financial report, the necessary market valuations and other calculations had not been finalised and the fair value of the plant and equipment, associated deferred tax liabilities and goodwill noted above have therefore only been provisionally determined based on the directors' best estimate of the likely fair value of the plant and equipment.

Source

15. Acquisition of subsidiary (continued)

Non-controlling interests

AASB 3:B64(o)

The non-controlling interest (20%) in Sub X Limited recognised at the acquisition date was measured by reference to the fair value of the non-controlling interest and amounted to \$ _____. This fair value was estimated by applying an income approach. The following were the key model inputs used in determining the fair value:

- Assumed discount rate range of 18%
- Assumed long-term sustainable growth rates of 3% - 5%
- Assumed adjustments because of the lack of control or lack of marketability that market participants would consider when estimating the fair value of the non-controlling interests in Sub X Limited.

Goodwill arising on acquisition

	\$'000
Consideration transferred	
Plus: non-controlling interests (at fair value)	
Less: fair value of identifiable net assets acquired	
Goodwill arising on acquisition	

AASB 3:B64(e)

Goodwill arose in the acquisition of Sub X Limited because the acquisition included the customer lists and customer relationships of Sub X Limited as part of the acquisition. These assets could not be separately recognised from goodwill because they are not capable of being separated from the Group and sold, transferred, licensed, rented or exchanged, either individually or together with any related contracts.

AASB 3:B64(k)

None of the goodwill arising on this acquisition is expected to be deductible for tax purposes.

Net cash outflow arising on acquisition

	\$'000
Consideration paid in cash	
Less: cash and cash equivalent balances acquired	

Source

15. Acquisition of subsidiary (continued)**Impact of acquisition on the results of the Group**

AASB 3:B64(q)

Included in the profit for the half-year is \$ ___ attributable to Sub X Limited. Revenue for the half-year includes \$ ___ in respect of Sub X Limited.

Had the acquisition of Sub X Limited been effected at 1 July 2023, the revenue of the Group from continuing operations for the six months ended 31 December 2023 would have been \$ ___, and the profit for the year from continuing operations would have been \$ ___. The directors of the Group consider these 'pro-forma' numbers to represent an approximate measure of the performance of the combined group on a half-yearly basis and to provide a reference point for comparison in future half-years.

In determining the 'pro-forma' revenue and profit of the Group had Sub X Limited been acquired at the beginning of the current half-year, the directors have:

- Calculated depreciation and amortisation of plant and equipment acquired on the basis of the fair values arising in the initial accounting for the business combination rather than the carrying amounts recognised in the pre-acquisition financial statements
- Based borrowing costs on the funding levels, credit ratings and debt/equity position of the Group after the business combination
- Excluded takeover defence costs of Sub X Limited as a pre-acquisition transaction.

16. Key management personnel

AASB 134:15B(j)

AASB 134:16A(c)

Remuneration arrangements of key management personnel are disclosed in the annual financial report. In addition, during the half-year, a cash bonus of \$ ___ was paid to the CFO, Mr. P.H. Taylor, for successfully completing the acquisition of Sub X Limited.

Paragraph 16 of AASB 124 *Related Party Disclosures* requires disclosure of key management personnel compensation by category. Such detailed disclosures of the remuneration of key management personnel are not generally required in interim financial reports unless there has been a significant change since the end of the last annual reporting period and disclosure of that change is necessary for an understanding of the interim period. For example, a bonus granted or share options awarded to members of key management personnel during the interim period are likely to be significant to an understanding of the interim period and therefore should be disclosed.

Source

17. Financial instruments

Fair value of financial instruments

AASB 134:15B(h), 16A(j) This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Classes and categories of financial instruments and their fair values

AASB 13.93(a), (b), (d), (g), (h)(i), IE65(e)
AASB 3:B64(f)(iii), B64(g), AASB 3 B67(b) The following table combines information about:

- Classes of financial instruments based on their nature and characteristics
- The carrying amounts of financial instruments
- Fair values of financial instruments (except financial instruments when carrying amount approximates their fair value)
- Fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed.

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

AASB 7:25, 29

	CARRYING VALUE								FAIR VALUE				
	Financial assets				Financial liabilities				Level				
	FVTPL - derivatives designated in hedge relationships	FVTOCI - mandatorily measured	FVTOCI	Amortised cost	FVTPL - designated	FVTPL - mandatorily measured	Amortised cost	Total	1	2	3	Total	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
31 December 2023													
Cash and cash equivalents													
Investments													
Finance lease receivables													
Trade and other receivables													
Borrowings													
Convertible loan notes													
Derivative financial instruments													
Trade and other payables													
Contingent consideration in a business combination													
30 June 2023													
Cash and cash equivalents													
Investments													
Finance lease receivables													
Trade and other receivables													
Borrowings													
Convertible loan notes													
Derivative financial instruments													
Trade and other payables													
Contingent consideration in a business combination													

Source

17. Financial instruments (continued)**Fair value of financial instruments (continued)****Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis**

(AASB 13.91)

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets/ financial liabilities	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship and sensitivity of unobservable inputs to fair value
1) Foreign currency forward contracts and interest rate swaps	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.	N/A	N/A
2) Commodity options	Black-Scholes model. The following variables were taken into consideration: current underlying price of the commodity, options strike price, time until expiration (expressed as a per cent of a year), implied volatility of the commodity and risk-free rate (RFR)	N/A	N/A
3) Held-for-trading shares	Quoted bid prices in an active market	N/A	N/A
4) Investments in unlisted shares	Income approach. In this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of these investees.	Long-term revenue growth rates, taking into account management's experience and knowledge of market conditions of the specific industries, ranging from ___ to ___ per cent (June 2023: ___ to ___ per cent). Long-term pre-tax operating margin taking into account management's experience and knowledge of market conditions of the specific industries, ranging from ___ to ___ per cent (June 2023: ___ to ___ per cent). Weighted average cost of capital, determined using a Capital Asset Pricing Model, from ___ to ___ per cent (June 2023: ___ to ___ per cent). Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries, ranging from ___ to ___ per cent (June 2023: ___ to ___ per cent).	The higher the revenue growth rate, the higher the fair value. If the revenue growth was ___ per cent higher/lower while all other variables were held constant, the carrying amount would increase/decrease by \$ ___ (June 2023: increase/decrease by \$ ___). The higher the pre-tax operating margin, the higher the fair value. If the pre-tax operating margin was ___ per cent higher/lower while all other variables were held constant, the carrying amount would increase/decrease by \$ ___ (June 2023: increase/decrease by \$ ___). The higher the weighted average cost of capital, the lower the fair value. If the weighted average cost of capital was ___ per cent higher/lower while all other variables were held constant, the carrying amount would decrease/increase by \$ ___ (June 2023: increase/decrease by \$ ___). The higher the discount, the lower the fair value. If the discount was ___ per cent higher/lower while all other variables were held constant, the carrying amount would decrease/increase by \$ ___ (June 2023: decrease/increase by \$ ___).
5) Listed corporate bond	Quoted bid prices in an active market	N/A	N/A
6) Redeemable cumulative preference notes	Discounted cash flow at a discount rate of ___ per cent (June 2023: ___ per cent) that reflects the Group's current borrowing rate at the end of the reporting period.	N/A	N/A
7) Contingent consideration in a business combination	Discounted cash flow method was used to capture the present value of the Group arising from the contingent consideration.	Discount rate of ___ per cent determined using a Capital Asset Pricing Model. Probability-adjusted revenues and profits, with a range from \$ ___ to \$ ___ and a range from \$ ___ to \$ ___ respectively.	The higher the discount rate, the lower the fair value. If the discount rate was ___ per cent higher/lower while all other variables were held constant, the carrying amount would decrease/increase by \$ ___ (June 2023: decrease/increase by \$ ___). The higher the amounts of revenue and profit, the higher the fair value. If the revenue was ___ per cent higher/lower while all other variables were held constant, the carrying amount would increase/decrease by \$ ___ (June 2023: increase/decrease by \$ ___).

(AASB 13.93(c))

There were no transfers between Level 1 and Level 2 during the period.

Source

17. Financial instruments (continued)**Fair value of financial instruments (continued)****Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)**

AASB 13.93(h)(ii)

For financial assets and financial liabilities that are categorised within the Level 3 fair value hierarchy, if changing one or more of the unobservable inputs to reflect reasonably possible alternative assumptions would significantly change the fair value determined, an entity should state that fact and disclose the effect of those changes. The entity should also disclose how the effect of a change to reflect a reasonably possible alternative assumption was calculated.

AASB 13.93(e)

Reconciliation of Level 3 fair value measurements of financial instruments

	Equity investments at FVTOCI - unlisted shares	Other [describe]	Total
	\$'000	\$'000	\$'000
31 December 2023			
Opening balance			
Total gains or losses:			
- In profit or loss			
- In other comprehensive income			
Reclassification of remaining interest in E Plus Limited from investment in associate to equity instruments designated as at FVTOCI			
Purchases			
Issues			
Disposals/settlements			
Transfers out of level 3			
Transfers into level 3			
Closing balance			
30 June 2023			
Opening balance			
Total gains or losses:			
- In profit or loss			
- In other comprehensive income			
Purchases			
Issues			
Disposals/settlements			
Transfers out of level 3			
Transfers into of level 3			
Closing balance			

AASB 13.93(e)(ii)

All gains and losses included in other comprehensive income relate to unlisted shares and redeemable notes held at the end of the reporting period and are reported as changes of 'Investment revaluation reserve'.

Source

17. Financial instruments (continued)**Fair value of financial instruments (continued)****Fair value determined using valuation techniques**

An entity discloses information that helps users of its financial statements assess both of the following:

- | | |
|-------------------------|--|
| AASB 13.91(a) | <ul style="list-style-type: none"> For assets and liabilities that are measured at fair value on a recurring or non-recurring basis in the statement of financial position after initial recognition, the valuation techniques and inputs used to develop those measurements |
| AASB 13.91(b) | <ul style="list-style-type: none"> For recurring fair value measurements using significant unobservable inputs (Level 3), the effect of the measurements on profit or loss or other comprehensive income for the period. |
| AASB 13.93 | To meet the objectives in paragraph 91 of AASB 13, an entity shall disclose: |
| AASB 13.93(e) | <p>For recurring fair value measurements categorised within Level 3 of the fair value hierarchy, a reconciliation from the opening balances to the closing balances, disclosing separately changes during the period attributable to the following:</p> <ul style="list-style-type: none"> Total gains or losses for the period recognised in profit or loss, and the line item(s) in profit or loss in which those gains or losses are recognised Total gains or losses for the period recognised in other comprehensive income, and the line item(s) in other comprehensive income in which those gains or losses are recognised Purchases, sales, issues and settlements (each of those types of changes disclosed separately) The amounts of any transfers into or out of Level 3 of the fair value hierarchy, the reasons for those transfers and the entity's policy for determining when transfers between levels are deemed to have occurred (see paragraph 95). Transfers into Level 3 shall be disclosed and discussed separately from transfers out of Level 3. |
| AASB 13.93(f) | For recurring fair value measurements categorised within Level 3 of the fair value hierarchy, the amount of the total gains or losses for the period disclosed in accordance with the first point immediately above that is included in profit or loss and is attributable to the change in unrealised gains or losses relating to those assets and liabilities held at the end of the reporting period, and the line item(s) in profit or loss in which those unrealised gains or losses are recognised. |
| | Fair value not reliably determinable |
| AASB 7.29 ¹⁶ | Disclosures of fair value are not required: |
| AASB 7:29(a) | <ul style="list-style-type: none"> When the carrying amount is a reasonable approximation of fair value, for example, for financial instruments such as short-term trade receivables and payables |
| AASB 7:29(d) | <ul style="list-style-type: none"> For lease liabilities. |

¹⁶ AASB 7:29 paragraphs (b) and (c) have been deleted.

Source

AASB 134:16A(h)

18. Subsequent events

The notes to the condensed consolidated financial statements discloses information about events after the half-year that have not been reflected in the half-year financial statements, if not disclosed elsewhere in the half-year financial report. Further guidance concerning the disclosure of subsequent events is contained in AASB 110 *Events after the Reporting Period*.

AASB 134:16A(k)
AASB 12.9B

19. Investment entities

Where the entity has become or ceased to be an investment entity, as defined by AASB 10 *Consolidated Financial Statements*, the notes to the condensed consolidated financial statements makes the disclosures required by AASB 12 *Disclosure of Interests in Other Entities*, paragraph 9B, where disclosures have not been reflected in the half-year financial statements, or if not disclosed elsewhere in the half-year financial report.



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