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Tier 1 models and reporting considerations

Appendix 2

Financial reporting periods ending on or after 31 December 2021

Important information about this document

This document is an extract from the complete *Tier 1 models and reporting considerations* publication. Links to cross references from this extract to other parts of the overall publication will not work.

Other extracts and the complete publication are available at www.deloitte.com/au/models.

Appendix 2 – Australian-specific disclosures

This appendix includes the various reports required under the Corporations Act, additional Australian Accounting Standards disclosures, ASX Listing Rules requirements and ACNC requirements.

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About these disclosures

We have designed these Australian specific illustrative disclosures to be used as a guide, in conjunction with the core model financial statements, to assist most for-profit and not-for-profit Tier 1 entities meet their general financial reporting requirements.

This section contains illustrative disclosures that are suitable for use as a **guide** only and will not be appropriate for use by all entities. Each entity should consider its respective circumstances and amend the disclosures as necessary.

The illustrative disclosures in this appendix only illustrate additional Australian specific disclosures and requirements that are in addition to, or instead of, the disclosures included in the core model financial statements.

Section A2 and in particular *Using the core model financial statements for Tier 1 entities* in the introduction to the *Core model financial statements* illustrates how a complete financial report can be constructed using the information in this appendix and the core model financial statements.

Not-for-profit and public sector entities

Illustrative disclosures and guidance specific to not-for-profit and public sector entities have been highlighted in this document by being shaded using teal colouring as illustrated here.

Appendix 4E

Source		
Appendix 4E, Item 1	**Current reporting period**	Year ended 31 December 2021
Appendix 4E, Item 1	**Prior corresponding period**	Year ended 31 December 2020

Results for announcement to the market

Appendix 4E, Item 2, Footnote

The information below required by Appendix 4E, Items 2.1-2.6 must be placed at the beginning of the report. The other information required by Appendix 4E 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

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

Appendix 4E, Item 7

Details relating to dividends

Source		Amount per share	Franking[1]	Total amount $'000
Appendix 4E, Item 2.4	Final dividend paid on 8 April 2021 (prior year)	___ cents	___ %	*[Amount]*
Appendix 4E, Item 2.4	Interim dividend paid on 6 October 2021	___ cents	___ %	*[Amount]*
Appendix 4E, Item 2.4	Final dividend declared on 21 February 2022[2]	___ cents	___ %	*[Amount]*

Appendix 4E, Item 2.5	Record date for determining entitlements to dividends	17 March 2022

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

Appendix 4E, Item 7 — (2) The final dividend is payable on 7 April 2022 and is not recognised as a liability as at 31 December 2021.

Appendix 4E, 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 4E, 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, and entity may include information including:

- 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 4E, Item 7

Item 7 of Appendix 4E 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 4E, Item 8

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.

Commentary on results for the period

Appendix 4E, Item 14

The preliminary final report must contain a commentary on results for the period that is sufficient for the user to be able to compare the information presented with equivalent information for previous periods. The commentary must include any significant information needed by an investor to make an informed assessment of the entity's activities and results, which would include but not be limited to discussion of:

- The earnings per security and the nature of any dilution aspects
- Returns to shareholders including distributions and buy-backs
- Significant features of operating performance
- The results of segments that are significant to an understanding of the business as a whole
- A discussion of trends in performance
- Any other factors which have affected the results in the period or which are likely to affect the results in the future including those where the effect could not be quantified.

Net tangible assets per share

Source		31/12/2021	31/12/2020*
Appendix 4E, Item 9	Net tangible assets per share	____ cents	____ cents

* The information for 31 December 2021 has been restated for the *[describe the change in accounting policy or error]* as explained in Note 2 to the attached financial statements.

Calculation of net tangible assets per share

Appendix 4E 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 4E. 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.

Source

Financial statements

The preliminary financial report must contain:

Appendix 4E, Item 3
- A statement of comprehensive income together with notes to the statement, prepared in compliance with AASB 101 *Presentation of Financial Statements*, or the equivalent foreign accounting standard

Appendix 4E, Item 4
- A statement of financial position together with notes to the statement. The statement may be condensed but must report as line items each significant class of asset, liabilities and equity element with appropriate subtotals

Appendix 4E, Item 5
- A statement of cash flows together with notes to the statement. The statement may be condensed butt must report as line items each significant form of cash flow and comply with the disclosure requirements of AASB 107 *Statement of Cash Flows*, or equivalent foreign accounting standard

Appendix 4E, Item 6
- A statement of retained earnings, or a statement of changes in equity, showing movements.

Appendix 4E, Item 12

The preliminary financial report must also contain any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position.

Appendix 4E, Item 2, Footnote

With the exception of the information required by Appendix 4E, Item 2, the information required by Appendix 4E 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. Accordingly, where the financial report is included with the preliminary final report, the above information is not required to be duplicated in the report. If the entity does not include an attached financial report, then the financial statements should be included in the preliminary financial report.

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

Appendix 4E, Item 10

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.

Details of associates and joint ventures

Appendix 4E, Item 11

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.

Foreign entities

Appendix 4E, Item 13

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

Source

Information about the audit

Source	
Appendix 4E, Item 15	This preliminary final report is based on the attached financial report which has been audited by the Group's auditors, Deloitte Touche Tohmatsu. A copy of Deloitte's unqualified audit report can be found on page 245.
Appendix 4E, Item 15	The Appendix 4E is required to include a statement as to whether the report is based on accounts which have been audited or subject to review, are in the process of being audited or reviewed, or have not yet been audited or reviewed.
Appendix 4E, Item 16	If the accounts have not been audited and are likely to contain an independent audit report 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.
Appendix 4E, Item 17	If the accounts have been audited and contain an independent audit report 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.

Directors' report

Source

Source	
s.298(1)	A company, registered scheme or disclosing entity must prepare a directors' report for each financial year
s.1308(7)	Where the directors' report contains information in addition to that required by the Corporations Act, the information will be regarded as part of the directors' report for the purposes of s.1308 'False or misleading statements'.

Transfer of information from the directors' report into another document forming part of the annual report

Source	
s.300(2)	Information required by s.300 need not be included in the directors' report where such information is disclosed in the financial statements.
ASIC-CI 2016/188	Information required by s.298(1AA)(c) , s.298(1AB)(b), s.299 to s.300 (other than s.300(11B) and (11C) and s.300B to the extent that those sections require certain information to be included in the directors' report or in the financial statements under s.300(2)) may be included in a document which accompanies the directors' report and financial statements where a prominent cross reference to the page/s containing the excluded information exists and certain conditions are satisfied. The information required by s.298(1)(c)1, s.298(1A), s.299 and s.299A may not be transferred into the financial statements. Where information is transferred into the financial statements it will be subject to audit.

The directors of International GAAP Holdings Limited submit herewith the annual report of the company for the financial year ended 31 December 2021. To comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

Information about the directors

s.300(1)(c), s.300(10)(a) — The names and particulars of the directors of the company during or since the end of the financial year are:

Name *[all entities]*	**Particulars *[public companies only]***
Mr C.J. Chambers	Chairman, Chartered Accountant, joined the Board in 2015 in a non-executive capacity and is a non-executive director of the ultimate holding company, Y Holdings Limited. Mr C.J. Chambers is also a director of Eastwood Limited. He is a member of the audit committee and the risk management committee.
Mr P.H. Taylor	Chief Executive Officer, joined the Board in 2017. Mr P.H. Taylor was previously the CEO at a large manufacturing company.
Ms F.R. Ridley	Chartered Accountant, joined the Board in 2018 in a non-executive capacity. Ms F.R. Ridley is a member of the nomination and remuneration committee, and of the audit committee.
Mr A.K. Black	Industrial Engineer, joined the Board on 20 January 2021. He previously held various senior management positions in manufacturing and wholesale companies.

Source

Name *[all entities]*	Particulars *[public companies only]*
Mr B.M. Stavrinidis	Director of Merchant Bank Limited, joined the Board in 2016 in a non-executive capacity. Mr B.M. Stavrinidis is a member of the nomination and remuneration committee, the audit committee, and the risk management committee.
Mr W.K. Flinders	Practicing Solicitor, joined the Board in 2013 in a non-executive capacity and resigned during the year. Mr W.K. Flinders was a member of the nomination and remuneration committee until his resignation.
Ms S.M. Saunders	Practicing Solicitor, joined the Board on 3 February 2021 in a non-executive capacity and resigned after year end. Ms S.M. Saunders was a member of the nomination and remuneration committee and the risk management committee until her resignation.

s.300(1)(c) The above named directors held office during the whole of the financial year and since the end of the financial year except for:

- Mr W.K. Flinders – resigned 20 January 2021
- Ms S.M. Saunders – appointed 3 February 2021, resigned 14 January 2022
- Mr A.K. Black – appointed 20 January 2021

s.300(10)(a) Particulars include each director's qualifications, experience and special responsibilities.

s.300(10) A public company that is a wholly-owned subsidiary of another company is not required to disclose each director's qualifications, experience and special responsibilities, the number of meetings of the board of directors and each board committee, or the qualifications and experience of each company secretary.

Directorships of other listed companies *[listed companies only]*

s.300(11)(e) Directorships of other listed companies held by directors in the 3 years immediately before the end of the financial year are as follows:

Name	Company	Period of directorship
Mr C.J. Chambers	Eastwood Limited	Since 2017
	Yarwood Limited	2018 – 2021

Former partners of the audit firm

s.300(1)(ca) The directors' report must disclose the name of each person who:

- Is an officer of the company, registered scheme or disclosing entity at any time during the year
- Was a partner in an audit firm, or a director of an audit company, that is an auditor of the company, disclosing entity or registered scheme for the year
- Was such a partner or director at a time when the audit firm or the audit company undertook an audit of the company, disclosing entity or registered scheme.

Directors' shareholdings *[listed companies only]*

s.300(11)(a), (b), (c) The following table sets out each director's relevant interest in shares, debentures, and rights or options in shares or debentures of the company or a related body corporate as at the date of this report:

	International GAAP Holdings Limited		
Directors	**Fully paid ordinary shares Number**	**Share options Number**	**Convertible notes Number**
C.J. Chambers			
P.H. Taylor			
A.K. Black			

Source	
s.608	Directors are considered to have a relevant interest where the director: • Is the holder of the securities • Has power to exercise, or control the exercise of, a right to vote attached to the securities, or • Has power to dispose of, or control the exercise of a power to dispose of, the securities.
s.608	It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.
s.608, s.609	Refer s.608 and s.609 of the Corporations Act for more information about when a person has a relevant interest in a security. Although s.300(11)(a)-(c) only requires relevant interests in shares, debentures, and rights or options in shares or debentures to be disclosed, where considered necessary (i.e. to satisfy the information needs of the likely users of the annual report), directors may consider disclosing interests in other equity instruments.
s.300(11)(d)	For each director who is party to or entitled to a benefit under a contract that confers a right to call for or deliver shares in, or debentures of or interests in a registered scheme made available by the company or a related body corporate, disclosure should be made of such contracts.

Remuneration of key management personnel

Information about the remuneration of key management personnel is set out in the remuneration report section of this directors' report. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the consolidated entity (i.e. group), directly or indirectly, including any director (whether executive or otherwise) of the consolidated entity.

Share options granted to directors and senior management

s.300(1)(d)	The directors' report should include details of options that are: • Granted over unissued shares or unissued interests during or since the end of the financial year • Granted to any of the directors or any of the 5 most highly remunerated officers of the company (other than the directors) • Granted to them as part of their remuneration.
s.300(3)	The disclosures required by s.300(1)(d) cover: • Options over unissued shares and interests of the company, registered scheme or disclosing entity • If consolidated financial statements are required – options over unissued shares and interests of any controlled entity that is a company, registered scheme or disclosing entity.
s.300(5)	The details of an option granted during or since the end of the financial year should include: • The identity of the company, registered scheme or disclosing entity granting the option • The name of the person to whom the option is granted • The number and class of shares or interests over which the option is granted.

s.300(1)(d), s.300(3), s.300(5)

During and since the end of the financial year, an aggregate 140,870 share options were granted to the following directors and to the five highest remunerated officers of the company and its controlled entities as part of their remuneration[27]:

[27] While s.300A(1)(a) has been amended to remove remuneration disclosures for the five highest remunerated officers in the remuneration report section of the directors' report, disclosure of options granted to such officers as part of their remuneration continues to be required in the general directors' report section in accordance with s.300(1)(d).

Source

Directors and senior management	Number of options granted	Issuing entity	Number of ordinary shares under option
P.H. Taylor		International GAAP Holdings Limited	
T.L. Smith		International GAAP Holdings Limited	
W.L. Lee		International GAAP Holdings Limited	
L.J. Jackson		International GAAP Holdings Limited	
C.P. Daniels		International GAAP Holdings Limited	
N.W. Wright		International GAAP Holdings Limited	

Company secretary [public companies only]

s.300(10)(d)

Mr A.B. Grey, Chartered Accountant, held the position of company secretary of International GAAP Holdings Limited at the end of the financial year. He joined International GAAP Holdings Limited in 2017 and previously held the company secretary position at a large manufacturing company. He is a member of the Chartered Institute of Company Secretaries in Australia.

s.300(10)

Disclosure of the company secretary's qualifications and experience is not required for a public company which is a wholly-owned controlled entity of another company.

Principal activities

s.299(1)(c), AASB 101:138(b)

The consolidated entity's principal activities in the course of the financial year were the manufacture of electronic equipment and leisure goods, and the construction and renovation of residential properties.

During the financial year the consolidated entity sold its *[describe]* business. Details of the sale are contained in note 13 and note 52 to the financial statements. During the year the board of directors decided to dispose of the *[describe]* business. Details of the planned disposal are contained in note 13 to the financial statements.

Review of operations

s.299(1)(a), ASX-LR 4.10.17

The directors' report must contain a review of the consolidated entity's operations during the financial year and the results of those operations. The Corporations Act contains additional general requirements for listed public companies.

Additional requirements for listed companies, listed registered schemes and listed disclosing entities

s.299A(1), (2)

The directors' report for a company, registered scheme or disclosing entity that is listed must also contain information that members of the listed entity would reasonably require to make an informed assessment of:

- The operations of the consolidated entity
- The financial position of the consolidated entity
- The business strategies, and prospects for future financial years, of the consolidated entity.

s.299A(3)

The directors' report may omit material that would otherwise be included under s.299A(1)(c) concerning the consolidated entity's business strategies and prospects for future financial years, if it is likely to result in unreasonable prejudice to the consolidated entity or any entity (including the company, registered scheme or disclosing entity) that is part of the consolidated entity. If material is omitted, the report must say so.

Source

ASIC-RG 247

ASIC Regulatory Guide 247 *Effective disclosure in an operating and financial review*

In preparing this disclosure, entities may wish to refer to ASIC Regulatory Guide 247 *Effective disclosure in an operating and financial review* (RG 247, available at www.asic.gov.au) as 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.

Preparing an operating and financial review

An OFR should:

- Contain information about an entity's operations and financial position, discuss the impact of relevant events throughout the reporting period and provide an overview of business strategies and prospects
- Present a narrative and analysis about the entity's results and financial position
- Contain information that shareholders would reasonably require to make an informed assessment of the entity's operations, financial position and business strategies and prospects for future financial years.

Operations and financial position

Information about an entity's operations involves an explanation of the underlying drivers of its results, and of key developments in the reporting period. In this regard, RG 247 outlines that the OFR should:

- Explain the underlying drivers of its results and key developments in the reporting period, and discuss significant factors affecting the entity's results
- Explain the entity's business model and its effect on the entity's operations
- Discuss the results of the key operating segments and major components of the overall result
- Often involve a consideration of the underlying drivers of, and reasons for, the financial position of the entity, and include discussion of exposures not recognised in the financial statements
- Consider ASIC's guidance in RG 230 *Disclosing non-IFRS financial information* (see page 221).

Business strategies and prospects for future financial years

Information on business strategies and prospects for future financial years should focus on what may affect the future financial performance and position of the entity. RG 247 outlines that the OFR should describe:

- The overall business strategies relevant to the entity's future financial position and performance
- The entity's prospects in terms of future financial performance and financial outcomes
- The material business risks that could adversely affect the achievement of the financial performance or financial outcomes described.

If an entity intends to rely on the unreasonable prejudice exemption in s.299A(3) to omit information, the basis for relying on the exemption needs to be carefully evaluated and established.

Presenting the narrative and analysis

Directors and preparers of an OFR should present the narrative and analysis in a way that maximises its usefulness to shareholders. RG 247 notes that a matter of good practice, an OFR should present information in a single section and in a manner that is:

- Complimentary to and consistent with the annual financial report
- Balanced and unambiguous
- Clear, concise and effective.

Source

ASX Guidance Note 10 *Review of Operations and Activities: Listing Rule 4.10.17* and G100's *Guide to Review of Operations and Financial Condition*

ASX-GN 10

In addition, entities may wish to refer to ASX Guidance Note 10 *Review of Operations and Activities: Listing Rule 4.10.17* and to the G100's *Guide to Review of Operations and Financial Condition* reproduced as an attachment to Guidance Note 10 (available at www.asx.com.au), 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.

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 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 contain 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. Given this context, preparers of annual reports are encouraged to provide:

- 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, focusing 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

  - 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.

Non-IFRS financial information

ASIC-RG 230

If the directors consider it appropriate to include non-IFRS financial information in the 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* (available at www.asic.gov.au) should be followed to assist in reducing the risk of non-IFRS financial information being misleading[28].

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 or not the non-IFRS financial information has been audited or reviewed in accordance with Australian Auditing Standards.

[28] Non-IFRS financial information is financial information presented other than in accordance with all relevant Australian Accounting Standards.

Source

Changes in state of affairs

s.299(1)(b) During the financial year, the consolidated entity disposed of its toy business. The consolidated entity is also seeking to dispose of its bicycle business, to focus its operations towards the manufacture and distribution of electronic equipment and leisure goods as proposed and agreed at the company's last Annual General Meeting. Other than the above, there was no significant change in the state of affairs of the consolidated entity during the financial year.

Subsequent events

s.299(1)(d) On 4 January 2022, the premises of Subfive Limited were seriously damaged by fire. Insurance claims are in process, but the cost of refurbishment is currently expected to exceed the amount that will be reimbursed by $___ million.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Future developments

s.299(1)(e), s.299(3) Directors must bring likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations to the attention of the users of the annual report. These disclosures are not required where they would result in unreasonable prejudice to the entity.

s.299A(1)(c), (2) The directors' report for a company, registered scheme or disclosing entity that is listed must also contain information that members of the listed entity would reasonably require to make an informed assessment of the consolidated entity's prospects for future financial years.

Use of the 'unreasonable prejudice' exemption

In determining whether any information should be omitted in the case of 'unreasonable prejudice', RG 247 suggest that:

- Unreasonable prejudice means the consequence would be unreasonable if, for example, disclosing the information is likely to give third parties (such as competitors, suppliers and buyers) a commercial advantage, resulting in a material disadvantage to the entity
- Likely means 'more than a possibility' or 'more probable than not'.

Even where the exemption is relied upon it is still expected that some information should be able to be disclosed about an entities business strategies and prospects.

Environmental regulations

s.299(1)(f) If the consolidated entity's operations are subject to any particular and significant environmental regulation under a law of the Commonwealth or of a State or Territory, the directors' report should disclose details of the consolidated entity's performance in relation to the environmental regulation.

ASIC-RG 68.74 ASIC has provided the following guidance on completing environmental regulations disclosures:

- Prima facie, the requirements would normally apply where an entity is licensed or otherwise subject to conditions for the purposes of environmental legislation or regulation
- The requirements are not related specifically to financial disclosures (e.g. contingent liabilities and capital commitments) but relate to performance in relation to environmental regulation. Hence, accounting concepts of materiality in financial statements are not applicable
- The information provided in the directors' report cannot be reduced or eliminated because information has been provided to a regulatory authority for the purposes of any environmental legislation

Source

- The information provided in the director's report would normally be more general and less technical than information which an entity is required to provide in any compliance reports to an environmental regulator.

Dividends

s.300(1)(a) For the financial year ended 31 December 2020, as detailed in the directors' report for that financial year, a final dividend of ____ cents per share franked to ____% at 30% corporate income tax rate was paid to the holders of fully paid ordinary shares on 8 April 2021.

s.300(1)(a) For the financial year ended 31 December 2021, an interim dividend of ____ cents per share franked to ____% at 30% corporate income tax rate was paid to the holders of fully paid ordinary shares on 6 October 2021.

s.300(1)(a) For the financial year ended 31 December 2021, a dividend of ____ cents per share franked to ____% at 30% corporate income tax rate was paid to the holders of convertible non-participating preference shares on *[insert date]*.

s.300(1)(a) For the financial year ended 31 December 2021, an interim dividend of ____ cents per share franked to ____% at 30% corporate income tax rate was paid to the holders of redeemable cumulative preference shares on *[insert date]*.

s.300(1)(b) For the financial year ended 31 December 2021, the directors recommend the payment of a final dividend of ____ cents per share franked to ____% at 30% corporate income tax rate on 7 April 2022 to the holders of fully paid ordinary shares on 17 March 2022.

Where no dividends have been paid or declared since the start of the financial year, and/or the directors do not recommend the payment of a dividend in respect of the financial year, the directors' report should disclose that fact.

AASB110.13 If dividends are declared (i.e. the dividends are appropriately authorised and no longer at the discretion of the entity) after the reporting date but before the financial statements are authorised for issue, the dividends are not recognized as a liability at the reporting date because no obligations exist at that time. Such dividends are disclosed in the notes to the financial statements in accordance with AASB 101 *Presentation of Financial Statements*.

Shares under option or issued on exercise of options

The directors' report should include details of:

- s.300(1)(f) Shares or interests issued during or since the end of the financial year as a result of the exercise of an option over unissued shares or interests
- s.300(1)(e) Unissued shares or interests under option as at the date of the directors' report.

s.300(3) The disclosures required by s.300(1)(e) and s.300(1)(f) cover:

- Options over unissued shares and interests of the company, registered scheme or disclosing entity
- If consolidated financial statements are required – options over unissued shares and interests of any controlled entity that is a company, registered scheme or disclosing entity.

s.300(6) The details of unissued shares or interests under option should include:

- The company, registered scheme or disclosing entity that will issue shares or interests when the options are exercised
- The number and classes of those shares or interests
- The issue price, or the method of determining the issue price, of those shares or interests
- The expiry date of the options
- Any rights that option holders have under the options to participate in any share issue or interest issue of the company, registered scheme or disclosing entity or of any other body corporate or registered scheme.

Source

s.300(7)

The details of shares and interests issued as a result of the exercise of any option should include:

- The company, registered scheme or disclosing entity issuing the shares or interests
- The number of shares or interests issued
- If the company, registered scheme or disclosing entity has different classes of shares or interests, the class to which each of those shares or interests belongs
- The amount unpaid on each of those shares or interests
- The amount paid, or agreed to be considered as paid, on each of those shares or interests.

s.300(1)(e), s.300(3), s.300(6)

Details of unissued shares or interests under option as at the date of this report are:

Issuing entity	Number of shares under option	Class of shares	Exercise price of option	Expiry date of options
International GAAP Holdings Limited	*[number]*	Ordinary	$ ___	*[insert date]*
International GAAP Holdings Limited	*[number]*	Ordinary	$ ____	*[insert date]*

[a] These share options can only be exercised once the share price of International GAAP Holdings Limited exceeds $4.00.

The holders of these options do not have the right, by virtue of the option, to participate in any share issue or interest issue of the company or of any other body corporate or registered scheme.

s.300(1)(f), s.300(3), s.300(7)

Details of shares or interests issued during or since the end of the financial year as a result of exercise of an option are:

Issuing entity	Number of shares issued	Class of shares	Amount paid for shares	Amount unpaid on shares
International GAAP Holdings Limited	*[Number]*	Ordinary	$ ____	$nil

Indemnification of officers and auditors

s.300(1)(g), s.300(8), s.300(9)

During the financial year, the company paid a premium in respect of a contract insuring the directors of the company (as named above), the company secretary, Mr A.B. Grey, and all executive officers of the company and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

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

Where the company has not indemnified or agreed to indemnify an officer or auditor against a liability incurred, or paid an insurance premium in respect of a contract insuring against a liability incurred by an officer or auditor, the following disclosure is encouraged:

'During or since the end of the financial year the company has not indemnified or made a relevant agreement to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor. In addition, the company has not paid, or agreed to pay, a premium in respect of a contract insuring against a liability incurred by an officer or auditor.'

Source

Directors' meetings *[public companies only]*

s.300(10)(b), (c) The following table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year, 12 board meetings, 2 nomination and remuneration committee meetings, 4 audit committee meetings and 4 risk management committee meetings were held.

	Board of directors		Nomination & remuneration committee		Audit committee		Risk management committee	
Directors	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**
C.J. Chambers	12	12	-	-	4	4	4	4
P.H. Taylor	12	10	-	-	-	-	-	-
F.R. Ridley	12	11	2	2	4	4	-	-
A.K. Black	-	-	-	-	-	-	-	-
B.M. Stavrinidis	12	12	2	2	4	4	4	4
W.K. Flinders	1	1	1	1	-	-	-	-
S.M. Saunders	10	9	1	1	-	-	4	4

s.300(10) Disclosure of directors' meetings is not required for a public company which is a wholly-owned controlled entity of another company.

Registered schemes [registered schemes only]

s.300(12) The directors' report for a listed registered scheme should disclose the following details for each director of the company that is the responsible entity for the scheme:

- Their relevant interests in the scheme
- Their rights or options over interests in the scheme
- Contracts to which the director is a party or under which the director is entitled to a benefit and that confer a right to call for or deliver interests in the scheme.

s.300(13) The directors' report for a registered scheme (whether listed or unlisted) should disclose details of:

- The fees paid to the responsible entity and its associates out of scheme property during the financial year
- The number of interests in the scheme held by the responsible entity or its associates as at the end of the financial year
- Interests in the scheme issued during the financial year
- Withdrawals from the scheme during the financial year
- The value of the scheme's assets as at the end of the financial year, and the basis for the valuation
- The number of interests in the scheme as at the end of the financial year.

Proceedings on behalf of the company

s.300(14) The directors' report should disclose, with respect to persons applying for leave under s.237 to bring, or intervene in, proceedings on behalf of the company, the applicant's name and a statement whether leave was granted.

s.300(15) Where leave is granted under s.237, the directors' report should disclose the following details of any proceedings that a person has brought, or intervened in, on behalf of the company:

- The person's name
- The names of the parties to the proceedings
- Sufficient information to enable members to understand the nature and status of the proceedings (including the cause of action and any orders made by the court).

Source	
	Non-audit services [listed companies only]
s.300(2A), s.300(11B)(a)	Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in note 67 to the financial statements.
s.300(11B) (b)	The directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act.
s.300(11B)(c)	The directors are of the opinion that the services as disclosed in note 64A to the financial statements do not compromise the external auditor's independence, based on advice received from the Audit Committee, for the following reasons[29]: • All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor • None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants* issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.
s.300(11D)	The statements under s.300(11B)(b) and (c) must be made in accordance with: • Advice provided by the listed company's audit committee if the company has an audit committee, or • A resolution of the directors of the listed company if the company does not have an audit committee.
s.300(11E)	A statement is taken to be made in accordance with advice provided by the company's audit committee only if: • The statement is consistent with that advice and does not contain any material omission of material included in that advice • The advice is endorsed by a resolution passed by the members of the audit committee • The advice is written advice signed by a member of the audit committee on behalf of the audit committee and given to the directors.
	Auditor's independence declaration
s.298(1AA), (c)	The auditor's independence declaration is included after this report on page 243.
	Extension of audit rotation period *[listed companies only]*
s.300(11AA)	Where, in accordance with s.324DAA, the directors of the company by resolution grant an approval for an individual to play a significant role in the audit of a listed company by extending the audit involvement period from the normal five successive financial years to six or seven successive financial years, the report must include details of and the reasons for the approval.
s.300(11A)	Where, in accordance with s.342A, ASIC has made a declaration to enable an individual who is a registered company auditor to continue to play a significant role (as defined in s.9 of the Corporations Act) in the audit of a listed company (by extending the audit involvement period from the normal five successive financial years to six or seven successive financial years), the directors' report must include details of the declaration.

[29] Note 64A is included in this guide on page 229

Source	
	True and fair view
s.298(1A)	If the financial statements for a financial year include additional information under s.295(3)(c) to give a true and fair view of financial position and performance, the directors' report for the financial year 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.297 • Specify where that additional information can be found in the financial statements.
	Rounding off of amounts
	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	The company is a company of the 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 directors' report and the financial statements are rounded off to the nearest *[dollar/thousand dollars / hundred thousand dollars/ million dollars]*, unless otherwise indicated.
ASIC-CI 2016/191	Where the Corporations Instrument is applied, certain amounts in the financial report 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.300A(1), (1A), (2)	**Remuneration report *[all listed disclosing entities that are companies]***

This model remuneration report is suitable for use as a guide only and will not be appropriate for use by all companies required to prepare a remuneration report. Each company shall consider its respective circumstances and amend the disclosures as necessary.

Defined terms

s.9, AASB 124:9 — **Key management personnel** are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

s.9 — Closely related party of a member of the key management personnel for an entity is defined to include:

- A spouse or child of the member
- A child of the member's spouse
- A dependant of the member or of the member's spouse
- Anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity
- A company the member controls
- A person prescribed by the regulations for the purposes of this paragraph.

s.206K(2)(b) — A remuneration committee is a committee of the board of directors of the company that has functions relating to the remuneration of key management personnel for the company.

s.9 — **Remuneration consultant** means a person:

- Who makes a remuneration recommendation under a contract for services with the company to whose key management personnel the recommendation relates
- Who is not an officer or employee of the company.

s.9B(1)-(4)

1. A remuneration recommendation is:
   a. A recommendation about either or both of the following:
      (i) How much the remuneration should be
      (ii) What elements the remuneration should have
      for one or more members of the key management personnel for a company, or
   b. A recommendation or advice about a matter or of a kind prescribed by the regulations.
2. None of the following is a remuneration recommendation (even if it would otherwise be covered by s.9B(1) above):
   a. Advice about the operation of the law (including tax law)
   b. Advice about the operation of accounting principles (for example, about how options should be valued)
   c. Advice about the operation of actuarial principles and practice
   d. The provision of facts
   e. The provision of information of a general nature relevant to all employees of the company
   f. A recommendation, or advice or information, of a kind prescribed by the regulations. (Regulation 1.2.01 of the of the Corporations Regulations 2001 prescribes that for s.9B(2)(f), a recommendation, or advice or information, provided in relation to one or more members of the key management personnel for a company by an employee of a company within the same consolidated entity, is not a remuneration recommendation).
3. s.9B(2) does not limit the things that are not remuneration recommendations, nor does it mean that something specified in that subsection would otherwise be a remuneration recommendation within the meaning of s.9B(1)
4. ASIC may by writing declare that s.9B(1) above does not apply to a specified recommendation or specified advice, but may do so only if ASIC is satisfied that it would be unreasonable in the circumstances for the advice or recommendation to be a remuneration recommendation. The declaration has effect accordingly. The declaration is not a legislative instrument.

Source

Prescribed details in relation to remuneration

s.300A(1)(c), Reg2M.3.03

The prescribed details in relation to remuneration referred to in s.300A(1)(c) are detailed in Regulation 2M.3.03 of the Corporations Regulations. The prescribed details must be provided in respect of the following persons:

- If consolidated financial statements are required – each member of the key management personnel for the consolidated entity, or
- If consolidated financial statements are not required – each member of the key management personnel for the company.

s.300A(1)(d), (1)(e)

Note, s.300A(1)(d) and s.300A(1)(e) specify further remuneration details that must be made in the remuneration report in respect of the persons noted above.

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of International GAAP Holdings Limited's key management personnel for the financial year ended 31 December 2021 The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the consolidated entity. The prescribed details for each person covered by this report are detailed below under the following headings:

- Key management personnel
- Remuneration policy
- Relationship between the remuneration policy and company performance
- Remuneration of key management personnel
- Key terms of employment contracts.

Key management personnel

Reg2M.3.03 (1) (Item 1-5)

The directors and other key management personnel of the consolidated entity during or since the end of the financial year were:

Non-executive directors	**Position**
C.J. Chambers	Chairman, Non-executive director
F.R. Ridley	Non-executive director
A.K. Black (appointed 20 January 2021)	Non-executive director
B.M. Stavrinidis	Non-executive director
W.K. Flinders (resigned 3 February 2021)	Non-executive director
S.M. Saunders (appointed 3 February 2021, resigned 14 January 2022)	Non-executive director
Executive officers	**Position**
P.H. Taylor	Executive Director, Chief Executive Officer
W.L. Lee	Chief Financial Officer
L.J. Jackson	Chief Marketing Officer
C.P. Daniels (resigned 20 January 2021)	Chief Operations Officer
N.W. Wright (resigned 17 June 2021)	General Manager – *[describe]*
T.L. Smith (appointed 15 January 2021)	General Manager – *[describe]*

Except as noted, the named persons held their current position for the whole of the financial year and since the end of the financial year.

Remuneration policy

s.300A(1)(a)

The directors' report for a financial year for a company must include (in a separate and clearly identified section of the report) discussion of board policy for determining, or in relation to, the nature and amount (or value, as appropriate) of remuneration of the key management personnel for:

(a) The company, if consolidated financial statements are not required, or

Source	
	(b) The consolidated entity, if consolidated financial statements are required. The report must also include:
s.300A(1)(f)	• Such other matters related to the policy or policies referred to in s.300A(1)(a) above as are prescribed by the regulations, and
s.300A(1)(g)	• If: – At the company's most recent AGM, comments were made on the remuneration report that was considered at that AGM, and – When a resolution that the remuneration report for the last financial year be adopted was put to the vote at the company's most recent AGM, at least 25% of the votes cast were against adoption of that report, an explanation of the board's proposed action in response or, if the board does not propose any action, the board's reasons for inaction
s.300A(1)(h)	• If a remuneration consultant made a remuneration recommendation in relation to any of the key management personnel for the company or, if consolidated financial statements are required, for the consolidated entity, for the financial year: – The name of the consultant – A statement that the consultant made such a recommendation – If the consultant provided any other kind of advice to the company or entity for the financial year – a statement that the consultant provided that other kind or those other kinds of advice – The amount and nature of the consideration payable for the remuneration recommendation – The amount and nature of the consideration payable for any other kind of advice referred to in subparagraph (iii) – Information about the arrangements the company made to ensure that the making of the remuneration recommendation would be free from undue influence by the member or members of the key management personnel to whom the recommendation relates – A statement about whether the board is satisfied that the remuneration recommendation was made free from undue influence by the member or members of the key management personnel to whom the recommendation relates – If the board is satisfied that the remuneration recommendation was made free from undue influence by the member or members of the key management personnel to whom the recommendation relates – the board's reasons for being satisfied of this.
	Relationship between the remuneration policy and company performance
	Extent (or otherwise) of remuneration being dependent on satisfaction of a performance condition A disclosing entity that is a company must disclose:
s.300A(1)(e)(i)	• An explanation of the relative proportions of those elements of the remuneration of a member of key management personnel for the company, or if consolidated financial statements are required, for the consolidated entity, that are related to performance and those elements of the person's remuneration that are not
s.300A(1)(d)	• If an element of the remuneration of a member of key management personnel for the company, or if consolidated financial statements are required, for the consolidated entity consists of securities of a body and that element is not dependent on the satisfaction of a performance condition – an explanation of why that element of the remuneration is not dependent on the satisfaction of a performance condition must be disclosed

Source	
s.300A(1) (ba)	• If an element of the remuneration of a member of key management personnel for the company, or if consolidated financial statements are required, for the consolidated entity, is dependent on the satisfaction of a performance condition: – A detailed summary of the performance condition – An explanation of why the performance condition was chosen – A summary of the methods used in assessing whether the performance condition is satisfied and an explanation of why those methods were chosen – If the performance condition involves a comparison with factors external to the company: i) A summary of the factors to be used in making the comparison ii) If any of the factors relates to the performance of another company, of 2 or more other companies or of an index in which the securities of a company or companies are included – the identity of that company, of each of those companies or of the index.
	No hedging of remuneration of key management personnel
s.206J(1)	A member of the key management personnel for a company that is a disclosing entity, or a closely related party of such a member, must not enter into an arrangement (with anyone) if the arrangement would have the effect of limiting the exposure of the member to risk relating to an element of the member's remuneration that: – Has not vested in the member, or – Has vested in the member but remains subject to a holding lock.
s.206J(2)	Without limiting s.206J(1)(a), remuneration that is not payable to a member until a particular day is, until that day, remuneration that has not vested in the member.
s.206J(3)	In determining whether an arrangement has the effect described in s.206J(1) in relation to an element of remuneration described in that subsection, regard is to be had to the regulations made for the purposes of this subsection (see Regulation 2D.7.01 of the *Corporations Regulations 2001*).
	Discussion of the relationship between the remuneration policy and company performance
s.300A(1)(b)	The directors' report must include discussion of the relationship between the remuneration policy for key management personnel and the company's performance.
s.300A (1AA)	Without limiting the requirements of s.300A(1)(b), the discussion under that subsection of the company's performance must specifically deal with: • The company's earnings • The consequences of the company's performance on shareholder wealth, in the financial year to which the report relates and in the previous 4 financial years.
s.300A (1AB)	In determining, for the purposes of s.300A(1AA), the consequences of the company's performance on shareholder wealth in a financial year, have regard to: • Dividends paid by the company to its shareholders during that year • Changes in the price at which shares in the company are traded between the beginning and the end of that year • Any return of capital by the company to its shareholders during that year that involves: – The cancellation of shares in the company

Source

– A payment to the holders of those shares that exceeds the price at which shares in that class are being traded at the time when the shares are cancelled

- Any other relevant matter.

s.300A(1)(b) Illustrated below is an example of how an entity may present information to comply with s.300A(1AA) and s.300A(1AB). Alternatively, an entity may elect to present such information graphically. The illustrative tables must be accompanied by discussion relevant to explaining the relationship between the remuneration policy and company performance.

s.300A (1AA), (1AB) The tables below set out summary information about the consolidated entity's earnings and movements in shareholder wealth for the five years to 31 December 2021:

	31 Dec 21 $'000	31 Dec 20 $'000	31 Dec 19 $'000	31 Dec 18 $'000	31 Dec 17 $'000
Revenue					
Net profit before tax					
Net profit after tax					

	31 Dec 21	31 Dec 20	31 Dec 19	31 Dec 18	31 Dec 17
Share price at start of year	$ ____	$ ____	$ ____	$ ____	$ ____
Share price at end of year	$ ____	$ ____	$ ____	$ ____	$ ____
Interim dividend(i)	____ cps	____ cps	____ cps	____ cps	____ cps
Final dividend(i),(ii)	____ cps	____ cps	____ cps	____ cps	____ cps
Basic earnings per share	____ cps	____ cps	____ cps	____ cps	____ cps
Diluted earnings per share	____ cps	____ cps	____ cps	____ cps	____ cps

(i) Franked to ____% at 30% corporate income tax rate.
(ii) Declared after the end of the reporting period and not reflected in the financial statements.

In addition, during the financial year International GAAP Holdings Limited repurchased ____ shares for $____. The shares were repurchased at the prevailing market price on the date of the buy-back.

Remuneration of key management personnel

Reg2M.3.03(1) (Item 6-9, 11)

	Short-term employee benefits				Post-employment benefits	Long-term employee benefits	Share-based payments	
2021	**Salary & fees $**	**Cash bonus $**	**Non-monetary $**	**Other $**	**Super-annuation $**	**Long service leave $**	**Options & rights (i) $**	**Total $**
Non-executive directors								
C.J. Chambers	76,000	-	28,050	1,250	-	-	-	105,300
F.R. Ridley	65,000	-	25,091	854	-	-	-	90,945
B.M. Stavrinidis	65,000	-	26,800	685	-	-	-	92,485
W.K. Flinders	4,000	-	800	200	-	-	-	5,000
S.M. Saunders	65,000	-	15,159	689	-	-	-	80,848
Executive officers								
P.H. Taylor	261,600	-	66,280	1,240	30,000	5,400	105,600	470,120
W.L. Lee	183,712	10,000	6,796	-	17,937	8,788	7,500	234,733
L.J. Jackson	187,928	-	16,481	-	20,000	4,572	7,500	236,481
C.P. Daniels	185,500	-	14,805	-	20,000	-	5,000	225,305
N.W. Wright	184,000	-	12,761	-	17,708	-	5,000	219,469
T.L. Smith	180,000	-	4,734	-	16,716	1,000	8,663	211,113
								1,971,799

Source

Reg2M.3.03(1) (Item 6-9, 11)

2020	Short-term employee benefits: Salary & fees $	Short-term employee benefits: Cash bonus $	Short-term employee benefits: Non-monetary $	Short-term employee benefits: Other $	Post-employment benefits: Super-annuation $	Long-term employee benefits: Long service leave $	Share-based payments: Options & rights (i) $	Total $
Non-executive directors								
C.J. Chambers	65,125	-	25,400	1,125	-	-	-	91,650
F.R. Ridley	62,000	-	23,162	850	-	-	-	86,012
B.M. Stavrinidis	62,000	-	24,350	670	-	-	-	87,020
W.K. Flinders	62,000	-	24,350	680	-	-	-	87,030
O.H. O'Brien	36,750	-	20,120	312	-	-	-	57,182
Executive officers								
P.H. Taylor	229,860	-	53,800	1,125	38,000	10,140	57,500	390,425
W.L. Lee	179,372	-	5,980	-	17,300	6,878	-	209,530
L.J. Jackson	180,690	-	14,503	-	20,000	5,560	-	220,753
C.P. Daniels	171,250	-	13,028	-	20,000	7,750	-	212,028
N.W. Wright	173,738	-	11,230	-	17,500	4,587	-	207,055
E.P Hart	179,375	-	12,500	-	17,270	-	-	209,145
								1,857,830

(i) The value of the options and rights granted to key management personnel as part of their remuneration is calculated as at the grant date using a binomial pricing model. The amounts disclosed as part of remuneration for the financial year have been determined by allocating the grant date value on a straight-line basis over the period from grant date to vesting date.

s.300A(1)(e)(i)

The relative proportions of those elements of remuneration of key management personnel that are linked to performance:

	Fixed remuneration 2021	Fixed remuneration 2020	Remuneration linked to performance 2021	Remuneration linked to performance 2020
Non-executive directors				
C.J. Chambers	100%	100%	-	-
F.R. Ridley	100%	100%	-	-
B.M. Stavrinidis	100%	100%	-	-
W.K. Flinders	100%	100%	-	-
O.H. O'Brien	100%	100%	-	-
Executive officers				
P.H. Taylor	77.5%	85.3%	22.5%	14.7%
W.L. Lee	92.5%	100.0%	7.5%	-
L.J. Jackson	96.8%	100.0%	3.2%	-
C.P. Daniels	97.8%	100.0%	2.2%	-
N.W. Wright	97.7%	100.0%	2.3%	-
E.P Hart	95.9%	100.0%	4.1%	-

Reg2M.3.03(1) (Item 10)

No key management personnel appointed during the period received a payment as part of his or her consideration for agreeing to hold the position.

Source

Payments and benefits

Reg2M.3.03(1) (Item 6-11)

The tables above do not illustrate all the payments and benefits specified by Regulation 2M.3.03 that must be disclosed, if present. Disclosure of the following payments and benefits in respect of each s.300A(1)(c) identified person is required:

- The person's short-term employee benefits, divided into at least the following components:
  - Cash salary, fees and short-term compensated absences
  - Short-term cash profit-sharing and other bonuses
  - Non-monetary benefits
  - Other short-term employee benefits
- The person's post-employment benefits, divided into at least the following components:
  - Pension and superannuation benefits
  - Other post-employment benefits
- The person's long-term employee benefits other than benefits mentioned in items 6 and 7 (i.e. short-term employee benefits and post-employment benefits) and long-term, separately identifying any amount attributable to a long-term incentive plan
- The person's termination benefits
- For any position the person started to hold during the financial year, payments (if any) made to the person, before the person started to hold the position, as part of the consideration for the person agreeing to hold the position, including:
  - The monetary value of the payment
  - The date of the payment
- Share-based payments made to the person, divided into at least the following components:
  - Equity-settled share based payment transactions, showing separately:
  - Shares and units
  - Options and rights
  - Cash-settled share based payment transactions
  - All other forms of share based payment compensation (including hybrids).

Total of a person's compensation

Disclosure of the total compensation for each identified person is not specifically required by s.300A or Regulation 2M.3.03, however we recommend that it be made as a matter of good practice.

Comparative information

Reg2M.3.03(2)

For items 6-9 and 11 of Regulation 2M.3.03, information of the kind described in the item for the previous financial year must also be disclosed in the financial year to which the item relates (to give comparative information for the purposes of the item), but this does not apply in relation to the first financial year in which paragraph 300A(1)(c) of the Corporations Act applies in relation to a person.

Bonuses and share-based payments granted as compensation for the current financial year

Reg2M.3.03(1) (Item 12)

Cash bonuses

W.L. Lee was granted a cash bonus of $10,000 on *[date]*. The cash bonus was given, on successful acquisition by the consolidated entity, for his identification of the manufacturing business of Subseven Limited as an advantageous investment opportunity earlier in the reporting period.

No other cash bonuses were granted during the financial year.

Source

Reg2M.3.03 (1)(Item 12(b), (c), 15(b)(ii), (b)(iii), (b)(v))

Employee share option plan

International GAAP Holdings Limited operates an ownership-based scheme for executives and senior employees of the consolidated entity. In accordance with the provisions of the plan, as approved by shareholders at a previous annual general meeting, executives and senior employees with more than five years service with the company may be granted options to purchase parcels of ordinary shares at an exercise price of $1.00 per ordinary share.

Each employee share option converts into one ordinary share of International GAAP Holdings Limited on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The number of options granted is calculated in accordance with the performance based formula approved by shareholders at a previous annual general meeting and is subject to approval by the Remuneration Committee. The formula rewards executives and senior employees against the extent of the consolidated entity's and individual's achievement against both qualitative and quantitative criteria from the following financial and customer service measures:

- Improvement in share price
- Improvement in net profit
- Improvement in return to shareholders
- Reduction in warranty claims
- Results of client satisfaction surveys
- Reduction in rate of staff turnover

The options granted expire within twelve months of their issue, or one month of the resignation of the executive or senior employee, whichever is the earlier.

Reg2M.3.03(1) (Item 12(a), (b), (g), 15(b)(i), (b)(ii), (b)(iv), (b)(vi))

Terms and conditions of share-based payment arrangements affecting remuneration of key management personnel in the current financial year or future financial years:

Options series	Grant date	Grant date fair value	Exercise price	Expiry date	Vesting date
Series 3	30/03/19	$ ___	$ ___	30/03/22	Vests at the date of grant.
Series 4	30/09/20	$ ___	$ ___	30/09/22	Vests on the date that the International GAAP Holdings Limited share price exceeds $4.00, and provided that the eligible recipient is employed by the company on that date

Reg2M.3.03(1) (Item 12(d), 14)

There has been no alteration of the terms and conditions of the above share-based payment arrangements since the grant date.

Details of share-based payments granted as compensation to key management personnel during the current financial year:

Reg2M.3.03(1) (Item 12(e), (f) 15(a))

		During the financial year			
Name	Option series	No. granted	No. vested	% of grant vested	% of grant forfeited
P.H. Taylor	Series 3	88,000	88,000	100%	n/a
W.L. Lee	Series 3	6,250	6,250	100%	n/a
L.J. Jackson	Series 3	6,250	6,250	100%	n/a
C.P. Daniels	Series 3	4,167	4,167	100%	n/a
N.W. Wright	Series 3	4,167	4,167	100%	n/a
T.L. Smith	Series 4	32,036	nil	nil	nil

Source

Reg2M.3.03(1) (Item 16)

During the year, the following key management personnel exercised options that were granted to them as part of their compensation. Each option converts into one ordinary share of International GAAP Holdings Limited.

Name	No. of options exercised	No. of ordinary shares of International GAAP Holdings Limited issued	Amount paid	Amount unpaid
P.H. Taylor	50,000	50,000	$50,000	$nil
W.L. Lee	6,250	6,250	$6,250	$nil
L.J. Jackson	6,250	6,250	$6,250	$nil
C.P. Daniels	4,167	4,167	$4,167	$nil
N.W. Wright	4,167	4,167	$4,167	$nil

s.300A(1) (e)(ii)-(iii)

The following table summarises the value of options granted and exercised during the financial year, in relation to options granted to key management personnel as part of their remuneration:

Name	Value of options granted at the grant date (i) $	Value of options exercised at the exercise date (ii) $
P.H. Taylor	105,600	88,000
W.L. Lee	7,500	15,750
L.J. Jackson	7,500	15,750
C.P. Daniels	5,000	10,501
N.W. Wright	5,000	10,501
T.L. Smith	33,638	-

(i) The value of options granted during the financial year is calculated as at the grant date using a binomial pricing model. This grant date value is allocated to remuneration of key management personnel on a straight-line basis over the period from grant date to vesting date.
(ii) The value of options exercised during the financial year is calculated as at the exercise date using a binomial pricing model.

s.300A(1) (e)(iv)

The following table summarises the number of options that lapsed during the financial year, in relation to options granted to key management personnel as part of their remuneration:

Name	Financial year in which the options were granted	No. of options lapsed during the current year
[name]	*[year]*	-

Source

Compensation

Reg2M.3.03(1) (Item 12)

For each grant of a cash bonus, performance related bonus or share-based payment compensation benefit made to a member of key management personnel for the company, or if consolidated financial statements are required, for the consolidated entity, whether part of a specific contract for services or not, the remuneration report must include the terms and conditions of each grant affecting compensation in the reporting period or a future reporting period, including the following:

- The grant date
- The nature of the compensation
- The service and performance criteria used to determine the amount of compensation
- If there has been any alteration of the terms or conditions of the grant since the grant date – the date, details and effect of each alteration (see also 'alterations and modifications' below)
- The percentage of the bonus or grant for the financial year that was paid to the person or that vested in the person, in the financial year
- The percentage of the bonus or grant for the financial year that was forfeited by the person (because the person did not meet the service and performance criteria for the bonus or grant) in the financial year
- The financial years, after the financial year which the report relates, for which the bonus or grant will be payable if the person meets the service and performance criteria for the bonus or grant
- Estimates of the maximum and minimum possible total value of the bonus or grant (other than option grants) for financial years after the financial year to which the report relates.

Options and rights over equity instruments

Reg2M.3.03(3)

A disclosure required by Regulation 2M.3.03(1)(Items 15-19) must:

- Be separated into each class of equity instrument
- Identify each class of equity instrument by:
  - The name of the disclosing entity or the relevant subsidiary that issued the equity instrument
  - The class of equity instrument
  - If the instrument is an option or right – the class and number of equity instruments for which it may be exercised.

Reg2M.3.03(1) (Item 15)

If options and rights over an equity instrument issued or issuable by the disclosing entity or any of its subsidiaries have been provided as compensation to a member of key management personnel for the company, or if consolidated financial statements are required, for the consolidated entity, during the reporting period:

- The number of options and the number of rights that, during the reporting period:
  - Have been granted
  - Have vested
- The terms and conditions of each grant made during the reporting period, including:
  - The fair value per option or right at grant date
  - The exercise price per share or unit
  - The amount, if any, paid or payable, by the recipient
  - The expiry date
  - The date or dates when the options or rights may be exercised
  - A summary of the service and performance criteria that must be met before the beneficial interest vests in the person.

Source

Reg2M.3.03(1) (Item 16)

If an equity instrument that is issued or issuable by the disclosing entity or any of its subsidiaries has been provided as a result of the exercise during the reporting period of options and rights that have been granted as compensation to a person:

- The number of equity instruments
- If the number of options or rights exercised differs from the number of equity instruments disclosed under paragraph (a) – the number of options or rights exercised
- The amount paid per instrument
- The amount unpaid per instrument.

Alterations and modifications

Reg2M.3.03(1) (Item 14)

If the terms of share-based payment transactions (including options or rights) granted as compensation to key management personnel have been altered or modified by the disclosing entity or any of its subsidiaries during the reporting period:

- The date of the alteration
- The market price of the underlying equity instrument at the date of the alteration
- The terms of the grant of compensation immediately before the alteration, including:
  - The number and class of the underlying equity instruments, exercise price
  - The time remaining until expiry
  - Each other condition in the terms that affects the vesting or exercise of an option or other right
- The new terms
- The difference between:
  - The total of the fair value of the options or other rights affected by the alteration immediately before the alteration
  - The total of the fair value of the options or other rights immediately after the alteration.

Key terms of employment contracts

s.300A(1)(e)(vii) Reg2M.3.03(1) (Item 13)

The report must also include, for each member of key management personnel for the company, or if consolidated financial statements are required, for the consolidated entity:

- If the person is employed by the company under a contract – the duration of the contract, the periods of notice required to terminate the contract and the termination payments provided for under the contract
- For each contract for services between a person and the disclosing entity (or any of its subsidiaries), any further explanation that is necessary in addition to those prescribed in s.300A(1)(ba) and Regulation 2M.3.03(1)(Item 12) to provide an understanding of:
- How the amount of compensation in the current reporting period was determined
- How the terms of the contract affect compensation in future periods.

Loans to key management personnel

Reg2M.3.03(1) (Item 20)

The Group has provided several of its key management personnel with short-term loans at rates comparable to the average commercial rate of interest.

The loans to key management personnel are unsecured.

The following table outlines aggregate amounts in respect of loans made to key management personnel of the Group.

Reg 2M.3.03 (3A)

The disclosures required by Regulation 2M3.03(1)(Item 20) and Regulation 2M3.03(1)(Item 21) below does not include loans involved in transactions that are in-substance options, including non-recourse loans.

Where such loan arrangements exist and are excluded from the table. The following disclosure is recommended: 'These balances do not include loans that are in-substance options and are non-recourse to the Group.'

Source

Reg2M.3.03(1) (Item 20)

Balance at 1/1/2021 $	Interest charged $	Arm's length interest differential (i) $	Allowance for doubtful receivables $	Balance at 31/12/2021 $	Number of key management personnel
	33,167			2,420,000	3

(i) The amount above refers to the difference between the amount of interest paid and payable in the reporting period and the amount of interest that would have been charged on an arms-length basis.

Key management personnel with loans above $100,000 in the reporting period:

Reg2M.3.03(1) (Item 21)

The Group has provided several of its key management personnel with short-term loans at rates comparable to the average commercial rate of interest.

The loans to key management personnel are unsecured.

The following table outlines amounts in relation to loans above $100,000 made to key management personnel of the Group:

Reg2M.3.03(1) (Item 21)

Name	Balance at 1/1/2021 $	Interest charged $	Arm's length interest differential (i) $	Allowance for doubtful receivables $	Balance at 31/12/2021 $	Highest loan balance during the period $
F.R. Ridley	-	8,977	-	-	1,345,000	1,345,000
B.M. Stavrinidis	-	8,070	-	-	269,000	269,000
C.P. Daniels	-	16,120	-	-	806,000	806,000

(i) The amount above refers to the difference between the amount of interest paid and payable in the reporting period and the amount of interest that would have been charged on an arms-length basis.

Key management personnel equity holdings

Fully paid ordinary shares of International GAAP Holdings Limited

Reg2M.3.03 (1) (Item 21)

Name	Balance at 1/1/2021 No.	Granted as compensation No.	Received on exercise of options No.	Net other change No.	Balance at 31/12/2021 No.	Balance held nominally No.
C.J. Chambers	5,000	-	-	-	5,000	-
P.H. Taylor	1,500	-	50,000	(1,500)	50,000	-
A.K. Black	9,000	-	-	(8,000)	1,000	-
W.L. Lee	2,520	-	6,250	3,500	12,270	3,500
L.J. Jackson	1,250	-	6,250	(1,500)	6,000	800
C.P. Daniels	4,584	-	4,167	-	8,751	-

Convertible notes of International GAAP Holdings Limited

Name	Balance at 1/1/2021 No.	Granted as compensatio n No.	Received on exercise of options No.	Net other change No.	Balance at 31/12/2021 No.	Balance held nominally No.
C.J. Chambers	-	-	-	3,000	3,000	-
P.H. Taylor	-	-	-	15,000	15,000	-

Source

Share options of International GAAP Holdings Limited

Reg2M.3.03 (1) (Item 17)

Name	Bal at 1/1/2021 No.	Granted as compen-sation No.	Exercised No.	Net other change No.	Bal at 31/12/2021 No.	Bal vested at 31/12/2021 No.	Vested but not exer-cisable No.	Vested and exer-cisable No.	Options vested during year No.
P.H. Taylor	50,000	88,000	(50,000)	-	88,000	88,000	-	88,000	88,000
W.L. Lee	-	6,250	(6,250)	-	-	-	-	-	6,250
L.J. Jackson	-	6,250	(6,250)	-	-	-	-	-	6,250
C.P. Daniels	-	4,167	(4,167)	-	-	-	-	-	4,167
N.W. Wright	-	4,167	(4,167)	-	-	-	-	-	4,167
T.L. Smith	-	32,036	-	-	32,036	-	-	-	-

All share options issued to key management personnel were made in accordance with the provisions of the employee share option plan.

During the financial year, 70,834 options were exercised by key management personnel at an exercise price of $1 per option for 70,834 ordinary shares in International GAAP Holdings Limited. No amounts remain unpaid on the options exercised during the financial year at year end.

Further details of the employee share option plan and of share options granted during the 2021 and 2020 financial years are contained in note 57 to the financial statements.

Reg2M.3.03 (1) (Item 19)

For a transaction (other than share based payment compensation) that:

- Involves an equity instrument issued or issuable by the disclosing entity or any of its subsidiaries
- Has occurred, during the reporting period, between the disclosing entity or any of its subsidiaries and any of the following:
  - A key management person
  - A close member of the family of that person
  - An entity over which the person or the family member has, either directly or indirectly, control, joint control or significant influence

if the terms or conditions of the transaction were more favourable than those that it is reasonable to expect the entity would adopt if dealing at arms-length with an unrelated person, the remuneration report must detail:

- The nature of each different type of transaction
- For each transaction, the terms and conditions of the transaction.

Source

Other transactions with key management personnel of the Group

Reg 2M.3.03(1) (Item 22)

During the financial year, the Group recognised interest revenue of $____ in relation to debentures with a carrying value of $____ offered by a company related to Mr B.M. Stavrinidis and held by Subone Finance Pty Ltd. The debentures return interest of ____ % p.a., payable monthly. The debentures mature on *[insert date]*.

Reg 2M.3.03(1) (Item 22-24)

Profit for the year includes the following items of revenue and expense that resulted from transactions, other than compensation, loans or equity holdings, with key management personnel or their related entities:

	2021
Consolidated revenue includes the following amounts arising from transactions with key management personnel of the Group or their related parties:	
- Interest revenue	
- Dividend revenue	
- Other	

	2021
Consolidated profit includes the following expenses arising from transactions with key management personnel of the Group or their related parties:	
- Interest expense	
- Net amounts written-off and allowances for doubtful receivables	
- Other	
Total assets arising from transactions other than loans and amounts receivable in relation to equity instruments with key management personnel or their related parties:	
- Current	
- Allowance for doubtful receivables	
- Non-current	
Total liabilities arising from transactions other than compensation with key management personnel or their related parties:	
- Current	
- Non-current	

Reg 2M.3.03 (3B)

A transaction with, or an amount that is receivable from or payable under a transaction to, a key management person, a close member of the family of that person, or an entity over which the person or the family member has, directly or indirectly, control, joint control or significant influence, is excluded from the requirements of items 22 to 24 of Regulation 2M.3.03 if:

- The transaction occurs within a normal employee, customer or supplier relationship on terms and conditions no more favourable than those that it is reasonable to expect the entity would have adopted if dealing at arms-length with an unrelated person
- Information about the transaction does not have the potential to affect adversely decisions about the allocation of scarce resources made by users of the financial statements, or the discharge of accountability by the key management person
- The transaction is trivial or domestic in nature.

Source

s.298(2)

This directors' report is signed in accordance with a resolution of directors made pursuant to s.298(2) of the *Corporations Act 2001*.

On behalf of the Directors

(Signature)
C.J. Chambers
Director
Sydney, 16 March 2022

Auditor's independence declaration

Source

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Grosvenor Place
225 George Street
Sydney NSW 2000
Australia

Phone: +61 (0) 2 9322 7000
www.deloitte.com

The Board of Directors
International GAAP Holdings Limited
167 Admin Ave
SYDNEY, NSW 2000

16 March 2022

Dear Board Members,

Auditor's Independence Declaration to International GAAP Holdings Limited

s.298(1AA)(c), 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 International GAAP Holdings Limited.

As lead audit partner for the audit of the financial statements of International GAAP Holdings Limited for the financial year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

T.L. Green
Partner
Chartered Accountants

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 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 audit 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.307(5A)	A declaration under s.307C(1) or s.307C(3) in relation to financial statements for a financial 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.298(2) in relation to the directors' report for the financial year • A director signs the directors' report within 7 days after the declaration is given to the directors • The auditors' report on the financial statements is made within 7 days after the directors' report is signed • The auditors' 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 that auditors' 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).
s.298(1AA), (1AC)	A company that is eligible to adopt the corporate governance concessions available to certain crowd-sourced funded public companies is not required to include a copy of the auditor's independence declaration in its financial report where an auditor has not been appointed or where an audit is not required due to the operation of the concessions.

Independent auditor's report

Source

Independent auditor's report
to the members of International GAAP Holdings Limited

An independent auditor's report shall be prepared by the auditor in accordance with the Australian Auditing Standards.

Duty to form an opinion

The auditor is required to form an opinion on the following:

s.307(a), s.308(1)
- Whether the financial statements are in accordance with the Corporations Act, including:
  - Whether the financial statements comply with Australian Accounting Standards
  - Whether the financial statements give a true and fair view of the financial performance and position of the entity (or consolidated entity)

s.307(aa)
- If the financial statements include additional information under s.295(3)(c) (information included to give true and fair view of financial position and performance) – whether the inclusion of that additional information was necessary to give the true and fair view required by s.297

s.307(b)
- Whether the auditor has been given all information, explanations and assistance necessary for the conduct of the audit

s.307(c)
- Whether the company, registered scheme or disclosing entity has kept financial records sufficient to enable financial statements to be prepared and audited

s.307(d)
- Whether the company, registered scheme or disclosing entity has kept other records and registers as required by the Corporations Act

s.308(3C)
- If the directors' report for the financial year includes a remuneration report, whether the auditor is of the opinion that the remuneration report complies with s.300A of the Corporations Act. If not of that opinion, the auditor's report must say why

s.308(3)(b) The auditor is required to include in the audit report particulars of any deficiency, failure or shortcoming in respect of any matter referred to in s.307(b), (c) or (d) above (see 'Duty to report' below).

Qualified audit opinions

s.308(2) Where, in the auditor's opinion, there has been a departure from a particular Australian Accounting Standard, the audit report must, to the extent that is practicable to do so, quantify the effect that non-compliance has on the financial statements. If it is not practicable to quantify the effect fully, the report must say why.

Source	
	Duty to report
s.308(3)	The auditor's report must describe:
s.308(3)(a)	• Any defect or irregularity in the financial report
s.308(3)(b)	• Any deficiency, failure or shortcoming in respect of the matters referred to in s.307(b), (c) or (d), i.e.:
s.307(b)	– Whether the auditor has been given all information, explanations and assistance necessary for the conduct of the audit
s.307(c)	– Whether the company, registered scheme or disclosing entity has kept financial records sufficient to enable financial statements to be prepared and audited
s.307(d)	– Whether the company, registered scheme or disclosing entity has kept other records and registers as required by the Corporations Act.
s.308(3A)	The audit report must include any statements or disclosures required by the auditing standards.
s.308(3B)	If the financial statements include additional information under s.295(3)(c) (information included to give true and fair view of financial position and performance), the audit report must also include a statement of the auditor's opinion on whether the inclusion of that additional information was necessary to give the true and fair view required by s.297.
	Duty to inform
s.311	The auditor must inform ASIC in writing if the auditor is aware of circumstances that: • The auditor has reasonable grounds to suspect amount to a contravention of the Corporations Act, or • Amount to an attempt, in relation to the audit, by any person to unduly influence, coerce, manipulate or mislead a person involved in the conduct of the audit, or • Amount to an attempt, by any person, to otherwise interfere with the proper conduct of the audit. The auditor is required to notify ASIC in writing of the circumstances of the matters outlined above as soon as practicable and in any case within 28 days, after the auditor becomes aware of those circumstances.
ASIC-RG 34	ASIC Regulatory Guide 34 *Auditor's obligations: Reporting to ASIC* provides guidance on the procedures to be followed by registered company auditors in complying with s.311 of the Corporations Act, including specific reference to evidence of a contravention, examples of contraventions and timing of notification.
	Communicating Key Audit Matters **Requirement to report**
ASA701.5	ASA 701 *Communicating Key Audit Matters in the Independent Auditor's Report* applies to audits of general purpose financial reports of listed entities and circumstances when the auditor otherwise decides to communicate key audit matters in the auditor's report. ASA 701 also applies when the auditor is required by law or regulation to communicate key audit matters in the auditor's report. However, ASA 705 *Modifications to the Opinion in the Independent Auditor's Report* prohibits the auditor from communicating key audit matters when the auditor disclaims an opinion on the financial report, unless such reporting is required by law or regulation.

Source

Source	
	What is required to be reported
ASA701.11	The auditor shall describe each key audit matter, using an appropriate subheading, in a separate section of the auditor's report under the heading "Key Audit Matters," unless the circumstances in ASA 701.14 or ASA 701.15 apply. The introductory language in this section of the auditor's report shall state that: • Key audit matters are those matters that, in the auditor's professional judgement, were of most significance in the audit of the financial report (of the current period), and • These matters were addressed in the context of the audit of the financial report as a whole, and in forming the auditor's opinion thereon, and the auditor does not provide a separate opinion on these matters.
ASA701.14	The auditor shall describe each key audit matter in the auditor's report unless: • Law or regulation precludes public disclosure about the matter, or • In extremely rare circumstances, the auditor determines that the matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication. This shall not apply if the entity has publicly disclosed information about the matter.
ASA701.15	A matter giving rise to a modified opinion in accordance with ASA 705, or a material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern in accordance with ASA 570, are by their nature key audit matters. However, in such circumstances, these matters shall not be described in the Key Audit Matters section of the auditor's report.
	Description of individual Key Audit Matters
ASA701.13	The description of each key audit matter in the Key Audit Matters section of the auditor's report shall include a reference to the related disclosure(s), if any, in the financial report and shall address: • Why the matter was considered to be one of most significance in the audit and therefore determined to be a key audit matter • How the matter was addressed in the audit.

Directors' declaration

Source

The directors declare that:

s.295(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

s.295(4)(ca) (b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 1 to the financial statements

s.295(4)(d) (c) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity, and

s.295(4)(e) (d) the directors have been given the declarations required by s.295A of the *Corporation Act 2001*. *[listed companies, listed disclosing entities and listed registered schemes only]*

Where the entity and its closely-held entities have entered into a deed of cross guarantee pursuant to *ASIC Corporations (Wholly-owned Companies) Instrument 2016/785*, the following statements must be included in order to be compliant with the conditions of the Instrument:

ASIC-CI 2016/785, s.6(w) At the date of this declaration, the company is within the class of companies affected by *ASIC Corporations (Wholly owned Companies) Instrument 2016/785*. The nature of the deed of cross guarantee is such that each company which is party to the deed guarantees to each creditor payment in full of any debt in accordance with the deed of cross guarantee.

In the directors' opinion, there are reasonable grounds to believe that the company and the companies to which *ASIC Corporations (Wholly owned Companies) Instrument 2016/785* applies, as detailed in note 20 to the financial statements will, as a group, be able to meet any liabilities to which they are, or may become, subject because of the deed of cross guarantee.

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

On behalf of the Directors

(Signature)
C.J. Chambers
Director

Sydney, 16 March 2022

Consolidated statement of financial position

as at 31 December 2021

Source		Notes	31/12/2021 $'000	31/12/2020 $'000 (restated)*	01/01/2019 $'000 (restated)*
AASB 101:10(a),(ea),(f) 51(b),(c), 113 AASB 101:51(d), (e) AASB 101:10(f), 40A					
	Assets				
AASB 101:60-61, 66-68	***Current assets***				
AASB 101:54(i)	Cash and cash equivalents				
AASB 101:54(h), AASB 15:116(a)	Trade and other receivables	31			
AASB 15:105, 116(a)	Contract assets	27			
AASB 15:105	Contract costs	28			
AASB 15:B21	Right to returned goods asset	26			
AASB 101:54(d), 55	Finance lease receivables	29			
AASB 101:54(d), 55	Investments in financial assets	24			
AASB 101:54(d), 55	Derivative financial assets	34			
AASB 101:54(g)	Inventories	25			
AASB 101:55(n)	Current tax assets				
AASB 101:55	Other *[describe]*				
AASB 101:54(j) AASB 5:38-39	Assets classified as held for sale	13			
	Total current assets				
AASB 101:60-61, 66-68	***Non-current assets***				
AASB 15:105, 116(a)	Contract assets	27			
AASB 15:105	Contract costs	28			
AASB 101:54(d), 55	Investments in financial assets	24			
AASB 101:54(d), 55	Finance lease receivables	29			
AASB 101:54(d), 55	Derivative financial instruments	34			
AASB 101:54(a)	Property, plant and equipment	18			
AASB 16:47(a)	Right-of-use assets	30			
AASB 101:54(b)	Investment property	19			
AASB 101:54(e), 55	Investments in associates	21			
AASB 101:54(e), 55	Investments in joint ventures	22			
AASB 101:55	Goodwill	16			
AASB 101:54(c)	Other intangible assets	17			
AASB 101:54(o), 56	Deferred tax assets	35			
AASB 101:55	Other *[describe]*				
	Total non-current assets				
	Total assets				

Source		Notes	31/12/2021 $'000	31/12/2020 $'000 (restated)*	01/01/2019 $'000 (restated)*
AASB 101:10(a),(ea),(f) 51(b),(c), 113 AASB 101:51(d), (e) AASB 101:10(f), 40A					
	Liabilities				
AASB 101:60-61	***Current liabilities***				
AASB 101:54(k)	Trade and other payables	37			
AASB 15:105, 116(a)	Contract liabilities	60			
AASB 15:B21, 119(d)	Refund liability	61			
AASB 101:54(m), 55 AASB 16:47(b)	Lease liabilities	36			
AASB 101:54(m), 55	Borrowings	32			
AASB 101:54(m), 55	Derivative financial instruments	34			
AASB 101:54(m), 55	Other financial liabilities	38			
AASB 101:54(n)	Current tax liabilities				
AASB 101:54(m), 55	Deferred income – government grant	59			
AASB 101:54(l)	Provisions	39			
AASB 101:55	Other *[describe]*				
AASB 101:54(p) AASB 5:38-39	Liabilities directly associated with assets classified as held for sale	13			
	Total current liabilities				
AASB 101:60-61	***Non-current liabilities***				
AASB 15:105, 116(a)	Contract liabilities	60			
AASB 16:47(b)	Lease liabilities	36			
AASB 101:54(m), 55	Borrowings	32			
AASB 101:54(m), 55	Convertible loan notes	33			
AASB 101:54(m)	Other financial liabilities	38			
AASB 101:54(m), 55	Liability for share-based payments	57			
AASB 101:55	Retirement benefit obligations	58			
AASB 101:55	Deferred income – government grant	59			
AASB 101:54(l)	Provisions	39			
AASB 101:54(o), 56	Deferred tax liabilities	35			
AASB 101:55	Other *[describe]*				
	Total non-current liabilities				
	Total liabilities				
	Net assets				
	Equity				
	Capital and reserves				
AASB 101:55	Share capital	40			
AASB 101:55	Reserves	43 - 49			
AASB 101:55	Retained earnings	50			
AASB 101:54(r)	***Equity attributable to owners of the parent***				
AASB 101:54(q), AASB 10:22	Non-controlling interests	51			
AASB 101:55-55A	**Total equity**				

Source

Source	Notes	31/12/2021 $'000	31/12/2020 $'000 (restated)*	01/01/2019 $'000 (restated)*
AASB 101:10(a),(ea),(f) 51(b),(c), 113 AASB 101:51(d), (e) AASB 101:10(f), 40A				

*The comparative information has been restated as a result of *[describe]* as discussed in note 2

Additional source references: AASB 101:55

Source

AASB 101:40A
AASB 101:40C

AASB 101:40A requires an entity to present a statement of financial position as at the beginning of the preceding period (third statement of financial position) if:

- It applies an accounting policy retrospectively, makes a retrospective restatement of items in its financial statements or reclassifies items in its financial statements; and
- The retrospective application, retrospective restatement or the reclassification has a material effect on the information in the third statement of financial position.

Other than disclosures of certain specified information as required by AASB 101:41-44 and AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, the related notes to the third statement of financial position are not required to be disclosed.

Notes to the consolidated financial statements

Source

1. General information

Statement of compliance

AASB 1054:7, 8, 9

These financial statements are general purpose financial statements which have been prepared in accordance with the *Corporations Act 2001*, Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board (AASB), and comply with other requirements of the law.

AASB 1054:8(b)

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

AASB 101:16

Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Group comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Consequently, this financial report has been prepared in accordance with and complies with IFRS as issued by the IASB.

Summary of requirements

AASB 1054:7

An entity whose financial statements comply with Australian Accounting Standards shall make an explicit and unreserved statement of such compliance in the notes. An entity shall not describe financial statements as complying with Australian Accounting Standards unless they comply with all the requirements of Australian Accounting Standards.

AASB 1054:8

An entity shall disclose in the notes:

- The statutory basis or other reporting framework, if any, under which the financial statements are prepared
- Whether, for the purposes of preparing the financial statements, it is a for-profit or not-for-profit entity.

AASB 1054:9

An entity shall disclose in the notes whether the financial statements are general purpose financial statements or special purpose financial statements.

Source

1. General information (continued)

Presentation currency and rounding

AASB 101:51(d)

These financial statements are presented in Australian Dollars ($). Foreign operations are included in accordance with the policies set out in note 3.

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
AASB 101:51(e)

The company is a company of the 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 the financial report are rounded off to the nearest *[dollar, thousand dollars/ hundred thousand dollars/ million dollars]*, unless otherwise indicated.

ASIC-CI 2016/191

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.

Not-for-profit entities and public sector entities should only refer to the ASIC Corporations Instrument when they are preparing financial statements under the Corporations Act.

Source

2. Adoption of new and revised Australian Accounting Standards

How to use this section in conjunction with the core model financial statements

Note 2 of the *Core model financial statements* sets out new and amended IFRS Standards that are effective for the current year and new and revised IFRS Standards in issue but not yet effective.

This note should be replaced with the illustrative disclosures below which set out:

- Amendments to Australian Accounting Standards that are mandatorily effective for the current period, i.e. for the year ending 31 December 2021
- New and revised Australian Accounting Standards that are not mandatorily effective (but allow early application) for the year ending 31 December 2021
- IASB Standards and IFRIC Interpretations for which equivalent Australian Standards and Interpretations have not yet been issued.

Entities are required to disclose in their financial statements the potential impact of new and revised Australian Accounting Standards that have been issued but are not yet effective. The disclosures reflect a cut-off date of 19 November 2021. The potential impact of any new or revised Standards and Interpretations issued by the AASB or IASB after this date, but before the issue of the financial statements, should also be considered and disclosed.

Note: To assist readers with identifying the differences between the illustrative disclosures included in the core model financial statements and this note, major changes have been identified in blue text (in this Appendix).

The impact of the application of the new and revised Australian Accounting Standards (see below) is for illustrative purposes only. Entities should analyse the impact based on their specific facts and circumstances.

AASB 108:28
AASB 101:31

The following example wording has been provided to assist with compliance of the requirements of AASB 108:28. The disclosures required by AASB 108:28 are only provided where the effect on the current period or any prior period is material.

Source

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

2.1 New and amended Australian Accounting Standards that are effective for the current year

AASB 101:31

There is no requirement to present a full listing of mandatorily effective standards. Disclosures should only include Australian Accounting Standards, amendments to Australian 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 108:28(a), (b), (c), (d)

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 January 2021.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group include:*

- AASB 2020-8 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2*
- AASB 2021-3 *Amendments to Australian Accounting Standards - Covid-19-Related Rent Concessions beyond 30 June 2021* (early adopted)**

* AASB 2020-4 *Amendments to Australian Accounting Standards - Covid-19-Related Rent Concessions* applies to annual reporting periods beginning on or after 1 June 2020 and to rent concessions affecting payments originally due on or before 30 June 2021. AASB 2020-4 is therefore effective for the current year. However, in these models the directors elected under s.334(5) of the Corporations Act to early adopt this amendment in the prior year and therefore the amendment is excluded from the table above. Entities which did not early adopt AASB 2020-4 would need to include AASB 2020-4 in the table above (as a new amendment effective for the current year) if relevant to the entity and include disclosures tailored based on those illustrated on page 259.

** AASB 2021-3 *Amendments to Australian Accounting Standards - Covid-19-Related Rent Concessions beyond 30 June 2021* is effective for annual reporting periods beginning on or after 1 April 2021. In these models the directors have elected under s.334(5) of the Corporations Act to apply AASB 2021-3 in the current year which is prior to its mandatory effective date. AASB 2021-3 is therefore included in the table above as a new amendment effective for the current year.

Entities which have not early adopted AASB 2021-3 would not need to include the amendment in the table above. AASB 2021-3 would however need to be included in section 2.2 *New and revised Australian Accounting Standards and Interpretations on issue but not yet effective*, if relevant to the entity. Further, the requirements of AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* paragraphs 30 – 31 would need to be disclosed.

Pronouncements effective in the current period for not-for-profit and public sector entities

The following pronouncement is effective for the first time in current period for not-for-profit and public sector entities.

- AASB 2021-4 *Amendments to Australian Accounting Standards - Modified Retrospective Transition Approach for Service Concession Grantors*.

Source

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

2.1 New and amended Australian Accounting Standards that are effective for the current year (continued)

Impact of the initial application of AASB 2020-8 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform*

AASB 108:28

In the prior year, the Group adopted AASB 2019-3 *Amendments to Australian Accounting Standards - Interest Rate Benchmark Reform*. These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments are amended as a result of the interest rate benchmark reform.

In the current year, the Group adopted AASB 2020-8 *Amendments to Australian Accounting Standards - Interest Rate Benchmark Reform*. Adopting these amendments enables the Group to reflect the effects of transitioning from interbank offered rates (IBOR) to alternative benchmark interest rates (also referred to as 'risk free rates' or RFRs) without giving rise to accounting impacts that would not provide useful information to users of financial statements. The Group has not restated the prior period. Instead, the amendments have been applied retrospectively with any adjustments recognised in the appropriate components of equity as at 1 January 2021.

Both the Phase 1 and Phase 2 amendments are relevant to the Group because it applies hedge accounting to its interest rate benchmark exposures, and in the current period modifications in response to the reform have been made to some (but not all) of the Group's derivative and non-derivative financial instruments that mature post 2021 (the date by which the reform is expected to be implemented).

Details of the derivative and non-derivative financial instruments affected by the interest rate benchmark reform together with a summary of the actions taken by the Group to manage the risks relating to the reform and the accounting impact, including the impact on hedge accounting relationships, appear in Note 62.

The amendments are relevant for the following types of hedging relationships and financial instruments of the Group, all of which extend beyond 2021:

- Fair value hedges where LIBOR-linked derivatives are designated as a fair value hedge of fixed rate debt in respect of the GBP LIBOR risk component
- Cash flow hedges where IBOR-linked derivatives are designated as a cash flow hedge of IBOR-linked bank borrowings · Bills or exchange and lease liabilities which reference LIBORs and are subject to the interest rate benchmark reform.

The application of the amendments affects the Group's accounting in the following ways:

- The Group has issued CU-denominated fixed rate debt that is subject to a fair value hedge using CU fixed to CU LIBOR interest rate swaps. The amendments permit continuation of hedge accounting even if in the future the hedged benchmark interest rate, CU LIBOR, may no longer be separately identifiable and there is uncertainty about the replacement of the floating interest rates included in the interest rate swaps. However, this relief does not extend to the requirement that the designated interest rate risk component must continue to be reliably measurable. If the risk component is no longer reliably measurable, the hedging relationship will be discontinued.

Source

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

2.1 New and amended Australian Accounting Standards that are effective for the current year (continued)

Impact of the initial application of AASB 2020-8 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform* (continued)

[*For those entities that apply the hedge accounting requirements in IAS 39, the following paragraph would be relevant*.]

- The Group will not discontinue hedge accounting should the retrospective assessment of hedge effectiveness fall outside the 80-125 per cent range and the hedging relationship is subject to interest rate benchmark reforms. For those hedging relationships that are not subject to the interest rate benchmark reforms the entity continues to cease hedge accounting if retrospective effectiveness is outside the 80-125 per cent range.

The Group will continue to apply the Phase 1 amendments to AASB 9/AASB 139 until the uncertainty arising from the interest rate benchmark reform with respect to the timing and the amount of the underlying cash flows to which the Group is exposed ends. The Group expects this uncertainty will continue until the Group's contracts that reference IBORs are amended to specify the date on which the interest rate benchmark will be replaced and the basis for the cash flows of the alternative benchmark rate are determined including any fixed spread.

As a result of the Phase 2 amendments:

- When the contractual terms of the Group's bank borrowings are amended as a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the basis immediately preceding the change, the Group changes the basis for determining the contractual cash flows prospectively by revising the effective interest rate. If additional changes are made, which are not directly related to the reform, the applicable requirements of IFRS 9 are applied to the other changes. See Note 32 for further details regarding changes made to the LIBOR-linked bank borrowings
- When a lease is modified as a direct consequence of the interest rate benchmark reform and the new basis for determining the lease payments is economically equivalent to the previous basis, the Group remeasures the lease liability to reflect the revised lease payments discounted using a revised discount rate that reflects the change in the basis for determining the contractual cash flows
- When changes are made to the hedging instruments, hedged item and hedged risk as a result of the interest rate benchmark reform, the Group updates the hedge documentation without discontinuing the hedging relationship and, in the case of a cash flow hedge, the amount accumulated in the cash flow hedge reserve is deemed to be based on SONIA (see Note 62)
- For the Group's fair value hedges of a non-contractually specified benchmark component of interest rate risk, on transition to the alternative benchmark rate, if that risk rate is not separately identifiable at the date of designation, it will be deemed to have met the separately identifiable requirement at that date, if the Group reasonably expects the term specific interest rate component will be separately identifiable within a period of 24 months from the date the alternative benchmark rate is first designated, regardless of the term for which the risk is designated in that hedge. The 24-month period applies on a rate-by-rate basis.

Note 62 provides the required disclosures related to these amendments.

Source

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

2.1 New and amended Australian Accounting Standards that are effective for the current year (continued)

Impact of the initial application of AASB 2021-3 *Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions beyond 30 June 2021*

The illustrative disclosure below is where the directors have elected under s.334(5) of the Corporations Act to early adopt

- AASB 2020-4 in the prior year
- AASB 2021-3 in the current year.

In the prior year, the Group early adopted AASB 2020-4 *Amendments to Australian Accounting Standards - Covid-19-Related Rent Concessions* that provided practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to AASB 16. This practical expedient was available to rent concessions for which any reduction in lease payments affected payments originally due on or before 30 June 2021.

In April 2021, the Board issued AASB 2021-3 *Amendments to Australian Accounting Standards - Covid-19-Related Rent Concessions beyond 30 June 2021* that extends the practical expedient to apply to reduction in lease payments originally due on or before 30 June 2022.

AASB 108:28(a)-(c)
AASB 16:C1C

In the current financial year, the directors of the Group have elected under s.334(5) of the Corporations Act to early adopt AASB 2021-3 (as issued by the Board in June 2021) in advance of its effective date.

AASB 16:46A

The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession applying AASB 16 as if the change were not a lease modification.

AASB 16:46B

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change
- Any reduction in lease payments affects only payments originally due on or before 30 June 2022 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2022 and increased lease payments that extend beyond 30 June 2022)
- There is no substantive change to other terms and conditions of the lease.

Impact on accounting for changes in lease payments applying the exemption

AASB 16:60A(a)
AASB 16:C20A
AASB 16:C20BA
AASB 16:BC205J

The Group has applied the practical expedient retrospectively to all rent concessions that became eligible for the practical expedient as a result of AASB 2021-3. The Group has not restated prior period figures, and the difference arising on initial application of AASB 2021-3 has been recognised in the opening balance of retained earnings at 1 January 2021. The Group has, in total, benefited from a __ month waiver of lease payments on buildings in *[A Land]*, where those payments originally included amounts due after 30 June 2021 but before 30 June 2022. The waiver of lease payments which total $__ has been accounted for as a negative variable lease payment in profit or loss of $__ for lease payments waived in 2021 and an adjustment to the opening balance of retained earnings at 1 January 2021 of $ __ for lease payments waived in 2020. The Group has derecognised the part of the lease liability that has been extinguished by the forgiveness of lease payments, consistent with the requirements of AASB 9:3.3.1.

Source

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

2.1 New and amended Australian Accounting Standards that are effective for the current year (continued)

Impact of the initial application of AASB 2021-3 *Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions beyond 30 June 2021* (continued)

In the current period, the Group has benefited from a __ month lease payment holiday on buildings in [B Land].

The payment holiday reduces payments in the period to [date] by $__, and increases payments in the period to [date] by $__. The Group has remeasured the lease liability using the revised lease payments and the discount rate originally applied to the lease, resulting in a decrease in the lease liability of $__ (2020: $__), which has been recognised as a negative variable lease payment in profit or loss. The Group continues to recognise interest expense on the lease liability.

Impact of the initial application of AASB 2020-4 *Amendments to Australian Accounting Standards - COVID-19-Related Rent Concessions* and AASB 2021-3 *Amendments to Australian Accounting Standards - Covid-19-Related Rent Concessions beyond 30 June 2021*

The illustrative disclosure below is where:

- AASB 2020-4 is adopted in the current year in line with its mandatory effective date (i.e. effective for annual reporting periods beginning on or after 1 June 2020)
- The directors have elected under s.334(5) of the Corporations Act to early adopt AASB 2021-3 in the current year.

Note: The illustrative disclosure in the core model financial statements illustrates the early adoption of AASB 2020-4 in the prior year and the early adoption of AASB 2021-3 in the current year. That disclosure has been adapted accordingly to illustrate the disclosure described above.

AASB 108:28

AASB 2020-4 and AASB 2021-3 amend AASB 16 *Leases* to provide practical relief to lessees in accounting for rent concessions arising as a result of COVID-19, by including an additional practical expedient in the standard.

In April 2021, the Board issued AASB 2021-3 *Amendments to Australian Accounting Standards - Covid-19-Related Rent Concessions beyond 30 June 2021* that extends the practical expedient to apply to reduction in lease payments originally due on or before 30 June 2022.

AASB 108:28(a)-(c)
AASB 16:C1C

In the current financial year the Group has adopted AASB 2020-4. Further the directors of the Group have elected under s.334(5) of the Corporations Act to early adopt AASB 2021-3 (as issued by the Board in April 2021) in advance of its effective date.

AASB 16:46A

The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession applying AASB 16 as if the change were not a lease modification.

Source

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

2.1 New and amended Australian Accounting Standards that are effective for the current year (continued)

Impact of the initial application of AASB 2020-4 *Amendments to Australian Accounting Standards - COVID-19-Related Rent Concessions* and AASB 2021-3 *Amendments to Australian Accounting Standards - Covid-19-Related Rent Concessions beyond 30 June 2021* (continued)

AASB 16:46B

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change
- Any reduction in lease payments affects only payments originally due on or before 30 June 2022 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2022 and increased lease payments that extend beyond 30 June 2022)

There is no substantive change to other terms and conditions of the lease.

Impact on accounting for changes in lease payments applying the exemption

AASB 16:60A(a)

AASB 16:C20A
AASB 16:C20BA
AASB 16:BC205J

The Group has applied the practical expedient retrospectively to all rent concessions that became eligible for the practical expedient as a result of AASB 2020-4 and AASB 2021-3. The Group has not restated prior period figures, and the difference arising on initial application of AASB 2020-4 and AASB 2021-3 has been recognised in the opening balance of retained earnings at 1 January 2021. The Group has, in total, benefited from a __ month waiver of lease payments on buildings in *[A Land]*, where those payments originally included amounts due on or before 30 June 2022. The waiver of lease payments which total $__ has been accounted for as a negative variable lease payment in profit or loss of $__ for lease payments waived in 2021 and an adjustment to the opening balance of retained earnings at 1 January 2021 of $ __ for lease payments waived in 2020. The Group has derecognised the part of the lease liability that has been extinguished by the forgiveness of lease payments, consistent with the requirements of AASB 9:3.3.1.

In the current period, the Group has benefited from a __ month lease payment holiday on buildings in *[B Land]*.

The payment holiday reduces payments in the period to *[date]* by $__, and increases payments in the period to *[date]* by $__. The Group has remeasured the lease liability using the revised lease payments and the discount rate originally applied to the lease, resulting in a decrease in the lease liability of $__ (2020: $__), which has been recognised as a negative variable lease payment in profit or loss. The Group continues to recognise interest expense on the lease liability.

AASB 16:C1C

Applying the practical expedient

In April 2021 the AASB issued AASB 2021-3 *Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions beyond 30 June 2021* which extends the practical expedient by one year to cover rent concessions that reduce only lease payments due on or before 30 June 2022. The amendment is effective for annual reporting periods beginning on or after 1 April 2021 but earlier application is permitted, including in financial statements not authorised for issue at 31 March 2021.

Source

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

2.1 New and amended Australian Accounting Standards that are effective for the current year (continued)

AASB 2020-4 *Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions* and AASB 2021-3 *Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions beyond 30 June 2021* (continued)

Applying the practical expedient (continued)

IFRS 16:BC205J

As noted in the *Amendment to the Basis for Conclusions on IFRS 16 Leases* paragraph BC205J, a lessee:

- That has already applied the practical expedient (in AASB 2020-4) must apply the extended scope of the expedient (in AASB 2021-3) to eligible contracts with similar characteristics and in similar circumstances
- May not elect to apply the practical expedient if the lessee has previously elected not to apply it to eligible rent concessions
- That has not established an accounting policy on applying (or not applying) the practical expedient to eligible rent concessions can still decide to apply the practical expedient. However, such a lessee would be required to do so retrospectively and consistently to eligible contracts with similar characteristics and in similar circumstances.

In practice, typically entities that have applied AASB 2020-4 in prior periods and have elected to apply the practical expedient to eligible rent concessions may elect to early adopt the amendments in AASB 2021-3, particularly where the additional rent concessions to which the practical expedient could be applied were negotiated or entered into during the current financial year.

A retrospective adjustment would be required where all of the following apply (which may not arise often in practice):

- A COVID-19-related rent concession was entered into in the prior period
- The practical expedient could not be applied because the concession did not affect only payments originally due on or before 30 June 2021 (i.e. it impacted payments originally due *after* 30 June 2021). The practical expedient is applied on application of AASB 2021-3 because the concession affects only payments originally due on or before 30 June 2022.

AASB 16:C20BC

When applying the practical expedient, a lessee is required to apply the practical expedient consistently to eligible contracts with similar characteristics and in similar circumstances, irrespective of whether the contract became eligible for the practical expedient as a result of the lessee applying AASB 2020-4 *Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions* or AASB 2021-3 *Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions beyond 30 June 2021*.

AASB 16:C20BA

The amendment is applied retrospectively, recognising the cumulative effect of initially applying AASB 2021-3 as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the lessee first applies the amendment.

AASB 16:C20BB

In the reporting period in which a lessee first applies AASB 2021-3, a lessee is not required to disclose the information required by paragraph 28(f) of AASB 108.

Source

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

AASB 108:30 - 31

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

Entities are required to disclose in their financial statements the potential impact of new and revised Australian Accounting Standards that have been issued but are not yet effective. The disclosures below reflect a cut-off date of 19 November 2021. The potential impact of the application of any new and revised Australian Accounting Standards issued by the AASB or IASB after 19 November 2021 but before the financial statements are issued should also be considered and disclosed.

Having completed assessment of the impact of the various pronouncements in issue but not yet effective, the following example disclosures should be tailored as appropriate for the entity. In some cases, an entity may not yet have determined the impact and therefore may state "*The potential effect of the revised Standards/Interpretations on the Group's financial statements has not yet been determined.*"

However, entities should consider the expectations of regulators (e.g. ASIC) with regards to having assessed the impact of pronouncements in issue but not yet effective and how detailed the disclosures need to be.

AASB 108:30(a), (b)

Where Standards or Interpretations in issue but not yet effective will result in changes in recognition or measurement, the following wording should be tailored as appropriate to reflect the amendments affecting the entity. Where an Accounting Standard is not relevant to the entity, it is not necessary to include explanations about the pronouncement:

A number of Australian Accounting Standards and Interpretations [and IFRS and IFRIC Interpretations] are on issue but are not effective for the current year end. The following existing group accounting policies will change on adoption of these pronouncements:

The impact of the application of the new and revised Australian Accounting Standards (see below) is for illustrative purposes only. Entities should analyse the impact based on their specific facts and circumstances.

AASB 108:30

When an entity has not applied a new Accounting Standard that has been issued but is not yet effective, the entity shall disclose:

- This fact
- Known or reasonably estimable information relevant to assessing the possible impact that application of the new Accounting Standard will have on the entity's financial report in the period of initial application.

AASB 108:31

In complying with the requirements above, an entity considers disclosing:

- The title of the new Accounting Standard
- The nature of the impending change or changes in accounting policy
- The date by which application of the Accounting Standard is required
- The date as at which it plans to apply the Accounting Standard initially
- Either:
  - A discussion of the impact that initial application of the Accounting Standard is expected to have on the entity's financial report, or
  - If that impact is not known or reasonably estimable, a statement to that effect.

Source

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

2.2 New and revised Australian Accounting Standards and Interpretations on issue but not yet effective (continued)

AASB 108:30, 31

At the date of authorisation of the financial statements, the Group has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective[30]:

AASB 108:31(a), (c), (d)

Standard/amendment	Effective for annual reporting periods beginning on or after
AASB 17 *Insurance Contracts* and AASB 2020-5 *Amendments to Australian Accounting Standards – Insurance Contracts*	1 January 2023[31]
AASB 2014-10 *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*, AASB 2015-10 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128* and AASB 2017-5 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*	1 January 2022 (Editorial corrections in AASB 2017-5 applied from 1 January 2018)
AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current* and AASB 2020-6 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date*	1 January 2023[32]
AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments*	1 January 2022
AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*	1 January 2023
AASB 2021-5 *Amendments to Australian Accounting Standards - Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023

[30] These illustrative disclosures assume that the entity has adopted AASB 2021-3 *Amendments to Australian Accounting Standards - Covid-19-Related Rent Concessions beyond 30 June 2021* prior to its mandatory application date. Illustrative wording where the entity has not applied AASB 2021-3 early should list the Standard in the table and refer to the example disclosures provided on page 275.

[31] AASB 17 was originally effective for annual reporting periods beginning on or after 1 January 2021, but was deferred to annual reporting periods beginning on or after 1 January 2023 by AASB 2020-5. Although AASB 2020-5 is effective for annual periods beginning on or after 1 January 2021, its amendments have the effect of deferring the effective date of AASB 17 to annual reporting periods beginning on or after 1 January 2023 (in addition to amending AASB 17 and AASB 4).

[32] AASB 2020-6, although itself effective for annual reporting periods beginning on or after 1 January 2022 (the original effective date of AASB 2020-1), has the effect of deferring the mandatory application of those amendments to annual reporting periods beginning on or after 1 January 2023. On 19 November 2021, the IASB issued Exposure Draft ED/2021/9 *Non-current Liabilities with Covenants* which proposes that entities would classify liabilities as current or non-current based on compliance with covenants required on or before the reporting date and that the existence of covenants that are required to be complied with within 12 months of the reporting date would not affect classification of liabilities at the reporting date. The Exposure Draft also proposes that liabilities classified as non-current which have covenant requirements to meet in the 12 months after reporting date should be presented separately in the statement of financial position and detailed information about the covenants provided in the notes to the financial statements.

Source

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

2.2 New and revised Australian Accounting Standards and Interpretations on issue but not yet effective (continued)

AASB 1054:17

In addition, at the date of authorisation of the financial statements the following IASB Standards and IFRS Interpretations Committee Interpretations were on issue but not yet effective, but for which Australian equivalent Standards and Interpretations have not yet been issued:

Standard/amendment	Effective for annual reporting periods beginning on or after
[Describe]	

Changes to the differential reporting framework

The following Standards are not included in the above lists, as they do not impact 'Tier 1' financial statements:

- AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Entities*
- AASB 2020-2 *Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities*
- AASB 2020-7 *Amendments to Australian Accounting Standards - Covid-19-Related Rent Concessions: Tier 2 Disclosures*
- AASB 2020-9 *Amendments to Australian Accounting Standards - Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments.*

Entities preparing special purpose financial statements under the Corporations Act are required to comply with AASB 108 *Accounting Policies, Changes in Accounting Policies and Errors.* Accordingly, where the entity's financial statements are expected to be impacted by the above pronouncements, they may wish to include appropriate disclosure in their financial statements of the expected impact of the above standards.

The impacts of the revised Tier 2 reporting requirements are discussed in the *Australian financial reporting guide* and illustrative disclosures are available in the Tier 2 models (available at www.deloitte.com/au/models).

New and revised Australian Accounting Standards and Interpretations on issue but not yet effective for not-for-profit and public sector entities

There are no additional new pronouncements on issue but not yet effective for not-for-profit and public sector entities.

Changes to the differential reporting framework for not-for-profit and public sector entities

AASB 2021-1 *Amendments to Australian Accounting Standards - Transition to Tier 2: Simplified Disclosures for Not-for-Profit Entities* does not impact 'Tier 1' financial statements and therefore illustrative disclosures have not been provided,

Source

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

2.2 New and revised Australian Accounting Standards and Interpretations on issue but not yet effective (continued)

General guidance

AASB 108:30 requires entities to give known or reasonably estimable information relevant to assessing the possible impact that application of any new or revised standard will have on the entity's financial statements in the period of initial application.

The regulatory requirements in the various jurisdictions may differ as to how detailed the disclosures need to be; some regulators may require both qualitative and quantitative information to be disclosed whereas others may consider that qualitative information (e.g. key areas that may be affected by the new or revised standards) suffices in many circumstances. For this reason, relevant regulatory guidance should also be considered in preparing the disclosure.

This applies to all new or revised Australian Accounting Standards and Interpretations that have been issued but are not yet effective.

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*.

The Standard 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.

During 2020, the AASB issued amendments to AASB 17 to address concerns and implementation challenges that were identified after AASB 17 was published. The amendments defer the date of initial application of AASB 17 (incorporating the amendments) to annual reporting periods beginning on or after 1 January 2023. The amendments also extend the fixed expiry date of the temporary exemption from applying AASB 9 *Financial Instruments* in AASB 4 *Insurance Contracts* to annual reporting periods beginning on or after 1 January 2023.

AASB 17 must be applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.

For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.

The directors of the Company do not anticipate that the application of the Standard in the future will have an impact on the Group's consolidated financial statements.

Source

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

2.2 New and revised Australian Accounting Standards and Interpretations on issue but not yet effective (continued)

AASB 2014-*10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*, AASB 2015-10 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128* and AASB 2017-5 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*

The amendments to AASB 10 *Consolidated Financial Statements* and AASB 128 *Investment in Associates and Joint Ventures* deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments was amended by AASB 2015-10 and AASB 2017-5 and now applies for annual reporting periods beginning on or after 1 January 2022 (however the editorial corrections in AASB 2017-5 apply for annual reporting periods beginning on or after 1 January 2018). The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.

AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current* and AASB 2020-6 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date*

The amendments to AASB 101 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

The directors of the Company do not anticipate that the application of the amendments in the future will have a material impact on the Group's consolidated financial statements.

Source

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

2.2 New and revised Australian Accounting Standards and Interpretations on issue but not yet effective (continued)

AASB 2020-3 *Amendments to Australian Accounting Standards - Annual Improvements 2018–2020 and Other Amendments*

Amends numerous Standards to effect of number of minor changes, as set out below. The amendments apply to annual reporting periods beginning on or after 1 January 2022 (apart from the amendments to AASB 16 which affect the Illustrative Examples which accompanying but are not part of the Standard and so do not have an effective date).

Annual Improvements

The annual improvements amend the following standards:

- AASB 1 *First-time Adoption of International Financial Reporting Standards* to permit a subsidiary that applies paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRS Standards
- AASB 9 *Financial Instruments* to clarify that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf
- AASB 16 *Leases* to amend Illustrative Example 13 to remove the illustration of the reimbursement of leasehold improvements by the lessor
- AASB 141 *Agriculture* to remove the requirement to exclude cash flows for taxation when measuring the fair value of a biological asset using a present value technique.

The directors of the Company anticipate that the application of the amendments will not have a material impact on the Group's consolidated financial statements, as many of the amendments either do not affect the Group's existing accounting policies, or apply to situations, transactions and events that the Group does not undertake.

Amendments to AASB 3 *Business Combinations*

The amendments update AASB 3 so that it refers to the *Conceptual Framework for Financial Reporting*. They also add to AASB 3 a requirement that, for obligations within the scope of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*, an acquirer applies AASB 137 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of Interpretation 21 *Levies*, the acquirer applies Interpretation 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022.

Source

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

2.2 New and revised Australian Accounting Standards and Interpretations on issue but not yet effective (continued)

AASB 2020-3 *Amendments to Australian Accounting Standards - Annual Improvements 2018–2020 and Other Amendments* (continued)

Property, Plant and Equipment — Proceeds before Intended Use

The amendments to AASB 116 *Property, Plant and Equipment* prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, the proceeds from selling such items, and the cost of producing those items, is recognised in profit or loss.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. AASB 116 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others or for administrative purposes.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management or on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The directors of the Company anticipate that the application of the amendments will likely impact on the Group's accounting policies in respect of the construction of assets, as certain proceeds of selling items produced whilst bringing assets under construction are currently deducted from the cost of the asset. However, the directors have not assessed the financial effect of this change in accounting policy.

Note: the illustrative disclosures noted immediately above have been simplified from those included in the core model financial statements.

Onerous Contracts — Cost of Fulfilling a Contract

The amendments to AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* specify that the 'cost of fulfilling' an onerous contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (e.g. direct labour and materials) and an allocation of other costs that relate directly to fulfilling contracts (e.g. the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Source

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

2.2 New and revised Australian Accounting Standards and Interpretations on issue but not yet effective (continued)

AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*

AASB 2021-2 amends AASB Standards to improve accounting policy disclosures so that they provide more useful information to investors users of the financial statements and clarify the distinction between accounting policies and accounting estimates. Specifically, AASB 2021-2 amends:

- AASB 7 *Financial Instruments: Disclosures*, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements
- AASB 101 *Presentation of Financial Statements*, to require entities to disclose their material accounting policy information rather than their significant accounting policies
- AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates
- AASB 134 *Interim Financial Reporting*, to identify material accounting policy information as a component of a complete set of financial statements
- *AASB Practice Statement 2 Making Materiality Judgements*, to provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures.

Except for the amendments to AASB Practice Statement 2 (which provide non-mandatory guidance and therefore do not have an effective date), the amendments are effective for annual periods beginning on or after 1 January 2023. The amendments to the individual Standards may be applied early, separately from the amendments to the other Standards, where feasible.

The directors of the Company do not anticipate that the amendments will have a material impact on the Group, but may change the disclosure of accounting policies included in the financial statements.

Note: the illustrative disclosures noted immediately above have been simplified from those included in the core model financial statements.

Source

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

2.2 New and revised Australian Accounting Standards and Interpretations on issue but not yet effective (continued)

AASB 2021-5 *Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The example disclosure included below 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.

AASB 1054:17

Amends AASB 112 *Income Taxes* to specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations.

In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time (the 'initial recognition exception'). The amendments clarify that the initial recognition exception does not apply to transactions where both an asset and a liability are recognised in a single transaction. Accordingly, deferred tax is required to be recognised on such transactions.

The Group currently accounts for deferred taxes arising from leases, decommissioning liabilities and similar items in respect of the transaction as a whole. For example, in respect of leases, the entity seeks to reflect the linkage between the right-of-use asset and the lease liability and recognise deferred tax on an aggregate temporary difference basis. On application of the amendments, deferred tax amounts will instead be recognised in respect of each separate part of the overall transaction, e.g. in respect of each of the right-of-use asset and lease liability. The directors have not finalised the assessment of the impact of this change in accounting policy, but expect that the total impact on net assets will not be material.

The amendments apply to annual reporting periods beginning on or after 1 January 2023.

Source

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

2.2 New and revised Australian Accounting Standards and Interpretations on issue but not yet effective (continued)

AASB 2021-3 *Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions beyond 30 June 2021*

AASB 2021-3 *Amendments to Australian Accounting Standards - Covid-19-Related Rent Concessions beyond 30 June 2021* is effective for annual reporting periods beginning on or after 1 April 2021. In these models, the directors have elected under s.334(5) of the Corporations Act to apply AASB 2021-3 in the current year which is prior to its mandatory effective date. AASB 2021-3 is therefore excluded from the table on page 263 and instead included in section 2.1 *New and amended Australian Accounting Standards that are effective for the current year* starting on page 255. Where the entity has elected to early adopt this amendment, it should include disclosures tailored based on those illustrated ion page 258.

Below is illustrative wording that can be tailored for entities that (1) have not received or expect to receive eligible rent concessions to which the practical expedient could be applied or (2) have chosen not to apply the practical expedient in AASB 16 *Leases* for COVID-19-related rent concessions. Where the entity has previously applied the practical expedient, the entity may choose to early adopt the amendments in AASB 2021-3.

"AASB 2021-3 extends the practical expedient in AASB 16 *Leases* for lessees in accounting for rent concessions as a result of COVID-19 to include rent concessions that only affect payments originally due on or before 30 June 2022 (previously 30 June 2021).

The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying AASB 16 if the change were not a lease modification.

The amendment is effective for annual reporting periods beginning on or after 1 April 2021. The Group will adopt the amendment for the first time in its annual reporting period ending 30 June 2022.

The directors of the Company do not anticipate that the amendments will have a material impact on the Group *[as the Group has not received, and does not expect to receive, any rent concessions to which the practical expedient could be applied / has not elected to apply the practical expedient to eligible rent concessions to which the practical expedient could be applied]* ."

Source

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

2.3 Other changes in accounting policies

Change in accounting policy – Software-as-a-Service arrangements[33]

AASB 108:28

The IFRS Interpretations Committee (IFRIC) has issued two agenda decisions related to accounting for Software-as-a-Service (SaaS) arrangements:

- In March 2019, the IFRIC considered the accounting for SaaS arrangements (the first agenda decision) and concluded that for many such arrangements the substance is that the entity has contracted to receive services rather than the acquisition (or lease) of software assets. This is because, in a cloud-based environment, the SaaS contract generally only gives the customer the right to receive access to the cloud provider's application software, rather than a license over the IP i.e. control over the software code itself
- In April 2021, the IFRIC specifically considered how an entity should account for configuration and customisation costs incurred in implementing these (SaaS) service arrangements. The IFRIC concluded (the second agenda decision) that these costs should be expensed, unless the criteria for recognising a separate asset are met.

The Group has implemented this guidance retrospectively as a change in accounting policy. Previously, the Group *[capitalised certain upfront configuration and customisation costs incurred in implementing SaaS arrangements / explain previous accounting policy]*.

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

Financial statement item	31 December 2020 DR/(CR)	1 January 2020 DR/(CR)
Statement of financial position		
Intangible assets	(___)	(___)
Total assets / net assets	(___)	(___)
Retained earnings	___	(___)
Total equity	___	___
Statement of comprehensive income		
Information technology expenses	___	-
Depreciation and amortisation	(___)	-
Profit before tax	___	-
Statement of cash flows		
Payments to suppliers and employees	(___)	-
Net cash generated by operating activities	(___)	-
Payment to acquire intangible assets	___	-
Net cash used in investing activities	___	-

[33] For more information about accounting for Software-as-a-Service (SaaS) arrangements, see our Clarity publication, *Software-as-a-Service arrangements*, available at www.deloitte.com/au/clarity.

Source

3. Significant accounting policies

AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*

In March 2021 the AASB amended AASB Standards to improve accounting policy disclosures and clarify the distinction between accounting policies and accounting estimates. The amendments inter alia require an entity to disclose its **material** accounting policies, instead of its **significant** accounting policies.

Except for the amendments to AASB Practice Statement 2 *Making Materiality Judgements* (which provide non-mandatory guidance and therefore do not have an effective date), the amendments are effective for annual periods beginning on or after 1 January 2023. The amendments to the individual Standards may be applied early, separately from the amendments to the other Standards, where feasible.

The Group has not chosen to early adopt AASB 2021-2 in the current year. Therefore, the disclosures in this model annual report does not take into account the requirements of AASB 2021-2. The illustrative accounting policies disclosures below and those in Note 3 of the core model financial statements (for financial reporting periods ending on or after 31 December 2021) should be tailored to be specific to the entity.

...

Goods and services tax

Int 1031 Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- Where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense*, or
- For receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

* In October 2021, IFRIC finalised an agenda decision on whether or not an entity includes non-recoverable value added taxes (VAT) as part of lease payments for a lease. The IFRIC concluded that there is limited evidence (1) that non-refundable VAT on lease payments is material to affected leases and (2) of diversity in the way lessees in similar circumstances account for non-refundable VAT of lease payments. The Committee decided not to add a standard-setting project to the work plan.

Entities that incur GST on lease payments that is not recoverable from the taxation authority may wish to explain how such amounts are treated. Such entities may for example not include the expected non-recoverable GST in the determination of their lease liabilities on the basis that it is accounted for under Interpretation 21 *Levies*.

Source

3. Significant accounting policies (continued)

Software-as-a-Service (SaaS) arrangements[34]

During the year, the Company revised its accounting policy in relation to upfront configuration and customisation costs incurred in implementing SaaS arrangements in response to the IFRIC agenda decision clarifying its interpretation of how current accounting standards apply to these types of arrangements. The new accounting policy is presented below. Historical financial information has been restated to account for the impact of the change (refer Note 2.3).

SaaS arrangements are service contracts providing the Company with the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as operating expenses when the services are received.

Some of these costs incurred are for the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of and recognition criteria for an intangible asset. These costs are recognised as intangible software assets and amortised over the useful life of the software on a straight-line basis. The useful lives of these assets are reviewed at least at the end of each financial year, and any change accounted for prospectively as a change in accounting estimate.

Revenue recognition *(not-for-profit and public sector)*

AASB 108:28
AASB 108:31

The Group recognises income from its main revenue/income streams, as listed below:

- Government grants
- Donations and bequests
- Capital grants.

AASB 1058:8-10

Government grants, donations and bequests

When the Group receives government grants, donations and bequests that are in the scope of AASB 1058 (being a transaction where the consideration paid to acquire an asset is significantly less than fair value principally to enable the Group to further its objectives) , it performs an assessment to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations.

Where the consideration to acquire an asset is significantly less than fair value principally to enable the Group to further its objectives, the transaction is accounted for under AASB 1058 where the Group:

- Recognises the asset in accordance with the requirements of other relevant applicable Australian Accounting Standards (e.g. AASB 9, AASB 16, AASB 116 and AASB 138)
- Considers whether any other financial statement elements should be recognised ('related amounts') in accordance with the relevant applicable Australian Accounting Standard including:
  - Contributions by owners (AASB 1004)
  - A lease liability (AASB 16)
  - Revenue, or a contract liability arising from a contract with a customer (AASB 15)
  - A financial instrument (AASB 9)
  - A provision (AASB 137)
- Recognises income immediately in profit or loss for the excess of the initial carrying amount of the asset over any related amounts recognised.

AASB 1058:15-17

In cases where the consideration is solely performance obligations under an enforceable contract and sufficiently specific to enable determination as to when the obligations are satisfied, the transaction is accounted for under AASB 15.

[34] In addition to disclosing accounting policies, entities may also need to disclose key judgements in applying those accounting policies. For an illustrative example, and more information about accounting for Software-as-a-Service (SaaS) arrangements, see our Clarity publication, *Software-as-a-Service arrangements*, available at www.deloitte.com/au/clarity.

Source

3. Significant accounting policies (continued)

Revenue recognition *(not-for-profit and public sector)* (continued)

Capital grants – Buildings

For capital grants received under an enforceable agreement where it includes a transfer to enable the Group to acquire or construct a recognisable non-financial asset to identified specifications which will be controlled by the Group when completed, the Group recognises a liability for the excess of the fair value of the transfer over any related amounts recognised and recognises income as it satisfies its obligations under the transfer.

As the capital grants received by the Group are primarily for the construction of buildings, the Group recognises income as the buildings are constructed (when it satisfies its obligations).

Unrecognised revenue *(not-for-profit entities)*

Volunteer services

AASB 1058:19

The Group regularly receives volunteer services as part of its operations. Under AASB 1058, private sector not-for-profit entities have a policy option to account for donated services at fair value if the fair value can be reliably measured.

While the Group has assessed that the fair value of its volunteer services can be reliably measured, it has decided to adopt the policy option not to recognise volunteer services. Accordingly, no amounts are recognised in the financial statements for volunteer services.

Donated inventories

AASB 102:Aus10.1-Aus10.2

As part of its operations, the Group receives donations of goods which may then be used in its activities. AASB 102 *Inventories* requires the donated inventories to be measured at current replacement cost and any related amounts to be accounted for under AASB 1058.

The Group has decided to make use of the practical expedient under AASB 102 and apply the materiality assessment at the individual item level (instead of the portfolio level) when recognising donated inventories. Based on an assessment, the Group has noted that it only receives individually immaterial donations of inventory and accordingly will not be required to recognise such donated inventories. Accordingly, no amounts are recognised in the financial statements for donated inventories.

Leases at significantly below-market terms and conditions (concessionary leases) *(not-for-profit entities)*

AASB 16:Aus25.2
AASB 16:Aus59.1

For not-for-profit entities with leases that have significantly below-market terms and conditions principally to enable the entity to further its objectives (commonly known as concessionary leases or peppercorn leases), AASB 1058 and AASB 16 requires not-for-profit entities to measure right-of-use assets at initial recognition at fair value (based on AASB 13), the lease liability per AASB 16 and the difference to be accounted as income upfront.

AASB 2018-8 *Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities* provides a temporary option for not-for-profit lessees to elect to measure a class (or classes) of right-of-use assets arising under 'concessionary leases' at initial recognition, at either fair value or cost. If an entity chooses the cost option, additional disclosures are required for each material 'concessionary / peppercorn lease' on the nature and terms and the entity's dependence on such leases.

AASB 2019-8 *Amendments to Australian Accounting Standards – Class of Right-of-Use Assets arising under Concessionary Leases* specify for not-for-profit entities that right-of-use assets arising under concessionary leases can be treated as a separate class of right-of-use assets to right-of-use assets arising under other leases for the purposes of AASB 16.

Source

3. Significant accounting policies (continued)

Leases at significantly below-market terms and conditions (concessionary leases) *(not-for-profit entities)* (continued)

The Group has some at-market leases and some leases at significantly below-market terms and conditions (concessionary leases).

For the at-market leases, these will be accounted for under AASB 16.

For the concessionary leases, the Group has decided to make use of the temporary option under AASB 2018-8 to measure the right-of-use assets at cost on initial recognition. The Group has also made the necessary disclosures in note 31 for each material concessionary lease as required by AASB 16:Aus59.1-2.

The Group has also decided to apply AASB 2019-8 to treat right-of-use assets arising under concessionary leases as a separate class of right-of-use assets to right-of-use assets arising under other leases for the purposes of AASB 16.

4. Critical accounting judgements and key sources of estimation uncertainty

Revenue recognition *(not-for-profit entities)*

To determine if a grant contract should be accounted for under AASB 1058 or AASB 15, the Group has to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations. When assessing whether the performance obligations are 'sufficiently specific', the Group has applied significant judgement in this regard by performing a detailed analysis of the terms and conditions contained in the grant contracts, review of accompanying documentation (e.g. activity work plans) and holding discussions with relevant parties.

Income recognition from grants received by the Group has been appropriately accounted for under AASB 1058 or AASB 15 based on the assessment performed.

[Expand as necessary to highlight any specific areas that were assessed and the judgements made]

Source

14. Dividends

AASB 1054 disclosures to be provided in addition to those provided in note 14 of the core model financial statements:

AASB 101:137

On 21 February 2022, the directors declared a fully franked final dividend of ____ cents per share to the holders of fully paid ordinary shares in respect of the financial year ended 31 December 2021 to be paid to shareholders on 7 April 2022. This dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these consolidated financial statements. If approved, the dividend will be paid to all shareholders on the Register of Members on 17 March 2022. The total estimated dividend to be paid is $____.

Imputation credits (franking credits)

AASB 1054:14

The information below is considered best practice for the disclosure of imputation credits (franking credits). AASB 1054 only specifically requires the disclosure of the amount of imputation credits available for use in subsequent reporting periods (i.e. the 'adjusted franking account balance' in the information below). The disclosures below reconcile from the actual franking account balance at the reporting date to the adjusted franking account balance using the guidance in AASB 1054:14, and also discloses the impact of franking debits arising from declared dividends which have not been recognised as a liability in the financial statements.

Source		Company	
		31/12/2021 $'000	31/12/2020 $'000
	Franking account balance at 31 Dec		
AASB 1054:14(a)	Imputation credits that will arise from the payment of the current tax liability		
AASB 1054:14(b)	Imputation debits that will arise from the payment of dividends recognised as a liability at the reporting date		
AASB 1054:14(c)	Imputation credits that will arise from the receipt of dividends recognised as receivables at the reporting date		
	Imputation debits that will arise from the receipt of tax loss carry backs		
AASB 1054:13	***Adjusted franking account balance***		
AASB 112:81(i)	Imputation debits that will arise from the payments of dividends declared by not recognised in the financial statements		
	Adjusted franking account balance after payment of unrecognised dividend amounts		

AASB 1054:12

The term 'imputation credits' in AASB 1054:13-15 is used to also mean 'franking credits'. The disclosures required by AASB 1054 are made separately in respect of any New Zealand imputation credits and any Australian imputation credits.

AASB 1054:15

Where there are different classes of investors with different entitlements to imputation credits, disclosures are made about the nature of those entitlements for each class where this is relevant to an understanding of them.

Exempting accounts

Exempting accounts are held by companies wholly-owned by non-residents or tax exempt institutions and are similar to franking accounts. AASB 1054 *Australian Additional Disclosures* does not specifically require the disclosure of exempting account balances, however, where considered necessary (i.e. to satisfy the information needs of the likely users of the financial report), directors may consider disclosing the exempting account balance.

Source

14. Dividends (continued)

Deferred franking debits

Where the entity is in receipt of refundable R&D tax offsets, this gives rise to deferred franking debits and therefore will reduce future franking credits. This is because a franking credit will not arise as a result of income tax payments until the deferred franking debits are recovered. The impacts of accrued refundable R&D tax offset amounts should be considered when disclosing the amount of franking credits available. This may require additional narrative or other disclosure so that users understand the future impacts of the deferred franking debits.

The following illustrative example can be adapted to develop relevant disclosures where an entity has deferred franking debits:

"As disclosed in Note *[x]*, under the R&D Tax Incentive of Australian tax law, the Group is eligible to receive a refundable R&D tax offset in respect of its eligible research and development expenditure. The receipt of such amounts results in deferred franking debits in the entity's franking account. The Group will not generate franking credits on the payment of corporate income tax amounts in future periods until the deferred franking debits are recovered.

The aggregate deferred franking debits at reporting date is $ ____ (2020: $ ____). The entity will be required to make future income tax payments of this amount before further income tax payments will give rise to franking credits. In addition, the entity has recognised a receivable in respect of the current period R&D tax offset of $ ___ which will give rise to additional deferred franking debits when received."

For more information, see our Clarity publication *Accounting for the R&D tax offset.*

Source

20. Subsidiaries

The disclosures below illustrate the requirements of *ASIC Corporations (Wholly-owned Companies) Instrument 2016/785* in respect of the consolidated financial statements. See note 21 in the core model financial statements for the remainder of the disclosures for subsidiaries.

Details of the Group's material subsidiaries at the end of the reporting period are as follows.

AASB 124:13

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			31/12/2021	31/12/2020
Subzero Limited	Manufacture of toys	A Land	Nil	100%
Subone Limited	Manufacture of electronic equipment	A Land	90%	100%
Subtwo Limited	Manufacture of leisure goods	A Land	45%	45%
Subthree Limited (ii), (iii)	Construction of residential properties	A Land	100%	100%
Subfour Limited	Manufacture of leisure goods	B Land	70%	70%
Subfive Limited	Manufacture of electronic equipment and bicycles	C Land	100%	100%
Subsix Limited	Manufacture of leisure goods	A Land	80%	Nil
Subseven Limited (ii), (iii)	Manufacture of leisure goods	A Land	100%	Nil
C Plus Limited	Manufacture of electronic equipment	A Land	45%	45%

Int. 1052:16(a)

(i) International GAAP Holdings Limited is the head entity within the tax-consolidated group.
(ii) These companies are members of the tax-consolidated group.

ASIC-CI 2016/785 s.6(v)(ii)

(iii) These wholly-owned subsidiaries have entered into a deed of cross guarantee with International GAAP Holdings Limited pursuant to *ASIC Corporations (Wholly-owned Companies) Instrument 2016/785* and are relieved from the requirement to prepare and lodge an audited financial report. Subseven Limited became a party to the deed of cross guarantee on 14 December 2017.

ASIC-CI 2016/785

Details required

ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 requires the following information in respect of parties to the deed of cross guarantee at the end of the financial year:

- Details (including dates) of parties to the deed of cross guarantee which, during or since the financial year have been added by an assumption deed, removed by a revocation deed or which are the subject of a notice of disposal (as required under the instrument)
- Details (including dates and reasons) of any entities which obtained relief under the instrument or ASIC Class Order 98/1418 at the end of the immediately preceding financial year but which were ineligible for relief in respect of the relevant financial year.

Financial support

AASB 12:14-17

When the Group gives financial support to a consolidated structured entity, the nature and risks (including the type and amount of support provided) should be disclosed in the financial statements. Refer AASB 12.14-17 for details.

Source

20. Subsidiaries (continued)

Consolidated income statement, consolidated statement of financial position and movements in consolidated retained earnings of entities party to the deed of cross guarantee

ASIC-CI 2016/785 s.6(v)

The consolidated income statement and consolidated statement of financial position of the entities which are parties to the deed of cross guarantee are:

	Year ended	
	31/12/2021 $'000	**31/12/2020 $'000**
Statement of comprehensive income		
Revenue		
Finance income – interest income		
Finance income - other		
Changes in inventories of finished goods and work in progress		
Raw materials and consumables used		
Employee benefits expense		
Depreciation and amortisation expense		
Finance costs		
Transport costs		
Advertising costs		
Impairment of property, plant and equipment		
Impairment of goodwill		
Other expenses		
Restructuring costs		
Share of results of associates		
Share of results of joint ventures		
Gains and losses arising from the derecognition of financial assets measured at amortised costs		
Gains and losses on reclassification of financial assets from amortised cost to fair FVTPL		
Impairment losses (including reversals) on financial assets and contract assets		
Gains and losses on reclassification of financial assets from FVTOCI to FVTPL		
Other gains and losses		
Profit before tax		
Income tax expense		
Profit for the year from continuing operations		
Loss for the year from discontinued operations		
Profit for the year		

Source

20. Subsidiaries (continued)

	31/12/2021 $'000	31/12/2020 $'000
Other comprehensive Income		
Items that will not be reclassified subsequently to profit or loss:		
Gains/(losses) on property revaluation		
Remeasurement of net defined benefit liability		
Fair value gain/(loss) on investments in equity instruments designated as FVTOCI		
Fair value gain/(loss) on financial liabilities designated as FVTPL attributable to changes in credit risk		
Share of other comprehensive income of associates		
Share of other comprehensive income of joint ventures		
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 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 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) arising on hedging instruments during the period		
- 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 in hedges of the net assets in foreign operation		
- Less: (Gain)/loss on hedging instruments reclassified to profit or loss on disposal of foreign operation		

Source

20. Subsidiaries (continued)

	31/12/2021 $'000	31/12/2020 $'000
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		
Income tax relating to items that may be reclassified subsequently to profit or loss		
Other comprehensive income for the year, net of income tax		
Total comprehensive Income for the year		

Source

20. Subsidiaries (continued)

	31/12/2021 $'000	31/12/2020 $'000
Statement of financial position		
Current assets		
Cash and bank balances		
Inventories		
Investments		
Rights to returned goods asset		
Contract assets		
Contract costs		
Financial lease receivables		
Trade and other receivables		
Derivative financial instruments		
Assets classified as held for sale		
Total current assets		
Non-current assets		
Goodwill		
Other intangible assets		
Property, plant and equipment		
Right-of-use assets		
Investments property		
Investments in associates		
Investments in joint ventures		
Investments in financial assets		
Finance lease receivables		
Deferred tax asset		
Derivative financial assets		
Contract assets		
Contract costs		
Total non-current assets		
Total assets		

Source

20. Subsidiaries (continued)

	31/12/2021 $'000	31/12/2020 $'000
Current liabilities		
Trade and other payables		
Current tax liabilities		
Lease liabilities		
Borrowings		
Derivative financial liabilities		
Other financial liabilities		
Provisions		
Deferred income – government grant		
Contract liabilities		
Refund liability		
Liabilities directly associated with non-current assets classified as held for sale		
Total current liabilities		
Non-current liabilities		
Borrowings		
Convertible loan notes		
Retirement benefit obligations		
Deferred tax liabilities		
Provisions		
Deferred income – government grant		
Contract liabilities		
Lease liabilities		
Liability for share-based payments		
Total non-current liabilities		
Total liabilities		
Net assets		
Equity		
Share capital		
Reserves		
Retained earnings		
Total equity		
Movement in retained earnings		
Retained earnings as at beginning of the financial year		
Net profit		
Dividends provided for or paid		
Share buy-back		
Retained earnings as at end of the financial year		

Source

20. Subsidiaries (continued)

Requirements for additional consolidation information

ASIC-CI 2016/785 s.6(v)

ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 requires the holding entity to include 'additional consolidation information' in each of the following circumstances:

- Where the consolidated financial statements cover entities which are not members of the 'closed group', additional consolidation information in respect of the 'closed group'
- Where the consolidated financial statements cover entities which are not parties to the deed of cross guarantee, additional consolidation information in respect of the consolidation of the holding entity and those entities which are parties to the deed of cross guarantee and controlled by the holding entity
- If there are parties to the deed of cross guarantee (other than a trustee or alternative trustee that is not a 'group entity' within the meaning of the deed) which are not controlled by the holding entity, additional consolidated information in respect of those parties (either individually or in aggregate).

ASIC-CI 2016/785 s.4

The additional consolidation information presented to comply with the requirements of *ASIC Corporations (Wholly-owned Companies) Instrument 2016/785* includes:

- A statement of comprehensive income setting out the information specified by paragraphs 82 to 87 of AASB 101 *Presentation of Financial Statements*
- Opening and closing retained earnings, dividends provided for or paid and transfers to and from reserves
- A statement of financial position complying with paragraphs 54 to 60 of AASB 101.

In addition, elimination of all transactions between entities for which information is included in the additional consolidation information is required.

30. Leases (Group as a lessee) *(not-for-profit and public sector)*

AASB 16:Aus59.1-2

The Group leases a building from the State Government with significantly below-market terms and conditions principally to enable it to further its objectives.

The Group is dependent on this lease to further its objectives as it utilises the building to run its operations to deliver its services. The Group is restricted on the use of the building as agreed with the State Government and may not utilise it for other purposes including sub-leasing to other entities. The lease term is for 10 years and the lease payments are $____ per annum, payable annually.

As outlined in the Group's accounting policy in note 3, the Group has elected to measure this lease at cost

31. Trade and other receivables

Source		31/12/2021 $'000	31/12/2020 $'000
	Trade receivables		
	Loss allowance		
	Deferred consideration for the disposal of *[name of subsidiary]*		
Int 1031:9	Good and services tax recoverable		
	Other *[describe]*		

The above disclosure is an updated disclosure for note 31. Refer note 31 in the core model financial statements for the remainder of the disclosures for trade and other receivables.

Source

54. Notes to the cash flow statement

Reconciliation of profit for the year to net cash flows from operating activities

AASB 1054:16 When an entity uses the direct method to present its statement of cash flows, the financial statements must provide a reconciliation of the net cash flow from operating activities to profit or loss.

	Year ended 31/12/2021 CU'000	Year ended 31/12/2020 CU'000
Profit for the year		
Adjustments for:		
Share of profit of associates		
Share of profit of joint ventures		
Finance income		
Other gains and losses		
Finance costs		
Income tax expense		
Gain on disposal of discontinued operation		
Depreciation of property, plant and equipment		
Impairment loss on fixtures and equipment		
Impairment losses, net of reversals, on financial assets		
Amortisation of intangible assets		
Impairment of goodwill		
Share-based payment expenses		
Fair value gain/loss on investment property		
Gain on disposal of property, plant and equipment		
Increase/(decrease) in provisions		
Fair value gain/loss on derivatives and other financial assets held for trading		
Difference between pension funding contributions paid and the pension cost charge		
Operating cash flows before movements in working capital		
Movements in working capital:		
(Increase)/decrease in inventories		
(Increase)/decrease in trade and other receivables		
(Increase)/decrease in contract assets		
(Increase)/decrease in contract costs		
(Increase)/decrease in right to returned goods assets		
(Increase)/decrease in trade and other payables		
Increase/(decrease) in provisions		
Increase/(decrease) in contract liabilities		
(Increase)/decrease in refund liability		
(Increase)/decrease in deferred income		
Cash generated from operations		
Interest paid		
Income taxes paid		
Net cash generated by operating activities		

Source

64. Related party transactions

AASB 124:13, Aus 13.1(a), AASB 101:138(c)

The immediate parent and ultimate controlling party respectively of the Group are X Holdings Limited (incorporated in *[M Land]*) and Y Holdings Limited (incorporated in *[N Land]*) respectively.

AASB 124:13

An entity discloses the name of the parent and, if different, the ultimate controlling party. If neither the entity's parent nor the ultimate controlling party produces financial reports available for public use, the name of the next most senior parent that does so is also disclosed.

AASB 124:Aus13.1

When any of the parent entities and/or ultimate controlling parties named in accordance with paragraph 13 of AASB 124 *Related Party Disclosures* is incorporated or otherwise constituted outside Australia, an entity:

- Identifies which of those entities is incorporated overseas and where
- Discloses the name of the ultimate controlling entity incorporated within Australia.

Australian definitions

AASB 124:Aus9.1

When applying AASB 124, the term "director" means:

- a person who is a director under the Corporations Act
- in the case of entities governed by bodies not called a board of directors, a person who, regardless of the name that is given to the position, is appointed to the position of member of the governing body, council, commission or authority.

"Remuneration" is "compensation" as defined in AASB 124.

AASB 124:Aus9.1.1

Although the defined term 'compensation' is used in AASB 124 rather than the term 'remuneration', both words refer to the same concept and all references in the Corporations Act to the remuneration of directors and executives is taken as referring to compensation as defined and explained in AASB 124.

Source

66. Remuneration of auditors

ASIC-CI 2016/191

In making the following disclosure, entities must consider the extent to which *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* permits information about the remuneration of auditors to be rounded.

Source		31/12/2021 $	31/12/2020 $
AASB 1054:10, 11	**Deloitte and related network firms***		
AASB 1054:10(a)	Audit or review of financial reports:		
	- Group		
	- Subsidiaries and joint operations		
	Statutory assurance services required by legislation to be provided by the auditor		
	Other assurance and agreed-upon procedures under other legislation or contractual arrangements		
AASB 1054:10(b)	Other services:		
s.300(11B)(a)	- Tax compliance services #		
s.300(11B)(a)	- Consulting services #		
s.300(11B)(a)	- Other *[describe]*		
AASB 1054:10, 11	**Other auditors and their related network firms**		
AASB 1054:10(a)	Audit or review of financial reports:		
	- Subsidiaries and joint operations		
	- Other *[describe]*		
	Statutory assurance services required by legislation to be provided by the auditor		
	Other assurance and agreed-upon procedures under other legislation or contractual arrangements		
AASB 1054:10(b)	Other services:		
s.300(11B)(a)	- Tax compliance services #		
s.300(11B)(a)	- Other *[describe]*		

s.300(11B)(a), (11C)(a) *The auditor of International GAAP Holdings Limited is Deloitte Touche Tohmatsu

 # These line items are provided by way of example only. The disclosures should provide sufficient detail of the amounts paid or payable to the auditor for each non-audit service

Source

66. Remuneration of auditors (continued)

Suggested changes to disclosures

In November 2020, the Federal Parliamentary Joint Committee on Corporations and Financial Services released *Regulation of Auditing in Australia: Final Report* (available at parlinfo.aph.gov.au). Included in this final report is a recommendation to establish defined categories and associated fee disclosure requirements in relation to audit and non-audit services. This recommendation was directed primarily at the Financial Reporting Council (FRC) and the AASB has a project on audit fee disclosure in progress.

In the meantime, we encourage entities to provide transparent and expanded disclosures in their financial reports at 31 December 2021. Potential categories of disclosure may include:

- Fees to group auditor for auditing the statutory financial report of the parent covering the Group and auditing the statutory financial reports of any controlled entities (including joint operations)
- Fees for assurance services that are required by legislation to be provided by the auditor (e.g. for certain reporting to APRA, Queensland Building & Construction Commission reports, AFSL Form FS 71)
- Fees for other assurance and agreed-upon procedures under other legislation or contractual arrangements (e.g. assurance on revenue information under a royalty agreement, comfort letters or agreed-upon procedures on other reports) when there is discretion as to whether the service is provided by the auditor or another firm
- Fees for other services (e.g. tax compliance).

Additional guidance

Remuneration of international associates of Deloitte Touche Tohmatsu Australia are disclosed under 'Fees to Deloitte and related network firm'.

AASB 1054:11 The nature and amount of each category of other services provided by a network firm of the auditor of a parent entity shall be disclosed in the notes to the financial statements.

'Network firm' is defined in APES 110 *Code of Ethics for Professional Accountants* as 'a Firm or entity that belongs to a Network'.

Firm is defined in APES 110 as:
- A sole practitioner, partnership, corporation or other entity of professional accountants
- An entity that controls such parties through ownership, management or other means
- An entity controlled by such parties through ownership, management or other means, or
- An Auditor-General's office or department.

'Network' is defined in APES 110 as:

'A larger structure:
(a) That is aimed at co-operation, and
(b) That is clearly aimed at profit or cost sharing or shares common ownership, control or management, common quality control policies and procedures, common business strategy, the use of a common brand-name, or a significant part of professional resources.'

The definition of 'Network' is to be read in the context of the guidance provided in paragraphs 290.13-24 of APES 110.

Source

66. Remuneration of auditors (continued)

Listed companies

s.300(11B)(a), (11C) Note: This disclosure may be provided in either the directors' report or in the financial report.

Listed companies must disclose details of the amounts paid or payable to each auditor for non-audit services provided during the year by the auditor (or by another person or firm on the auditor's behalf). For the purposes of this requirement, the details required are the name of the auditor, and the dollar amount that the listed company or any entity that is part of the consolidated entity paid, or is liable to pay, for each of those non-audit services.

67. Parent entity information

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements except as set out below. See note 3 for a summary of the significant accounting policies relating to the Group.

Investments in subsidiaries, associates and joint ventures

AASB 127:12, 16(c) Investments in subsidiaries, associates and joint ventures are accounted for at cost. Dividends received from subsidiaries, associates and joint ventures are recognised in profit or loss when a right to receive the dividend is established (provided that it is probable that the economic benefits will flow to the Parent and the amount of income can be measured reliably).

Tax consolidation

The disclosures below assume the parent entity is the head entity in the tax consolidated group and that a tax funding arrangement exists and mirrors the tax allocation method used under Interpretation 1052. Where this is not the case, the disclosures should be amended as relevant to the entity's specific circumstances.

Int 1052:16 The company and its wholly-owned Australian resident entities are members of a tax-consolidated group under Australian tax law. The company is the head entity within the tax-consolidated group. In addition to its own current and deferred tax amounts, the company also recognises the current tax liabilities and assets and deferred tax assets arising from unused tax losses and relevant tax credits of the members of the tax-consolidated group.

Amounts payable or receivable under the tax-funding arrangement between the company and the entities in the tax consolidated group are determined using a 'separate taxpayer within group'* approach to determine the tax contribution amounts payable or receivable by each member of the tax-consolidated group. This approach results in the tax effect of transactions being recognised in the legal entity where that transaction occurred, and does not tax effect transactions that have no tax consequences to the group. The same basis is used for tax allocation within the tax-consolidated group.

* *Where other methods are used ('stand alone taxpayer' or 'group allocation') this wording should be changed, and the actual basis of allocation outlined in the next sentence should be updated to reflect the entity's circumstances.*

Source

67. Parent entity information (continued)

Source	Financial position	31/12/2021 $'000	31/12/2020 $'000
	Assets		
Reg2M.3.01(a),(k)	Current assets		
	Non-current assets		
Reg2M.3.01(b),(k)	***Total assets***		
	Liabilities		
Reg2M.3.01(c), (k)	Current liabilities		
	Non-current liabilities		
Reg2M.3.01(d),(k)	***Total liabilities***		
Reg2M.3.01(e),(k)	***Equity***		
	Issued capital		
	Retained earnings		
	Reserves:		
	- General reserve		
	- Asset revaluation		
	- Investments revaluation		
	- Equity-settled employee benefits		
	- Option premium on convertible notes		
	- Other *[describe]*		
	Total equity		

Financial performance

Source		Year ended 31/12/2021 $'000	Year ended 31/12/2020 $'000
Reg2M.3.01(f),(k)	Profit for the year		
	Other comprehensive income		
Reg2M.3.01(g),(k)	Total comprehensive income		

Reg2M.3.01(h),(k) **Guarantees entered into by the parent entity in relation to the debts of its subsidiaries**

	31/12/2021 $'000	31/12/2020 $'000
Guarantee provided under the deed of cross guarantee (i)		

(i) International GAAP Holdings Limited has entered into a deed of cross guarantee with two of its wholly-owned subsidiaries, Subthree Limited and Subseven Limited.

Source

67. Parent entity information (continued)

Reg2M.3.01(i), (k)

Contingent liabilities of the parent entity

	31/12/2021 $'000	31/12/2020 $'000
[describe]	-	-

Reg2M.3.01(j), (k)

Commitments for the acquisition of property, plant and equipment by the parent entity

	31/12/2021 $'000	31/12/2020 $'000
Plant and equipment		
Not longer than 1 year		
Longer than 1 year and not longer than 5 years		
Longer than 5 years		

s.295(2), (3), Reg2M.3.01

Disclosures required in the notes to the consolidated financial statements

(1) Where consolidated financial statements are required by the accounting standards, the regulations require the notes to the financial statements of the consolidated entity to disclose:
- (a) Current assets of the parent entity
- (b) Total assets of the parent entity
- (c) Current liabilities of the parent entity
- (d) Total liabilities of the parent entity
- (e) Shareholders' equity in the parent entity separately showing issued capital and each reserve
- (f) Profit or loss of the parent entity
- (g) Total comprehensive income of the parent company
- (h) Details of any guarantees entered into by the parent entity in relation to the debts of its subsidiaries
- (i) Details of any contingent liabilities of the parent entity
- (j) Details of any contractual commitments by the parent entity for the acquisition of property, plant or equipment
- (k) Comparative information for the previous period for each of paragraphs (a) to (j)

(2) The disclosures in (1) must be calculated in accordance with accounting standards in force in the financial year to which the disclosure relates.

(3) In the regulation: parent entity means a company, registered scheme or disclosing entity that is required by the accounting standards to prepare financial statements in relation to a consolidated entity.

ASX disclosures

Below are illustrative disclosures required by ASX which are suitable as a **guide** only.

Source	
	Additional securities exchange information as at 16 March 2022
	The below illustrative disclosures required by the ASX listing rules are included outside the financial statements. As a result, these disclosures are not subject to audit nor included or referenced in the notes in the financial statements.
ASX-LR 4.10	Additional securities exchange information must be current as at a date specified by the entity which must be on or after the entity's balance sheet date and not be more than 6 weeks before the annual report is given to the ASX.
	Number of holders of equity securities
ASX-LR 19.12	Equity securities include shares, units, options over issued or unissued securities, rights to any one of the former securities and convertible securities.
ASX-LR 4.10.5	**Ordinary share capital** ____ fully paid ordinary shares are held by ____ individual shareholders.
	____ partly paid ordinary shares, paid to ____ cents, are held by ___ individual shareholders. ____ cents per share may be called up in the event of winding up the company.
ASX-LR 4.10.6	All issued ordinary shares carry one vote per share, however, partly paid shares do not carry the rights to dividends.
ASX-LR 4.10.5 ASX-LR 4.10.16	**Preference share capital** ____ ____ % converting non-participating preference shares are held by ____ individual shareholders.
	____ ____ % redeemable cumulative preference shares are held by ____ individual shareholders.
ASX-LR 4.10.6	All issued converting non-participating preference shares and redeemable cumulative preference shares carry one vote per share, however, the right to vote is restricted to meetings convened for the purpose of reducing the capital or winding-up or sanctioning the sale of the undertaking of the Company or where the proposition to be submitted to the meeting directly affects their rights and privileges or when the dividend on their particular class of preference shares is in arrears for more than six months.
ASX-LR 4.10.5	**Convertible notes** ____ ____ % fully paid convertible notes are held by ____ individual noteholders.
ASX-LR 4.10.6	Convertible notes do not carry a right to vote.
ASX-LR 4.10.5 ASX-LR 4.10.16	**Options** ____ options are held by ____ individual option holders.
ASX-LR 4.10.6	Options do not carry a right to vote.

Source

ASX-LR 4.10.7

Distribution of holders of equity securities

	Fully paid ordinary shares	Partly paid ordinary shares	Redeemable preference shares	Converting non-participating preference shares	Convertible notes	Options
1 – 1,000						
1,001 – 5,000						
5,001 – 10,000						
10,001 – 100,000						
100,001 and over						

ASX-LR 4.10.8

Holding less than a marketable parcel

ASX-LR 4.10.4

Substantial shareholders

Ordinary shareholders	Fully paid ordinary shares Number	Partly paid ordinary shares Number
X Holdings Limited		
XYZ Nominees Limited		
White Pty Ltd		

A substantial holder, in relation to a company and a trust which is a registered managed investment scheme, a substantial holder under s.671B of the Corporations Act.

s.9

A person has a substantial shareholding in a body corporate, or listed registered managed investment scheme, if:

- The total votes attached to voting shares in the body, or voting interests in the scheme, in which they or their associates:
- Have relevant interests
- Would have a relevant interest but for subsection 609(6) (market traded options) or 609(7) (conditional agreements)

is 5% or more of the total number of votes attached to voting shares in the body, or interests in the scheme, or

- The person has made a takeover bid for voting shares in the body, or voting interests in the scheme, and the bid period has started and not yet ended.

s.9

A voting share means an issued share in the body that carries any voting rights beyond the following:

- A right to vote while a dividend (or part of a dividend) in respect of the share is unpaid
- A right to vote on a proposal to reduce the body's share capital
- A right to vote on a resolution to approve the terms of a buy-back agreement
- A right to vote on a proposal that affects the rights attached to the share
- A right to vote on a proposal to wind the body up
- A right to vote on a proposal for the disposal of the whole of the body's property, business and undertaking
- A right to vote during the body's winding up.

Source
ASX-LR 4.10.9

Twenty largest holders of quoted equity securities

	Fully paid ordinary shares		Partly paid ordinary shares	
Ordinary shareholders	**Number**	**Percentage**	**Number**	**Percentage**
X Holdings Limited				
Woodstock Nominees Limited				
White Pty Ltd				
The Perri Family Trust				
Vente Nominees Limited				
P.T. Young				
ELC Superannuation Trust				
Inkerman Pty Limited				
Vente Nominees Limited				
P.H. Taylor				
C.W. Gouday				
K.B. Cai				
T.P. Kowood				
W.L. Yeo Family Trust				
Stock Pty Limited				
D.E. Portier				
A.L. Lauff				
P.D. Kimm				
C.P. Daniels				
C.J. Chambers				
Simichy Nominees Limited				

	Convertible notes	
Convertible noteholders	**Number**	**Percentage**
Woodstock Nominees Limited		
Kowski Nominees Limited		
White Pty Ltd		
Smith Trust		
Giles Nominees Limited		
P.T. Young		
Insurance Company Limited		
P.H Taylor Family Trust		
Vente Nominees Limited		
C.W. Gouday		
K.B. Cai		
T.P. Saw		
Stock Pty Limited		
Hill Nominees Limited		
A.L. Lauff		
P.C. Ford		
Hanky Pty Limited		
D.E. Rendall		
Motter Trust		
Simichy Nominees Limited		

Source

ASX-LR 4.10.16

Unquoted equity security holdings greater than 20%

	Number
Converting non-participating preference shares	
Y Holdings Limited	

Disclosure of the name of the holder and the number of equity securities held, where a person holds more than 20% of the equity securities in an unquoted class, is not required where the securities were issued or acquired under an employee incentive scheme.

ASX-LR 4.10.10

Company secretary

Mr A.B. Grey

ASX-LR 4.10.11

Registered office

10th Floor
ALD Centre
255 Deloitte Street
SYDNEY NSW 2000
Tel: (02) 9208 7000

Principal administration office

1st Floor
167 Admin Ave
SYDNEY NSW 2000
Tel: (02) 9208 5000

ASX-LR 4.10.12

Share registry

ELC Share Registry Services
Level 1
225 George St
SYDNEY NSW 2000
Tel: (02) 9322 7000

Other ASX information

All listed entities

ASX-LR 4.10.14

The number and class of restricted securities or securities subject to voluntary escrow that are on issue, and the date that the escrow period ends, must be disclosed.

ASX-LR 4.10.18

An entity shall disclose whether there is a current on-market buy-back. That is, if an Appendix 3C has been given to the ASX for an on-market buy-back and no Appendix 3F has been given to the ASX for that buy-back.

ASX-LR 4.10.21

A summary of any issues of securities approved for the purposes of Item 7 of s.611 of the Corporations Act which have not yet been completed must be disclosed.

ASX-LR 4.10.22

If during the reporting period any securities of an entity were purchased on-market:

- Under or for the purposes of an employee incentive scheme, or
- To satisfy the entitlements of the holder of options or other rights to acquire securities granted under an employee incentive scheme,

an entity shall disclose the following information:

- The total number of securities purchased during the reporting period
- The average price per security at which the securities were purchased during the reporting period.

Securities exchange listings

ASX-LR 4.10.13

Where the entity is listed on a securities exchange other than the Australian Securities Exchange, the name of that exchange must be disclosed.

Source	
	Other ASX information (continued)
	For listed investment entities
ASX-LR 4.10.20	Listed investment entities must disclose: • A list of all investments held by it and its child entities at the balance date • The level 1, level 2 and level 3 inputs used to value its investments in accordance with Australian Accounting Standard AASB 13 *Fair Value Measurement* * • The net tangible asset backing of its quoted securities at the beginning and end of the reporting period and an explanation of any change therein over that period • The total number of transactions in listed and unlisted securities and derivatives during the reporting period, together with the total brokerage paid or accrued during the period • The total management fees paid or accrued during the reporting period, together with a summary of any management agreement. * *This can be disclosed in the financial statements in the entity's annual report*
ASX-LR 19.12	An investment entity is an entity which, in ASX's opinion, is an entity to which both of the following apply: • Its activities or the principal part of its activities consist of investing (directly or through a child entity) in listed or unlisted securities or futures contracts • Its objectives do not include exercising control over or managing any entity, or the business of any entity, in which it invests. In deciding whether an entity is an investment entity ASX will normally have regard to factors including the extent of board representation, the size of the holdings, the investment period and the amount of cash held by the entity.
	For listed mining companies
ASX-LR 5.6	Statements in the annual report of mining entities must comply with 5.7 to 5.24 and Appendix 5A of the Listing Rules.
	Annual reporting
ASX-LR 5.20	A mining exploration entity must include in its annual report: • The mining tenements held by the mining exploration entity and its child entities and their location • The percentage interest it or they held in each mining tenement.
ASX-LR 5.21	A mining entity must include a mineral resources and ore reserves statement in its annual report which includes: • A summary of the results of the mining entity's annual review of its ore reserves and mineral resources • As at the mining entity's end of financial year (or such other appropriate disclosed date*), the mining entity's mineral resource and ore reserves holdings in tabular form by commodity type (including grade or quality), by ore reserve category and mineral resource category, and by geographical area based on the materiality of the mineral resources and ore reserves holdings to the mining entity * Where the mining entity reports as a date other than the end of its financial year, the entity must include a brief explanation of any material changes in the mineral resources and ore reserves in the period between the date of annual review of its ore reserves and mineral resources and the end of financial year balance date • A comparison of the mining entity's mineral resources and ore reserves holdings against that from the previous year including an explanation of any material changes in the mineral resources and ore reserve holdings from the previous year • A summary of the governance arrangements and internal controls that the mining entity has put in place with respect to its estimates of mineral resources and ore reserves and the estimation process.

Source

Other ASX information (continued)

For listed oil and gas companies

Statements in the annual report of oil and gas companies must comply with Listing Rules 5.25 to 5.44.

Note regarding forthcoming changes

In October 2021, the ASX published Consultation Response *Proposed changes to the oil and gas reporting requirements in the ASX Listing Rules*, which outlines final rule changes in respect of reporting by oil and gas entities.

Chapter 5 of the ASX Listing Rules is currently drafted based on the 2007 edition of the Petroleum Resources Management System sponsored by the Society of Petroleum Engineers, the American Association of Petroleum Geologists, the World Petroleum Council and the Society of Petroleum Evaluation Engineers (commonly referred to as the 'SPE-PRMS'). The SPE-PRMS was revised in July 2018 and the final listing rule changes made by the ASX give effect to the revisions.

The revised Chapter 5 of the ASX Listing Rules comes into effect on 1 July 2022. The ASX notes that entities are encouraged to apply the revised rules before their effective date.

Note: The information below does not reflect these changes to Chapter 5 of the ASX Listing Rules.

Annual reporting

ASX-LR 5.37 An oil and gas exploration entity must include in its annual report:

- The petroleum tenements held by the oil and gas exploration entity and its child entities and their locations
- The percentage interest it or they held in each petroleum tenement.

ASX-LR 5.38 An oil and gas entity that reports to the Securities and Exchange Commission (SEC) of the United States of America and files SEC compliant Forms 10-K and 20-F Reports with the SEC annually is not required to comply with the annual reserves statement requirements under ASX Listing Rules 5.39 and 5.40.

ASX-LR 5.39 Except where the above exception applies, an oil and gas entity must include a reserves statement in its annual report including the following information:

- As at the oil and gas entity's end of financial year balance date, the oil and gas entity's petroleum reserves holdings in tabular form reporting on the basis of total '1P' petroleum reserves and '2P' petroleum reserves (split between developed and undeveloped reserves by product) and by total aggregated '1P' and '2P' reserves by product and geographical area
- The proportion of total '1P' and '2P' reserves that are based on unconventional petroleum resources
- A reconciliation of the oil and gas entity's petroleum reserves holding against that from the previous year, including an explanation of any material changes from the previous year
- Specific information about any material concentrations of undeveloped petroleum reserves in material oil and gas projects which have remained undeveloped after 5 years from the date they were initially reported
- A summary of the governance arrangements and internal control that the oil and gas entity has put in place, including the frequency and scope of any reviews or audits undertaken with respect to its estimates of petroleum reserves and the estimation process.

ASX-LR 5.40 If an oil and gas entity reports on oil and gas entity level and other aggregated estimates of contingent resources in its reserve statement in its annual report, the statement must include additional prescribed information, including total '2C' contingent resources by product, aggregated '2C' contingent resources by product and geographical area, and a reconciliation of the total '2C' contingent resources holdings against that from the previous year.

Source	
	Other ASX information (continued)
	For recently listed entities
ASX-LR 4.10.19	In the first two annual financial reports after admission to the ASX, where an entity is admitted under ASX Listing Rule 1.3.2(b) or is required to comply with ASX Listing Rule 1.3.2(b) because of the application of ASX Listing Rule 11.1.3, the entity must state whether the entity used the cash and assets in a form readily convertible to cash that it had at the time of admission in a way consistent with its business objectives. If the use was not consistent, an explanation of how the cash and assets were used must be disclosed.

ASX Corporate Governance Principles and Recommendations

Corporate governance is a system of rules, practices, policies and processes by which a company is directed and controlled. It aims at balancing the interests of a company's stakeholders and furthermore, good corporate governance promotes investor confidence. The ASX Corporate Governance Principles and Recommendations ('Principles and Recommendations') set out recommended corporate governance practices for entities listed on the ASX.

The Principles and Recommendations are not mandatory. As a result if a listed entity considers that a recommended principles/recommendation is not appropriate for the entity to adopt, it is entitled not to adopt it. However, the entity must explain why it has not adopted the principle/recommendation – seen as the "if not, why not" approach.

Unlisted entities are not required to report against the Principles and Recommendations however, may choose to adopt the Principles and Recommendations.

The principles set out below are those outlined in the fourth edition of the Corporate Governance Principles and Recommendations which was issued in February 2019.

The ASX corporate governance considerations applicable to listed entities are set out below:

Source	Requirement
ASX-LR 4.10.3	Australian Securities Exchange Listing Rule 4.10.3 requires companies to disclose the extent to which they have complied with the best practice recommendations of the ASX Corporate Governance Council during the reporting period. This disclosure is required either in the annual report or the annual report should include a link to the company's corporate governance statement on the company's website. Where a recommendation has not been followed for any part of the reporting period, the corporate governance statement must separately identify that recommendation and the period during which it was not followed and the entity must justify the reason for the non-compliance and what (if any) alternative governance practices it has adopted. The corporate governance statement must also: • Specify the date at which it is current (must be entity's balance sheet date or a later date specified by the entity) • State that it has been approved by the board of the entity or the board of the responsibility entity of a trust.
	Recommendations
ASX-GN 9	To assist companies in complying with the guidelines, the ASX has issued Guidance Note 9 'Disclosure of Corporate Governance Practices', most recently amended to reflect amendments made by the ASX Corporate Governance Council in December 2016. At the date of this publication, the Guidance Note has not been revised for the fourth edition of the Principles and Recommendations issued in February 2019 (as these apply to the first full financial year commencing on or after 1 January 2020).

Source	Requirement
	It is important that listed entities refer to the complete document when preparing their reports as they provide comprehensive and invaluable guidance in relation to implementation of the Principles and Recommendations. The recommendations of the ASX Corporate Governance Council, including corporate governance practices and suggested disclosures, are set out below. The recommendations are differentiated between the eight core principles that the ASX Corporate Governance Council believes underlie good corporate governance. Entities must disclose any instances of non-compliance with these recommendations.
Corporate Governance Principles and Recommendations *(Fourth Edition)*	**Principle 1 – Lay solid foundations for management and oversight** 1.1 A listed entity should have and disclose a board charter setting out: (a) The respective roles and responsibilities of its board and management (b) Those matters expressly reserved to the board and those delegated to management. 1.2 A listed entity should: (a) Undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director (b) Provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director. 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment. 1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board. 1.5 A listed entity should: (a) Have and disclose a diversity policy (b) Through its board or committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally (c) Disclose in relation to each reporting period: 1. The measurable objectives set for that period to achieve gender diversity 2. The entity's progress towards achieving those objectives 3. Either: a. The respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined 'senior executive' for these purposes), or b. If the entity is a 'relevant employer' under the Workforce Gender Equality Act, the entity's most recent 'Gender Equality Indicators', as defined and published under that Act. If the entity was in the S&P/ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period. 1.6 A listed entity should: (a) Have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors (b) Disclose, for each reporting period, whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period 1.7 A listed entity should: (a) Have and disclose a process for periodically evaluating the performance of its senior executives at least once each reporting period (b) Disclose for each reporting period, whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period. **Principle 2 - Structure the board to be effective and add value** 2.1 The board of a listed entity should: (a) Have a nomination committee which: 1. Has at least three members, a majority of whom are independent directors, and

Source	Requirement
	2. Is chaired by an independent director and disclose 3. The charter or the committee 4. The members of the committee 5. As at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings, or (b) If it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively. 2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership. 2.3 A listed entity should disclose: (a) The names of the directors considered by the board to be independent directors (b) If a director has an interest, position, association or relationship of the type described below but the board is of the opinion that it does not compromise the independence of the directors, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion: - The director is, or has been, employed in the executive capacity by the entity or any of its child entities and there has not been a period of at least three years between ceasing such employment and serving on the board - The director receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of the entity - The director is, or has been within the last three years, in a material business relationship (e.g. as a supplier, professional adviser, consultant or customer) with the entity or any of its child entities, or is an officer of, or otherwise associated with, someone with such a relationship - The director is, represents, or is or has been within the last three year an officer or employee of, or professional adviser to, a substantial holder - The director has close personal ties with any person who falls within any of the categories described above - The director has been a director of the entity for such a period that their independence from management and substantial holds may have been compromised. (c) The length of service of each director. 2.4 A majority of the board of a listed entity should be independent directors. 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity. 2.6 A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively. **Principle 3 – Instil a culture of acting lawfully, ethically and responsibly** 3.1 A listed entity should articulate and disclose its values 3.2 A listed entity should: (a) Have and disclose a code of conduct for its directors, senior executives and employees (b) Ensure that the board or a committee of the board is informed of any material breaches of that code. 3.3 A listed entity should: (a) Have and disclose a whistleblower policy (b) Ensure that the board or a committee of the board is informed of any material incidents reported under that policy 3.4 A listed entity should: (a) Have and disclose and anti-bribery and corruption policy

Source	Requirement
	(b) Ensure that the board or a committee of the board is informed of any material breaches of that policy **Principle 4 - Safeguard the integrity of corporate reports** 4.1 The board of a listed entity should: (a) Have an audit committee which: 1. Has at least three members, all of whom are non-executive directors and a majority of whom are independent directors, and 2. Is chaired by an independent director, who is not the chair of the board and disclose: 3. The charter of the committee 4. The relevant qualifications and experience of the members of the committee 5. In relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings, or (b) If it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner. 4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively 4.3 A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor. **Principle 5 - Make timely and balanced disclosures** 5.1 A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1 5.2 A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made. 5.3 A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation. **Principle 6 - Respect the rights of security holders** 6.1 A listed entity should provide information about itself and its governance to investors via its website 6.2 A listed entity should have an investor relations program that facilitates effective two-way communication with investors. 6.3 A listed entity should disclose how it facilitates and encourages participation at meetings of security holders 6.4 A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands. 6.5 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically **Principle 7 - Recognise and manage risk** 7.1 The board of a listed entity should: (a) Have a committee or committees to oversee risk, each of which: 1. Has at least three members, a majority of whom are independent directors 2. Is chaired by an independent director and disclose: 3. The charter of the committee 4. The members of the committee

Source	Requirement
	5. As at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings, or (b) If it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework. 7.2 The board or a committee of the board should: (a) Review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with the due regard to the risk appetite set by the board (b) Disclose, in relation to each reporting period, whether such a review has taken place. 7.3 A listed entity should disclose: (a) If it has an internal audit function, how the function is structured and what role it performs, or (b) If it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes 7.4 A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks. **Principle 8 - Remunerate fairly and responsibly** 8.1 The board of a listed entity should: (a) Have a remuneration committee which: 1. Has at least three members, a majority of whom are independent directors, and 2. Is chaired by an independent director and disclose: 3. The charter of the committee 4. The members of the committee 5. As at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings, or (b) If it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive 8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives. 8.3 A listed entity which has an equity-based remuneration scheme should: – Have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme – Disclose that policy or a summary of it. **Additional recommendations that apply only in certain cases** 9.1 A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents. 9.2 A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time. 9.3 A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit. **Externally managed listed entities**

Source	Requirement
	The current version of the Corporate Governance Principles and Recommendations includes additional guidance on the application of the recommendations to externally managed entities. The following recommendations are those which do not apply: 1.1, 1.2, 1.3, 1.4, 1.5, 1.6, 1.7, 2.1, 2.2, 2.4, 2.5, 2.6, 8.1, 8.2, 8.3, 9.1 and 9.2. The entity may simply state that these recommendations are "not applicable' in its corporate governance statement. For the following recommendations the normal requirements do not apply, but in lieu of these requirements alternative recommendations apply: 1.1, 8.1, 8.2 and 8.3. The recommendations and alternative recommendations listed below, apply to externally managed listed entities with specific guidance on application: • Alternative recommendation 1.1 – The responsible entity of an externally managed listed entity should disclose (1) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity and (2) the role and responsibility of the board of the responsible entity for overseeing those arrangements • Alternative recommendation 8.1, 8.2 and 8.3 – An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.

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