



THE DLA PIPER GUIDE TO ANNUAL REPORTING

FOR THE FINANCIAL YEAR TO 30 JUNE 2014

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This publication is intended as a first point of reference and should not be relied on as a substitute for professional advice. Specialist legal advice should always be sought in relation to any particular circumstances and no liability will be accepted for any losses incurred by those relying solely on this publication.

TIMING REQUIREMENTS

The table on the following pages acts as a guide for ASX listed companies, setting out key timing requirements and matters that need to be covered in annual reports for the financial year to 30 June 2014.

This guide is relevant for ASX listed companies formed or incorporated in Australia. ASX listed entities incorporated outside of Australia must comply with ASX Listing Rules and section 601CK of the Corporations Act.

ASX listed companies have two months to prepare and give to ASX their preliminary final reports for the year to 30 June 2014. Generally, the timeline for reporting would be as follows:



Requirement	Timing	Corporation Act/ Listing Rules reference
Annual financial reports		
Give Preliminary Final Report (Appendix 4E) to ASX.	Immediately all of the information is available, and no later than the time when the annual report is lodged with ASIC. In any event, no later than 2 months after financial year end.	Listing Rules 4.3A, 4.3B
	There must be immediate disclosure of any circumstances likely to materially affect preliminary final report.	Listing Rule 4.3D
Prepare annual reports (financial report, directors' report, auditor's report) and: <ul style="list-style-type: none"> give a copy to ASX.¹ Inform ASX if documents required to be given to ASX under Listing Rule 4.7 already provided under Listing Rule 4.5 lodge with ASIC. (See ASIC Class Order 98/104 for dual lodgement relief arrangements between ASIC and ASX). send a copy of the reports (or the concise report) to each member either through hard copy or an electronic copy, as elected by the member. make a copy of the report (or the concise report) readily accessible on a website and notify members in writing of its availability and its direct website address. 	At the time lodged with ASIC or in any event, no later than 3 months after the end of the financial year.	Corporations Act ss 292(I), 301(I) Listing Rules 4.5, 4.7
	Within 3 months after the end of the financial year.	Corporations Act ss 319(I), 319(3)
	By earlier of 21 days before next AGM or 4 months after financial year end. (Usually a copy of the report or its direct website address would accompany notice of AGM when sent to members).	Corporations Act ss 314(I), 314(IAA), 315(I)
		Corporations Act s 314(IAA)
Give copy of annual financial report to the trustee for any debenture holders.	By earlier of 21 days before next AGM or 4 months after financial year end.	Corporations Act s 318(I)
Present annual reports (financial report, directors' report, auditor's report) at AGM.		Corporations Act s 317 and note to s 250N
Give ASX two hard copies of the relevant annual report.	When available (delivered to the relevant Home Branch).	Listing Rule 15.4.I
Notice of AGM		
Notify shareholders, auditor and ASX of AGM (generally, with annual report).	At least 28 days before AGM. (Consider provisions in company's constitution, e.g. counting days and when notices are deemed received).	Corporations Act ss 249HA, 249K

¹ From 1 July 2014 (in respect of financial years ending on or after 30 June 2015) an entity must also give ASX a completed Appendix 4G and a copy of the entity's corporate governance statement (if the statement is not included in the annual report). An entity may adopt this amendment, if it wishes to do so, for year ending 30 June 2014, provided it also adopts the amendments made on 1 July 2014 to Listing Rule 4.10.3 and it reports in relation to the third edition of the ASX Corporate Governance Council's recommendations.

Requirement	Timing	Corporation Act/ Listing Rules reference
For a listed company, include information on the resolution to adopt the remuneration report.		Corporations Act ss 249L(2), 250R(2), 250V(1)
If at a previous AGM at least 25% of the votes cast on the resolution to adopt the remuneration report were against adoption, explain the circumstances in which s 250V(1) would apply and inform members that the “spill resolution” will be put at the AGM if s 250V(1) applies.		
Word and present a notice of meeting in a clear, concise and effective manner.		Corporations Act s 249L(3)
Questions by members of the auditor		
Members may submit written questions to the auditor concerning the auditor’s report or the conduct of the audit.	Questions can be submitted to the company no later than the fifth business day before the AGM. The question list must be made available at or before the start of the AGM.	Corporations Act ss 250PA(1), 250PA(9)
If the auditor prepares written responses to shareholder questions, the auditor may table these at the AGM.	If the written responses are tabled, these must be made available to members as soon as practicable after the AGM.	Corporations Act ss 250T(3), 250T(4)
Lead auditor or a suitable representative must attend an audited body’s AGM.		Corporations Act s 250RA
AGM		
Hold AGM.	At least once in each calendar year and within 5 months after financial year end.	Corporations Act s 250N(2)
A member may appoint an individual or a body corporate as their proxy. (If a body corporate is appointed, that body will need to appoint a corporate representative).		Corporations Act ss 249X(1)(IA), 250D(1)
Regulations have been made that prescribe methods for electronic verification for proxies, if a company allows electronic proxy appointment/ voting.		Corporations Act s 250A(1A) Corporations Regulation 2G.2.01
Give to ASX copy of Chairman’s address and any other prepared announcement to be delivered at AGM.	No later than start of AGM.	Listing Rules 3.13.3
After AGM		
Notify ASX of outcome of each resolution put to a members’ meeting (including number of votes and proxies).	Immediately after meeting held.	Listing Rules 3.13.2 Corporations Act s 251AA(2)

CONTENT REQUIREMENTS

The key requirements for an annual report are found principally in Part 2M.3 of the Corporations Act and Chapter 4 of ASX Listing Rules.

The annual report for the 2014 financial year needs to include an audited financial report consisting of:

- the financial statements for the year;
- the notes to the financial statements; and
- the directors' declaration about the statements and notes.

Refer to section 295 of the Corporations Act and Regulations 2M.3.01 and 2M.3.03 of the Corporations Regulations for the content requirements of these documents.

In addition, the annual report needs to include:

- a directors' report (including a remuneration report);
- a review of operations and activities for the year;
- a corporate governance statement; and
- other information required by ASX Listing Rules.

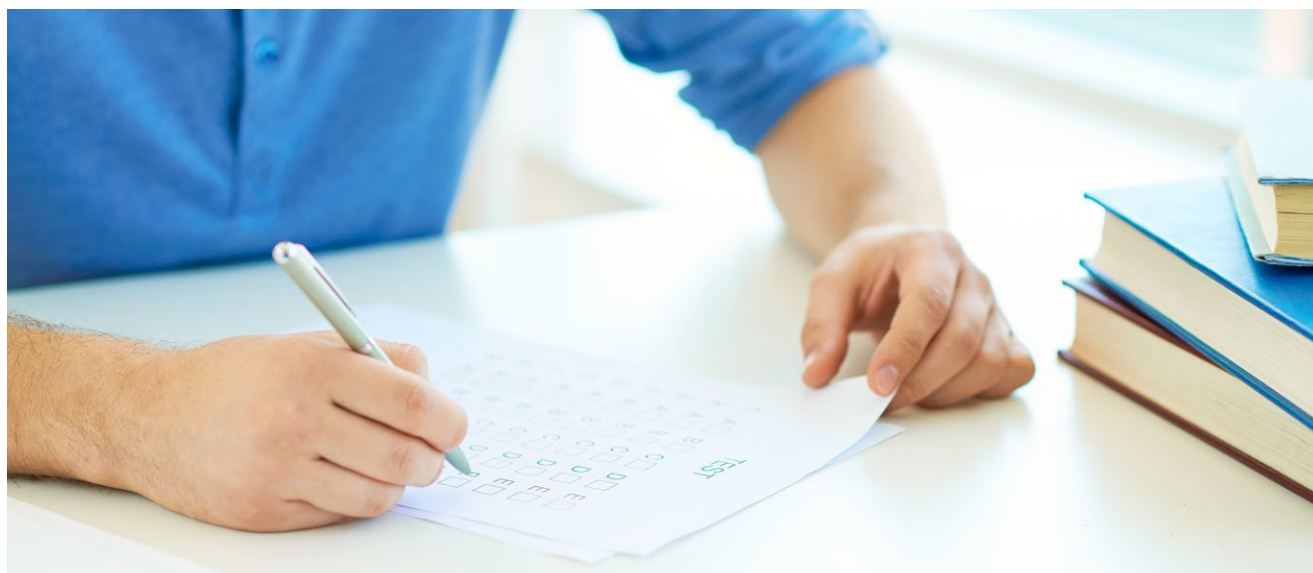
The table on the following pages list the key Corporations Act and ASX Listing Rule requirements.

DIRECTORS' REPORT

The Corporations Act prescribes information which must be included in a directors' report (or incorporated from elsewhere in the annual report by cross-reference). Some of the information can be included in the financial report instead (see sections 300(2) and 300(2A)). However, the information required by:

- sections 298 (1AA) or 298 (1AB), 298(1A), 299, 299A and section 306(2) can only be included in the directors' report or a part of the annual report (but not the financial report).

- section 300 (other than sections 300(11B) and (11C)) may be included in another part of the financial report or annual report.
- The remuneration report required by section 300A must be contained in the directors' report – it cannot be incorporated by reference (see ASIC Class Order 98/2395).



Directors' report	Section of the Act
General information	
<ul style="list-style-type: none"> ■ a review of operations during the financial year and results of those operations. 	299(1)(a)
<ul style="list-style-type: none"> ■ details of significant changes in the company's state of affairs during the year. 	299(1)(b)
<ul style="list-style-type: none"> ■ a statement of the company's principal activities during the year and significant changes in nature of activities during the year. 	299(1)(c)
<ul style="list-style-type: none"> ■ details of matters that have arisen since year end that have significantly affected or may significantly affect: <ul style="list-style-type: none"> – the company's operations in future financial years; or – results of operations in future financial years; or – the company's state of affairs in future financial years. 	299(1)(d)
<ul style="list-style-type: none"> ■ reference to likely developments in the company's operations in future financial years and expected results of operations (prejudicial information may be omitted; if material is omitted, the report must say so – see s299(3)). 	299(1)(e)
<ul style="list-style-type: none"> ■ details of the company's performance in relation to any relevant environmental regulation (if the company's operations are subject to particular and significant environmental regulation under Australian law). 	299(1)(f)
Specific information	
<ul style="list-style-type: none"> ■ details of dividends or distributions paid to members during the year. 	300(1)(a)
<ul style="list-style-type: none"> ■ details of dividends or distributions recommended or declared but not paid during the year. 	300(1)(b)
<ul style="list-style-type: none"> ■ name of each person who has been a director of the company at any time during or since year end and period for which they were a director. 	300(1)(c)
<ul style="list-style-type: none"> ■ name of each person who: <ul style="list-style-type: none"> – is an officer of the company at any time during the year; and – was a partner of an audit firm, or a director of an audit company, that is an auditor of the company for the year; and – was such a partner or director at a time when the audit firm or audit company undertook an audit of the company. 	300(1)(ca)
<ul style="list-style-type: none"> ■ a copy of the auditor's independence declaration under section 307C. This is a written declaration regarding possible contraventions of the auditor independence requirements of the Corporations Act. 	298(IAA)(c) or 298 (IAB)(b) full years 306(1A) half years
<ul style="list-style-type: none"> ■ if additional "true and fair" information is included in the financial report, the reasons for including the information and its location in the financial report. 	298(1A) full years 306(2) half years
Shares and options	
<ul style="list-style-type: none"> ■ details of options over unissued shares or interests granted to any director or any of the five most highly remunerated officers (other than the directors) and granted as part of their remuneration. 	300(1)(d), 300(3) and 300(5)
<ul style="list-style-type: none"> ■ details of unissued shares or interests under option in existence on the day the report is made. 	300(1)(e), 300(3) and 300(6)

Directors' report	Section of the Act
<ul style="list-style-type: none"> ■ details in relation to shares or interests issued during or since year end as a result of option exercise. 	300(1)(f), 300(3) and 300(7)
Indemnity and insurance of officers and auditors	
<ul style="list-style-type: none"> ■ details of indemnities or agreements to indemnify given during or since year end to a current or former officer or auditor. 	300(1)(g), 300(8)(a) and 300(9)
<ul style="list-style-type: none"> ■ details of indemnities given and insurance premiums paid during or since year end for officers or auditors (including former officers and auditors) for their legal costs (to the extent disclosure is not prohibited by the relevant insurance contract). 	300(1)(g), 300(8)(b) and 300(9)
Legal proceedings	
<ul style="list-style-type: none"> ■ details of any leave application under section 237, and details of any proceedings that a person has brought or intervened in on behalf of the company with leave under section 237. 	300(14) and 300(15)
Additional information to be provided by public companies	
<i>For a public company that is not a wholly-owned subsidiary of another company the directors' report must also include details of:</i>	
<ul style="list-style-type: none"> ■ each director's qualifications, experience and special responsibilities; 	300(10)(a)
<ul style="list-style-type: none"> ■ the number of board meetings held during the year and each director's attendance; 	300(10)(b)
<ul style="list-style-type: none"> ■ the number of meetings of each board committee held during year and each director's attendance; and 	300(10)(c)
<ul style="list-style-type: none"> ■ the qualifications and experience of each person who is a company secretary of the company as at the end of the year. 	300(10)(d)
Additional information to be provided by listed companies	
<ul style="list-style-type: none"> ■ information that members of the company would reasonably require to make an informed assessment of the operations and financial position of the company as well as the business strategies and prospects for future financial years of the company reported on (certain prejudicial information may be omitted; if material is omitted, the report must say so – see section 299A(3)). 	299A(1), (3)
<ul style="list-style-type: none"> ■ details for each director of: <ul style="list-style-type: none"> – relevant interests in shares of the company or a related body corporate; – relevant interests in debentures of, or interests in a registered scheme, made available by the company or a related body corporate; – rights or options over shares in, debentures of, or interests in a registered scheme, made available by the company or related body corporate; – contracts to which a director is a party or under which the director is entitled to a benefit, and that confer 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; and – all directorships of other listed companies held by the director at any time in the 3 years immediately before the end of the financial year and the period for which each directorship has been held. 	300(11)(a), (b), (c), (d), (e)

Directors' report	Section of the Act
<ul style="list-style-type: none"> ■ if the directors have granted approval to an individual to play a significant role in the audit of the company in excess of the 5 year rotation limit, details of, and reasons for, the approval. 	300(11AA)
<ul style="list-style-type: none"> ■ where an auditor is relying on a declaration from ASIC modifying auditor rotation requirements, details of that declaration. 	300(11A)
<p>Non-audit services</p> <p><i>Under a separate heading "Non-audit services" in the directors' report include:</i></p>	
<ul style="list-style-type: none"> ■ amounts paid or payable for non-audit services to the auditor; ■ a statement on whether the directors are satisfied that the non-audit services are compatible with the general standard of independence for the auditor; and ■ a statement of the directors' reasons for being satisfied. (The audit committee must provide advice to the board on the matters described above). 	300(11B), (11C) and (11D) (See Subdivision A of Division 3 of Part 2M.4 of Corporations Act for the general auditor independence requirements.)
<p>Remuneration report</p> <p><i>The following remuneration details must be in a section of the directors' report headed "Remuneration report":</i></p>	
<ul style="list-style-type: none"> ■ discussion on board policy, for determining, or in relation to, the nature and amount (or value) of remuneration of key management personnel (Key management personnel has the meaning given in AASB 124 (see section 9). 	300A(1A), 300A(1)(a)
<ul style="list-style-type: none"> ■ discussion of the relationship between the remuneration policy and the company's performance, including the company's earnings and consequences of performance on shareholder wealth in the current financial year and the previous 4 financial years. 	300A(1)(b), (1AA), (1AB)
<ul style="list-style-type: none"> ■ details of remuneration of each member of the key management personnel (Refer to Corporations Regulation 2M.3.03 discussed on pages 11 to 15). 	300A(1)(c) Corporations Regulation 2M.3.03
<ul style="list-style-type: none"> ■ an explanation if a grant of securities as part of remuneration received by key management personnel is not subject to performance conditions. 	300A(1)(d)
<ul style="list-style-type: none"> ■ for each member of the key management personnel: <ul style="list-style-type: none"> – explanation of the relative proportion of remuneration that is related to performance and those that are not; – the individual value of options that are granted, are exercised or lapse during the year; – the percentage values of remuneration that consists of options for the financial year; and – if the person is employed under a contract – duration of the contract, periods of notice required to terminate the contract and termination payment details. 	300A(1)(e)

Directors' report	Section of the Act
<ul style="list-style-type: none"> 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, where at the company's most recent AGM comments were made on the remuneration report and at least 25% of the votes cast on the resolution to adopt the remuneration report were against it. 	300A(1)(g)
Performance conditions	
<i>If performance conditions apply to any element of remuneration of key management personnel:</i>	
<ul style="list-style-type: none"> a detailed summary of the performance conditions; 	300A(1)(ba)(i)
<ul style="list-style-type: none"> an explanation of why the performance condition was chosen; 	300A(1)(ba)(ii)
<ul style="list-style-type: none"> a summary of the methods used in assessing whether the performance condition is satisfied and an explanation of why those methods were chosen; and 	300A(1)(ba)(iii)
<ul style="list-style-type: none"> a summary of any comparative factors external to the company involved in the condition, identifying any companies or securities to which any of those factors relates. 	300A(1)(ba)(iv)
Remuneration consultant	
<i>If a remuneration consultant made a remuneration recommendation in relation to any of the key management personnel for the financial year, include the following details:</i>	
<ul style="list-style-type: none"> the name of the consultant and a statement that the consultant made such a recommendation; if the consultant provided any other kind of advice to the company for the financial year – a statement that the consultant provided that other kind of advice; the amount and nature of the consideration payable for the remuneration recommendation and other any advice provided as disclosed; 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; and 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. 	300A(1)(h)
<p><i>An entity is relieved from sections 298 and 300A of the Corporations Act to the extent that Items 18 and 19 of sub-regulation 2M.3.03(1) of the Corporations Regulations (see pages 11-15 of the guide) require the directors' report to include details for equity instruments or transactions involving equity instruments, where those equities instruments are not issued by the entity or any of its subsidiaries. Refer to ASIC class order [CO 14/632] for conditions required to be met to adopt the relief.</i></p>	

Note: ASIC has issued a number of regulatory guides and class orders covering general financial reporting requirements, requirements for specific types of entities and accounting issues which should be considered when preparing director's reports and financial statements.

Directors' report	Regulations
Corporations Regulation 2M.3.03	
The table below sets out the key details that listed entities must provide in the <i>remuneration report</i> for each member of key management personnel (as prescribed by Corporations Regulation 2M.3.03):	
General	
<ul style="list-style-type: none"> ■ the name of each person whose remuneration is disclosed in the remuneration report, their position during the financial year and the time the position was held (if less than the whole financial year) 	Items 1 – 3
<ul style="list-style-type: none"> ■ details of any changes or retirements in the period starting immediately after the reporting date and ending immediately before the date on which the financial report is authorised for issue: <ul style="list-style-type: none"> – the person's name; – the position involved; and – the date of change/retirement. 	Items 4 – 5
Payments and benefits	
<ul style="list-style-type: none"> ■ short-term employee benefits, including: <ul style="list-style-type: none"> – cash salary, fees and short-term compensated absences; – short-term cash profit sharing and other bonuses; and – non-monetary benefits (with comparative information for the previous financial year²). 	Item 6
<ul style="list-style-type: none"> ■ post-employment benefits, including: <ul style="list-style-type: none"> – pension and superannuation benefits (with comparative information for the previous financial year²). 	Item 7
<ul style="list-style-type: none"> ■ other long-term benefits, separately identifying any amount attributable to a long-term incentive plan (with comparative information for the previous financial year²). 	Item 8
<ul style="list-style-type: none"> ■ termination benefits, [if any] (with comparative information for the previous financial year²). 	Item 9
<ul style="list-style-type: none"> ■ the monetary value and date of any payments made during the financial year as consideration for a person to accept a position in the company. 	Item 10
<ul style="list-style-type: none"> ■ share-based payments, divided into: <ul style="list-style-type: none"> – equity-settled share-based payment transactions, showing separately share/units and options/rights; – cash-settled share-based payment transactions; and – all other forms of share-based payment compensation (including hybrids) (with comparative information for the previous financial year²). 	Item 11

² Comparative information is not required for the first financial year in which paragraph 300A(1)(c) applies in relation to a person.

Directors' report	Regulations
Compensation	
<ul style="list-style-type: none"> ■ the terms and conditions of each grant affecting compensation in the reporting period (present or future), including: <ul style="list-style-type: none"> – the grant date and the nature of the compensation; – the service and performance criteria used to determine the amount of compensation; – the date, details and effect of any alteration of the terms or conditions of the grant since the grant date; – the percentage of the bonus or grant that was paid to the person or that vested in the financial year; – the percentage of the bonus or grant that was forfeited by the person because they did not meet the service and performance criteria in the financial year; – the subsequent financial years for which the bonus or grant will be payable if the person meets the service and performance criteria; and – estimates of the maximum and minimum possible total value of the bonus or grant, other than option grants, for subsequent financial years. 	Item 12
<ul style="list-style-type: none"> ■ for each contract of services between a person and the entity: <ul style="list-style-type: none"> – any further explanation necessary (in addition to those prescribed in paragraph 300A(1)(ba) and Item 12) to provide an understanding of how the amount of compensation in the current reporting period was determined and how the terms of the contract affect compensation in future periods. 	Item 13
<ul style="list-style-type: none"> ■ details of any alterations to the terms of the share-based payment transactions (including options or rights) during the reporting period, including: <ul style="list-style-type: none"> – the date of the alteration and 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 instrument, exercise price, time remaining until expiry and any other condition which affects the vesting or exercise of an option or other right); and – the new terms and the difference between total fair value of the options or other rights immediately before and after the alteration. 	Item 14
<ul style="list-style-type: none"> ■ if options or rights over an equity instrument issued or issuable by the entity (or its subsidiaries) have been provided as compensation to a person during the reporting period: <ul style="list-style-type: none"> – the number of options and number of rights that have been granted and that have vested during that period; and – 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 unit or share, any amount paid or payable by the recipient, the expiry date, the date(s) when the options or rights may be exercised, and a summary of the service and performance criteria that must be met before the beneficial interest vests. 	Item 15 ³

³ Disclosures for Items 15 and 16 must be separated into each class of equity instrument, identified by the name of the issuing entity, the class of equity instrument and, if the instrument is an option or right, the class and number of equity instruments for which it may be exercised.

Directors' report	Regulations
<ul style="list-style-type: none"> ■ if an equity instrument that is issued or issuable by the entity (or 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: <ul style="list-style-type: none"> – the number of equity instruments; – if the number of options or rights exercised differs from the number of equity instruments disclosed in the point above – the number of options or rights exercised; and – the amount paid and the amount unpaid per instrument. <p><i>A company must apply the requirements of relevant accounting standards when disclosing the information mentioned above.</i></p>	Item 16 ³
Remuneration disclosure	
<ul style="list-style-type: none"> ■ for any option or right over equity instruments issued or issuable by the entity and any of its subsidiaries held, whether directly, indirectly or beneficially, by each key management person, or by a close member of the family of that person, or an entity over which the person or the family member has, either directly or indirectly, control, joint control or significant influence, disclosure must be made of the number of rights and options: <ul style="list-style-type: none"> – held at the start of the reporting period; – granted during the reporting period as compensation; – exercised during the reporting period; – resulting from any other change during the reporting period; – held at the end of the reporting period; – vested at the end of the reporting period; – vested and exercisable at the end of the reporting period; and – vested and unexercisable at the end of the reporting period. 	Item 17
<ul style="list-style-type: none"> ■ for any equity instrument (other than an option or a right) held directly, indirectly or beneficially, by each key management person, or by a close member of the family of that person, or an entity over which the person or the family member has, either directly or indirectly, control, joint control or significant influence, disclosure must be made of the number of equity instruments: <ul style="list-style-type: none"> – held at the start of the reporting period; – granted during the reporting period as compensation; – received during the reporting period on the exercise of an option or right; – resulting from any other change during the reporting period; and – held at the end of the reporting period (or held nominally). 	Item 18

Directors' report	Regulations
<ul style="list-style-type: none"> ■ for a transaction involving an equity instrument, other than share-based payment compensation, that has occurred between 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, either directly or indirectly, control, joint control or significant influence and the issuing entity during the reporting period, if the terms or conditions of the transaction were more favourable than those that it is reasonable to expect the entity would have adopted if dealing at arms-length with an unrelated person: <ul style="list-style-type: none"> – the nature of each different type of transaction; and – the terms and conditions of each transaction. 	Item 19
<ul style="list-style-type: none"> ■ for the aggregate of loans made, guaranteed or secured, directly or indirectly, by the entity and any of its subsidiaries, in the reporting period in relation to all key management personnel, close members of the family of a member of the key management personnel, and an entity over which any of the aforementioned persons have, directly or indirectly, control, joint control or significant influence: <ul style="list-style-type: none"> – the amount outstanding at the start of the reporting period; – the amount of interest paid and payable in the reporting period to the entity or to any of the entity's subsidiaries, including the difference between the amount of interest that would have been charged on an arms-length basis; – each write-down and each allowance for doubtful receivables recognised by the entity or by any of the entity's subsidiaries; – the amount outstanding at the end of the reporting period; – the number of key management personnel included in the group aggregate at the end of the reporting period; and – a summary of the terms and conditions of the loans. 	Item 20 ⁴
<ul style="list-style-type: none"> ■ if the aggregate of loans made, guaranteed or secured, directly or indirectly, by the entity and any of its subsidiaries, in the reporting period in relation to a particular key management person close members of the family of the key management person and, an entity over which any of the persons aforementioned has, directly or indirectly, control, joint control or significant influence and, is greater than \$100 000: <ul style="list-style-type: none"> – the amount outstanding at the start of the reporting period; – the amount of interest paid and payable in the reporting period to the entity or to any of the entity's subsidiaries, including the difference between the amount of interest that would have been charged on an arms-length basis; – each write-down and each allowance for doubtful receivables recognised by the entity or by any of the entity's subsidiaries; – the amount outstanding at the end of the reporting period; – the highest amount of the key management person's indebtedness during the reporting period; and – a summary of the terms and conditions of the loans. 	Item 21 ⁴

⁴ This does not include loans involved in transactions in relation to options e.g. a non-recourse loan is a loan that is a transaction in relation to an option.

Directors' report	Regulations
<ul style="list-style-type: none"> ■ for a transaction during the reporting period between the entity, or any of its subsidiaries, and a key management person, a close member of the family of that person, or an entity over which the key management person or the family member has, directly or indirectly, control, joint control or significant influence, other than a transaction mentioned in Item 19, 20 or 21 or subregulation (3B): <ul style="list-style-type: none"> – each type of transaction of a different nature; – the terms and conditions of each type of transaction or, if there are different categories of terms and conditions within a type of transaction, the terms and conditions of each category of transaction; and – for each type of transaction or, if there are different categories of terms and conditions within a type of transaction, for each category of transaction: <ul style="list-style-type: none"> ○ the names of the persons involved in the transaction; and ○ the aggregate amount recognised. 	Item 22 ⁵
<ul style="list-style-type: none"> ■ for each aggregate amount disclosed under Item 22: <ul style="list-style-type: none"> – the total of amounts recognised as revenue, separately identifying, if applicable, the total amounts recognised as: <ul style="list-style-type: none"> ○ interest revenue; or ○ dividend revenue; – the total of amounts recognised as expense, separately identifying, if applicable, the total amounts recognised as: <ul style="list-style-type: none"> ○ interest expense; or ○ write-downs of receivables and allowances made for doubtful receivables; and – any further disclosures necessary to provide an understanding of the effects of the transactions on the financial statements prepared in accordance with Australian Accounting Standards. 	Item 23 ⁵
<ul style="list-style-type: none"> ■ for each transaction identified under Item 22: <ul style="list-style-type: none"> – the total of all assets, classified into current and non-current assets, and, if applicable, any allowance for doubtful receivables at the end of the reporting period; and – the total of all liabilities, classified into current and non-current liabilities. 	Item 24 ⁵

A company must apply the requirements of relevant accounting standards when disclosing the information mentioned above.

⁵ 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 if:

- (a) 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; or
- (b) 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; or
- (c) the transaction is trivial or domestic in nature.

ASX LISTING RULES

REPORTING REQUIREMENTS

Under the ASX Listing Rules, the following additional information is to be included in the annual report of listed entities. The information must be current at a date specified by the company which is no more than 6 weeks before the report is sent to security holders.⁶

Content requirement	Listing Rules
General information	
Either a corporate governance statement that meets the requirements of this rule or the URL of the website page where such a statement is located. ⁷ The statement must disclose the extent to which the entity has followed the recommendations set by ASX Corporate Governance Council during the reporting period (including separately identifying any recommendation that was not followed, the reason it was not followed, the period during which it was not followed, and what (if any) alternative governance practices were adopted in lieu of the recommendation during that period). ⁸	4.10.3
The corporate governance statement must also specify the date at which it is current (the entity's balance date or a later date specified by the entity) and state that it has been approved by the board of the entity (in the case of a trust, the board of the responsible entity of the trust). ⁹	4.10.3
Review of operations and activities for reporting period that complies with sections 299 and 299A of the Corporations Act.	4.10.17
Information about equity	
<ul style="list-style-type: none"> Names of substantial holders in the entity, and number of equity securities in which each substantial holder and their associates have a relevant interest. 	4.10.4
<ul style="list-style-type: none"> Number of holders of each class of equity securities and voting rights attaching to each class of equity securities. 	4.10.5, 4.10.6

⁶ From 1 July 2014 (in respect of financial years ending on or after 30 June 2015), this will be amended so that the information must be current at a date specified by the entity, which must be on or after the entity's balance date and no more than 6 weeks before the report is given to ASX.

⁷ This applies in respect of financial years ending on or after 30 June 2015, however, an entity may adopt this for the year ending 30 June 2014, if it wishes to do so, provided it also adopts the amendments made on 1 July 2014 to Listing Rule 4.7 and it reports in relation to the third edition of the ASX Corporate Governance Council's recommendations.

⁸ This incorporates 1 July 2014 amendments, which apply in respect of financial years ending on or after 30 June 2015, however, an entity may adopt this for the year ending 30 June 2014, if it wishes to do so, provided it also adopts the amendments made on 1 July 2014 to Listing Rule 4.7 and it reports in relation to the third edition of the ASX Corporate Governance Council's recommendations.

⁹ This requirement applies in respect of financial years ending on or after 30 June 2015, however, an entity may adopt this for the year ending 30 June 2014, if it wishes to do so, provided it also adopts the amendments made on 1 July 2014 to Listing Rule 4.7 and it reports in relation to the third edition of the ASX Corporate Governance Council's recommendations.

Content requirement	Listing Rules
<ul style="list-style-type: none"> ■ Distribution schedule of number of holders in each class of equity securities in categories: <ul style="list-style-type: none"> – 1-1,000 – 1,001-5,000 – 5,001-10,000 – 10,001-100,000 – 100,001 and over. 	4.10.7
<ul style="list-style-type: none"> ■ Number of holders holding less than a marketable parcel of the entity's main class of securities. 	4.10.8
<ul style="list-style-type: none"> ■ Names of 20 largest holders of each class of quoted equity securities, the number of equity securities each holds and the percentage of capital each holds. 	4.10.9
<ul style="list-style-type: none"> ■ For each class of unquoted equity securities, the number of equity securities that are on issue and the number of holders. In addition, if a person holds 20% or more of the equity securities in an unquoted class, the holder and the number of equity securities held, unless the securities were issued or acquired under an employee incentive scheme. 	4.10.16
Information about corporate details	
<ul style="list-style-type: none"> ■ Name of the company's secretary. 	4.10.10
<ul style="list-style-type: none"> ■ Address and telephone number of the company's registered office in Australia, and of its principal administrative office, if the two are different. 	4.10.11
<ul style="list-style-type: none"> ■ Address and telephone number of each office at which register of securities is kept and list of other stock exchanges on which the company's securities are quoted. 	4.10.12, 4.10.13
Miscellaneous Information	
<ul style="list-style-type: none"> ■ Number and class of restricted securities or securities subject to voluntary escrow that are on issue, and date that escrow period ends. 	4.10.14
<ul style="list-style-type: none"> ■ Whether there is a current on-market buy-back. 	4.10.18
<ul style="list-style-type: none"> ■ In first two annual reports after admission, statement about whether the company used cash and assets in a form readily convertible to cash that it had at time of admission in a way consistent with its business objectives. If use was not consistent, an explanation of how cash and assets were used. 	4.10.19
<ul style="list-style-type: none"> ■ If the company is an investment entity: <ul style="list-style-type: none"> – a list of investments held as at its balance date; – total number of transactions in securities during reporting period, together with total brokerage paid or accrued; and – total management fees paid or accrued during reporting period, together with a summary of any management agreement. 	4.10.20
<ul style="list-style-type: none"> ■ A summary of any issues of securities approved for the purposes of Item 7 of section 611 of the Corporations Act which have not yet been completed. 	4.10.21

Content requirement	Listing Rules
<ul style="list-style-type: none"> ■ If during the reporting period any securities were purchased on-market: <ul style="list-style-type: none"> – under or for the purposes of an employee incentive scheme; or – to satisfy the entitlements of the holders of options or other rights to acquire securities granted under an employee incentive scheme, <p>the total number of securities purchased during the reporting period and the average price per security at which the securities were purchased during the reporting period.¹⁰</p>	[4.10.22 ¹¹]

¹⁰ This disclosure may be made in the remuneration report included in the entity's annual report.

¹¹ This rule applies in respect of financial years ending on or after 30 June 2015 (although an entity may adopt this amendment in respect of year ending 30 June 2014, if it wishes to do so).

ABOUT DLA PIPER

DLA Piper is a truly local, truly global law firm. In Australia, we have more than 450 lawyers based in offices across Brisbane, Canberra, Melbourne, Perth and Sydney. Our lawyers are part of a team of more than 4,200 lawyers in more than 30 countries throughout Asia Pacific, Europe, the Middle East and the Americas.

KEY CONTACTS

Sydney



David Ryan

Partner

T +61 2 9286 8674

david.ryan@dlapiper.com

Melbourne



Mark Burger

Partner

T +61 3 9274 5586

mark.burger@dlapiper.com

Brisbane



Lyndon Masters

Partner

T +61 7 3246 4007

lyndon.masters@dlapiper.com

Perth



Andrew Crean

Special Counsel

T +61 8 6467 6148

andrew.crean@dlapiper.com

FOR MORE INFORMATION

Contact your nearest DLA Piper office:

BRISBANE

Level 28, Waterfront Place

1 Eagle Street

Brisbane QLD 4000

T +61 7 3246 4000

F +61 7 3229 4077

brisbane@dlapiper.com

CANBERRA

Level 3, 55 Wentworth Avenue

Kingston ACT 2604

T +61 2 6201 8787

F +61 2 6230 7848

canberra@dlapiper.com

MELBOURNE

Level 21, 140 William Street

Melbourne VIC 3000

T +61 3 9274 5000

F +61 3 9274 5111

melbourne@dlapiper.com

PERTH

Level 31, Central Park

152–158 St Georges Terrace

Perth WA 6000

T +61 8 6467 6000

F +61 8 6467 6001

perth@dlapiper.com

SYDNEY

Level 22, No.1 Martin Place

Sydney NSW 2000

T +61 2 9286 8000

F +61 2 9286 8007

sydney@dlapiper.com

www.dlapiper.com

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