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Section D – Half-year financial report

Consolidated Model Financial Reports

Financial years ending on or after 31 December 2005.

First-time adoption of Australian equivalents to International Financial Reporting Standards.

Consolidated model half-year financial report

Illustrative example of the disclosure requirements of the Corporations Act 2001 and Accounting Standards AASB 1 'First-time Adoption of Australian equivalents to International Financial Reporting Standards' and AASB 134 'Interim Financial Reporting'

This publication provides illustrations of disclosures required in half-year financial reports prepared in accordance with the Corporations Act 2001. It does not, and cannot be expected to, cover all situations that may be encountered in practice and is not intended to indicate the appropriate accounting treatment of particular items. This publication is not a substitute for specific professional advice. While the information is believed to be correct, no responsibility is accepted for its accuracy or completeness.

The liability of Deloitte Touche Tohmatsu is limited by, and to the extent of, the Accountants' Scheme under the Professional Standards Act 1994 (NSW).

About the model financial report

Purpose

This model financial report has been designed by Deloitte Touche Tohmatsu to assist clients, partners and staff with the preparation of **half-year financial reports** for a **consolidated entity** on first-time adoption of Australian equivalents to International Financial Reporting Standards ('A-IFRS') in accordance with:

- Provisions of the Corporations Act 2001;
- Accounting Standard AASB 134 'Interim Financial Reporting' (as amended by Accounting Standard AASB 2004-2 'Amendments to Australian Accounting Standards'); and
- Accounting Standard AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards'.

Where appropriate, this model also adopts the classification criteria and other guidance contained in Accounting Standard AASB 101 'Presentation of Financial Statements'.

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

This model does not, and cannot be expected to cover all situations that may be encountered in practice. Therefore, knowledge of the disclosure provisions of the Corporations Act 2001, Accounting Standards and UIG Interpretations are pre-requisites for the preparation of financial reports.

Source references

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

Abbreviations used in this model are as follows:

s.	Section of the Corporations Act 2001.
Reg	Regulation of the Corporations Regulations 2001.
AASB	Accounting Standards issued by the Australian Accounting Standards Board.
UIG	Interpretations issued by the Urgent Issues Group.
AUS	Australian Auditing Standards issued by the Auditing and Assurance Standards Board.
AGS	Auditing Guidance Statements issued by the Auditing and Assurance Standards Board.
ASIC-CO	Australian Securities and Investments Commission Class Order issued pursuant to s.341(1) of the Corporations Act 2001.
ASIC-PN	Australian Securities and Investments Commission Practice Note.
ASX	Australian Stock Exchange Limited Listing Rules.

DTT Consolidated Limited

ACN 123 456 789

Financial report for the half-year ended 30 June 2005

Financial report for the half-year ended 30 June 2005

Page

Source reference

Half-year reporting requirements

Listed disclosing entities

Listed disclosing entities are required to prepare and lodge a half-year financial report prepared in accordance with AASB 134 'Interim Financial Reporting', together with certain additional information as required by the ASX Appendix 4D (other than for mining exploration entities).

Accordingly, in order to satisfy the half-year reporting requirements of both the ASX Listing Rules and the Corporations Act 2001 for half-years ending on or after 30 June 2005, listed disclosing entities must lodge the following documents with the ASX within two months after the half-year end:

- a directors' report (refer page D2)
- an audit or review report (refer pages D5 and D6)
- a directors' declaration (refer page D9)
- half-year financial statements and notes thereto prepared in accordance with AASB 134 and AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards' (refer pages D11 to D44)
- additional information as required by the ASX Appendix 4D.

Non-listed disclosing entities

In order to satisfy the reporting requirements of the Corporations Act 2001, non-listed disclosing entities must lodge the following documents with the ASIC within 75 days after the half-year end:

- a directors' report (refer page D2)
- an audit or review report (refer pages D5 and D6)
- a directors' declaration (refer page D9)
- half-year financial statements and notes thereto prepared in accordance with AASB 134 and AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards' (refer pages D11 to D44).

Source reference

Directors' report

ASIC-CO 98/2395 Information required by s.306 may be transferred to a document attached to the directors' report and half-year financial report where a clear cross reference to the pages containing the excluded information exists and certain conditions are satisfied. Where the information is transferred to the half-year financial report it will be subject to audit or review.

s.1308(7) Where the directors' report contains information in addition to that required by the Corporations Act 2001, the information will be regarded as part of the directors' report for the purposes of s.1308 'False or misleading statements'.

The directors of DTT Consolidated Limited submit herewith the financial report for the half-year ended 30 June 2005. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

s.306(1)(b) The names of the directors of the company during or since the end of the half-year are:

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

s.306(1)(b) The above named directors held office during and since the end of the half-year except for:

- Mr W.K. Flinders – resigned 20 January 2005
- Ms S.M. Saunders – appointed 1 February 2005
- Ms L.A. Lochert – appointed 30 January 2005 and resigned 1 July 2005

Review of operations

s.306(1)(a) 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 2001 contains no guidance on the contents of this review.

ASX Guidance Note In preparing this disclosure, entities may wish to refer to ASX Guidance Note 10 'Review of Operations and Activities: Listing Rule 4.10' or to the G100's 'Guide to Review of Operations and Financial Condition', which provide general guidance on the form and content of the consolidated entity's review of operations and the results of those operations, together with specific guidance on items which might be appropriately included in such a review.

Recommended contents of the review of operations include:

(a) overview:
   i. objectives of the consolidated entity and how they are achieved within the specific operating environment and industry within which the consolidated entity operates;
   ii. performance and indicators used by management; and
   iii. dynamics of the consolidated entity and the main opportunities and threats that may have a major effect on results regardless of whether they were significant in the period under review;

(b) review of operations:
   i. operating results of the consolidated entity by main business activity including a comparison to prior periods and any projections published by the company and its controlled entities. 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; and
   ii. overall return attributable to shareholders in terms of dividends, and increase in shareholder funds. Consideration should be given to the company's distribution policy (including the extent of franking), other forms of shareholder returns, for example, dividend reinvestment plans or shareholder privileges, and movements in the company's share price;

(c) details of investments for future performance, including the current and planned future level of capital expenditure, major projects and expected benefits;

Source reference

(d) review of financial conditions:
   i. capital structure of the company including capital funding and treasury policies and objectives;
   ii. liquidity and funding as at year end including restrictions on funds transfer, covenants entered into and the maturity profile of borrowings;
   iii. resources available to the consolidated entity not reflected in the statement of financial position;
   iv. cash generated from operations and other sources of cash flows during the period; and
   v. 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; and

(e) risk management and corporate governance practices.

Auditor's independence declaration

s.306(2) The auditor's independence declaration is included on page D4 of the half-year financial report

s.306(2) The directors' report must include a copy of the auditor's declaration under s.307C in relation to the audit or review for the half-year.

Deloitte believe that it is appropriate that the auditor's independence declaration be prepared on letterhead and be placed immediately after the directors' report. The directors' report should provide a cross reference to the declaration.

True and fair view

s.306(2) If the half-year financial report includes additional information in the notes to the financial statements necessary to give a true and fair view of the financial performance and position of the disclosing entity (including the consolidated entity), the directors' report must also:

(a) set out the directors' reasons for forming the opinion that the inclusion of that additional information was necessary to give a true and fair view required by s.305; and

(b) specify where that information can be found in the half-year financial report.

Rounding off of amounts

If the company is of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and consequently the amounts in the directors' report and the half-year financial report are rounded, that fact must be disclosed in the directors' report, for example:

ASIC-CO 98/0100 The company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

OR

ASIC-CO 98/0100 The company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the half-year financial report are rounded off to the nearest hundred thousand dollars, unless otherwise indicated.

OR

ASIC-CO 98/0100 The company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the half-year financial report are rounded off to the nearest million dollars, unless otherwise indicated.

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

On behalf of the Directors

(Signature)
C.J. Chambers
Director
Melbourne, 19 August 2005

Source reference

Independence declaration to the directors of DTT Consolidated Limited

An independence declaration shall be drafted by the auditor in accordance with s.307C of the Corporations Act 2001.
The directors' report must include a copy of this declaration.
Deloitte believe that it is appropriate that the auditor's independence declaration be prepared on letterhead and be placed immediately after the directors' report. The directors' report should provide a cross reference to the declaration.

Source reference

Independent audit report to the members of DTT Consolidated Limited

Where the financial report for a half-year is audited, an audit report shall be prepared by the auditor in accordance with the Australian Auditing Standards

Source reference

Independent review report to the members of DTT Consolidated Limited

Where the financial report for a half-year is reviewed, a review report shall be prepared by the auditor in accordance with the Australian Auditing Standards

Source reference

Audit of half-year financial report

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

s.307(a), 309(1)
- whether the financial report for the half-year is in accordance with the Corporations Act 2001, including:
  - i. whether the report complies with accounting standards; and
  - ii. whether the report gives a true and fair view of the financial performance and position of the entity (or consolidated entity); and

s.307(aa), 309(5B)
- if the financial report for the half-year includes additional information under s.303(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.305; and

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

s.307(c)
- whether the company has kept financial records sufficient to enable a half-year financial report to be prepared and audited; and

s.307(d)
- whether the company has kept other records and registers as required by the Corporations Act 2001.

s.308(3)(b) The auditor is only 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.

Review of the half-year financial report

s.309(4) The auditor who reviews the financial report for a half-year must report to members on whether the auditor became aware of any matter in the course of the review that makes the auditor believe that the financial report does not comply with the Corporations Act 2001.

Qualified audit opinions and review statements

AGS1016 Where a qualified audit opinion is required refer to the examples contained in AGS 1016 'Audit and Review Reports on Half-Year Financial Reports of Disclosing Entities Under The Corporations Act 2001' and relevant Australian Auditing and Assurance Standards (AUSs).

s.309(2) Where, in the auditor's opinion, there has been a departure from a particular Accounting Standard, the audit report must, to the extent that is practicable to do so, quantify the effect that non-compliance has on the half-year financial report. If it is not practicable to quantify the effect fully, the report must say why.

Duty to report

s.309(3)(a) The auditor is required to report any defect or irregularity in the half-year financial report.

s.309(5A) The audit report must include any statements or disclosures required by the auditing standards.

Duty to inform

s.311(1) The auditor must inform the 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 2001; 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.

s.311(1)(c) 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.

Source reference	
ASIC-PN 34	ASIC Practice Note 34 provides guidance on the procedures to be followed by registered company auditors in complying with s.311 of the Corporations Act 2001, including specific reference to evidence of a contravention, examples of contraventions and timing of notification.
	Meaning of person involved in the conduct of an audit
s.311(6)	A person involved in the conduct of an audit means: (a) the auditor; or (b) the lead auditor for the audit; or (c) the review auditor for the audit; or (d) a professional member of the audit team for the audit; or (e) any other person involved in the conduct of the audit.
	Auditor's independence declaration
s.307C(1)	If an individual auditor conducts an audit or review of the financial report for a half-year the individual auditor must give the directors of the company, registered scheme or disclosing entity a written declaration that, to the best of the individual auditor's knowledge and belief, there have been: (i) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit or review; and (ii) no contraventions of any applicable code of professional conduct in relation to the audit or review; or a written declaration that, to the best of the individual auditor's knowledge and belief, the only contraventions of: (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit or review; or (ii) any applicable code of professional conduct in relation to the audit or review; are those contraventions details of which are set out in the declaration.
s.307C(3)	If an audit firm or audit company conducts an audit or review of the financial report for a half-year the lead auditor must give the directors of the company, registered scheme or disclosing entity a written declaration that, to the best of the lead auditor's knowledge and belief, there have been: (i) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit or review; and (ii) no contraventions of any applicable code of professional conduct in relation to the audit or review; or a written declaration that, to the best of the lead auditor's knowledge and belief, the only contraventions of: (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit or review; or (ii) any applicable code of professional conduct in relation to the audit or review; are those contraventions details of which are set out in the declaration.

Source reference

Directors' declaration

The directors declare that:

s.303(4)(c) (a) in the directors' opinion, there are reasonable grounds to believe that the disclosing entity will be able to pay its debts as and when they become due and payable; and

s.303(4)(d) (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

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

On behalf of the Directors

(Signature)
C.J. Chambers
Director

Melbourne, 19 August 2005

Source reference

Format of the financial report

Presentation of parent and consolidated financial statements

AASB134.Aus14.1, Aus14.2 — A parent that prepares a half-year financial report shall include consolidated financial statements in its half-year financial report. If an entity's annual financial report included the parent's separate financial statements in addition to consolidated financial statements, AASB 134 'Interim Financial Reporting' neither requires nor prohibits the inclusion of the parent's separate financial statements in the entity's half-year financial report.

Content of the half-year financial report

AASB134.8 — The half-year financial report shall include, as a minimum:

- a condensed balance sheet;
- a condensed income statement;
- a condensed statement of changes in equity showing either:
  - i. all changes in equity, or
  - ii. changes in equity other than those arising from transactions with equity holders acting in their capacity as equity holders;
- a condensed cash flow statement; and
- selected explanatory notes.

AASB134.Aus16.4 — Where condensed financial statements are included in the half-year financial report, those statements must be clearly labelled as 'condensed'.

AASB134.10 — Where a condensed financial report is published, the condensed report shall include, at a minimum, each of the headings and subtotals that were included in its most recent annual financial report and the selected explanatory notes as required by AASB 134 'Interim Financial Reporting'. Additional line items or notes shall be included if their omission would make the condensed half-year financial report misleading.

AASB134.13 — An entity follows the same format in its half-year statement of changes in equity as it did in its most recent annual statement.

For illustrative purposes, the example financial statements presented on pages D11 to D15 include all line items required to be included on the face of the annual financial statements.

Full financial statements

AASB134.9 — Where the half-year financial report includes a full set of financial statements and notes of the type normally included in an annual financial report, the form and content of those financial statements and notes must conform to the requirements of AASB 101 'Presentation of Financial Statements' for a financial report.

For an illustration of the disclosure requirements of other AASB Standards, refer to the Deloitte Consolidated Model Annual Financial Report.

Current and comparative information

AASB134.20 — The following table outlines the reporting periods for which information must be presented in the half-year financial report:

	Current half-year period	Current half-year end	Prior half-year period	Prior year end
Balance sheet		√		√
Income statement	√		√	
Statement of changes in equity/ Statement of recognised income and expense	√		√	
Cash flow statement	√		√	

Materiality

AASB134.23 — In deciding how to recognise, measure, classify or disclose an item for half-year reporting purposes, materiality shall be assessed in relation to the half-year financial data. In making assessments of materiality, it shall be recognised that interim measurements may rely on estimates to a greater extent than measurements of annual financial data.

Consolidated income statement for the half-year ended 30 June 2005
(example of expenses disclosed by function)

	Note	Consolidated Half-year ended 30 June 2005 $'000	Consolidated Half-year ended 30 June 2004 $'000
Revenue		104,466	116,017
Cost of sales		(63,691)	(69,930)
Gross profit		40,775	46,087
Other income		1,261	510
Share of profits of associates and jointly controlled entities accounted for using the equity method		593	795
Distribution expenses		(2,544)	(2,300)
Marketing expenses		(1,646)	(786)
Occupancy expenses		(1,064)	(1,100)
Administration expenses		(6,167)	(7,562)
Finance costs		(2,895)	(3,698)
Other expenses		(7,614)	(9,412)
Profit before income tax expense	2	20,699	22,534
Income tax expense		(7,233)	(7,400)
Profit from continuing operations		13,466	15,134
Profit from discontinued operations		-	-
Profit for the period		13,466	15,134
Profit attributable to minority interest		(2,000)	(1,382)
Profit attributable to members of the parent entity		11,466	13,752
Earnings per share:			
Basic (cents per share)		53.7	64.8
Diluted (cents per share)		48.3	58.6

Notes to the financial statements are included on pages D16 to D44.

Source references: AASB134.9, 10, 11, Aus14.1, Aus14.2 and 20(b)

Consolidated income statement for the half-year ended 30 June 2005
(example of expenses disclosed by nature)

	Note	Consolidated	
		Half-year ended 30 June 2005 $'000	Half-year ended 30 June 2004 $'000
Revenue		104,466	116,017
Other income		1,261	510
Share of profits of associates and jointly controlled entities accounted for using the equity method		593	795
Changes in inventories of finished goods and work in progress		(3,561)	(3,235)
Raw materials and consumables used		(57,554)	(65,419)
Employee benefits expense		(7,189)	(7,720)
Depreciation and amortisation expense		(7,590)	(8,675)
Finance costs		(2,895)	(3,698)
Impairment of non-current assets		-	-
Consulting expense		(1,498)	(610)
Other expenses		(5,334)	(5,431)
Profit before income tax expense	2	20,699	22,534
Income tax expense		(7,233)	(7,400)
Profit from continuing operations		13,466	15,134
Profit from discontinued operations		-	-
Profit for the period		13,466	15,134
Profit attributable to minority interest		(2,000)	(1,382)
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Source references: AASB134.9, 10, 11, Aus14.1, Aus14.2 and 20(b)

Consolidated balance sheet as at 30 June 2005

	Note	Consolidated	
		30 June 2005 $'000	31 December 2004 $'000
Current assets			
Cash and cash equivalents		18,179	19,778
Trade and other receivables		17,566	17,197
Other financial assets		9,840	8,841
Inventories		28,390	30,352
Current tax assets		-	60
Other		-	-
		73,975	76,228
Non-current assets classified as held for sale		-	-
Total current assets		73,975	76,228
Non-current assets			
Trade and other receivables		-	-
Inventories		-	-
Investments accounted for using the equity method		7,862	7,269
Other financial assets		8,410	7,612
Property, plant and equipment		137,546	134,461
Investment property		136	132
Deferred tax assets		-	-
Goodwill		24,060	24,060
Other intangible assets		10,532	11,325
Other		-	-
Total non-current assets		188,546	184,859
Total assets		262,521	261,087
Current liabilities			
Trade and other payables		15,947	15,990
Borrowings		32,501	37,500
Other financial liabilities		-	-
Current tax payables		2,567	5,868
Provisions		3,074	3,247
Other		90	95
		54,179	62,700
Liabilities directly associated with non-current assets classified as held for sale		-	-
Total current liabilities		54,179	62,700
Non-current liabilities			
Trade and other payables		-	-
Borrowings		25,311	26,078
Other financial liabilities		-	-
Deferred tax liabilities		4,142	3,693
Provisions		2,068	2,326
Other		225	270
Total non-current liabilities		31,746	32,367
Total liabilities		85,925	95,067
Net assets		176,596	166,020
Equity			
Issued capital		48,973	48,672
Reserves		3,422	2,545
Retained earnings		102,196	94,798
		154,591	146,015
Amounts recognised directly in equity relating to non-current assets classified as held for sale		-	-
Parent entity interest		154,591	146,015
Minority interest		22,005	20,005
Total equity		176,596	166,020

Notes to the financial statements are included on pages D16 to D44.

Source references: AASB134.9, 10, 20(a)

Consolidated statement of recognised income and expense for the half-year ended 30 June 2005

	Note	Consolidated Half-year ended 30 June 2005 $'000	Consolidated Half-year ended 30 June 2004 $'000
Gain/(loss) on property revaluation		-	1,643
Available-for-sale investments:			
Valuation gain/(loss) taken to equity		14	-
Transferred to profit or loss on sale		-	-
Transferred to profit or loss on impairment		-	-
Cash flow hedges:			
Gain/(loss) taken to equity		928	-
Transferred to profit or loss for the period		(100)	-
Transferred to initial carrying amount of hedged item		10	-
Net gain/(loss) on hedge of net investment in foreign operation:			
Gain/(loss) taken to equity		-	-
Transferred to profit or loss on sale		-	-
Translation of foreign operations:			
Exchange differences taken to equity		108	286
Transferred to profit or loss on sale		-	-
Actuarial gain/(loss) on defined benefit plans		(110)	(180)
Share of increments in reserves attributable to associates		-	-
Share of increments in reserves attributable to jointly controlled entities		-	-
Income tax on items taken directly to or transferred from equity		(270)	(600)
Other		-	-
Net income recognised directly in equity		580	1,149
Profit for the period		13,466	15,134
Total recognised income and expense for the period		14,046	16,283
Attributable to:			
Equity holders of the parent		12,046	14,901
Minority interest		2,000	1,382
		14,046	16,283
Effects of changes in accounting policy:			
Equity holders of the parent			243
Minority interest			-
			243

Notes to the financial statements are included on pages D16 to D44.

Source references: AASB134.9, 10, 20(c)

Consolidated cash flow statement for the half-year ended 30 June 2005

	Note	Consolidated Half-year ended 30 June 2005 $'000	Consolidated Half-year ended 30 June 2004 $'000
Cash flows from operating activities			
Receipts from customers		104,231	115,823
Payments to suppliers and employees		(75,313)	(85,859)
Interest and other costs of finance paid		(2,563)	(3,354)
Income tax paid		(6,233)	(3,000)
Net cash provided by operating activities		20,122	23,610
Cash flows from investing activities			
Payment for investment securities		(500)	(3,118)
Proceeds on sale of investment securities		-	-
Interest received		971	535
Dividends received		90	90
Proceeds from repayment of related party loans		6,555	2,200
Amounts advanced to related parties		-	(4,210)
Payment for property, plant and equipment		(10,000)	(8,000)
Proceeds from sale of property, plant and equipment		-	10,013
Payment for intangible assets		-	-
Development costs paid		(400)	(352)
Proceeds from sale of businesses		-	-
Payment for businesses		-	-
Net cash used in by investing activities		(3,284)	(2,842)
Cash flows from financing activities			
Proceeds from issues of equity securities		-	-
Payment for share issue costs		-	-
Payment for share buy-back:			
- members of the parent entity		-	-
- minority interests		-	-
Proceeds from issue of debt securities		-	-
Payment for debt issue costs		-	-
Proceeds from borrowings		9,000	32,123
Repayment of borrowings		(24,382)	(47,716)
Dividends paid:			
- members of the parent entity		(3,897)	(3,800)
- minority interests		-	-
Net cash used in financing activities		(19,279)	(19,393)
Net increase in cash and cash equivalents		(2,441)	1,375
Cash and cash equivalents at the beginning of the half-year		19,400	15,260
Effects of exchange rate changes on the balance of cash held in foreign currencies		(20)	(35)
Cash and cash equivalents at the end of the half-year		16,939	16,600

Notes to the financial statements are included on pages D16 to D44.

Source references: AASB134.9, 10, 20(d)

Source reference

1. Summary of accounting policies

Same accounting policies as annual financial report

AASB134.16(a), 28 An entity is required to apply the same accounting policies in its half-year financial report as are applied in its annual financial report, except for accounting policy changes made after the date of the most recent annual financial report that are to be reflected in the next annual financial report. A statement that the same accounting policies and methods of computation are followed in the half-year financial report, as compared to the most recent annual financial report, shall be made, or, if those policies or methods of computation have changed, a description of the nature and effect of the change shall be disclosed.

The accounting policies applied in the first half-year financial report prepared in accordance with A-IFRS are unlikely to be the same accounting policies and methods of computation as applied in the most recent annual financial report (which would have been prepared in accordance with previous Australian GAAP).

Where the accounting policies have changed on transition to A-IFRS, Deloitte believe that it would be appropriate for the notes to the financial statements to include a summary of the significant accounting policies adopted that is necessary for an understanding of the half-year financial report. In making judgments about the details to be disclosed about an entity's accounting policies, consideration shall be given to the information needs of the likely users of the half-year financial report, the nature of the entity's operations and the policies that a user would expect to find disclosed for that type of entity.

Basis of preparation

AASB134.Aus16.3, Aus16.4, 19 The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

AASB134.16(a), 28 The consolidated entity changed its accounting policies on 1 January 2005 to comply with A-IFRS. The transition to A-IFRS is accounted for in accordance with Accounting Standard AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards', with 1 January 2004 as the date of transition. An explanation of how the transition from superseded policies to A-IFRS has affected the consolidated entity's financial position, financial performance and cash flows is discussed in note 10.

The accounting policies set out below have been applied in preparing the financial statements for the half-year ended 30 June 2005, the comparative information presented in these financial statements, and in the preparation of the opening A-IFRS balance sheet at 1 January 2004 (as disclosed in note 10), the consolidated entity's date of transition, except for the accounting policies in respect of financial instruments. The consolidated entity has not restated comparative information for financial instruments, including derivatives, as permitted under the first-time adoption transitional provisions. The accounting policies for financial instruments applicable to the comparative information are consistent with those adopted and disclosed in the lodged 2004 annual financial report. The impact of changes in these accounting policies on 1 January 2005, the date of transition for financial instruments, is discussed further in note 1(ae).

Materiality

In accordance with Accounting Standard AASB 1031 'Materiality', accounting polices need only be identified in the summary of accounting policies where they are considered 'material'. Accounting policies will be considered material if their omission, misstatement or non-disclosure has the potential, individually or collectively, to:

(a) influence the economic decisions of users taken on the basis of the half-year financial report; and

(b) affect the discharge of accountability by the management or governing body of the entity.

Source reference

1. Summary of accounting policies (cont'd)

Going concern basis

Where the half-year financial report is prepared on a going concern basis, but material uncertainties exist in relation to events or conditions which cast doubt on the entity's ability to continue as a going concern, those uncertainties shall be disclosed.

Where the going concern basis has not been used, and the effect is material, this shall be disclosed together with a statement of the reasons for not applying this basis and the basis on which the half-year financial report has been prepared. An entity shall not prepare its half-year financial report on a going concern basis if management determines after the reporting date either that it intends to liquidate the entity or to cease trading, or that it has no realistic alternative but to do so.

Seasonal and/or cyclical half-year operations

AASB134.16(b) The notes to the financial statements shall include explanatory comments about the seasonality or cyclicality of the half-year operations, if material and if not disclosed elsewhere in the half-year financial report.

Accounting estimates

AASB134.41 The measurement procedures to be followed in the half-year financial report shall be designed to ensure that the resulting information is reliable and that all material financial information that is relevant to an understanding of the financial position or performance of the entity is appropriately disclosed. While measurements in both annual and half-year financial reports are often based on reasonable estimates, the preparation of half-year financial reports generally will require a greater use of estimation methods than annual financial reports.

AASB134.35 An entity that reports half-yearly uses information available by mid-year or shortly thereafter in making the measurements in its financial report for the first half-year reporting period and information available by the end of the annual reporting period or shortly thereafter for the twelve-month reporting period. The twelve-month measurements will reflect possible changes in estimates of amounts reported for the first half-year reporting period. The amounts reported in the half-year financial report for the first six-month reporting period are not retrospectively adjusted. However, AASB 134 requires the nature and amount of any significant changes in estimates be disclosed.

Significant accounting policies

AASB134.16(a) The following significant accounting policies have been adopted in the preparation and presentation of the half-year financial report:

The following illustrations are quoted by way of example only, and do not necessarily represent the only treatment which may be appropriate for the item concerned and do not cover all items that shall be considered for inclusion in the summary of accounting policies.

(a) Borrowings

Borrowings are recorded initially at fair value, net of transaction costs.

Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the borrowing using the effective interest rate method.

(b) Borrowing costs

Borrowing costs directly attributable to buildings under construction are capitalised as part of the cost of those assets.

A consolidated entity that elects to expense all borrowing costs as they are incurred shall disclose the elected policy.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and investments in money market instruments, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Source reference

1. Summary of accounting policies (cont'd)

(d) Comparative amounts

When the presentation or classification of items in the half-year financial report is amended, comparative amounts shall be reclassified unless the reclassification is impracticable.

When comparative amounts are reclassified, an entity shall disclose:

(a) the nature of the reclassification;

(b) the amount of each item or class of items that is reclassified; and

(c) the reason for the reclassification.

When it is impracticable to reclassify comparative amounts, an entity shall disclose:

(a) the reason for not reclassifying the amounts; and

(b) the nature of the adjustments that would have been made if the amounts had been reclassified.

(e) Construction contracts

Revenue from cost plus contracts is recognised by reference to the recoverable costs incurred during the financial year plus the percentage of fees earned. Percentage of fees earned is measured by the proportion that costs incurred to date bear to the estimated total costs of the contract.

Where a loss is expected to occur it is recognised immediately and is made for both work in progress completed to date and for future work on the contract.

(f) Date of incorporation

The following accounting policy note is suggested in the year of incorporation.

The company was incorporated on *[date]* and accordingly only current year figures covering the period from incorporation are shown.

(g) Derivative financial instruments

The consolidated entity enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including forward foreign exchange contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event, the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The consolidated entity designates certain derivatives as either hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions (cash flow hedges), or hedges of net investments in foreign operations.

<u>Fair value hedge</u>

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk.

Hedge accounting is discontinued when the hedge instrument expires or is sold, terminated, exercised, or no longer qualifies for hedge accounting. The adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

<u>Cash flow hedge</u>

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are deferred in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts deferred in equity are recycled in profit or loss in the periods when the hedged item is recognised in profit or loss. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

Source reference

1. Summary of accounting policies (cont'd)

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss deferred in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in profit or loss.

A consolidated entity that elects not to adjust the initial measurement of the cost of a non-financial asset or a non-financial liability by the amount deferred in equity, shall disclose the elected policy.

Net investment hedge

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in the foreign currency translation reserve; the gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Gains and losses deferred in the foreign currency translation reserve are recognised immediately in profit or loss when the foreign operation is disposed of.

Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in profit or loss.

Embedded derivatives

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss.

(h) Employee benefits

s.334(5) The directors have elected under s.334(5) of the Corporations Act 2001 to apply Accounting Standard AASB 119 'Employee Benefits', even though the Standard is not required to be applied until annual reporting periods beginning on or after 1 January 2006.

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the consolidated entity in respect of services provided by employees up to reporting date.

Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when incurred.

Defined benefit plans

For defined benefit superannuation plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each reporting date. Actuarial gains and losses are recognised in full, directly in retained earnings, in the period in which they occur, and are presented in the statement of recognised income and expense.

Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

Source reference

1. Summary of accounting policies (cont'd)

The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service cost, net of the fair value of the plan assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

A consolidated entity that elects to adopt the corridor approach or to recognise actuarial gains and losses in full in profit or loss shall disclose the elected policy.

Interest rates attaching, as at reporting date, to the appropriate national government guaranteed securities shall be used to discount future cash outflows. The national government guaranteed security rates used shall be those attaching to securities which have terms to maturity that match, as closely as possible, the terms of the related liabilities.

(i) Financial assets

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

A consolidated entity that elects to account for investments on settlement date shall disclose the elected policy.

Subsequent to initial recognition, investments in associates are accounted for under the equity method in the consolidated financial statements.

Other financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss', 'held-to-maturity' investments, 'available-for-sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets at fair value through profit or loss

The consolidated entity has classified certain shares and options (refer note 1(g)) as financial assets at fair value through profit or loss. Financial assets held for trading purposes are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Held-to-maturity investments

Bills of exchange and debentures are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Available-for-sale financial assets

Certain shares and convertible notes held by the consolidated entity are classified as being available-for-sale and are stated at fair value less impairment. Gains and losses arising from changes in fair value are recognised directly in the available-for-sale revaluation reserve, until the investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in the available-for-sale revaluation reserve is included in profit or loss for the period.

Loans and receivables

Trade receivables, loans, and other receivables are recorded at amortised cost less impairment.

(j) Financial instruments issued by the company

Debt and equity instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

Source reference

1. Summary of accounting policies (cont'd)

Compound instruments

The component parts of compound instruments are classified separately as liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible debt. The equity component initially brought to account is determined by deducting the amount of the liability component from the amount of the compound instrument as a whole.

Transaction costs on the issue of equity instruments

Transaction costs arising on the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

Interest and dividends

Interest and dividends are classified as expenses or as distributions of profit consistent with the balance sheet classification of the related debt or equity instruments or component parts of compound instruments.

(k) Foreign currency

Foreign currency transactions

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences are recognised in profit or loss in the period in which they arise except that:

- exchange differences which relate to assets under construction for future productive use are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (refer note 1(g)); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned or likely to occur, which form part of the net investment in a foreign operation, are recognised in the foreign currency translation reserve and recognised in profit or loss on disposal of the net investment.

Foreign operations

On consolidation, the assets and liabilities of the consolidated entity's overseas operations are translated at exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period unless exchange rates fluctuate significantly. Exchange differences arising, if any, are recognised in the foreign currency translation reserve, and recognised in profit or loss on disposal of the foreign operation.

The financial statements of foreign subsidiaries, associates and jointly controlled entities that report in the currency of a hyperinflationary economy are restated in terms of the measuring unit current at the reporting date before they are translated into Australian dollars.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity on or after the date of transition to A-IFRS are treated as assets and liabilities of the foreign entity and translated at exchange rates prevailing at the reporting date. Goodwill arising on acquisitions before the date of transition to A-IFRS is treated as an Australian dollar denominated asset.

Source reference

1. Summary of accounting policies (cont'd)

A consolidated entity that elects to retrospectively apply Accounting Standard AASB 121 'The Effects of Changes to Foreign Exchange Rates' to goodwill arising in business combinations before the date of transition to A-IFRS should disclose the elected policy.

(l) Goods and services tax

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

i. 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

ii. 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 as operating cash flows.

(m) Goodwill

Goodwill, representing the excess of the cost of acquisition over the fair value of the identifiable assets, liabilities and contingent liabilities acquired, is recognised as an asset and not amortised, but tested for impairment annually and whenever there is an indication that the goodwill may be impaired. Any impairment is recognised immediately in profit or loss and is not subsequently reversed. Refer also note 1(o).

(n) Government grants

Government grants are assistance by the government in the form of transfers of resources to the consolidated entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. Government grants include government assistance where there are no conditions specifically relating to the operating activities of the consolidated entity other than the requirement to operate in certain regions or industry sectors.

Government grants relating to income are recognised as income over the periods necessary to match them with the related costs. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the consolidated entity with no future related costs are recognised as income of the period in which it becomes receivable.

Government grants relating to assets are treated as deferred income and recognised in profit and loss over the expected useful lives of the assets concerned.

(o) Impairment of assets

At each reporting date, the consolidated entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Goodwill, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired. An impairment of goodwill is not subsequently reversed.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Source reference

1. Summary of accounting policies (cont'd)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease (refer note 1(aa)) .

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase (refer note 1(aa)).

(p) Income tax

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, branches, associates and joint ventures except where the consolidated entity is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with these investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the consolidated entity expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the company/consolidated entity intends to settle its current tax assets and liabilities on a net basis.

Source reference

1. Summary of accounting policies (cont'd)

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the income statement, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

Where exchange differences on deferred foreign tax liabilities or assets are recognised in the income statement, such differences may be classified as deferred tax expense (income) if that presentation is considered to be the most useful to financial report users. Where this is the case, the above accounting policies should be amended to reflect this treatment, and the reasons why that presentation is considered the most useful to financial report users.

Additional information on accounting policies shall be included where the entity has other material tax balances not covered by the above analysis. This could include material recognised or unrecognised deferred tax assets that are related to share-based payments, investments in subsidiaries, branches, associates or joint venture entities, or interests in joint venture operations.

Tax consolidation

The company and all its wholly-owned Australian resident entities are part of a tax-consolidated group under Australian taxation law. DTT Consolidated Limited is the head entity in the tax-consolidated group.

Entities within the tax-consolidated group have entered into a tax funding arrangement and a tax-sharing agreement with the head entity. Under the terms of the tax funding arrangement, DTT Consolidated Limited and each of the entities in the tax-consolidated group has agreed to pay a tax equivalent payment to or from the head entity, based on the current tax liability or current tax asset of the entity.

At the time of finalisation of this publication, draft UIG Interpretation 1052 'Tax Consolidation Accounting' had not yet been finalised by the Urgent Issues Group. For more recent developments concerning this draft Interpretation, contact your nearest Deloitte Touche Tohmatsu office.

(q) Intangible assets

Patents, trademarks and licences

Patents, trademarks and licences are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight line basis over their estimated useful lives of 20 years. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period.

Research and development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Source reference

1. Summary of accounting policies (cont'd)

Internally-generated intangible assets are stated at cost less accumulated amortisation and impairment, and are amortised on a straight-line basis over their useful lives as follows:

- Capitalised development costs 5 years

A consolidated entity that elects to measure intangible assets at fair value shall disclose the elected policy.

Intangible assets acquired in a business combination

All potential intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair value can be measured reliably.

(r) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventory on hand by the method most appropriate to each particular class of inventory, with the majority being valued on a first in first out basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

(s) Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured at its fair value at the reporting date. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

A consolidated entity that elects to measure investment property under the cost model shall disclose the elected policy, including disclosure of the depreciation methods and the useful lives or the depreciation rates used. A consolidated entity that has property interests held under operating leases classified and accounted for as investment properties shall disclose that accounting policy.

When classification is difficult, an entity shall disclose the criteria it uses to distinguish investment property from owner-occupied property and from property held for sale in the ordinary course of business.

(t) Joint ventures

Jointly controlled assets and operations

Interests in jointly controlled assets and operations are reported in the financial statements by including the consolidated entity's share of assets employed in the joint ventures, the share of liabilities incurred in relation to the joint ventures and the share of any expenses incurred in relation to the joint ventures in their respective classification categories.

Jointly controlled entities

Interests in jointly controlled entities are accounted for under the equity method in the consolidated financial statements.

(u) Leased assets

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Consolidated entity as lessor

Amounts due from lessees under finance leases are recorded as receivables. Finance lease receivables are initially recognised at amounts equal to the present value of the minimum lease payments receivable plus the present value of any unguaranteed residual value expected to accrue at the end of the lease term. Finance lease payments are allocated between interest revenue and reduction of the lease receivable over the term of the lease in order to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Source reference

1. Summary of accounting policies (cont'd)

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease.

Consolidated entity as lessee

Assets held under finance leases are initially recognised at their fair value or, if lower, at amounts equal to the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the consolidated entity's general policy on borrowing costs. Refer to note 1(b).

Finance leased assets are amortised on a straight line basis over the estimated useful life of the asset.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Lease incentives

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefits of incentives are recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(v) Non-current assets held for sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. The sale of the asset (or disposal group) is expected to be completed within one year from the date of classification.

(w) Operating cycle

Where the entity presents current assets separately from non-current assets and current liabilities separately from non-current liabilities, and the entity has a clearly identifiable operating cycle greater than 12 months, the length of that operating cycle shall be disclosed.

(x) Payables

Trade payables and other accounts payable are recognised when the consolidated entity becomes obliged to make future payments resulting from the purchase of goods and services.

(y) Presentation currency

When the presentation currency is different from the functional currency, that fact shall be stated, together with disclosure of the functional currency and the reason for using a different presentation currency.

When the presentation currency is different from the Australian dollar, the entity shall disclose the reason and justification for not using the Australian dollar.

When there is a change in the functional currency of either the reporting entity or a significant foreign operation, that fact and the reason for the change in functional currency shall be disclosed.

Source reference

1. Summary of accounting policies (cont'd)

(z) Principles of consolidation

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the consolidated entity, being the company (the parent entity) and its subsidiaries as defined in Accounting Standard AASB 127 'Consolidated and Separate Financial Statements'. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. If, after reassessment, the fair values of the identifiable net assets acquired exceeds the cost of acquisition, the deficiency is credited to profit and loss in the period of acquisition.

The interest of minority shareholders is stated at the minority's proportion of the fair values of the assets and liabilities recognised.

The consolidated financial statements include the information and results of each subsidiary from the date on which the company obtains control and until such time as the company ceases to control such entity.

In preparing the consolidated financial statements, all intercompany balances and transactions, and unrealised profits arising within the consolidated entity are eliminated in full.

(aa) Property, plant and equipment

Land and buildings are measured at fair value. Fair value is determined on the basis of an annual independent valuation prepared by external valuation experts, based on discounted cash flows or capitalisation of net income (as appropriate). The fair values are recognised in the financial statements of the consolidated entity, and are reviewed at the end of each reporting period to ensure that the carrying value of land and buildings is not materially different from their fair values.

Any revaluation increase arising on the revaluation of land and buildings is credited to the asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense in profit or loss, in which case the increase is credited to the income statement to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of land and buildings is charged as an expense in profit or loss to the extent that it exceeds the balance, if any, held in the asset revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is charged to profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the asset revaluation reserve, net of any related deferred taxes, is transferred directly to retained earnings.

Plant and equipment, leasehold improvements and equipment under finance lease are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight line method. The estimated useful lives, residual values and depreciation method is reviewed at the end of each annual reporting period.

Source reference

1. Summary of accounting policies (cont'd)

The following estimated useful lives are used in the calculation of depreciation:

- Buildings 0 - 30 years
- Leasehold improvements 5 years
- Plant and equipment 5 - 15 years
- Equipment under finance lease 5 years

Depreciation rates and methods shall be reviewed at least annually and, where changed, shall be accounted for as a change in accounting estimate. Where depreciation rates or methods are changed, the net written down value of the asset is depreciated from the date of the change in accordance with the new depreciation rate or method. Depreciation recognised in prior financial years shall not be changed, that is, the change in depreciation rate or method shall be accounted for on a 'prospective' basis.

(ab) Provisions

Provisions are recognised when the consolidated entity has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

An onerous contract is considered to exist where the consolidated entity has a contract under which the unavoidable cost of meeting the contractual obligations exceed the economic benefits estimated to be received. Present obligations arising under onerous contracts are recognised as a provision to the extent that the present obligation exceeds the economic benefits estimated to be received.

Restructuring

Provision for restructurings are recognised when the consolidated entity has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by:

- starting to implement the plan; or
- announcing its main features to those affected by it.

Warranties

Provisions for warranty costs are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the consolidated entity's liability.

(ac) Revenue recognition

Sale of goods

Revenue from the sale of goods is recognised when the consolidated entity has transferred to the buyer the significant risks and rewards of ownership of the goods.

Rendering of services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract.

Royalties

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement.

Dividend and interest revenue

Dividend revenue is recognised on a receivable basis. Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

Source reference

1. Summary of accounting policies (cont'd)

(ad) Share-based payments

Equity-settled share-based payments granted after 7 November 2002 that were unvested as of 1 January 2005, are measured at fair value at the date of grant. Fair value is measured by use of a binomial model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the consolidated entity's estimate of shares that will eventually vest.

For cash-settled share-based payments, a liability equal to the portion of the goods or services received is recognised at the current fair value determined at each reporting date.

(ae) Comparative information – financial instruments

AASB1.36A, AASB134.16(a)

In its first A-IFRS financial report, an entity that adopts A-IFRS before 1 January 2006 shall present at least one year of comparative information, but this comparative information need not comply with AASB 132 'Financial Instruments: Disclosure and Presentation' and AASB 139 'Financial Instruments: Recognition and Measurement'. An entity that chooses to present comparative information that does not comply with AASB 132 and AASB 139 in its first year of transition shall apply its previous GAAP in the comparative information to financial instruments within the scope of AASB 132 and AASB 139, and treat any adjustments between the balance sheet at the comparative period's reporting date and the balance sheet at the start of the first A-IFRS reporting period as arising from a change in accounting policy. AASB 134 requires the nature and effect of changes in accounting policies to be disclosed.

AASB1.46, AASB134.16

AASB 134 also requires an entity to disclose 'any events or transactions that are material to an understanding of the current interim period'. Therefore, if a first-time adopter did not, in its most recent annual financial report under previous GAAP, disclose information material to an understanding of the current half-year reporting period, its half-year financial report shall disclose that information or include a cross-reference to another published document that includes it. Such information may include the disclosures specified by AASB 1.36A for an entity that has not restated comparative information for financial instruments.

The following illustrative note has been prepared to illustrate the disclosures that may be presented in the half-year financial report, where material to an understanding of the current half-year reporting period, by an entity that has elected not to restate comparative information for financial instruments under the scope of AASB 132 and AASB 139, as permitted under the first-time adoption transitional provisions.

Source reference

1. Summary of accounting policies (cont'd)

The consolidated entity has elected not to restate comparative information for financial instruments within the scope of Accounting Standards AASB 132 'Financial Instruments: Disclosure and Presentation' and AASB 139 'Financial Instruments: Recognition and Measurement', as permitted on the first-time adoption of A-IFRS. The effect of changes in the accounting policies for financial instruments on the balance sheet as at 1 January 2005 is shown below:

	Consolidated		
	31 Dec 2004 $'000	Effect of adoption $'000	1 Jan 2005 $'000
Current assets			
Cash and cash equivalents	19,778	-	19,778
Trade and other receivables	17,197	-	17,197
Other financial assets	8,841	28	8,869
Inventories	30,352	-	30,352
Current tax assets	60	-	60
Other	-	-	-
	76,228	28	76,256
Non-current assets classified as held for sale	-	-	-
Total current assets	76,228	28	76,256
Non-current assets			
Trade and other receivables	-	-	-
Inventories	-	-	-
Investments accounted for under the equity method	7,269	-	7,269
Other financial assets	7,612	312	7,924
Property, plant and equipment	134,461	-	134,461
Investment properties	132	-	132
Deferred tax assets*	-	-	-
Goodwill	24,060	-	24,060
Other intangible assets	11,325	-	11,325
Other	-	-	-
Total non-current assets	184,859	312	185,171
Total assets	261,087	340	261,427
Current liabilities			
Trade and other payables	15,990	-	15,990
Borrowings	37,500	-	37,500
Other financial liabilities	-	-	-
Current tax payables	5,868	-	5,868
Provisions	3,247	-	3,247
Other	95	(5)	90
	62,700	(5)	62,695
Liabilities directly associated with non-current assets classified as held for sale	-	-	-
Total current liabilities	62,700	(5)	62,695
Non-current liabilities			
Trade and other payables	-	-	-
Borrowings	26,078	-	26,078
Other financial liabilities	-	-	-
Deferred tax liabilities*	3,693	102	3,795
Provisions	2,326	-	2,326
Other	270	-	270
Total non-current liabilities	32,367	102	32,469
Total liabilities	95,067	97	95,164
Net assets	166,020	243	166,263
Equity			
Share capital	48,672	-	48,672
Reserves	2,545	214	2,759
Retained earnings	94,798	29	94,827
	146,015	243	146,258
Equity directly associated with non-current assets classified as held for sale	-	-	-
Parent entity interest	146,015	243	146,258
Minority interest	20,005	-	20,005
Total equity	166,020	243	166,263

* For the purposes of this reconciliation, deferred tax balances have been reflected on a gross basis.

Source reference

1. Summary of accounting policies (cont'd)

The following financial assets and financial liabilities were designated as fair value through profit or loss from 1 January 2005. These financial assets and financial liabilities were previously measured at cost:

	Consolidated	
	Fair value at 1/01/05	Carrying amount at 31/12/04
Financial assets:		
Current financial assets		
Shares	1,923	1,889
[describe]	-	-
	1,923	1,889
Financial liabilities:		
[describe]	-	-
	-	-

The following financial assets were designated as available-for-sale on adoption of AASB 139. These financial assets were previously measured at cost:

	Consolidated	
	Fair value at 1/01/05	Carrying amount at 31/12/04
Non-current financial assets		
Convertible notes	2,226	2,122
Shares	3,900	3,832
[describe]	-	-
	6,126	5,954

The following transitional provisions have an effect on future periods:

(i) the separation of compound financial instruments for which the liability component is no longer outstanding into retained earnings and share capital components has not been performed

(ii) the effectiveness of hedging relationships are assessed from 1 January 2005; no adjustment is made in relation to hedges under the superseded policies which were not highly effective before 1 January 2005

(iii) *[list other transitional provisions as appropriate, for example, the transitional provisions in relation to 'day 1' gains and losses or to the derecognition of financial assets]*.

The main adjustments necessary that would make the comparative financial statements comply with AASB 132 and AASB 139 are listed below. Similar adjustments were made at 1 January 2005 to restate the opening financial position of the consolidated entity to a position consistent with the accounting policies specified in note 1(a) to (ad):

(i) the measurement of financial assets designated as held-to-maturity and loans and receivables at amortised cost, rather than at cost or fair value in accordance with the superseded policy

(ii) the measurement of financial assets designated as fair value through profit or loss or available-for-sale at fair value, with changes in fair value recognised in profit or loss or equity as appropriate, rather than at cost in accordance with the superseded policy

(iii) the measurement of financial liabilities at amortised cost, rather than at cost in accordance with the superseded policy

(iv) the recognition and measurement of all derivatives (including any embedded derivatives) at fair value

Source reference

1. Summary of accounting policies (cont'd)

(v) the recognition in profit or loss of the movement in the fair value of derivatives which did not qualify for hedge accounting or were not designated as hedging instruments

(vi) the transfer of deferred hedging gains and losses recognised as assets and liabilities arising from a cash flow hedge of a forecast transaction to the hedging reserve

(vii) the derecognition of other deferred hedging gains and losses recognised as assets and liabilities

(viii) the deferral in equity of the effective portion of the movement in fair value of derivatives accounted for as a cash flow hedge

(ix) the recognition in profit or loss of the ineffective portion of the movement in fair value of hedging instruments accounted for as a cash flow hedge

(x) the recognition in profit or loss of the movement in fair value of derivatives accounted for as a fair value hedge and the fair valuing of hedged items

(xi) the adjustment to the carrying amount of items that would qualify as a fair value hedge under A-IFRS and were designated as a hedge under previous GAAP for the lower of the cumulative change in fair value of the hedged item for the designated hedge risk and the cumulative change in fair value of the hedging instrument

(xii) the recognition of any current or deferred taxes in relation to the adjustments described above

(xiii) *[list other adjustments as appropriate]*.

The adjustments listed above are not a complete list of all adjustments that may be necessary on adopting the accounting policies specified by AASB 132 and AASB 139, for example, entities that have previously held financial assets measured at fair value, with changes in fair value recognised as revaluation increments and revaluation decrements, shall disclose an appropriate adjustment.

2. Unusual transactions

AASB134.16(c) The notes to the financial statements shall disclose, if material and if not disclosed elsewhere in the half-year financial report, the nature and amount of items affecting assets, liabilities, equity, profit or loss, or cash flows that are unusual because of their nature, size or incidence.

AASB134.17 Examples of the kinds of disclosures that are required by AASB134.16(c) are set out below:

(a) the write-down of inventories to net realisable value and the reversal of such a write-down;

(b) recognition of a loss from the impairment of property, plant and equipment, intangible assets, or other assets, and the reversal of such an impairment loss;

(c) the reversal of any provisions for the costs of restructuring;

(d) acquisitions and disposals of items of property, plant and equipment;

(e) commitments for the purchase of property, plant and equipment;

(f) litigation settlements;

(g) corrections of prior period errors;

(h) any loan default or breach of a loan agreement that has not been remedied on or before the reporting date; and

(i) related party transactions.

Source reference

3. Revisions of accounting estimates

AASB134.16(d)

During the half-year the directors reassessed the useful life of certain items of plant and equipment. The financial effect of this reassessment, assuming the assets are held until the end of their estimated useful lives, is to increase consolidated depreciation expense in the current half-year and for the next 4 years, by the following amounts:

	Half-year periods $'000	Financial years $'000
2005	4	9
2006	4	7
2007	2	4
2008	1	2

4. Subsequent events

AASB134.16(h), Aus16.1

The notes to the financial statements shall disclose information about material events subsequent to the end of the half-year reporting period that have not been reflected in the half-year financial statements, if material and if not disclosed elsewhere in the half-year financial report. An indication, where possible, of the financial effect of each such event shall be disclosed.

Further guidance concerning the disclosure of subsequent events is contained in Accounting Standard AASB 110 'Events after the Balance Sheet Date'.

5. Dividends

	Half-year ended 30 June 2005		Half-year ended 30 June 2004	
	Cents per share	Total $'000	Cents per share	Total $'000
Recognised amounts (AASB134.16(f), Aus16.2(a)(i))				
Fully paid ordinary shares				
Final dividend	19.36	3,897	18.88	3,800
	19.36	3,897	18.88	3,800
Converting cumulative non-participating preference shares				
[describe]	-	-	-	-
Converting non-participating preference shares				
[describe]	-	-	-	-
Unrecognised amounts (AASB134.Aus16.2(a)(ii))				
Fully paid ordinary shares				
Interim dividend	17.85	2,618	12.71	2,559

Disclosure by aggregate or per share

AASB134.16(f), Aus16.2(a)

The notes to the financial statements shall disclose, if material and if not disclosed elsewhere in the half-year financial report, dividends paid (aggregate or per share) during the half-year reporting period separately for ordinary shares and other shares. An entity shall disclose in the same manner as these disclosures were made, the amount recognised as distributions to equity holders, and the amounts proposed or declared before the half-year financial report was authorised for issue but not recognised as a distribution to equity holders.

Cumulative preference dividends not recognised

AASB134.Aus16.2(b)

An entity shall disclose in the notes to the financial statements the amount of any cumulative preference dividends not recognised.

Source reference

6. Segment information

Information on business segments *(primary reporting format)*

This illustrative example of the disclosure of 'primary' segment information has been presented on the basis that DTT Consolidated Limited's primary reporting format is business segments. Similar information is required to be disclosed for each geographical segment where an entity's primary reporting format is geographical segments.

AASB134.16(g)

Segment revenue

	External sales		Inter-segment *(i)*		Other		Total	
	2005 $'000	2004 $'000	2005 $'000	2004 $'000	2005 $'000	2004 $'000	2005 $'000	2004 $'000
Widgets	37,685	39,734	1,258	936	290	214	39,233	40,884
Bicycles	21,309	24,576	-	-	-	-	21,309	24,576
Construction	14,445	14,345	-	-	-	-	14,445	14,345
Toys	28,084	34,762	494	-	-	-	28,578	34,762
Other	1,138	1,415	-	-	279	242	1,417	1,657
Total of all segments							104,982	116,224
Eliminations							(1,752)	(936)
Unallocated							1,236	729
Consolidated							104,466	116,017

(i) Inter-segment sales are recorded at amounts equal to competitive market prices charged to external customers for similar goods.

AASB134.16(g)

Segment result

	2005 $'000	2004 $'000
Widgets	13,948	13,761
Toys	4,387	5,172
Bicycles	4,436	5,782
Construction	2,103	1,740
Other	505	492
	25,379	26,947
Eliminations	-	-
Unallocated	(4,680)	(4,413)
Profit before income tax expense	20,699	22,534
Income tax expense	(7,233)	(7,400)
Profit for the period	13,466	15,134

7. Changes in the composition of the consolidated entity

AASB134.16(i)

The notes to the financial statements shall disclose the effect of changes in the composition of the entity during the half-year reporting period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinued operations, if material and if not disclosed elsewhere in the half-year financial report.

Business combinations

AASB3.66, AASB134.16(i)

In the case of business combinations, the entity shall disclose information that enables users of the half-year financial report to evaluate the nature and financial effect of business combinations that were effected during the half-year reporting period, and after the half-year reporting date but before the half-year financial report is authorised for issue.

To give effect to this principle, the acquirer shall disclose the following information for each business combination. The information may be disclosed in aggregate for those business combinations effected during the period that are individually immaterial.

(a) the names and descriptions of the combining entities or businesses;

(b) the acquisition date;

(c) the percentage of voting equity instruments acquired;

(d) the cost of the combination and a description of the components of that cost, including any costs directly attributable to the combination. When equity instruments are issued or issuable as part of the cost, the following shall also be disclosed:

Source reference

7. Changes in the composition of the consolidated entity (cont'd)

(i) the number of equity instruments issued or issuable; and

(ii) the fair value of those instruments and the basis for determining that fair value. If a published price does not exist for the instruments at the date of exchange, the significant assumptions used to determine fair value shall be disclosed. If a published price exists at the date of exchange but was not used as the basis for determining the cost of the combination, that fact shall be disclosed together with: the reasons the published price was not used; the method and significant assumptions used to attribute a value to the equity instruments; and the aggregate amount of the difference between the value attributed to, and the published price of, the equity instruments;

(e) details of any operations the entity has decided to dispose of as a result of the combination;

(f) the amounts recognised at the acquisition date for each class of the acquiree's assets, liabilities and contingent liabilities, and the carrying amounts of each of those classes, determined in accordance with Accounting Standards, immediately before the combination. If such disclosure would be impractical, that fact shall be disclosed, together with an explanation of why this is the case;

(g) the amount of any excess recognised in profit or loss, and the line item in the income statement in which the excess is recognised;

(h) a description of the factors that contributed to a cost that results in the recognition of goodwill – a description of each intangible asset that was not recognised separately from goodwill and an explanation of why the intangible asset's fair value could not be measured reliably – or a description of the nature of any excess recognised in profit or loss;

(i) the amount of the acquiree's profit or loss since the acquisition date included in the acquirer's profit or loss for the period. If such disclosure would be impractical, that fact shall be disclosed, together with an explanation of why this is the case;

AASB134.16(i), AASB3.71

For business combinations effected after the half-year reporting period end but before the half-year financial report is authorised for issue, the acquirer shall disclose the above information unless such disclosure would be impractical. If disclosure of any of this information would be impracticable, that fact shall be disclosed, together with an explanation of why this is the case.

AASB134.16(i), AASB3.69

If the initial accounting for a business combination that was effected during the period was determined only provisionally, that fact shall be disclosed together with an explanation of why this is the case;

AASB134.16(i), AASB3.70

The acquirer shall also disclose:

(i) the revenue of the combined entity for the period as though the acquisition date for all business combinations effected during the period had been the beginning of that period. If such disclosure would be impractical, that fact shall be disclosed, together with an explanation of why this is the case; and

(ii) the profit or loss of the combined entity for the period as though the acquisition date for all business combinations effected during the period had been the beginning of the period. If such disclosure would be impractical, that fact shall be disclosed, together with an explanation of why this is the case

AASB134.16(i), AASB3.72-73

An acquirer shall disclose information that enables users of the half-year financial report to evaluate the financial effects of gains, losses, error corrections and other adjustments recognised in the current period that relate to business combinations that were effected in the current half-year reporting period or in previous periods. To give effect to this principle, the acquirer shall also disclose:

(a) the amount and an explanation of any gain or loss recognised in the current period that:

(i) relates to the identifiable assets acquired or liabilities or contingent liabilities assumed in a business combination that was effected in the current or a previous period; and

(ii) is of such size, nature or incidence that disclosure is relevant to an understanding of the combined entity's financial performance;

Source reference

7. Changes in the composition of the consolidated entity (cont'd)

(b) if the initial accounting for a business combination that was effected in the immediately preceding period was determined only provisionally at the end of that period, the amounts and explanations of the adjustments to the provisional values recognised during the current period; and

(c) the information about error corrections required to be disclosed by AASB 108 'Changes in Accounting Policies, Accounting Estimates and Errors' for any of the acquiree's identifiable assets, liabilities or contingent liabilities, or changes in the values assigned to those items, that the acquirer recognises during the current period in accordance with AASB 3 'Business Combinations'.

8. Contingent liabilities and contingent assets

AASB134.16(j) The notes to the financial statements shall disclose changes in contingent liabilities or contingent assets since the last annual reporting date, if material and if not disclosed elsewhere in the half-year financial report.

9. Issuances, repurchases and repayments of securities

During the half-year reporting period, DTT Consolidated Limited issued 140,000 ordinary shares for $140 thousand (2004: nil) on exercise of 140,000 share options issued under its executive share option plan. DTT Consolidated Limited issued 160,000 share options (2004: 140,000) over ordinary shares under its executive share option plan during the half-year reporting period. These share options had a fair value at grant date of $1.20 per share option (2004: $1.15).

AASB134.16(e) The notes to the financial statements shall disclose issuances, repurchases, and repayments of debt and equity securities, if material and if not disclosed elsewhere in the half-year financial report.

10. Impacts of the adoption of Australian equivalents to International Financial Reporting Standards

For a company's first A-IFRS half-year financial report, a user of the half-year financial report may have access only to the most recent annual financial statements under Australian GAAP. Accordingly, companies which have not previously made available the reconciliations between the reported financial position and financial performance of the consolidated entity under previous Australian GAAP and A-IFRS as required in annual financial reports by AASB 1 'First-Time Adoption of Australian Equivalents to International Financial Reporting Standards', shall include them within the document that contains the half-year financial report.

An entity preparing its first half-year financial report under A-IFRS shall disclose:

- a reconciliation of its equity under Australian GAAP to its equity under A-IFRS as at the following dates:
  - AASB1.45(b), 39(a)(i) i. the date of transition to A-IFRS, unless the half-year financial report includes a cross reference to another published document that includes this reconciliation;
  - AASB1.45(a)(i) ii. the end of the comparable half-year reporting period, where a half-year financial report was presented in the preceding financial year; and
  - AASB1.45(b), 39(a)(ii) iii. the end of the latest period presented in the entity's most recent annual financial report under Australian GAAP, unless the half-year financial report includes a cross reference to another published document that includes this reconciliation.
- a reconciliation of its reported profit or loss under Australian GAAP to its profit or loss under A-IFRS for the following periods:
  - AASB1.45(a)(ii) i. the comparable half-year reporting period, where a half-year financial report was presented in the preceding financial year; and
  - ii. the latest period presented in the entity's most recent annual financial report under Australian GAAP, unless the half-year financial report includes a cross reference to another published document that includes this reconciliation.

Source reference

10. Impacts of the adoption of Australian equivalents to International Financial Reporting Standards (cont'd)

AASB1.45(b), 40 The reconciliations of equity at the date of transition to A-IFRS and of reported profit or loss for the latest period presented in the entity's most recent annual financial report under Australian GAAP shall give sufficient detail to enable users to understand the material adjustments to the balance sheet and income statement. If an entity presented a cash flow statement under previous Australian GAAP, it shall also explain the material adjustments to the cash flow statement.

The following tables outline the reporting periods for which reconciliations must be presented:

December year end reporting entity:

	1 Jan 2004	6 months ended 30 June 04	As at 30 June 04	12 months ended 31 Dec 04	As at 31 Dec 04
Balance sheet	√*		√		√*
Income statement		√		√*	
Cash flow statement				√*	

June year end reporting entity:

	1 July 2004	6 months ended 31 Dec 04	As at 31 Dec 04	12 months ended 30 June 05	As at 30 June 05
Balance sheet	√*		√		√*
Income statement		√		√*	
Cash flow statement				√*	

* May be presented outside the half-year financial report by cross-reference to a published document.

Correction of errors v changes in accounting policies

AASB1.45(b), 41 If an entity becomes aware of errors made under previous GAAP, the reconciliations of equity at the date of transition to A-IFRS and of reported profit or loss for the latest period presented in the entity's most recent annual financial report under Australian GAAP shall distinguish the correction of those errors from changes in accounting policies.

The consolidated entity changed its accounting policies on 1 January 2005 to comply with Australian equivalents to International Financial Reporting Standards ('A-IFRS'). The transition to A-IFRS is accounted for in accordance with Accounting Standard AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards', with 1 January 2004 as the date of transition, except for financial instruments, including derivatives, where the date of transition is 1 January 2005 (refer note 1(ae)).

An explanation of how the transition from superseded policies to A-IFRS has affected the consolidated entity's financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables.

Source reference

10. Impacts of the adoption of Australian equivalents to International Financial Reporting Standards (cont'd)

AASB1.45(b),39(a)(i)

Effect of A-IFRS on the balance sheet as at 1 January 2004

	Note	Consolidated Super-seded policies* $'000	Consolidated Effect of transition to A-IFRS $'000	Consolidated A-IFRS $'000
Current assets				
Cash and cash equivalents		15,260	-	15,260
Trade and other receivables		18,062	-	18,062
Other financial assets		7,500	-	7,500
Inventories		28,234	-	28,234
Current tax assets		-	-	-
Other		-	-	-
		69,056	-	69,056
Non-current assets classified as held for sale		-	-	-
Total current assets		69,056	-	69,056
Non-current assets				
Trade and other receivables		-	-	-
Inventories		-	-	-
Investments accounted for using the equity method		5,680	-	5,680
Other financial assets		6,582	-	6,582
Property, plant and equipment	e,f	164,027	(89)	163,938
Investment properties	e	-	112	112
Deferred tax assets**	i	1,922	58	1,980
Goodwill	c	24,060	-	24,060
Other intangible assets		12,523	-	12,523
Other		-	-	-
Total non-current assets		214,794	81	214,875
Total assets		283,850	81	283,931
Current liabilities				
Trade and other payables		25,900	-	25,900
Borrowings		57,124	-	57,124
Other financial liabilities		-	-	-
Current tax payables		2,689	-	2,689
Provisions	b	3,205	196	3,401
Other		90	-	90
		89,008	196	89,204
Liabilities directly associated with non-current assets classified as held for sale		-	-	-
Total current liabilities		89,008	196	89,204
Non-current liabilities				
Trade and other payables		607	-	607
Borrowings		45,634	-	45,634
Other financial liabilities		-	-	-
Deferred tax liabilities**	i	3,246	1,794	5,040
Provisions		2,434	-	2,434
Other		350	-	350
Total non-current liabilities		52,271	1,794	54,065
Total liabilities		141,279	1,990	143,269
Net assets		142,571	(1,909)	140,662
Equity				
Share capital		48,672	-	48,672
Asset revaluation reserve	e,f	5,987	(5,987)	-
Foreign currency translation reserve	a	10,257	(10,257)	-
Employee equity-settled benefits reserve		-	-	-
Other reserves		807	-	807
Retained earnings	j	59,586	14,355	73,941
		125,309	(1,889)	123,420
Amounts recognised directly in equity relating to non-current assets classified as held for sale		-	-	-
Parent entity interest		125,309	(1,889)	123,420
Minority interest		17,262	(20)	17,242
Total equity		142,571	(1,909)	140,662

* Reported financial position for the financial year ended 31 December 2003.

** For the purposes of the reconciliation, deferred tax assets and deferred tax liabilities have not been offset against each other.

Source reference

10. Impacts of the adoption of Australian equivalents to International Financial Reporting Standards (cont'd)

AASB1.45(b), 39(b)

Effect of A-IFRS on the income statement for the half-year ended 30 June 2004 and the financial year ended 31 December 2004

The following illustrative reconciliation is based on the disclosure of expenses by nature. A similar reconciliation shall be disclosed by entities disclosing expenses by function.

		Half-year ended 30 June 2004			Financial year ended 31 December 2004		
	Note	Super-seded policies* $'000	Effect of transition to A-IFRS $'000	A-IFRS $'000	Super-seded policies* $'000	Effect of transition to A-IFRS $'000	A-IFRS $'000
Revenue	e,h	126,519	(10,502)	116,017	260,340	(28,306)	232,034
Other income	h	-	510	510	-	1,086	1,086
Share of profits of associates and jointly controlled entities accounted for using the equity method		795	-	795	1,589	-	1,589
Changes in inventories of finished goods and work in progress		(3,235)	-	(3,235)	(6,469)	-	(6,469)
Raw materials and consumables used		(65,421)	-	(65,421)	(130,842)	-	(130,842)
Employee benefits expense	b,g	(7,594)	(126)	(7,720)	(15,171)	(268)	(15,439)
Depreciation and amortisation expense	c,f	(9,028)	353	(8,675)	(18,056)	706	(17,350)
Finance costs		(3,698)	-	(3,698)	(7,396)	-	(7,396)
Impairment of non-current assets	d	-	-	-	-	-	-
Consulting expenses		(610)	-	(610)	(1,220)	-	(1,220)
Other expenses	h	(15,431)	10,000	(5,431)	(38,090)	27,228	(10,862)
Profit before income tax expense		22,298	235	22,533	44,685	446	45,131
Income tax expense	i	(7,865)	465	(7,400)	(15,680)	881	(14,799)
Profit from continuing operations		14,433	700	15,133	29,005	1,327	30,332
Profit from discontinued operations		-	-	-	-	-	-
Profit for the period		14,433	700	15,133	29,005	1,327	30,332
Profit attributable to minority interest		(1,382)	-	(1,382)	(2,763)	-	(2,763)
Profit attributable to members of the parent entity		13,052	700	13,752	26,242	1,327	27,569

* Reported financial results under previous Australian GAAP.

Source reference

10. Impacts of the adoption of Australian equivalents to International Financial Reporting Standards (cont'd)

AASB1.45(b),39(a)(ii)

Effect of A-IFRS on the balance sheet as at 30 June 2004 and 31 December 2004

		30 June 2004			31 December 2004		
	Note	Super-seded policies* $'000	Effect of transition to A-IFRS $'000	A-IFRS $'000	Super-seded policies* $'000	Effect of transition to A-IFRS $'000	A-IFRS $'000
Current assets							
Cash and cash equivalents		17,800	-	17,800	19,778	-	19,778
Trade & other receivables		15,477	-	15,477	17,197	-	17,197
Other financial assets		7,957	-	7,957	8,841	-	8,841
Inventories		27,317	-	27,317	30,352	-	30,352
Current tax assets		-	-	-	60	-	60
Other		-	-	-	-	-	-
		68,551	-	68,551	76,228	-	76,228
Non-current assets classified as held for sale		-	-	-	-	-	-
Total current assets		68,551	-	68,551	76,228	-	76,228
Non-current assets							
Trade & other receivables		-	-	-	-	-	-
Inventories		-	-	-	-	-	-
Investments accounted for using the equity method		6,475	-	6,475	7,269	-	7,269
Other financial assets		6,851	-	6,851	7,612	-	7,612
Property, plant and equipment	e,f	121,126	(111)	121,015	134,574	(113)	134,461
Investment properties	e	-	132	132	-	132	132
Deferred tax assets**	i	2,490	102	2,592	2,018	105	2,123
Goodwill	c	23,705	355	24,060	23,350	710	24,060
Other intangible assets		11,924	-	11,924	11,325	-	11,325
Other		-	-	-	-	-	-
Total non-current assets		172,571	478	173,049	186,148	834	186,982
Total assets		241,122	478	241,600	262,376	834	263,210
Current liabilities							
Trade & other payables		14,446	-	14,446	15,990	-	15,990
Borrowings		33,750	-	33,750	37,500	-	37,500
Other financial liabilities		-	-	-	-	-	-
Current tax payables		5,281	-	5,281	5,868	-	5,868
Provisions	b	2,659	341	3,000	2,895	352	3,247
Other		95	-	95	95	-	95
		56,231	341	56,572	62,348	352	62,700
Liabilities directly associated with non-current assets classified as held for sale		-	-	-	-	-	-
Total current liabilities		56,231	341	56,572	62,348	352	62,700
Non-current liabilities							
Trade & other payables		-	-	-	-	-	-
Borrowings		23,470	-	23,470	26,078	-	26,078
Other financial liabilities		-	-	-	-	-	-
Deferred tax liabilities**	i	3,944	1,972	5,916	4,249	1,567	5,816
Provisions		2,093	-	2,093	2,326	-	2,326
Other		243	-	243	270	-	270
Total non-current liabilities		29,751	1,972	31,723	32,923	1,567	34,490
Total liabilities		85,982	2,313	88,295	95,271	1,919	97,190
Net assets		155,140	(1,835)	153,305	167,105	(1,085)	166,020

Source reference

10. Impacts of the adoption of Australian equivalents to International Financial Reporting Standards (cont'd)

	Note	30 June 2004 Super-seded policies* $'000	30 June 2004 Effect of transition to A-IFRS $'000	30 June 2004 A-IFRS $'000	31 December 2004 Super-seded policies* $'000	31 December 2004 Effect of transition to A-IFRS $'000	31 December 2004 A-IFRS $'000
Equity							
Share capital		48,672	-	48,672	48,672	-	48,672
Asset revaluation reserve	e,f	7,638	(6,488)	1,150	7,638	(6,488)	1,150
Foreign currency translation reserve	a	10,542	(10,342)	200	10,614	(10,364)	250
Employee equity-settled benefits reserve	g	-	161	161	-	338	338
Other reserves		807	-	807	807	-	807
Retained earnings	j	68,838	14,854	83,692	79,349	15,449	94,798
		136,497	(1,815)	134,682	147,080	(1,065)	146,015
Amounts recognised directly in equity relating to non-current assets classified as held for sale		-	-	-	-	-	-
Parent entity interest		136,497	(1,815)	134,682	147,080	(1,065)	146,015
Minority interest		18,644	(20)	18,624	20,025	(20)	20,005
Total equity		155,140	(1,835)	153,305	167,105	(1,085)	166,020

* Reported financial position under previous Australian GAAP.

** For the purposes of the reconciliation, deferred tax assets and deferred tax liabilities have not been offset against each other.

Effect of A-IFRS on the cash flow statement for the financial year ended 31 December 2004

AASB1.45(b), 40

There are no material differences between the cash flow statement presented under A-IFRS and the cash flow statement presented under the superseded policies.

Notes to the reconciliations of income and equity

AASB1.45, 40

The explanatory notes shall provide sufficient detail to enable users to understand the material adjustments to the balance sheet, income statement and, if applicable, cash flow statement. The following explanatory notes shall be used as a guide to the level of detail required. Further explanations are illustrated in AASB 1 and additional guidance regarding potential adjustments can be found in Deloitte *Discussion Paper 2004-01 'An overview of Australian equivalents to International Financial Reporting Standards – a guide for boards and audit committees'*, available from www.deloitte.com.au.

(a) Cumulative exchange differences

At the date of transition, the consolidated entity elected to reset the foreign currency translation reserve to zero. An amount of $10,257 thousand was reclassified from the foreign currency translation reserve to retained earnings. These translation differences will be excluded from the calculation of any gain or loss on a subsequent disposal of the foreign operation.

For the half-year ended 30 June 2004 and the financial year ended 31 December 2004, as the consolidated entity's foreign operations had always been translated through the foreign currency translation reserve, the adjustment required under A-IFRS is the $10,257 thousand opening adjustment and the recognition of the tax effect of the current period translation recognised under previous GAAP in the foreign currency translation reserve.

Source reference

10. Impacts of the adoption of Australian equivalents to International Financial Reporting Standards (cont'd)

An entity that has foreign operations which were not translated through the foreign currency translation reserve under the superseded policies shall disclose an appropriate explanatory note to explain movements in the foreign currency translation reserve under A-IFRS for the comparative financial year.

(b) Defined benefit superannuation plans

A defined benefit obligation, included in the provision for employee benefits, of $196 thousand was recognised on 1 January 2004 on transition to A-IFRS. Under superseded policies, contributions to defined benefit superannuation plans were expensed when due and payable and no assets or liabilities were recognised in relation to the plans.

For the half-year ended 30 June 2004, the defined benefit obligation increased by a further $145 thousand to $341 thousand. Adjustments were made to recognise actuarial losses of $180 thousand directly in retained earnings, and to decrease employee benefit expenses by $35 thousand for the half-year ended 30 June 2004.

For the financial year ended 31 December 2004, the defined benefit obligation increased by a further $156 thousand to $352 thousand. Adjustments were made to recognise actuarial losses of $226 thousand directly in retained earnings, and to decrease employee benefit expenses by $70 thousand for the financial year ended 31 December 2004.

(c) Goodwill

The consolidated entity has elected not to restate business combinations that occurred prior to the date of transition to A-IFRS, and accordingly, the carrying amount of goodwill at the date of transition has not changed. In addition, goodwill arising from these business combinations that involved the acquisition of foreign businesses will be treated as an Australian dollar denominated asset.

However, goodwill, which was amortised under superseded policies, is not amortised under A-IFRS from the date of transition. The effect of the change is an increase in the carrying amount of goodwill by $355 thousand and an increase in net profit before tax of $355 thousand for the half-year ended 30 June 2004, and by $710 thousand and an increase in net profit before tax of $710 thousand for the financial year ended 31 December 2004. There is no tax effect as deferred taxes are not recognised for temporary differences arising from goodwill for which amortisation is not deductible for tax purposes.

(d) Impairment of assets

An entity that recognises impairment losses (or reversals thereof) on the date of transition, or additional impairment write-downs (or reversals thereof) during the comparative half-year or financial year shall disclose an appropriate explanation. The following wording may be included, where appropriate:

'In determining the recoverable amount of non-current assets, under the superseded policies, the expected net cash flows had not been discounted to their present values. A further write-down by *[amount]* is required under A-IFRS on the date of transition, and *[amount]* for the half-year and financial year ended *[date]*. These write-downs are recognised in the asset revaluation reserve or in profit and loss in accordance with the policy for the class of assets under A-IFRS.'

(e) Investment properties

A building of $112 thousand was reclassified from property, plant and equipment to investment properties at the date of transition. The fair value of the building was deemed to be its cost at that date. The amount in the asset revaluation reserve associated with the building was transferred to retained earnings.

For the financial year ended 31 December 2004, an amount of $8 thousand, being the increase in fair value, was recognised in the profit or loss for the year. This amount was recognised in the asset revaluation reserve under the superseded policies.

Source reference

10. Impacts of the adoption of Australian equivalents to International Financial Reporting Standards (cont'd)

(f) Property, plant and equipment

The consolidated entity elected to measure property, plant and equipment other than equipment under finance leases on transition to A-IFRS at fair value and has used that fair value as the item's deemed cost at that date. The effect of the revaluation to fair value for property, plant and equipment previously held at cost is an increase in the carrying amount of property, plant and equipment by $23 thousand at 1 January 2004 and a reclassification of any amounts in the asset revaluation reserve associated with these items to retained earnings. Additional depreciation expense of $2 thousand and $4 thousand is recognised under A-IFRS for the half-year ended 30 June 2004 and the financial year ended 31 December 2004 respectively.

An entity that measures items of property, plant and equipment at fair value on an ongoing basis and has offset revaluation increments and revaluation decrements against items in a class, as permitted under the superseded policies, may wish to include the following wording, where appropriate:

'In contrast to superseded policies, revaluation increments and decrements for property, plant and equipment measured at fair value may not be offset against one another within the class of assets. Accordingly, for the financial year ended *[date]*, the asset revaluation reserve increased by *[amount]* and an additional expense of *[amount]* is recognised in profit for the financial year.'

(g) Share-based payments

For the half-year ended 30 June 2004 and the financial year ended 31 December 2004, share-based payments of $161 thousand and $338 thousand (included in 'employee benefit expenses') which were not recognised under the superseded policies were recognised under A-IFRS, with a corresponding increase in the employee equity-settled benefits reserve.

These adjustments had no material tax or deferred tax consequences.

An entity that has share options issued after 7 November 2002 not vested as of 1 January 2005 may wish to include the following wording, where appropriate:

'An amount of *[amount]*, not recognised under the superseded policies, is recognised in the employee equity-settled benefits reserve on the date of transition under A-IFRS. The amount relates to share options granted under the executive share option plan which were issued after 7 November 2002 and are not vested as of 1 January 2005.'

(h) Revenue

Under superseded policies, the consolidated entity recognised the gain or loss on disposal of property, plant and equipment on a 'gross' basis by recognising the proceeds from sale as revenue, and the carrying amount of the property, plant and equipment disposed as an expense. Under A-IFRS, the gain or loss on disposal is recognised on a 'net' basis, and is classified as income, rather than revenue. Accordingly, the 'gross' amounts have been reclassified within the income statement for A-IFRS reporting purposes.

(i) Income tax

Under superseded policies, the consolidated entity adopted tax-effect accounting principles whereby income tax expense was calculated on pre-tax accounting profits after adjustment for permanent differences. The tax-effect of timing differences, which occur when items were included or allowed for income tax purposes in a period different to that for accounting were recognised at current taxation rates as deferred tax assets and deferred tax liabilities, as applicable.

Under A-IFRS, deferred tax is determined using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and their corresponding tax bases.

Source reference

10. Impacts of the adoption of Australian equivalents to International Financial Reporting Standards (cont'd)

The effect of the above adjustments on the deferred tax balances are as follows:

	Consolidated 1 Jan 2004 $'000	Consolidated 30 June 2004 $'000	Consolidated 31 Dec 2004 $'000
Defined benefit obligation	58	102	105
Fair value as deemed cost	(492)	(492)	(491)
Deferred tax not recognised under previous GAAP	(1,302)	(1,480)	(1,076)
Net increase/(decrease) in deferred tax balances	(1,736)	(1,870)	(1,462)

The effect on consolidated profit for the half-year ended 30 June 2004 and the financial year ended 31 December 2004 was to decrease previously reported income tax expense by $465 thousand and $881 thousand respectively.

(j) Retained earnings

The effect of the above adjustments on retained earnings is as follows:

	Note	Consolidated 1 Jan 2004 $'000	Consolidated 30 June 2004 $'000	Consolidated 31 Dec 2004 $'000
Transfer from foreign currency translation reserve	a	10,257	10,257	10,257
Defined benefit obligation	b	(196)	(341)	(352)
Goodwill no longer amortised	c	-	355	710
Transfer from asset revaluation reserve	e,f	5,987	5,987	5,987
Fair value as deemed cost	f	23	23	23
Additional depreciation expense	f	-	(2)	(4)
Recognition of fair value adjustments on investment properties	e	-	8	8
Expensing share-based payments	g	-	(161)	(338)
Adjustments to tax balances	i	(1,736)	(1,292)	(862)
Other *[describe]*		-	-	-
Total adjustment to retained earnings		14,335	14,834	15,429
Attributable to members of the parent entity		14,355	14,854	15,449
Attributable to minority interests		(20)	(20)	(20)
		14,335	14,834	15,429

11. Disclosure of additional information

AASB134.16 An entity shall disclose any events or transactions that are material to an understanding of the current half-year reporting period.

AASB1.46 It shall provide any other information material to an understanding of the current half-year, or a cross-reference to another published document that includes such information (e.g. the most recent annual financial report prepared under Australian GAAP).

AASB134.Aus18.1 Voluntary disclosures in addition to the minimum required by AASB 134 'Interim Financial Reporting', if dealt with by other applicable Accounting Standards, shall be made in a manner consistent with those Standards.

For an illustration of the disclosure requirements of other AASB Accounting Standards, refer to the Deloitte Consolidated Model Annual Financial Report.