

Section C: Illustrative concise report

Section C

Illustrative concise report for financial years ending on or after 30 June 2009

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About the concise report

Purpose

This concise report has been designed by Deloitte Touche Tohmatsu to assist users with the preparation of **concise reports** for a **consolidated entity** in accordance with:

- Provisions of the Corporations Act 2001;
- Accounting Standard AASB 1039 'Concise Financial Reports';
- Other requirements and guidelines current as at the date of issue, including Australian Stock Exchange ('ASX') Listing Rules and Australian Securities and Investments Commission ('ASIC') Class Orders, Regulatory Guides and Media Releases.

Note, Elucidation Limited is assumed to have transitioned to the Australian equivalents to IFRS in June 2006, and accordingly, is not a first-time adopter of A-IFRS.

This section of the Illustrative annual reports 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 concise reporting requirements of the Corporations Act 2001. Inquiries regarding specialised industries (e.g. life insurance companies, credit unions, etc.) should be directed to an industry specialist in your nearest Deloitte Touche Tohmatsu office.

Source references

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

Abbreviations used in this section are as follows:

s.	Section of the Corporations Act 2001
Reg	Regulation of the Corporations Regulations 2001
AASB	Accounting Standard issued by the Australian Accounting Standards Board
ASA	Australian Auditing Standard 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-RG	Australian Securities and Investments Commission Regulatory Guide
ASX	Australian Stock Exchange Limited Listing Rule

Source reference

Format of the concise report**Content of a concise report**

s.314(2)

A concise report for a financial year consists of:

- (a) a concise financial report prepared in accordance with AASB 1039 'Concise Financial Reports';
- (b) the directors' report;
- (c) an audit report;
- (d) a copy of any qualification and of any statements included in the emphasis of matter section of the auditor's report on the financial report; and
- (e) a statement that the report is a concise financial report and a full financial report and auditor's report will be sent to any member free of charge on request.

ASIC-CO 98/2395

Where information required by s.298(1)(c) (auditors' independence declaration), s.299(1A) (information to give a true and fair view), s.299 (general information about operations and activities) or s.299A (information about the entity's operations, financial position, business strategies and future prospects) has been transferred out of the directors' report into a document forming part of the annual report, the concise report must include the documents that contain this information.

Financial statements

AASB1039.5.1

A concise financial report shall include the following financial statements:

- (a) an income statement for the annual reporting period;
- (b) a balance sheet as at the end of the annual reporting period;
- (c) a cash flow statement for the annual reporting period; and
- (d) a statement of changes in equity (or statement of recognised income and expense) for the annual reporting period.

The Corporations Act 2001 does not require the concise financial report to include a directors' declaration. However, to be consistent with the preparation of the full financial report the preparation of a directors' declaration is encouraged.

AASB1039.1.2, 1.2.1

Where an entity is the parent of a group, AASB 1039 applies to the consolidated financial statements of the entity and the notes to those statements, and does not require that parent financial information be provided. Where parent financial information is provided in addition to consolidated financial information, the parent financial information is also subject to the requirements of AASB 1039.

AASB1039.5.2

Each financial statement in the concise financial report shall be presented as it is in the full financial report, in accordance with Accounting Standards, except for the omission of cross-references to notes to the financial statements in the full financial report.

AASB1039.5.3

The financial statements of entities other than listed companies shall be accompanied by discussion and analysis to assist the understanding of members.

Comparative information

AASB1039.8.1

Information for the preceding corresponding reporting period which corresponds to the disclosures made in accordance with AASB 1039 for the current reporting period shall be disclosed except when comparative information is not required to be disclosed in the financial report.

Definitions

AASB1039.9.1

The technical terms referred to in AASB 1039 have the same meaning as in the relevant Accounting Standards applied in the preparation of the full financial report for the current reporting period.

Directors' report

ASIC-CO 98/2395

The directors' report in the concise financial report shall be the same as that in the annual financial report, except that references to notes in the full financial report shall be omitted.

Where information has been transferred out of the directors' report as permitted by ASIC Class Order 98/2395, the page references in the directors' report must be updated as necessary.

Elucidation Limited

ACN 123 456 789

Concise report for the financial year ended 30 June 2009

The concise financial report is an extract from the full financial report of Elucidation Limited. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report of Elucidation Limited, and cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

Further financial information can be obtained from Elucidation Limited's full financial report, a copy of which, including the independent auditor's report, is available to all shareholders, and will be sent to shareholders without charge on request.

Source references: [AASB1039.7.1, s.314\(2\)\(e\)](#)

Source reference

Directors' report

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'.

s.300(2)

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

Information required by s.300 need not be included in the directors' report where such information is disclosed in the financial report.

ASIC-CO 98/2395

Information required by s.298(1)(c), s.298(1A), s.299 to s.300 (other than s.300(11B) and (11C) insofar as those sections require certain information to be included in the directors' report or in the financial report pursuant to s.300(2)) may be transferred to a document attached to the directors' report and financial report where a clear cross reference to the pages containing the excluded information exists and certain conditions are satisfied. The information required by s.298(1)(c), s.298(1A), s.299 and s.299A may not be transferred into the financial report.

Where information is transferred into the financial report it will be subject to audit.

The directors of Elucidation Limited submit herewith the annual financial report of the company for the financial year ended 30 June 2009. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Information about the directors and senior management

s.300(1)(c),
s.300(10)(a)

The names and particulars of the directors of the company during or since the end of the financial year are:

Name [all entities]	Particulars [public companies only]
Mr C.J. Chambers	Chairman, Chartered Accountant, joined the Board in 2000 in a non-executive capacity and is a non-executive director of the ultimate holding company, ELC Ultimate Limited. Mr C.J. Chambers is also a director of Eastwood Limited. He is a member of the audit committee and the risk management committee.
Mr P.H. Taylor	Chief Executive Officer, joined the Board in 1997. Mr P.H. Taylor was previously the CEO at a large manufacturing company.
Ms F.R. Ridley	Chartered Accountant, joined the Board in 2006 in a non-executive capacity. Ms F.R. Ridley is a member of the nomination and remuneration committee, and of the audit committee.
Mr A.K. Black	Industrial Engineer, joined the Board in July 2009. He previously held various senior management positions in manufacturing and wholesale companies.
Mr B.M. Stavrinidis	Director of Merchant Bank Limited, joined the Board in 2005 in a non-executive capacity. Mr B.M. Stavrinidis is a member of the nomination and remuneration committee, the audit committee, and the risk management committee.
Mr W.K. Flinders	Practicing Solicitor, joined the Board in 2002 in a non-executive capacity and resigned during the year. Mr W.K. Flinders was a member of the nomination and remuneration committee until his resignation.
Ms S.M. Saunders	Practicing Solicitor, joined the Board in 2008 in a non-executive capacity and resigned after year end. Ms S.M. Saunders was a member of the nomination and remuneration committee and the risk management committee until her resignation.

s.300(1)(c)

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

- Mr W.K. Flinders – resigned 20 July 2008
- Ms S.M. Saunders – appointed 1 August 2008, resigned 30 July 2009
- Mr A.K. Black – appointed 21 July 2009

s.300(10)(a)
s.300(10)

Particulars include each director's qualifications, experience and special responsibilities. Disclosure of directors' particulars is not required for a public company which is a wholly-owned controlled entity of another company.

Source reference

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

<u>Name</u>	<u>Company</u>	<u>Period of directorship</u>
Mr C.J. Chambers	Eastwood Limited	Since 2007
	Yarwood Limited	2006 – 2008

Former partners of the audit firm

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

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

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

Directors	Elucidation Limited		
	Fully paid ordinary shares Number	Share options Number	Convertible notes Number
C.J. Chambers	5,000	-	3,000
P.H. Taylor	50,000	88,000	15,000
A.K. Black	1,000	-	-

s.608 Directors are considered to have a relevant interest where the director:

(a) is the holder of the securities;

(b) has power to exercise, or control the exercise of, a right to vote attached to the securities; or

(c) has power to dispose of, or control the exercise of a power to dispose of, the securities.

s.608 It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

s.608, s.609 Refer s.608 and s.609 of the Corporations Act 2001 for more information about when a person has a relevant interest in a security.

Although s.300(11)(a)-(c) only requires relevant interests in shares, debentures, and rights or options in shares or debentures to be disclosed, where considered necessary (i.e., to satisfy the information needs of the likely users of the financial report), directors may consider disclosing interests in other equity instruments.

s.300(11)(d) For each director who is party to or entitled to a benefit under a contract that confers a right to call for or deliver shares in, or debentures of or interests in a registered scheme made available by the company or a related body corporate, disclosure should be made of such contracts.

Remuneration of directors and senior management

Information about the remuneration of directors and senior management is set out in the remuneration report of this directors' report, on pages C13 to C21.

Share options granted to directors and senior management

s.300(1)(d) The directors' report should include details of options that are:

(i) granted over unissued shares or unissued interests during or since the end of the financial year; and

(ii) granted to any of the directors or any of the 5 most highly remunerated officers of the company (other than the directors); and

(iii) granted to them as part of their remuneration.

s.300(3) The disclosures required by s.300(1)(d) (illustrated on page C7), s.300(1)(e) and s.300(1)(f) cover:

(a) options over unissued shares and interests of the company, registered scheme or disclosing entity; and

(b) if consolidated financial statements are required – options over unissued shares and interests of any controlled entity that is a company, registered scheme or disclosing entity.

s.300(5) The details of an option granted during or since the end of the financial year should include:

(a) the identity of the company, registered scheme or disclosing entity granting the option;

(b) the name of the person to whom the option is granted; and

(c) the number and class of shares or interests over which the option is granted.

Source reference

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

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

Directors and senior management	Number of options granted	Issuing entity	Number of ordinary shares under option
P.H. Taylor	88,000	Elucidation Limited	88,000
T.L. Smith	32,036	Elucidation Limited	32,036
W.L. Lee	6,250	Elucidation Limited	6,250
L.J. Jackson	6,250	Elucidation Limited	6,250
C.P. Daniels	4,167	Elucidation Limited	4,167
N.W. Wright	4,167	Elucidation Limited	4,167

Company secretary [public companies only]

s.300(10)(d)

Mr A.B. Grey, Chartered Accountant, held the position of company secretary of Elucidation Limited at the end of the financial year. He joined Elucidation Limited in 2004 and previously held the company secretary position at a large manufacturing company. He is a member of the Chartered Institute of Company Secretaries in Australia.

s.300(10)

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

Principal activities

s.299(1)(c)

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

During the financial year the consolidated entity sold its toy business. Details of the sale are contained in note 41 and note 42(b) to the full financial report of Elucidation Limited. During the year the board of directors decided to dispose of the bicycle business. Details of the planned disposal are contained in note 41 to the full financial report of Elucidation Limited.

Review of operations

s.299(1)(a),
ASX4.10.17

The directors' report must contain a review of the consolidated entity's operations during the financial year and the results of those operations. The Corporations Act 2001 contains additional general requirements for listed public companies.

Additional requirements for listed public companies

s.299A(1), (2)

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

- (a) the operations of the consolidated entity;
- (b) the financial position of the consolidated entity; and
- (c) the consolidated entity's business strategies and its prospects for future financial years.

s.299A(3)

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

ASX Guidance Note
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In preparing this disclosure, entities may wish to refer to ASX Guidance Note 10 'Review of Operations and Activities: Listing Rule 4.10.17' 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;

Source reference

- (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;
- (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 balance sheet;
 - 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.

Changes in state of affairs

s.299(1)(b)

During the financial year, the consolidated entity disposed of its toy business. The consolidated entity is also seeking to dispose of its bicycle business, in order to focus its operations towards the manufacture and distribution of electronic equipment and leisure goods as proposed and agreed at the company's last Annual General Meeting.

Other than the above, there was no significant change in the state of affairs of the consolidated entity during the financial year.

Subsequent events

s.299(1)(d)

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

Otherwise, describe the matter(s) or circumstance(s).

Future developments

s.299(1)(e), s.299(3)

Disclosure of information regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the consolidated entity. Accordingly, this information has not been disclosed in this report.

s.299(1)(e), s.299(3)

Directors must bring likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations to the attention of the users of the financial report. These disclosures are not required where they would result in unreasonable prejudice to the entity.

s.299A(1)(c), (2)

The directors' report for a company or disclosing entity that is a listed public company must also contain information that members of the company would reasonably require to make an informed assessment of the consolidated entity's prospects for future financial years.

Source reference

Environmental regulations

s.299(1)(f)

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

ASIC-RG 68

The ASIC has provided the following guidance on completing environmental regulations disclosures:

- prima facie, the requirements would normally apply where an entity is licensed or otherwise subject to conditions for the purposes of environmental legislation or regulation;
- the requirements are not related specifically to financial disclosures (e.g. contingent liabilities and capital commitments) but relate to performance in relation to environmental regulation. Hence, accounting concepts of materiality in financial statements are not applicable;
- the information provided in the directors' report cannot be reduced or eliminated because information has been provided to a regulatory authority for the purposes of any environmental legislation; and
- the information provided in the director's report would normally be more general and less technical than information which an entity is required to provide in any compliance reports to an environmental regulator.

Dividends

s.300(1)(a)

In respect of the financial year ended 30 June 2008, as detailed in the directors' report for that financial year, a final dividend of 19.36 cents per share franked to 100% at 30% corporate income tax rate was paid to the holders of fully paid ordinary shares on 12 October 2008.

s.300(1)(a)

In respect of the financial year ended 30 June 2009, an interim dividend of 17.85 cents per share franked to 100% at 30% corporate income tax rate was paid to the holders of fully paid ordinary shares on 5 March 2009.

s.300(1)(a)

In respect of the financial year ended 30 June 2009, a dividend of 10.00 cents per share franked to 100% at 30% corporate income tax rate was paid to the holders of converting non-participating preference shares on 20 June 2009.

s.300(1)(a)

In respect of the financial year ended 30 June 2009, an interim dividend of 20.33 cents per share franked to 100% at 30% corporate income tax rate was paid to the holders of redeemable cumulative preference shares on 20 June 2009.

s.300(1)(b)

In respect of the financial year ended 30 June 2009, the directors recommend the payment of a final dividend of 26.31 cents per share franked to 100% at 30% corporate income tax rate to the holders of fully paid ordinary shares on 3 October 2009.

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

AASB110.13

If dividends are declared (i.e. the dividends are appropriately authorised and no longer at the discretion of the entity) after the reporting date but before the financial report is authorised for issue, the dividends are not recognised as a liability at the reporting date because they do not meet the criteria of a present obligation in AASB 137 'Provisions, Contingent Liabilities and Contingent Assets'. Such dividends are disclosed in the notes to the financial statements in accordance with AASB 101 'Presentation of Financial Statements'.

Shares under option or issued on exercise of options

s.300(1)(f)

The directors' report should include details of:

s.300(1)(e)

(a) shares or interests issued during or since the end of the financial year as a result of the exercise of an option over unissued shares or interests; and

s.300(3)

(b) unissued shares or interests under option as at the date of the directors' report.

The disclosures required by s.300(1)(d) (illustrated on page B6), s.300(1)(e) and s.300(1)(f) cover:

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

s.300(6)

The details of unissued shares or interests under option should include:

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

Source reference

s.300(7)

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

- (a) the company, registered scheme or disclosing entity issuing the shares or interests;
- (b) the number of shares or interests issued;
- (c) if the company, registered scheme or disclosing entity has different classes of shares or interests, the class to which each of those shares or interests belongs;
- (d) the amount unpaid on each of those shares or interests; and
- (e) the amount paid, or agreed to be considered as paid, on each of those shares or interests.

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

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

Issuing entity	Number of shares under option	Class of shares	Exercise price of option	Expiry date of options
Elucidation Limited	136,000	Ordinary	\$1.00	30 September 2009
Elucidation Limited	60,000	Ordinary	\$1.00 ^(a)	27 March 2010

^(a) These share options can only be exercised once the share price of Elucidation Limited exceeds \$4.00.

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

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

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

Issuing entity	Number of shares issued	Class of shares	Amount paid for shares	Amount unpaid on shares
Elucidation Limited	314,000	Ordinary	\$1.00	\$nil

Indemnification of officers and auditors

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

During the financial year, the company paid a premium in respect of a contract insuring the directors of the company (as named above), the company secretary, Mr A.B. Grey, and all executive officers of the company and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

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

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

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

Directors' meetings [public companies only]

s.300(10)(b), (c)

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

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

Source reference

s.300(10)

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

Registered schemes [registered schemes only]

s.300(12)

The directors' report for a listed registered scheme should disclose the following details for each director of the company that is the responsible entity for the scheme:

- (a) their relevant interests in the scheme;
- (b) their rights or options over interests in the scheme; and
- (c) contracts to which the director is a party or under which the director is entitled to a benefit and that confer a right to call for or deliver interests in the scheme.

s.300(13)

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

- (a) the fees paid to the responsible entity and its associates out of scheme property during the financial year;
- (b) the number of interests in the scheme held by the responsible entity or its associates as at the end of the financial year;
- (c) interests in the scheme issued during the financial year;
- (d) withdrawals from the scheme during the financial year;
- (e) the value of the scheme's assets as at the end of the financial year, and the basis for the valuation; and
- (f) the number of interests in the scheme as at the end of the financial year.

Proceedings on behalf of the company

s.300(14)

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

s.300(15)

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

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

Non-audit services [listed companies only]

s.300(2A),
s.300(11B)(a)
s.300(11B)(b)

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in note 47 to the full financial report

The directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

s.300(11B)(c)

The directors are of the opinion that the services as disclosed in note 47 to the full financial report do not compromise the external auditor's independence, based on advice received from the Audit Committee, for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

s.300(11D)

The statements under s.300(11B)(b) and (c) must be made in accordance with:

- (a) advice provided by the listed company's audit committee if the company has an audit committee; or
- (b) a resolution of the directors of the listed company if the company does not have an audit committee.

s.300(11E)

A statement is taken to be made in accordance with advice provided by the company's audit committee only if:

- (a) the statement is consistent with that advice and does not contain any material omission of material included in that advice;
- (b) the advice is endorsed by a resolution passed by the members of the audit committee; and
- (c) the advice is written advice signed by a member of the audit committee on behalf of the audit committee and given to the directors.

Source reference

Auditor's independence declaration

s.298(1)(c)

The auditor's independence declaration is included on page B21 of the annual report.

Extension of audit rotation period [listed companies only]

s.300(11A)

Where, in accordance with s.342A, ASIC has made a declaration to enable an individual who is a registered company auditor to continue to play a significant role (as defined in s.9 of the Corporations Act 2001) in the audit of a listed company (by extending the audit involvement period from the normal five successive financial years to six or seven successive financial years), the directors' report must include details of the declaration.

True and fair view

s.298(1A)

If the financial report for a financial year includes additional information under s.295(3)(c) to give a true and fair view of financial position and performance, the directors' report for the financial year must also:

- (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.297; and
- (b) specify where that additional information can be found in the 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 financial report are rounded, that fact must be disclosed in the financial report or the directors' report.

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 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 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 financial report are rounded off to the nearest million dollars, unless otherwise indicated.

[Report continues over the page]

Source reference

s.300A(1), (1A), (2)

Remuneration report [all disclosing entities that are companies]

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

s.300A(1B)(a)

s.300A(1B)(b)

s.9

Defined terms

A company executive of the company is a secretary or senior manager of the company.

A relevant group executive of the company is a group executive of the consolidated entity who is not also a director of the company.

Senior manager:

- (a) in relation to a corporation – means a person (other than a director or secretary of the corporation) who:
 - i. makes, or participates in making, decisions that affect the whole, or a substantial part, of the business of the corporation; or
 - ii. has the capacity to affect significantly the corporation's financial standing; and
- (b) in relation to a partnership – means a person (other than a partner) who:
 - i. makes, or participates in making, decisions that affect the whole, or a substantial part, of the business of the partnership; or
 - ii. has the capacity to affect significantly the partnership's financial standing; and
- (c) in relation to a trust – means a person (other than a trustee) who:
 - i. makes, or participates in making, decisions that affect the whole, or a substantial part, of the business of the trust; or
 - ii. has the capacity to affect significantly the financial standing of the trust; and
- (d) in relation to a joint venture – means a person (other than a director or secretary of the corporation participating in the joint venture) who:
 - i. makes, or participates in making, decisions that affect the whole, or a substantial part, of the business of the joint venture; or
 - ii. has the capacity to affect significantly the financial standing of the joint venture.

s.9

Group executives for a consolidated entity means:

- the directors of the companies or bodies within the consolidated entity;
- the secretaries of the companies or bodies within the consolidated entity;
- the senior managers of any corporation within the consolidated entity;
- the partners, and senior managers, of any partnership within the consolidated entity;
- the trustees, and senior managers, of any trusts within the consolidated entity; and
- the senior managers of any joint venture within the consolidated entity.

s.300A(1AAA),
AASB124.9

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

Source reference

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

Prescribed details in relation to remuneration

The prescribed details in relation to remuneration referred to in s.300A(1)(c) are detailed in Regulation 2M.3.03 of the Corporations Regulations 2001. The prescribed details must be provided in respect of the following persons:

- (a) if consolidated financial statements are required – each member of the key management personnel for the consolidated entity;
- (b) if consolidated financial statements are not required – each member of the key management personnel for the company;
- (c) if consolidated financial statements are required – each of the 5 named relevant group executives who receive the highest remuneration for that year; and
- (d) in any case – each of the 5 named company executives who receive the highest remuneration for that year.

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

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

Persons who are covered by more than one of the categories of identified s.300A(1)(c) persons

s.300A(1)

If a person is covered by more than one of the following groups:

- (a) if consolidated financial statements are required – each member of the key management personnel for the consolidated entity;
- (b) if consolidated financial statements are not required – each member of the key management personnel for the company;
- (c) one of the 5 named company executives who receive the highest remuneration for the year; or
- (d) one of the 5 named relevant group executives who receive the highest remuneration for the year (if consolidated financial statements are required),

details of the person's remuneration are only required in the report under one of the groups.

Remuneration from each entity

s.300A(4)

If consolidated financial statements are required, and a person is a group executive who is a group executive of 2 or more entities within the consolidated entity, the person's remuneration is taken to include all of the person's remuneration from those entities (regardless of the capacity in which the person received the remuneration).

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of Elucidation Limited's directors and its senior management for the financial year ended 30 June 2009. The prescribed details for each person covered by this report are detailed below under the following headings:

- director and senior management details
- remuneration policy
- relationship between the remuneration policy and company performance
- remuneration of directors and senior management
- key terms of employment contracts.

Director and senior management details

Reg2M.3.03(1)
(Item 1-4)

The following persons acted as directors of the company during or since the end of the financial year:

Mr C.J. Chambers (Chairman)

Mr P.H. Taylor (Chief Executive Officer)

Ms F.R. Ridley

Mr A.K. Black (appointed 21 July 2009)

Mr B.M. Stavrinidis

Mr W.K. Flinders (resigned 20 July 2008)

Ms S.M. Saunders (appointed 1 August 2008, resigned 30 July 2009)

Reg2M.3.03(1)
(Item 1-3, 5)

The term 'senior management' is used in this remuneration report to refer to the following persons. Except as noted, the named persons held their current position for the whole of the financial year and since the end of the financial year:

W.L. Lee (Chief Financial Officer – ELC Investments Pty Ltd)

L.J. Jackson (Chief Marketing Officer – ELC Sales Pty Ltd)

C.P. Daniels (Chief Operations Officer, resigned 3 July 2009)

N.W. Wright (General Manager – Electronic equipment division, resigned 27 June 2009)

T.L. Smith (General Manager – Leisure goods division, appointed 3 July 2008)

A.B. Grey (Company Secretary)

Source reference

s.300A, Reg2M.3.03

s.300A of the Corporations Act 2001 and Regulation 2M.3.03 prescribe information that must be disclosed in respect of the following persons:

- (a) if consolidated financial statements are required – each member of the key management personnel for the consolidated entity; and
- (b) if consolidated financial statements are not required – each member of the key management personnel for the company; and
- (c) if consolidated financial statements are required – each of the 5 named relevant group executives who receive the highest remuneration for that year; and
- (d) in any case – each of the 5 named company executives who receive the highest remuneration for that year.

For the purposes of this illustrative annual report, the persons listed above under 'senior management' represent the five highest paid group executives (excluding executive directors) and five highest paid company executives of Elucidation Limited. The group executives together with the directors of the company represent the key management personnel of the consolidated entity. This illustrative annual report also illustrates the inclusion of Mr A.B. Grey as one of the five highest paid company executives of Elucidation Limited who is not also a group executive or a member of the key management personnel of the consolidated entity.

Remuneration policy

s.300A(1)(a)

The directors' report must include discussion of:

- (a) board policy for determining, or in relation to, the nature and amount (or value, as appropriate) of remuneration of key management personnel for the company; and
- (b) if consolidated financial statements are required – board policy in relation to the nature and amount (or value, as appropriate) of remuneration of key management personnel for the consolidated entity.

s.300A(1)(f)

The report must also include such other matters related to the policy or policies referred to in s.300A(1)(a) above as are prescribed by the regulations.

Relationship between the remuneration policy and company performance

Extent (or otherwise) of remuneration being dependent on satisfaction of a performance condition

A disclosing entity that is a company must disclose:

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

- (a) an explanation of the relative proportions of those elements of the remuneration of a s.300A(1)(c) identified person that are related to performance and those elements of the person's remuneration that are not;

s.300A(1)(d)

- (b) if an element of the remuneration of a s.300A(1)(c) identified person consists of securities of a body and that element is not dependent on the satisfaction of a performance condition – an explanation of why that element of the remuneration is not dependent on the satisfaction of a performance condition must be disclosed;

s.300A(1)(da)

- (c) if an element of the remuneration of a s.300A(1)(c) identified person consists of securities of a body – discussion of board policy in relation to the person limiting his or her exposure to risk in relation to the securities, and the mechanism to enforce the policy; and

s.300A(1)(ba)

- (d) if an element of the remuneration of a member of key management personnel for the company, or if consolidated financial statements are required, for the consolidated entity, is dependent on the satisfaction of a performance condition:
 - i. a detailed summary of the performance condition;
 - ii. an explanation of why the performance condition was chosen;
 - iii. a summary of the methods used in assessing whether the performance condition is satisfied and an explanation of why those methods were chosen; and
 - iv. if the performance condition involves a comparison with factors external to the company:
 - (A) a summary of the factors to be used in making the comparison; and
 - (B) if any of the factors relates to the performance of another company, of 2 or more other companies or of an index in which the securities of a company or companies are included – the identity of that company, of each of those companies or of the index.

Source reference

s.300A(1)(b)

Discussion of the relationship between the remuneration policy and company performance

The directors' report must include discussion of the relationship between the remuneration policy for key management personnel and the company's performance.

s.300A(1AA)

Without limiting the requirements of s.300A(1)(b), the discussion under that subsection of the company's performance must specifically deal with:

- i. the company's earnings; and
 - ii. the consequences of the company's performance on shareholder wealth;
- in the financial year to which the report relates and in the previous 4 financial years.

s.300A(1AB)

In determining, for the purposes of s.300A(1AA), the consequences of the company's performance on shareholder wealth in a financial year, have regard to:

- i. dividends paid by the company to its shareholders during that year;
- ii. changes in the price at which shares in the company are traded between the beginning and the end of that year;
- iii. any return of capital by the company to its shareholders during that year that involves:
 - (A) the cancellation of shares in the company; and
 - (B) a payment to the holders of those shares that exceeds the price at which shares in that class are being traded at the time when the shares are cancelled; and
- iv. any other relevant matter.

s.300A(1)(b)

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

s.300A(1AA), (1AB)

The tables below set out summary information about the consolidated entity's earnings and movements in shareholder wealth for the five years to 30 June 2009:

	30 June 2009 \$'000	30 June 2008 \$'000	30 June 2007 \$'000	30 June 2006 \$'000	30 June 2005 \$'000
Revenue	208,931	232,034	217,054	205,321	200,058
Net profit before tax	41,018	45,131	42,567	40,243	39,011
Net profit after tax	26,552	30,332	28,217	26,211	26,208

	30 June 2009	30 June 2008	30 June 2007	30 June 2006	30 June 2005
Share price at start of year	\$2.65	\$2.59	\$2.61	\$2.54	\$1.90
Share price at end of year	\$3.37	\$2.65	\$2.59	\$2.61	\$2.54
Interim dividend ¹	17.85cps	12.71cps	12.71cps	10.00cps	10.00cps
Final dividend ^{1,2}	26.31cps	19.36cps	19.36cps	15.00cps	15.00cps
Basic earnings per share	112.3cps	129.9cps	133.0cps	123.5cps	123.5cps
Diluted earnings per share	106.6cps	124.1cps	127.5cps	118.4cps	118.4cps

¹ Franked to 100% at 30% corporate income tax rate.

² Declared after the balance date and not reflected in the financial statements.

In addition, during 2009 Elucidation Limited repurchased 5,603 thousand shares for \$17,011 thousand. The shares were repurchased at the prevailing market price on the date of the buy-back.

Source reference

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

Remuneration of directors and senior management

	Short-term employee benefits				Post-employment benefits	Other long-term employee benefits	Share-based payment	Total
	Salary & fees	Bonus	Non-monetary	Other	Superannuation		Options & rights	
2009	\$	\$	\$	\$	\$	\$	\$	\$
Non-executive directors								
C.J. Chambers	76,000	-	28,050	1,250	-	-	-	105,300
F.R. Ridley	65,000	-	25,091	854	-	-	-	90,945
B.M. Stavrinidis	65,000	-	26,800	685	-	-	-	92,485
W.K. Flinders	4,000	-	800	200	-	-	-	5,000
S.M. Saunders	65,000	-	15,159	689	-	-	-	80,848
Executive officers								
P.H. Taylor	261,600	-	66,280	1,240	30,000	5,400	105,600	470,120
W.L. Lee	183,712	10,000	6,796	-	17,937	8,788	7,500	234,733
L.J. Jackson	187,928	-	16,481	-	20,000	4,572	7,500	236,481
C.P. Daniels	185,500	-	14,805	-	20,000	-	5,000	225,305
N.W. Wright	184,000	-	12,761	-	17,708	-	5,000	219,469
T.L. Smith	180,000	-	4,734	-	16,716	1,000	8,663	211,113
A.B. Grey	150,000	-	11,450	-	15,000	2,354	-	178,804
								<u>2,150,603</u>

Reg2M.3.03(1)
(Item 6-9, 11), (2)

	Short-term employee benefits				Post-employment benefits	Other long-term employee benefits	Share-based payment	Total
	Salary & fees	Bonus	Non-monetary	Other	Superannuation		Options & rights	
2008	\$	\$	\$	\$	\$	\$	\$	\$
Non-executive directors								
C.J. Chambers	65,125	-	25,400	1,125	-	-	-	91,650
F.R. Ridley	62,000	-	23,162	850	-	-	-	86,012
B.M. Stavrinidis	62,000	-	24,350	670	-	-	-	87,020
W.K. Flinders	62,000	-	24,350	680	-	-	-	87,030
O.H. O'Brien	36,750	-	20,120	312	-	-	-	57,182
Executive officers								
P.H. Taylor	229,860	-	53,800	1,125	38,000	10,140	57,500	390,425
W.L. Lee	179,372	-	5,980	-	17,300	6,878	-	209,530
L.J. Jackson	180,690	-	14,503	-	20,000	5,560	-	220,753
C.P. Daniels	171,250	-	13,028	-	20,000	7,750	-	212,028
N.W. Wright	173,738	-	11,230	-	17,500	4,587	-	207,055
E.P. Hart	179,375	-	12,500	-	17,270	-	-	209,145
A.B. Grey	145,000	-	10,500	-	14,500	1,000	-	171,000
								<u>2,028,830</u>

Reg2M.3.03(1)
(Item 10)

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

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

Payments and benefits

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

- the person's short-term employee benefits, divided into at least the following components:
 - cash salary, fees and short-term compensated absences;
 - short-term cash profit-sharing and other bonuses;
 - non-monetary benefits;
 - other short-term employee benefits;
- the person's post-employment benefits, divided into at least the following components:
 - pension and superannuation benefits;
 - other post-employment benefits;
- the person's long-term employee benefits other than benefits mentioned in items 6 and 7, separately identifying any amount attributable to a long-term incentive plan;
- the person's termination benefits;

Source reference

- for any position the person started to hold during the financial year, payments (if any) made to the person, before the person started to hold the position, as part of the consideration for the person agreeing to hold the position, including:
 - (a) the monetary value of the payment; and
 - (b) the date of the payment;
- share-based payments made to the person, divided into at least the following components:
 - (a) equity-settled share-based payment transactions, showing separately:
 - (i) shares and units; and
 - (ii) options and rights;
 - (b) cash-settled share-based payment transactions;
 - (c) all other forms of share-based payment compensation (including hybrids).

Total of a person's compensation

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

Comparative information

For items 6-9 and 11 of Regulation 2M.3.03, information of the kind described in the item (refer page B16 and above) for the previous financial year must also be disclosed in the financial year to which the item relates (to give comparative information for the purposes of the item), but this does not apply in relation to the first financial year in which paragraph 300A(1)(c) of the Corporations Act 2001 applies in relation to a person.

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

Bonuses

Mr. W.L. Lee was granted a cash bonus of \$10,000 on 12 June 2009. The bonus was given, on successful acquisition by the consolidated entity, for his identification of the distribution business of Minus Pty Limited as an advantageous investment opportunity earlier in the reporting period. No other bonuses were granted during 2009.

Employee share option plan

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

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

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

- improvement in share price
- improvement in net profit
- improvement in return to shareholders
- reduction in warranty claims
- results of client satisfaction surveys
- reduction in rate of staff turnover

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

During the financial year, the following share-based payment arrangements were in existence

Options series	Grant date	Expiry date	Grant date fair value	Vesting date
(1) Issued 30 September 2007	30/09/07	30/09/08	\$1.15	Vests at date of grant
(2) Issued 31 March 2008	31/03/08	31/03/09	\$1.18	Vests at date of grant
(3) Issued 30 September 2008	30/09/08	30/09/09	\$1.20	Vests at date of grant
(4) Issued 29 March 2009	29/03/09	27/03/10	\$1.05	Vests when the Elucidation Limited share price exceeds \$4.00

There are no further service or performance criteria that need to be met in relation to options granted under series (1) – (3) before the beneficial interest vests in the recipient. Executives and senior employees receiving options under option series (4) are entitled to the beneficial interest under the option when the performance condition (share price exceeds \$4.00) is met only if they continue to be employed with the company at that time.

Source reference

s.300A(1)(e)(vi),
Reg2M.3.03(1)
(Item 12(e), (f),
15(a))

The following grants of share-based payment compensation to directors and senior management relate to the current financial year:

Name	Option series	During the financial year				% of compensation for the year consisting of options
		No. granted	No. vested	% of grant vested	% of grant forfeited	
Mr P.H. Taylor	(1) Issued 30 Sep 08	88,000	88,000	100%	n/a	22.5%
W.L. Lee	(1) Issued 30 Sep 08	6,250	6,250	100%	n/a	3.2%
L.J. Jackson	(1) Issued 30 Sep 08	6,250	6,250	100%	n/a	3.2%
C.P. Daniels	(1) Issued 30 Sep 08	4,167	4,167	100%	n/a	2.2%
N.W. Wright	(1) Issued 30 Sep 08	4,167	4,167	100%	n/a	2.3%
T.L. Smith	(4) Issued 29 Mar 09	32,036	nil	nil	nil	4.1%

Reg2M.3.03(1)
(Item 16)

During the year, the following directors and senior management exercised options that were granted to them as part of their compensation. Each option converts into one ordinary share of Elucidation Limited.

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

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

The following table summarises the value of options granted, exercised or lapsed during to directors and senior management:

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

- (i) The value of options granted during the period is recognised in compensation over the vesting period of the grant, in accordance with Australian accounting standards.
- (ii) The value of options lapsing during the period due to the failure to satisfy a vesting condition is determined assuming the vesting condition had been satisfied.

Reg2M.3.03(1)
(Item 12)

Compensation

For each grant of a cash bonus, performance related bonus or share-based payment compensation benefit made to a s.300A(1)(c) identified person, whether part of a specific contract for services or not, the remuneration report must include the terms and conditions of each grant affecting compensation in the reporting period or a future reporting period, including the following:

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

Source reference

Reg2M.3.03(3)

Options and rights over equity instruments

A disclosure required by Regulation 2M.3.03(1)(Item 15) and Regulation 2M.3.03(1)(Item 16) must:

- (a) be separated into each class of equity instrument; and
- (b) identify each class of equity instrument by:
 - i. the name of the issuing entity;
 - ii. the class of equity instrument; and
 - iii. if the instrument is an option or right – the class and number of equity instruments for which it may be exercised.

Reg2M.3.03(1)
(Item 15)

If options and rights over an equity instrument issued or issuable by the disclosing entity or any of its subsidiaries have been provided as compensation to a s.300A(1)(c) identified person during the reporting period:

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

Reg2M.3.03(1)
(Item 16)

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

- (a) the number of equity instruments;
- (b) if the number of options or rights exercised differs from the number of equity instruments disclosed under paragraph (a) – the number of options or rights exercised;
- (c) the amount paid per instrument; and
- (d) the amount unpaid per instrument.

Reg2M.3.03(1)
(Item 14)

Alterations and modifications

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

- (a) the date of the alteration;
- (b) the market price of the underlying equity instrument at the date of the alteration;
- (c) the terms of the grant of compensation immediately before the alteration, including:
 - i. the number and class of the underlying equity instruments, exercise price; and
 - ii. the time remaining until expiry; and
 - iii. each other condition in the terms that affects the vesting or exercise of an option or other right;
- (d) the new terms; and
- (e) the difference between:
 - i. the total of the fair value of the options or other rights affected by the alteration immediately before the alteration; and
 - ii. the total of the fair value of the options or other rights immediately after the alteration.

Source reference

Key terms of employment contracts

s.300A(1)(e)(vii)	<p>The report must also include, for each s.300A(1)(c) identified person:</p> <ul style="list-style-type: none"> (a) if the person is employed by the company under a contract – the duration of the contract, the periods of notice required to terminate the contract and the termination payments provided for under the contract; (b) for each contract for services between a person and the disclosing entity (or any of its subsidiaries), any further explanation that is necessary in addition to those prescribed in s.300A(1)(ba) (refer page B14) and Regulation 2M.3.03(1)(Item 12) (refer page B18) to provide an understanding of: <ul style="list-style-type: none"> i. how the amount of compensation in the current reporting period was determined; and ii. how the terms of the contract affect compensation in future periods.
Reg2M.3.03(1) (Item 13)	
s.298(2)	<p>This directors' report is signed in accordance with a resolution of directors made pursuant to s.298(2) of the Corporations Act 2001.</p> <p>On behalf of the Directors</p> <p><i>(Signature)</i> C.J. Chambers Director Sydney, 11 September 2009</p>

Source reference



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The Board of Directors
Elucidation Limited
167 Admin Ave
SYDNEY, NSW 2000

11 September 2009

Dear Board Members,

Elucidation Limited

s.298(1)(c), s.307C,
ASIC-CO 98/2395

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Elucidation Limited.

As lead audit partner for the audit of the financial statements of Elucidation Limited for the financial year ended 30 June 2009, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit;
and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

T.L. Green
Partner
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.

Source reference

s.307C(1), (3)

If an audit firm, audit company or individual auditor conducts an audit of the financial report for the financial 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; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit; 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
 - (ii) any applicable code of professional conduct in relation to the audit;
 are those contraventions details of which are set out in the declaration.

s.307C(5)(a)

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

s.307(5A)

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

- (a) the declaration is given to the directors of the company, registered scheme or disclosing entity before the directors pass a resolution under s.298(2) in relation to the directors' report for the financial year; and
- (b) a director signs the directors' report within 7 days after the declaration is given to the directors; and
- (c) the auditors' report on the financial report is made within 7 days after the directors' report is signed; and
- (d) the auditors' report includes either of the following statements:
 - i. a statement to the effect that the declaration would be in the same terms if it had been given to the directors at the time that auditors' report was made;
 - ii. a statement to the effect that circumstances have changed since the declaration was given to the directors, and setting out how the declaration would differ if it had been given to the directors at the time the auditor's report was made.

s.307C(5B)

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

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

Source reference

Independent auditor's report to the members of Elucidation Limited

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

Duty to form an opinion

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

- s.307(a), s.308(1)
 - whether the financial report 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);
- s.307(aa)
 - if the financial report includes additional information under s.295(3)(c) (information included to give true and fair view of financial position and performance) – whether the inclusion of that additional information was necessary to give the true and fair view required by s.297;
- s.307(b)
 - whether the auditor has been given all information, explanations and assistance necessary for the conduct of the audit;
- s.307(c)
 - whether the company, registered scheme or disclosing entity has kept financial records sufficient to enable a financial report to be prepared and audited;
- s.307(d)
 - whether the company, registered scheme or disclosing entity has kept other records and registers as required by the Corporations Act 2001;
- s.308(3C)
 - if the directors' report for the financial year includes a remuneration report, whether the auditor is of the opinion that the remuneration report complies with s.300A of the Corporations Act 2001. If not of that opinion, the auditor's report must say why; and
- s.308(3A),
ASA700.49A
 - when an entity, in accordance with Accounting Standard AASB 101 'Presentation of Financial Statements', has included in the notes to the financial statements an explicit and unreserved statement of compliance with IFRSs, whether the auditor is of the opinion that the financial report complies with IFRSs. The auditor is only required to include in the audit report this opinion where the auditor agrees with the entity's statement of compliance,

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.

Qualified audit opinions

s.308(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 financial report. If it is not practicable to quantify the effect fully, the report must say why.

Duty to report

s.308(3)(a) The auditor is required to report any defect or irregularity in the financial report.

s.308(3A) The audit report must include any statements or disclosures required by the auditing standards.

s.308(3B) If the financial report includes additional information under s.295(3)(c) (information included to give true and fair view of financial position and performance), the audit report must also include a statement of the auditor's opinion on whether the inclusion of that additional information was necessary to give the true and fair view required by s.297.

Duty to inform

s.311 The auditor must inform 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 The auditor is required to notify ASIC in writing of the circumstances of the matters outlined above as soon as practicable and in any case within 28 days, after the auditor becomes aware of those circumstances.

ASIC-RG 34 ASIC Regulatory Guide 34 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.

Source reference

Directors' declaration

The directors declare that:

- (a) in the directors' opinion, the attached financial statements and notes thereto comply with Accounting Standard AASB 1039 'Concise Financial Reports'; and
- (b) the attached financial statements and notes there to have been derived from the full financial report of the company

Signed in accordance with a resolution of the directors.

On behalf of the Directors

(Signature)

C.J. Chambers

Director

Sydney, 11 September 2009

The Corporations Act 2001 does not require the concise financial report to include a directors' declaration. However, to be consistent with the preparation of the full financial report the preparation of a directors' declaration is encouraged.

Consolidated income statement for the financial year ended 30 June 2009

(Alt 1: example of expenses disclosed by function)

	Note	Consolidated	
		2009 \$'000	2008 \$'000
Continuing operations			
Revenue	6	140,871	151,765
Cost of sales		(87,871)	(91,798)
Gross profit		53,000	59,967
Other revenue		3,608	2,351
Other income		934	1,005
Share of profits of associates and jointly controlled entities accounted for using the equity method		1,186	1,589
Distribution expenses		(5,087)	(4,600)
Marketing expenses		(3,293)	(2,247)
Occupancy expenses		(2,128)	(2,201)
Administration expenses		(11,001)	(15,124)
Finance costs		(5,034)	(6,023)
Other expenses		(2,656)	(2,612)
Profit before tax		29,548	32,138
Income tax expense		(11,306)	(11,801)
Profit for the year from continuing operations		18,242	20,337
Discontinued operations			
Profit for the year from discontinued operations		8,310	9,995
Profit for the year		26,552	30,332
Attributable to:			
Equity holders of the parent		22,552	27,569
Minority interest		4,000	2,763
		26,552	30,332
Earnings per share			
From continuing and discontinued operations:			
Basic (cents per share)		112.3	129.9
Diluted (cents per share)		106.6	124.1
From continuing operations:			
Basic (cents per share)		70.9	82.8
Diluted (cents per share)		67.3	79.1

Notes to the financial statements are included on pages C37 to C45.

Source references: AASB1039.4.1, 5.1(a), 5.2, 5.2.2, 5.2.3, 6.3(d)

Consolidated income statement
for the financial year ended 30 June 2009
(Alt 2: example of expenses disclosed by nature)

	Note	Consolidated	
		2009 \$'000	2008 \$'000
Continuing operations			
Revenue	6	144,479	154,116
Other income		934	1,005
Share of profits of associates and jointly controlled entities accounted for using the equity method		1,186	1,589
Changes in inventories of finished goods and work in progress		(7,122)	2,118
Raw materials and consumables used		(70,365)	(85,364)
Employee benefits expense		(9,803)	(11,655)
Depreciation and amortisation expense		(12,193)	(13,878)
Finance costs		(5,034)	(6,023)
Impairment of non-current assets		(219)	-
Consulting expense		(3,120)	(1,926)
Other expenses		(9,214)	(7,877)
Profit before tax		29,548	32,138
Income tax expense		(11,306)	(11,801)
Profit for the year from continuing operations		18,242	20,337
Discontinued operations			
Profit for the year from discontinued operations		8,310	9,995
Profit for the year		26,552	30,332
Attributable to:			
Equity holders of the parent		22,552	27,569
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Notes to the financial statements are included on pages C37 to C45.

Source references: AASB1039.4.1, 5.1(a), 5.2, 5.2.2, 5.2.3, 6.3(d)

Source reference

Discussion and analysis of the consolidated income statement
[non-listed entities only]

AASB1039.5.3

The financial statements of entities other than listed companies shall be accompanied by discussion and analysis to assist the understanding of members.

AASB1039.5.3.1

Listed companies are not required by AASB 1039 'Concise Financial Reports' to provide discussion and analysis in the concise financial report because, unlike other entities, they are required by s.299A of the Corporations Act 2001 to provide an operational and financial report in the directors' report that is part of the concise report. AASB 1039 only exempts listed companies from the statutory obligation to provide discussion and analysis of the financial statements. It does not prohibit a listed company from providing any discussion and analysis that it considers would assist a reader to understand the financial statements in the concise financial report.

Guidance

AASB1039.5.3.2

The information reported in the financial statements will be enhanced by a discussion and analysis of the principal factors affecting the financial performance, financial position and financing and investing activities of the entity. The extent of the discussion and analysis provided will vary from entity to entity, and from year to year, as is necessary in the circumstances to help compensate for the brevity of the concise financial report compared with the full financial report.

AASB1039.5.3.3(a)

In most situations, the content of the discussion and analysis in relation to the income statement would cover at least the following areas:

- (a) trends in revenues;
- (b) the effects of significant economic or other events on the operations of the entity;
- (c) the main influences on costs of operations; and
- (d) measures of financial performance such as return on sales, return on assets and return on equity.

Consolidated balance sheet as at 30 June 2009

	Consolidated	
	2009	2008
	\$'000	\$'000
Current assets		
Cash and cash equivalents	20,199	19,778
Trade and other receivables	19,570	17,230
Other financial assets	8,757	6,949
Inventories	31,364	30,242
Current tax assets	85	60
Other	-	-
	79,975	74,259
Non-current assets classified as held for sale	22,336	-
Total current assets	102,311	74,259
Non-current assets		
Investments accounted for using the equity method	8,425	7,269
Other financial assets	10,411	9,656
Property, plant and equipment	111,235	134,461
Investment property	136	132
Deferred tax assets	-	-
Goodwill	20,208	24,060
Other intangible assets	9,739	11,325
Other	-	-
Total non-current assets	160,154	186,903
Total assets	262,465	261,162
Current liabilities		
Trade and other payables	16,820	21,495
Borrowings	22,446	25,600
Other financial liabilities	104	18
Current tax liabilities	5,149	5,878
Provisions	3283	3,142
Other	306	264
	48,108	56,397
Liabilities directly associated with non-current assets classified as held for sale	3,684	-
Total current liabilities	51,792	56,397
Non-current liabilities		
Borrowings	32,611	31,478
Other financial liabilities	-	-
Deferred tax liabilities	4,565	3,673
Provisions	2,298	2,326
Other	180	270
Total non-current liabilities	39,654	37,747
Total liabilities	91,446	94,144
Net assets	171,019	167,018
Equity		
Issued capital	32,777	48,672
Reserves	3,907	3,376
Retained earnings	110,330	94,965
	147,014	147,013
Amounts recognised directly in equity relating to non-current assets classified as held for sale	-	-
Equity attributable to equity holders of the parent	147,014	147,013
Minority interest	24,005	20,005
Total equity	171,019	167,018

Notes to the financial statements are included on pages C37 to C45.

Source references: AASB1039.4.1, 5.1(b), 5.2, 5.2.2, 5.2.3

Source reference

Discussion and analysis of the consolidated balance sheet
[non-listed entities only]

AASB1039.5.3

The financial statements of entities other than listed companies shall be accompanied by discussion and analysis to assist the understanding of members.

AASB1039.5.3.1

Listed companies are not required by AASB 1039 'Concise Financial Reports' to provide discussion and analysis in the concise financial report because, unlike other entities, they are required by s.299A of the Corporations Act 2001 to provide an operational and financial report in the directors' report that is part of the concise report. AASB 1039 only exempts listed companies from the statutory obligation to provide discussion and analysis of the financial statements. It does not prohibit a listed company from providing any discussion and analysis that it considers would assist a reader to understand the financial statements in the concise financial report.

Guidance

AASB1039.5.3.2

The information reported in the financial statements will be enhanced by a discussion and analysis of the principal factors affecting the financial performance, financial position and financing and investing activities of the entity. The extent of the discussion and analysis provided will vary from entity to entity, and from year to year, as is necessary in the circumstances to help compensate for the brevity of the concise financial report compared with the full financial report.

AASB1039.5.3.3(b)

In most situations, the content of the discussion and analysis in relation to the balance sheet would cover at least the following areas:

- (a) changes in the composition of assets;
- (b) the relationship between debt and equity; and
- (c) significant movements in assets, liabilities and equity items.

Consolidated statement of recognised income and expense for the financial year ended 30 June 2009

(Alt 1: presentation of a statement of recognised income and expense)

	Note	Consolidated	
		2009 \$'000	2008 \$'000
Gain/(loss) on revaluation of property		-	1,643
Increase/(decrease) arising from a change in existing decommissioning, restoration or similar liabilities		-	-
Gain/(loss) on available-for-sale investments taken to equity		94	81
Gain/(loss) on cash flow hedges taken to equity		436	316
Exchange differences arising on translation of foreign operations		75	121
Actuarial gain/(loss) on defined benefit plans		-	-
Other [describe]		-	-
Income tax on items taken directly to equity		(181)	(648)
Net income/(expense) recognised directly in equity		424	1,513
Transfers (net of any related tax):			
Transfer to profit or loss on sale of available-for-sale investments		-	-
Transfer to profit or loss on cash flow hedges		(86)	(60)
Transfer to initial carrying amount of non-financial hedged item on cash flow hedges		(180)	(141)
Transfer to profit or loss on disposal of foreign operation		(84)	-
Profit for the period		26,552	30,332
Total recognised income and expense for the period		26,626	31,644
Attributable to:			
Equity holders of the parent		22,626	28,881
Minority interests		4,000	2,763
		26,626	31,644
Effects of changes in accounting policy			
Attributable to equity holders of the parent:			
- increase/(decrease) in retained earnings at the beginning of the period	2	-	(21)
- [describe]	2	-	-
Attributable to minority interests		-	-
		-	(21)
Effects of corrections of errors			
Attributable to equity holders of the parent:			
- increase/(decrease) in retained earnings at the beginning of the period	4	-	-
Attributable to minority interests		-	-
		-	-

Notes to the financial statements are included on pages C37 to C45.

Source references: AASB1039.4.1, 5.1(d), 5.1.1, 5.2, 5.2.2, 5.2.3

An alternative method of presentation, which also includes transactions with equity holders acting in their capacity as equity holders, is illustrated on page C32 of the concise report.

Note: Entities which recognise actuarial gains and losses directly in retained earnings must present a statement of recognised income and expense, and are not permitted to present a statement of changes in equity as illustrated in Alt 2.

Consolidated statement of changes in equity for the financial year ended 30 June 2009

(Alt 2: presentation of a statement of changes in equity)

Consolidated

	Fully paid ordinary shares \$'000	Partly paid ordinary shares \$'000	Converting non- participating preference shares \$'000	General reserve \$'000	Asset revaluation reserve \$'000
Balance at 1 July 2007	45,797	1,775	1,100	807	51
Effects of changes in accounting policies:					
Effects of changes in the accounting for customer loyalty programmes	-	-	-	-	-
As restated	45,797	1,775	1,100	807	51
Gain/(loss) on revaluation of property	-	-	-	-	1,643
Increase/(decrease) arising from a change in existing decommissioning, restoration or similar liabilities	-	-	-	-	-
Gain/(loss) on available-for-sale investments	-	-	-	-	-
Gain/(loss) on cash flow hedges	-	-	-	-	-
Exchange differences arising on translation of foreign operations	-	-	-	-	-
Related income tax	-	-	-	-	(493)
Net income recognised directly in equity	-	-	-	-	1,150
Transfers (net of any related tax):					
Transfer to profit or loss on cash flow hedges	-	-	-	-	-
Transfer to initial carrying amount of non-financial hedged item on cash flow hedges	-	-	-	-	-
Transfer to profit or loss on sale of available-for-sale investments	-	-	-	-	-
Profit for the period	-	-	-	-	-
Total recognised income and expense	-	-	-	-	1,150
Recognition of share-based payments	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Payment of dividends	-	-	-	-	-
Balance at 30 June 2008	45,797	1,775	1,100	807	1,201
Balance at 1 July 2008	45,797	1,775	1,100	807	1,201
Gain/(loss) on available-for-sale investments	-	-	-	-	-
Gain/(loss) on cash flow hedges	-	-	-	-	-
Exchange differences arising on translation of foreign operations	-	-	-	-	-
Related income tax	-	-	-	-	-
Net income recognised directly in equity	-	-	-	-	-
Transfers (net of any related tax):					
Transfer to profit or loss on cash flow hedges	-	-	-	-	-
Transfer to initial carrying amount of non-financial hedged item on cash flow hedges	-	-	-	-	-
Transfer to profit or loss on disposal of foreign operation	-	-	-	-	-
Transfer of income tax related to the gain/loss recycled on disposal of foreign operation	-	-	-	-	-
Profit for the period	-	-	-	-	-
Total recognised income and expense	-	-	-	-	-
Recognition of share-based payments	-	-	-	-	-
Transfer from equity-settled employee benefits reserve	338	-	-	-	-
Issue of shares under share option plan	314	-	-	-	-
Issue of shares for consulting services performed	8	-	-	-	-
Issue of converting non-participating preference shares	-	-	100	-	-
Issue of convertible notes	-	-	-	-	-
Share issue costs	-	-	(6)	-	-
Share buy-back	(16,456)	-	-	-	-
Share buy-back costs	(277)	-	-	-	-
Transfer to retained earnings	-	-	-	-	(3)
Payment of dividends	-	-	-	-	-
Related income tax	83	-	1	-	-
Balance at 30 June 2009	29,807	1,775	1,195	807	1,198

Notes to the financial statements are included on pages C37 to C45.

Source references: AASB1039.4.1, 5.1(d), 5.2, 5.2.2, 5.2.3

Investments revaluation reserve \$'000	Equity-settled employee benefits reserve \$'000	Hedging reserve \$'000	Foreign currency translation reserve \$'000	Option premium on convertible notes \$'000	Tax consolidation reserve \$'000	Retained earnings \$'000	Attributable to equity holders of the parent \$'000	Minority interest \$'000	Total \$'000
470	-	258	140	-	-	73,896	124,294	17,242	141,536
-	-	-	-	-	-	(21)	(21)	-	-
470	-	258	140	-	-	73,875	124,273	17,242	141,536
-	-	-	-	-	-	-	1,643	-	1,643
-	-	-	-	-	-	-	-	-	-
81	-	-	-	-	-	-	81	-	81
-	-	316	-	-	-	-	316	-	316
-	-	-	121	-	-	-	121	-	121
(24)	-	(95)	(36)	-	-	-	(648)	-	(648)
57	-	221	85	-	-	-	1,513	-	1,513
-	-	(60)	-	-	-	-	(60)	-	(60)
-	-	(141)	-	-	-	-	(141)	-	(141)
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	27,569	27,569	2,763	30,332
57	-	20	85	-	-	27,569	28,881	2,763	31,644
-	338	-	-	-	-	-	338	-	338
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	(6,479)	(6,479)	-	(6,479)
527	338	278	225	-	-	94,965	147,013	20,005	167,018
527	338	278	225	-	-	94,965	147,013	20,005	167,018
94	-	-	-	-	-	-	94	-	94
-	-	436	-	-	-	-	436	-	436
-	-	-	75	-	-	-	75	-	75
(28)	-	(131)	(22)	-	-	-	(181)	-	(181)
66	-	305	53	-	-	-	424	-	424
-	-	(86)	-	-	-	-	(86)	-	(86)
-	-	(180)	-	-	-	-	(180)	-	(180)
-	-	-	(120)	-	-	-	(120)	-	(120)
-	-	-	36	-	-	-	36	-	36
-	-	-	-	-	-	22,552	22,552	4,000	26,552
66	-	39	(31)	-	-	22,552	22,626	4,000	26,626
-	206	-	-	-	-	-	206	-	206
-	(338)	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	314	-	314
-	-	-	-	-	-	-	8	-	8
-	-	-	-	-	-	-	100	-	100
-	-	-	-	834	-	-	834	-	834
-	-	-	-	-	-	-	(6)	-	(6)
-	-	-	-	-	-	(555)	(17,011)	-	(17,011)
-	-	-	-	-	-	-	(277)	-	(277)
-	-	-	-	-	-	3	-	-	-
-	-	-	-	-	-	(6,635)	(6,635)	-	(6,635)
-	-	-	-	(242)	-	-	(158)	-	(158)
593	206	317	194	592	-	110,330	147,014	24,005	171,019

Source reference

Discussion and analysis of the consolidated statement of changes in equity

**[or consolidated statement of recognised income and expense, as appropriate]
[non-listed entities only]**

AASB1039.5.3

The financial statements of entities other than listed companies shall be accompanied by discussion and analysis to assist the understanding of members.

AASB1039.5.3.1

Listed companies are not required by AASB 1039 'Concise Financial Reports' to provide discussion and analysis in the concise financial report because, unlike other entities, they are required by s.299A of the Corporations Act 2001 to provide an operational and financial report in the directors' report that is part of the concise report. AASB 1039 only exempts listed companies from the statutory obligation to provide discussion and analysis of the financial statements. It does not prohibit a listed company from providing any discussion and analysis that it considers would assist a reader to understand the financial statements in the concise financial report.

Guidance

AASB1039.5.3.2

The information reported in the financial statements will be enhanced by a discussion and analysis of the principal factors affecting the financial performance, financial position and financing and investing activities of the entity. The extent of the discussion and analysis provided will vary from entity to entity, and from year to year, as is necessary in the circumstances to help compensate for the brevity of the concise financial report compared with the full financial report.

AASB1039.5.3.3(d)

In most situations, the content of the discussion and analysis in relation to the statement of changes in equity (or statement of recognised income and expense) would cover at least the following areas:

- (a) changes in the composition of the components of equity; and
- (b) causes of significant changes in subscribed capital, such as rights issues, share buy-backs or capital reductions.

Consolidated cash flow statement for the financial year ended 30 June 2009

	Consolidated	
	2009	2008
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers	204,158	227,649
Payments to suppliers and employees	(156,841)	(174,195)
Interest and other costs of finance paid	(5,184)	(6,186)
Income taxes paid	(13,574)	(14,082)
Net cash provided by operating activities	28,559	33,186
Cash flows from investing activities		
Payment for investment securities	(5,393)	(10,588)
Proceeds on sale of investment securities	3,604	2,410
Interest received	2,315	1,304
Dividends received	196	179
Amounts advanced to related parties	(5,147)	(5,020)
Proceeds from repayment of related party loans	4,598	3,417
Payments for property, plant and equipment	(22,943)	(11,887)
Proceeds from sale of property, plant and equipment	9,872	22,295
Payments for investment properties	(10)	(12)
Payments for intangible assets	(6)	(358)
Development costs paid	(502)	(440)
Additional interests acquired in associates and jointly controlled entities	(10)	-
Proceeds from sale of businesses	7,566	-
Payment for businesses	(622)	-
Net cash (used in)/provided by investing activities	(6,482)	1,300
Cash flows from financing activities		
Proceeds from issues of equity securities	414	-
Payment for share issue costs	(6)	-
Payment for share buy-back to:		
- equity holders of the parent	(17,011)	-
- minority interests	-	-
Payment for share buy-back costs	(277)	-
Proceeds from issue of debt securities	22,450	-
Payment for debt issue costs	(595)	-
Proceeds from borrowings	7,828	5,541
Repayment of borrowings	(27,754)	(30,310)
Dividends paid to:		
- equity holders of the parent	(6,635)	(6,479)
- minority interests	-	-
Net cash used in financing activities	(21,586)	(31,248)
Net increase in cash and cash equivalents	491	3,238
Cash and cash equivalents at the beginning of the financial year	19,400	16,137
Effects of exchange rate changes on the balance of cash held in foreign currencies	(55)	25
Cash and cash equivalents at the end of the financial year	19,836	19,400

Notes to the financial statements are included on pages C37 to C45.

Source references: AASB1039.4.1, 5.1(c), 5.2, 5.2.2, 5.2.3

Source reference

**Discussion and analysis of the consolidated cash flow statement
[non-listed entities only]**

AASB1039.5.3

The financial statements of entities other than listed companies shall be accompanied by discussion and analysis to assist the understanding of members.

AASB1039.5.3.1

Listed companies are not required by AASB 1039 'Concise Financial Reports' to provide discussion and analysis in the concise financial report because, unlike other entities, they are required by s.299A of the Corporations Act 2001 to provide an operational and financial report in the directors' report that is part of the concise report. AASB 1039 only exempts listed companies from the statutory obligation to provide discussion and analysis of the financial statements. It does not prohibit a listed company from providing any discussion and analysis that it considers would assist a reader to understand the financial statements in the concise financial report.

Guidance

AASB1039.5.3.2

The information reported in the financial statements will be enhanced by a discussion and analysis of the principal factors affecting the financial performance, financial position and financing and investing activities of the entity. The extent of the discussion and analysis provided will vary from entity to entity, and from year to year, as is necessary in the circumstances to help compensate for the brevity of the concise financial report compared with the full financial report.

AASB1039.5.3.3(c)

In most situations, the content of the discussion and analysis in relation to the cash flow statement would cover at least the following areas:

- (a) changes in cash flows from operations;
- (b) financing of capital expenditure programs; and
- (c) servicing and repayment of borrowings.

Source reference

Notes to the concise financial statements for the financial year ended 30 June 2009

1. Basis of preparation

The concise financial report has been prepared in accordance with the Corporations Act 2001 and Accounting Standard AASB 1039 'Concise Financial Reports'. The concise financial report, including the financial statements and specific disclosures included in the concise financial report, has been derived from the full financial report of Elucidation Limited.

AASB1039.6.4(a)

All amounts are presented in Australian dollars.

AASB1039.4.1.1

A full description of the accounting policies adopted by the Group is provided in the notes to the financial statements which form part of the full financial report.

Going concern basis

AASB1039.6.1

When the entity has prepared its financial report on the basis that the entity is not a going concern, or where the going concern basis has become inappropriate after the reporting date, this fact shall be disclosed.

2. Adoption of new and revised Accounting Standards

AASB1039.6.4(c),
AASB108.28

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. Details of the impact of the adoption of these new accounting standards are set out below. The adoption of these new and revised Standards and Interpretations has resulted in changes to the Group's accounting policies in the following areas that have affected the amounts reported for the current or prior years:

- Customer Loyalty Programmes

The impact on basic and diluted earnings per share is disclosed below.

Impact on earnings per share

AASB1039.6.4(c),
AASB108.28(f)(ii)

To the extent that the changes described above have had an impact on results reported for 2009 and 2008, they have had an impact on the amounts reported for earnings per share.

The following table summarises that impact on both basic and diluted earnings per share:

	Impact on basic earnings per share		Impact on diluted earnings per share	
	2009 Cents per share	2008 Cents per share	2009 Cents per share	2008 Cents per share
Customer loyalty programme	(0.06)	(0.11)	(0.06)	(0.11)
Other [describe]	-	-	-	-
Total impact of changes in accounting policies	(0.06)	(0.11)	(0.06)	(0.11)

AASB1039.6.4(c)

Where there is a change in accounting policy from those used in the preceding reporting period, which has a material effect in the current reporting period or is expected to have a material effect in the subsequent reporting period, the information required about such a change must be disclosed. Judgement must be applied in determining what a material effect would be.

Although not specifically required by AASB 1039 'Concise Financial Reports', Deloitte encourages the disclosure of Australian Accounting Standards on issue but not yet effective that would have a material impact on the subsequent reporting periods.

Source reference

2. Adoption of new and revised Accounting Standards (cont'd)

Standards and Interpretations issued not yet effective

AASB108.30, 31 At the date of authorisation of the financial report, the Standards and Interpretations listed below were in issue but not yet effective.

AASB108.30, 31 Initial application of the following Standards will not affect any of the amounts recognised in the financial report, but will change the disclosures presently made in relation to the Group and the company's financial report:

	Standard	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 108.31(a), (c), (d)	<ul style="list-style-type: none"> AASB 101 'Presentation of Financial Statements' (revised September 2007), AASB 2007-8 'Amendments to Australian Accounting Standards arising from AASB 101', AASB 2007-10 'Further Amendments to Australian Accounting Standards arising from AASB 101' AASB 8 'Operating Segments' 	1 January 2009	30 June 2010
AASB108.30, 31	Initial application of the following Standards and Interpretations is not expected to have any material impact on the financial report of the Group and the company:		

	Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 108.31(a), (c), (d)	<ul style="list-style-type: none"> AASB 123 'Borrowing Costs' (revised), AASB 2007-6 'Amendments to Australian Accounting Standards arising from AASB 123' AASB 3 'Business Combinations' (revised), AASB 127 'Consolidated and Separate Financial Statements' (revised) and AASB 2008-3 'Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127' AASB 2008-1 'Amendments to Australian Accounting Standard - Share-based Payments: Vesting Conditions and Cancellations' AASB 2008-2 'Amendments to Australian Accounting Standards - Puttable Financial Instruments and Obligations arising on Liquidation' AASB 2008-5 'Amendments to Australian Accounting Standards arising from the Annual Improvements Project' AASB 2008-6 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project' AASB 2008-7 'Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate' 	1 January 2009 AASB 3 (business combinations occurring after the beginning of annual reporting periods beginning 1 July 2009), AASB 127 and AASB 2008-3 (1 July 2009) 1 January 2009 1 January 2009 1 January 2009 1 July 2009 1 January 2009	30 June 2010 30 June 2010 30 June 2010 30 June 2010 30 June 2010 30 June 2010

Source reference

2. Adoption of new and revised Accounting Standards (cont'd)

Standard	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
• AASB 2008-8 'Amendments to Australian Accounting Standards – Eligible Hedged Items'	1 July 2009	30 June 2010
• AASB Interpretation 15 'Agreements for the Construction of Real Estate'	1 January 2009	30 June 2010
• AASB Interpretation 16 'Hedges of a Net Investment in a Foreign Operation'	1 October 2008	30 June 2010
• AASB Interpretation 17 'Distributions of Non-cash Assets to Owners', AASB 2008-13 'Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners'	1 July 2009	30 June 2010

The initial application of the expected issue of an Australian equivalent accounting Standard/Interpretation to the following Standard/interpretation is not expected to have a material impact on the financial report of the Group:

Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
• IFRIC 18 'Transfers of Assets from Customers'	1 July 2009*	30 June 2010

The potential effect of the initial application of the expected issue of an Australian equivalent accounting standard to the following Standards have not yet been determined:

- IFRS 3 – 'Business Combinations' and IAS 27 'Separate and Consolidated Financial Statements' Effective for annual reporting periods beginning on or after 1 July 2009

*IFRIC 18 applies to transfers of assets from customers received on or after 1 July 2009

The following example disclosures illustrate the requirements regarding the nature and impact of impending changes. Adapt the disclosures below to reflect the entity's policies and circumstances. In some cases, an entity may not yet have determined the impact and therefore may state "The potential effect of the revised Standards/Interpretations on the Group and the Company's financial report has not yet been determined."

AASB 123 'Borrowing Costs'

The Standard eliminates the option of expensing borrowing costs related to qualifying assets, instead requiring capitalisation. Transitional provisions require prospective application to borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after the application date.

This Standard will have no impact on the Group and the Company's financial report as the Group and the Company currently adopt the practice of capitalising borrowing costs which are directly attributable to the acquisition, construction or production of qualifying assets.

AASB 3 'Business Combinations', AASB 127 'Consolidated and Separate Financial Statements' and AASB 2008-3 'Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127'

The Standard introduces greater emphasis on the use of fair value through increasing the judgement and subjectivity around business combination accounting and requiring greater involvement of valuation experts. Further volatility in the income statement will be introduced through the separate accounting for transaction costs, changes in the fair value of contingent consideration, settlement of pre-existing contracts and share-based payments.

The Standard also focuses on changes in control as a significant economic event, with requirements to remeasure interests to fair value on gaining or losing control, and to recognise all transactions between controlling and non-controlling shareholders whilst control is retained in equity.

The impact of revised Standards will depend on the nature of the future business combinations. However:

- transaction costs (\$xxx) capitalised as at year end related to business combinations that have not yet been finalised will need to be written off.
- deferred tax assets not recognised on the accounting for business combinations prior to the end of the financial year that subsequently are recognised will be recognised in profit or loss (or equity where required by AASB 112)
- changes in ownership interest in a subsidiary occurring after the end of the financial year, regardless of whether the subsidiary was acquired in a business combination that occurred prior to the application of AASB 3 (2008), will be accounted for as an equity transaction.

AASB 2008-1 'Amendments to Australian Accounting Standard - Share-based Payments: Vesting Conditions and Cancellations'

The Standard clarifies for share-based payments what are vesting conditions and restricts the definition to include only service conditions and performance conditions. It also amends the definition of performance conditions to require the completion of a service period in addition to specified performance targets and to specify that all cancellations, whether by the entity or by other parties, should receive the same accounting treatment.

Due to the nature of the Group's share-based payments, the initial application of the Standard is not expected to have any impact on the Group and the Company's financial report.

AASB 2008-2 'Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations Arising on Liquidation'

The Standard amends the criteria for debt/equity classification by permitting certain puttable financial instruments and instruments (or components of instruments) that impose on the entity an obligation to deliver to another party a pro-rata share of the net assets of the entity only on liquidation, to be classified as equity, subject to specified criteria being met.

Due to the nature of the Group's financial instruments the impact of initial application of the Standard is not expected to have an impact on the Group and the Company's financial report.

AASB 2008-5 'Amendments to Australian Accounting Standards arising from the Annual Improvements Project' and AASB 2008-6 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project'

The Standards have led to a number of changes in detail of the Group's accounting policies, some of which are terminology only, and some of which are substantive but are not expected to have any impact on the Group and the Company's financial report. Only three of the improvements are expected to have an impact on the Group's and Company's financial report.

- AASB 138 *Intangible assets* has been amended to state that an entity can recognise a prepayment asset for advertising or promotional expenditure only up to the point at which the entity has the right to access the goods purchased or up to the point of receipt of services. Mail order catalogues have been specifically identified as a form of advertising and promotional activities. In the past, the Group has recognised the inventories of catalogues held as an asset up to the date of dispatch. As at 30 June 2009, the Group has inventories of \$xxx (2008: \$xxx) which on adoption of the Standard will be retrospectively adjusted against retained earnings.
- AASB 140 *Investment Property* has been amended to include within its scope investment property in the course of construction, and to require such property to be measured at fair value (where that fair value is reliably determinable), with changes in fair value recognised in profit or loss. The Group has previously accounted for such assets at cost less accumulated impairment losses under AASB 116 *Property, Plant and Equipment*. The change will be applied prospectively and therefore will not impact the current reported results.
- AASB 120 *Accounting for Government Grants and Disclosure for Government Assistance* has been amended to require that the benefit of a government loan at a below-market rate of interest be treated as a government grant. This accounting treatment was not permitted prior to these amendments. The change will be applied prospectively and therefore will not impact historical government grants.

AASB 2008-7 'Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate'

The amendments:

- remove the definition of the cost method from AASB 127 *Consolidated and Separate Financial Statements* and replace it with a requirement to present dividends as income in the separate financial statements of the investor;
- implement consequential amendments to AASB 136 *Impairment of Assets*, introducing a new indicator of impairment for investments in subsidiaries, jointly controlled entities and associates where a dividend has been recognised; and
- require the separate financial statements of a new parent formed as the result of a specific type of reorganisation to measure the cost of its investments in the previous parent at the carrying amount of its share of the equity items of the previous parent at the date of the reorganisation.

The Standard will be applied prospectively and will therefore have no impact on previous accounting for dividends or group reorganisations.

AASB 2008-8 'Amendments to Australian Accounting Standards – Eligible Hedged Items'

The Standard amends AASB 139 *Financial Instruments: Recognition and Measurement* to clarify hedge accounting with respect to identifying inflation as a hedged risk or portion and hedging with options.

Initial application of the Standard is not expected to have any material impact on the Group and the Company's financial report due to the nature of their hedging relationships.

AASB Interpretation 15 'Agreements for the Construction of Real Estate'

The Interpretation provides guidance on how to determine whether an agreement for the construction of real estate is within the scope of AASB 111 *Construction Contracts* or AASB 118 *Revenue* and, accordingly, when revenue from the construction should be recognised. If the agreement allows the buyer limited ability to influence the design of the real estate (i.e. not the ability to specify or change major structural elements) it does not meet the definition of a construction contract and would, therefore, be accounted for as either the provision of services or the sale of goods under AASB 118.

Under the current accounting policy, the Group and the Company account for revenue for the construction of real estate under AASB 118 as a sale of goods. The majority of agreements do not allow the buyer to influence the design of the real estate, and therefore the impact on the Group and the Company's financial report is not expected to be material.

AASB Interpretation 16 'Hedges of a Net Investment in a Foreign Operation'

The Interpretation deals with the following issues with respect to net investment hedging:

- which foreign currency risks qualify for hedge accounting, and what amount can be designated;
- where within the group, the hedging instrument can be held; and
- what amount should be reclassified to profit or loss when the hedged foreign operation is disposed of.

This Interpretation will be applied prospectively with any amounts previously recognised directly in equity related to now ineligible hedge accounting relationships continuing to be deferred until the hedged item affects profit or loss. Therefore no adjustments will be required on adoption and as at year end the Group does not have any hedging relationships that will cease to qualify for hedge accounting under the new guidance.

AASB Interpretation 17 'Distributions of Non-cash Assets to Owners' and AASB 2008-13 'Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners'

The Interpretation requires a dividend payable to be recognised when the dividend is appropriately authorised and is no longer at the discretion of the entity. A dividend payable must be measured at the fair value of the non-cash assets to be distributed. On settlement of the dividend payable any difference between the dividend payable and the carrying amount of the assets distributed must be recognised in profit or loss.

This Interpretation will be applied prospectively and will therefore have no impact on the Group and the Company's financial report prior to 1 July 2009.

IFRIC 18 'Transfers of Assets from Customers'

The Interpretation clarifies the accounting for the transfers of items of property, plant and equipment by entities that receive such transfers from their customers. When an item of property, plant and equipment transferred meets the definition of an asset from the perspective of the recipient, the recipient should recognise the asset at its fair value on the date of transfer, with the credit recognised as revenue in accordance with AASB 118 *Revenue*.

This Interpretation will be applied prospectively to transfers of assets from customers received on or after 1 July 2009. Therefore no adjustments will be required on adoption and no changes in accounting policy are expected which will impact future transfers.

Source reference

AASB1039.6.4(c),
AASB108.39

3. Revision of accounting estimates

Useful lives of property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period. During the financial year the directors determined that the useful life of certain items of equipment should be shortened, due to developments in technology.

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 financial year and for the next 5 years, by the following amounts:

	<u>\$'000</u>
2009	9
2010	7
2011	4
2012	2

Further guidance concerning the disclosure of revisions in accounting estimates is contained in AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', or refer to Section B of this publication.

4. Errors

AASB1039.6.4(c),
AASB108.49

An entity shall disclose the following in respect of material prior period errors identified:

- (a) the nature of the prior period error;
- (b) for each prior period presented, to the extent practicable, the amount of the correction:
 - i. for each financial statement line item affected; and
 - ii. if AASB 133 'Earnings per Share' applies to the entity, for basic and diluted earnings per share;
- (c) the amount of the correction at the beginning of the earliest prior period presented; and
- (d) if retrospective restatement is impracticable for a particular prior period, the circumstances that led to the existence of that condition and a description of how and from when the error has been corrected.

Financial reports of subsequent periods need not repeat these disclosures.

Source reference
AASB1039.6.2(a)

5. Business segments

Segment revenues

	External sales		Inter-segment (i)		Other		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Continuing operations								
Electronic equipment	93,219	99,799	-	-	-	-	93,219	99,799
Leisure goods (excluding bicycles)	33,966	36,978	-	-	-	-	33,966	36,978
Construction	5,298	4,773	-	-	-	-	5,298	4,773
Other	8,388	10,215	-	-	-	-	8,388	10,215
Discontinued operations								
Toys	54,505	69,180	-	-	-	-	54,505	69,180
Leisure goods	9,900	8,663	-	-	-	-	9,900	8,663
Total of all segments							205,276	229,608
Eliminations							-	-
Unallocated							-	-
Consolidated revenue (excluding interest and other revenue)							205,276	229,608

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

Segment revenue does not include:

- (a) interest and dividend income, including interest earned on advances or loans to other segments, unless the segment's operations are primarily of a financial nature
- (b) gains on sales of investments or extinguishment of debt, unless the segment's operations are primarily of a financial nature
- (c) an entity's share of profits or losses of associates, joint ventures, or other investments accounted for under the equity method, unless those items are included in consolidated or total entity revenue.

Segment revenue includes a joint venturer's share of the revenue of a jointly controlled entity that is accounted for by proportionate consolidation in accordance with AASB 131 'Interests in Joint Ventures'

In measuring and disclosing segment revenues from transactions with other segments, inter-segment transfers shall be measured on the basis that the entity used to price those transfers. The basis of pricing inter-segment transfers and any change therein shall be disclosed in the financial report.

AASB1039.6.2 (b)

Segment result

	2009 \$'000	2008 \$'000
Continuing operations		
Electronic equipment	22,004	23,993
Leisure goods (excluding bicycles)	8,173	8,482
Construction	1,820	2,776
Other	725	1,636
	32,722	36,887
Eliminations	-	-
Unallocated	(3,174)	(4,749)
Profit before tax	29,548	32,138
Income tax expense	(11,306)	(11,801)
Profit for the year from continuing operations	18,242	20,337
Discontinued operations		
Toys	7,561	10,193
Leisure goods – bicycles	2,119	2,934
	9,680	13,127
Eliminations	-	-
Unallocated	1,790	(134)
Profit before tax	11,470	12,993
Income tax expense	(3,160)	(2,998)
Profit for the year from discontinued operations	8,310	9,995
Profit for the year	26,552	30,332

Source reference

5. Segment information (cont'd)

An entity shall disclose segment result for each reportable segment, presenting the result from continuing operations separately from the result from discontinued operations. An entity shall restate segment result in prior periods presented in the financial statements so that the segment disclosures relating to discontinued operations relate to all operations that had been classified as discontinued at the balance sheet date of the latest period presented.

AASB1039.6.2(c), (d)

Segment assets and liabilities

	Assets		Liabilities	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Electronic equipment	146,880	138,174	56,266	54,135
Leisure goods	62,883	66,962	17,130	16,389
Construction	18,078	14,012	6,894	6,785
Toys	-	11,412	-	5,019
Other	6,946	6,668	1,132	1,957
Total of all segments	234,787	237,228	81,422	84,285
Eliminations	-	-	-	-
Unallocated	27,678	23,934	10,024	9,859
Consolidated	262,465	261,162	91,446	94,144

6. Sales revenue

AASB1039.6.3(a)

Profit from operations includes the following amounts of sales revenue:

	Consolidated	
	2009 \$'000	2008 \$'000
Continuing operations:		
Revenue from the sale of goods	102,469	102,035
Revenue from the rendering of services	33,151	45,032
Construction contract revenue	5,298	4,773
	140,918	151,840
Discontinued operations:		
Revenue from the sale of goods	64,405	77,843
	205,323	229,683

AASB1039.6.3

The amount of sales revenue recognised and included in revenue shall be disclosed even if the amount is zero since sales revenue is considered material by its nature.

7. Dividends

AASB1039.6.3(b)(i), (c)

Recognised amounts

Fully paid ordinary shares

Interim dividend fully franked at a 30% tax rate paid on 5 March 2009

(Prior year: paid on 6 March 2008)

Final dividend fully franked at a 30% tax rate paid on 12 October 2008

(Prior year: paid on 6 October 2007)

Converting non-participating preference shares

Final dividend fully franked at a 30% tax rate paid on 20 June 2009

(Prior year: paid on 20 June 2008)

	2009		2008	
	Cents per share	Total \$'000	Cents per share	Total \$'000
	17.85	2,618	12.71	2,559
	19.36	3,897	18.93	3,810
	37.21	6,515	31.64	6,369
	10.00	120	10.00	110
		6,635		6,479

Source reference

7. Dividends (cont'd)

	2009		2008	
	Cents per share	Total \$'000	Cents per share	Total \$'000
Unrecognised amounts				
<u>Fully paid ordinary shares</u>				
Final dividend fully franked at a 30% tax rate to be paid on 3 October 2009 (Prior year: paid on 12 October 2008)	26.31	3,905	19.36	3,897

AASB1039.6.3

Where no dividends were paid, proposed or declared during the period, this fact shall be disclosed since dividends are considered material by their nature.

8. Subsequent events

AASB1039.6.4(b)

The concise financial report shall disclose for each material category of subsequent events (other than those events whose financial effects have already been brought to account):

- (a) the nature of the event; and
- (b) an estimate of its financial effect, or a statement that such an estimate cannot be made.

Examples of events occurring after reporting date that do not provide evidence about conditions existing at the reporting date include:

- a major business combination after the reporting date or disposing of a major subsidiary;
- announcing a plan to discontinue an operation;
- major purchases of assets, classifications of assets as held for sale, other disposals of assets, or expropriation of major assets by government;
- the destruction of a major production plant by a fire after the reporting date;
- announcing, or commencing the implementation of, a major restructuring;
- major ordinary share transactions and potential ordinary share transactions after the reporting date;
- abnormally large changes after the reporting date in asset prices or foreign exchange rates
- changes in tax rates or tax laws enacted or announced after the reporting date that have a significant effect on current and deferred tax assets and liabilities;
- entering into significant commitments or contingent liabilities, for example, by issuing significant guarantees; and
- commencing major litigation arising solely out of events that occurred after the reporting date.

9. Disclosure of additional information

AASB1039.4.2, 4.2.1

The nature and estimated magnitude of particular items are disclosed if it is likely that the concise financial report would be misleading without such disclosures. Where there are particular features of the operations and activities of the entity that are significant, the entity may need to provide additional information in the concise financial report in order to comply with AASB 1039. Similarly, members benefit from industry-specific disclosures, for example, disclosure of additional information by mining companies in relation to exploration and evaluation expenditure and decommissioning costs, and by banks and other financial institutions in relation to doubtful debts

AASB1039.4.1, 4.1.3

Information voluntarily included in the concise financial report shall be consistent with the full financial report of the entity and is determined in accordance with the treatment adopted in the full financial report. When the information in the full financial report was determined in accordance with an Accounting Standard, the same treatment is adopted in the concise financial report.