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International Financial Reporting Standards

Model Financial Statements and Checklist

December 2002

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This guide is one of a series of publications and other resources intended to assist users in understanding International Financial Reporting Standards. These include:

International Accounting Standards: A Guide to Preparing Accounts	3rd Edition. Written by Deloitte & Touche, United Kingdom. Published by ABG Professional Information: www.abgweb.com
International Financial Reporting Standards - A Practical Guide	3rd Edition. Details of IASC structure and IASB agenda projects, summaries of current Standards and Interpretations, model financial statements, and presentation and disclosure checklist.
IAS in your Pocket	2nd Edition. An 80-page pocket-sized guide with summaries of all IASB Standards and Interpretations, updates on agenda projects, and other useful IASB-related information.
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GAAP Differences in your Pocket: IAS and US GAAP	This 20-page booklet identifies and explains 81 differences between International Financial Reporting Standards and US GAAP.
GAAP Differences in your Pocket: IAS and GAAP in the People's Republic of China	This 32-page booklet identifies and explains 108 differences between International Financial Reporting Standards and Chinese GAAP.

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FOREWORD

Since its restructuring in 2000, the International Accounting Standards Board (IASB) has clearly indicated its intention to take international standard setting to a new level. It has issued a number of exposure drafts to amend standards previously issued by the International Accounting Standards Committee (IASC) and has issued exposure drafts on topics previously uncovered. In doing this it has indicated that it will not shy away from its reponsibilities and has evidenced this by including the controversial topic of Share-based Payment on its agenda. It has also clearly indicated that it wishes to be seen as a different body from its predecessor by changing the name of new standards it issues to International Financial Reporting Standards (IFRS).

Globally, thousands of companies will be moving to IFRS as their primary basis of financial reporting over the next several years. In Europe, for example, the European Commission recently issued a regulation that, with a few exceptions, requires all publicly listed companies domiciled within the European Union to prepare their consolidated financial statements in accordance with IFRS from 2005. This requirement will affect approximately 7,000 enterprises, with an indirect effect on the subsidiaries, associates and joint ventures of these entities. Another example is Australia, where the government has approved a proposal that IFRS be adopted as Australian GAAP. Other countries have followed, and I anticipate that this trend will continue, creating an overwhelming move to, and acceptance of, IFRS in the years to come.

Other key developments surrounding the use and acceptability of IFRS include the US Securities and Exchange Commission's Concept Release, *International Accounting Standards*, the endorsement of IFRS by both the International Organization of Securities Commissions and the Basel Committee, and the acceptance of a working relationship with the US Financial Accounting Standards Board to develop future standards using a principles-based approach. These developments have enhanced the credibility of IFRS, resulting in their increased use.

The primary focus of the IASB is convergence of accounting standards worldwide. In order to facilitate convergence of accounting standards, the IASB has seven members who serve as official liaisons to national standard setters. Countries with formal liaisons are Australia (including New Zealand), Canada, France, Germany, Japan, the United Kingdom, and the United States. The liaison function is significant because the IASB, unlike its predecessor (the IASC Board), is now formally linked to national standard setters. As a result, the liaison Board members maintain close contact with their respective national standard setters and are responsible for co-ordinating agendas and ensuring that the IASB and national bodies are working towards convergence.

This publication fills a vital need in providing practical guidance for the application of IFRS in preparing financial statements. It enables readers to see at a glance what their financial statements would look like, and details the numerous disclosure requirements in an easy to check tabular format.

I believe that this publication will be a useful tool for those who have been applying IFRS in the past, as well as for those who will be applying IFRS for the first time in the years to come.

Ken Wild, Global Leader
International Accounting Standards
DELOITTE TOUCHE TOHMATSU
December 2002

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ABBREVIATIONS

The following abbreviations have been used throughout this publication:

GAAP	Generally Accepted Accounting Principles
IAS	International Accounting Standard(s)
IASB	International Accounting Standards Board
IASC	International Accounting Standards Committee
IFRIC	International Financial Reporting Interpretations Committee of the IASB
IFRS	International Financial Reporting Standard(s)
SIC	Interpretation issued by the Standing Interpretations Committee of the IASB (predecessor body to the IFRIC)

INTRODUCTION

This publication is intended to assist users in the preparation of financial statements that comply with International Financial Reporting Standards (IFRS).

The *Model Financial Statements* provide an illustrative set of financial statements for a hypothetical listed company, International GAAP Holdings Limited. These are intended to provide a guide as to style and layout for financial statements commencing on 1 January 2002 - assuming that the reporting enterprise has implemented all of the IFRS effective on that date. While the suggested layout provides an acceptable presentation, it should not be viewed as definitive or inflexible, nor should it be assumed that it is intended to reflect the optimum reporting in all given circumstances.

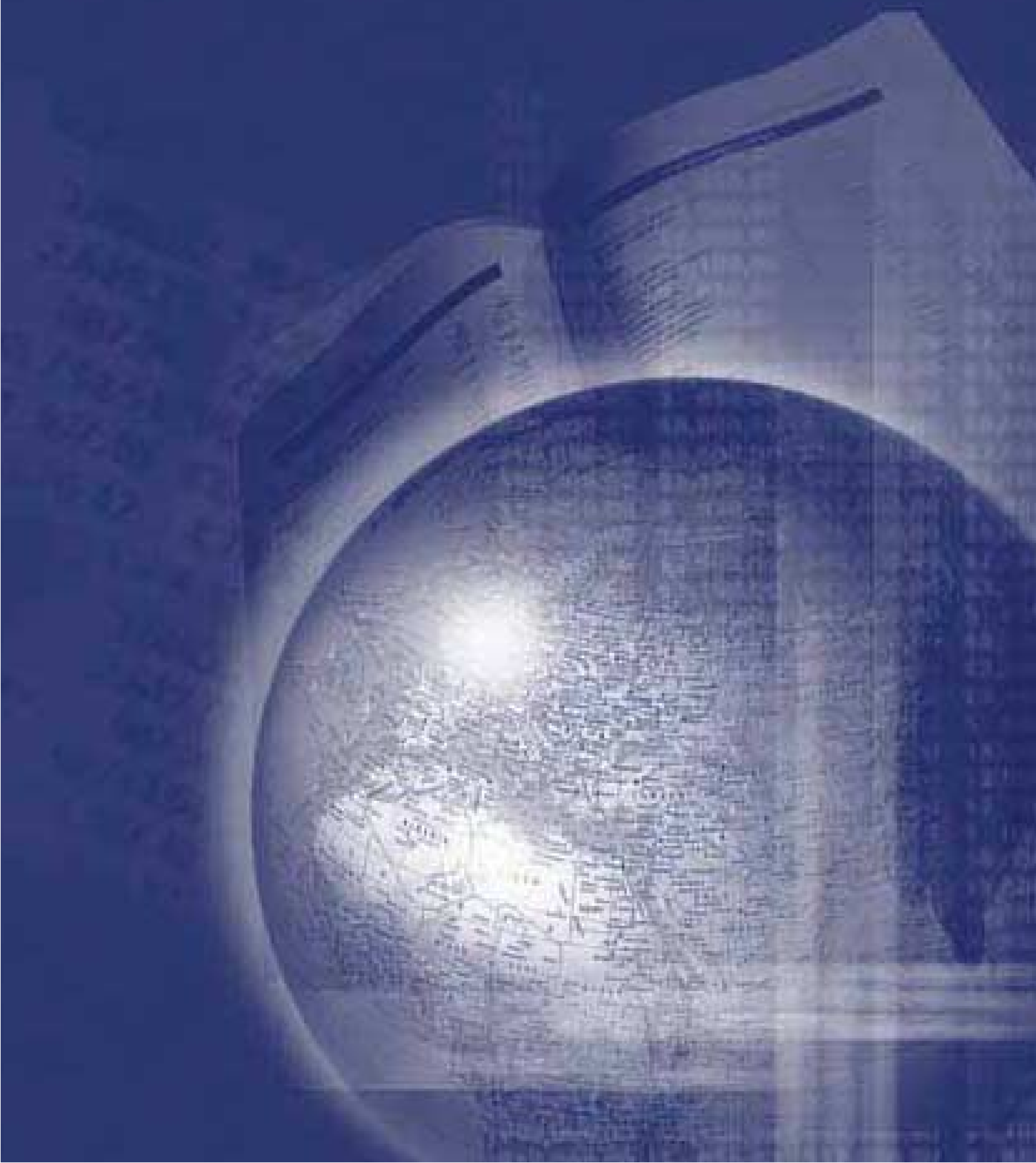
The *Presentation and Disclosure Checklist* is designed to provide assistance in ensuring compliance with the presentation and disclosure requirements of IFRS. It is arranged in the order of presentation of the components referred to in the Model Financial Statements, with separate sections dealing with specialist topics.

Deloitte Touche Tohmatsu
December 2002

What's in a name?

Readers will note that the title of this publication, and the text within, have been amended to refer to International Financial Reporting Standards (IFRS) rather than International Accounting Standards (IAS). This reflects the IASB's decision that their Standards will be called IFRS, and that the term should be taken to encompass both Standards and Interpretations issued by the IASB, and the IAS and Standing Interpretations Committee Interpretations issued by its predecessor standard setter, the IASC Board.

MODEL FINANCIAL STATEMENTS
INTERNATIONAL GAAP HOLDINGS LIMITED



INTERNATIONAL GAAP HOLDINGS LIMITED

Financial Statements

for the year ended 31 December 2002

The model financial statements of International GAAP Holdings Limited are intended to address the presentation and disclosure requirements of International Financial Reporting Standards (IFRS). They also contain additional disclosures that are considered to be best practice, particularly where such disclosures are included in illustrative examples provided with a specific Standard.

These model financial statements have been presented without regard to local laws or regulations. Preparers of financial statements will need to ensure that the options selected under IFRS do not conflict with such sources of regulation (e.g. the revaluation of assets is not permitted within certain regimes - but these financial statements illustrate the presentation where the alternative treatment under IAS 16 (Revised 1998) *Property, Plant and Equipment* is adopted). In addition, local laws or securities regulations may specify disclosures in addition to those required by IFRS (e.g. in relation to directors' remuneration). Preparers of financial statements will consequently need to adapt the model financial statements to comply with such additional local requirements.

Suggested disclosures are cross-referenced to the relevant requirements in the Presentation and Disclosure Checklist. References are also provided to the underlying requirements in the texts of the relevant Standards. [References are made by IAS number, followed by the paragraph number e.g. 40.69 refers to paragraph 69 of IAS 40. For those Standards revised since their original issue, the year of the most recent revision is also noted e.g. 14(r1997).55 refers to paragraph 55 of IAS 14 (Revised 1997)].

For the purposes of presenting the income statement, statement of changes in equity and cash flow statement - the various alternatives allowed for under IFRS for those primary statements have been illustrated. Preparers should select the alternatives most appropriate to their circumstances.

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INDEX TO THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — **PAGE**

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED			
1(r1997).7(b)	2001,2023	**CONSOLIDATED INCOME STATEMENT**			
1(r1997).46(b),(c)	2024(b),(c)	**FOR THE YEAR ENDED 31 DECEMBER 2002**			[Alt 1]
1(r1997).92	8003		NOTES	Year ended	Year ended
1(r1997).46(d),(e)	2024(d),(e)			31/12/02	31/12/01
				CU'000	CU'000
1(r1997).75(a)	3002(a)	Revenue	3	1,224,098	869,453
1(r1997).77	3006	Other operating income		10,150	6,745
1(r1997).77	3006	Changes in inventories of finished goods and work in progress		5,446	7,329
1(r1997).77	3006	Raw materials and consumables used		(769,541)	(557,328)
1(r1997).77	3006	Staff costs		(247,901)	(223,537)
1(r1997).77	3006	Depreciation and amortisation expense		(32,594)	(20,135)
1(r1997).77	3006	Other operating expenses		(33,200)	(22,965)
8(r1993).16	8046	Restructuring costs	5	(18,300)	-
1(r1997).75(b)	3002(b)	Profit from operations	6	138,158	59,562
1(r1997).75(c)	3002(c)	Finance costs	7	(36,680)	(32,995)
28(r2000).28	3005	Income from associates		12,763	983
1(r1997).75	3003	Income from investments	8	2,938	673
35.39	3004	Profit on disposal of discontinuing operations	9	8,493	-
		Profit before tax		125,672	28,223
12(r2001).77	3002(e)	Income tax expense	10	(19,606)	(4,370)
		Profit after tax		106,066	23,853
1(r1997).75(h)	3002(h)	Minority interest		(609)	(97)
1(r1997).75(i)	3002(i)	Net profit for the year		105,457	23,756
		EARNINGS PER SHARE	12		
		Including discontinuing operations:			
33.47	3008	Basic		70.3 cents	15.8 cents
33.47	3008	Diluted		55.4 cents	15.8 cents
		Excluding discontinuing operations:			
33.51	3010	Basic		63.2 cents	13.1 cents
33.51	3010	Diluted		49.9 cents	13.1 cents

Note:
The format outlined above aggregates expenses according to their nature.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED			
1(r1997).7(b)	2001,2023	**CONSOLIDATED INCOME STATEMENT**			
1(r1997).46(b),(c)	2024(b),(c)	**FOR THE YEAR ENDED 31 DECEMBER 2002**			[Alt 2]
1(r1997).92	8003		NOTES	Year ended	Year ended
1(r1997).46(d),(e)	2024(d),(e)			31/12/02	31/12/01
				CU'000	CU'000
1(r1997).75(a)	3002(a)	Revenue	3	1,224,098	869,453
1(r1997).77	3006	Cost of sales		(797,027)	(661,851)
		Gross profit		427,071	207,602
1(r1997).77	3006	Other operating income		10,150	6,745
1(r1997).77	3006	Distribution costs		(108,298)	(52,688)
1(r1997).77	3006	Administrative expenses		(149,065)	(84,373)
1(r1997).77	3006	Other operating expenses		(23,400)	(17,724)
8(r1993).16	8046	Restructuring costs	5	(18,300)	-
1(r1997).75(b)	3002(b)	Profit from operations	6	138,158	59,562
1(r1997).75(c)	3002(c)	Finance costs	7	(36,680)	(32,995)
28(r2000).28	3005	Income from associates		12,763	983
1(r1997).75	3003	Income from investments	8	2,938	673
35.39	3004	Profit on disposal of discontinuing operations	9	8,493	-
		Profit before tax		125,672	28,223
12(r2000).77	3002(e)	Income tax expense	10	(19,606)	(4,370)
		Profit after tax		106,066	23,853
1(r1997).75(h)	3002(h)	Minority interest		(609)	(97)
1(r1997).75(i)	3002(i)	Net profit for the year		105,457	23,756
		EARNINGS PER SHARE	12		
		Including discontinuing operations:			
33.47	3008	Basic		70.3 cents	15.8 cents
33.47	3008	Diluted		55.4 cents	15.8 cents
		Excluding discontinuing operations:			
33.51	3010	Basic		63.2 cents	13.1 cents
33.51	3010	Diluted		49.9 cents	13.1 cents

Note:
The format outlined above aggregates expenses according to their function.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED			
1(r1997).7(a)	2001,2023	**CONSOLIDATED BALANCE SHEET**			
1(r1997).46(b),(c)	2024(b),(c)	**AT 31 DECEMBER 2002**			
1(r1997).92	8003		NOTES	31/12/02	31/12/01
				CU'000	CU'000
1(r1997).46(d),(e)	2024(d),(e)				
		ASSETS			
1(r1997).53	4006	**Non-current assets**			
1(r1997).66(a)	4001(a)	Property, plant and equipment	13	659,603	566,842
1(r1997).67	4002	Investment property	14	12,000	11,409
1(r1997).67	4002	Goodwill	15	1,205	2,538
1(r1997).67	4002	Negative goodwill	16	(773)	(2,455)
1(r1997).66(b)	4001(b)	Intangible assets	17	26,985	21,294
28(r2000).28	4004	Investments in associates	19	45,060	12,274
1(r1997).66(c)	4001(c)	Available for sale investments	21	23,543	25,602
1(r1997).67	4002	Finance lease receivables	23	114,937	104,489
12(r2000).69,70	8112	Deferred tax assets	34	2,661	3,400
				885,221	745,393
1(r1997).53	4006	**Current assets**			
1(r1997).66(e)	4001(e)	Inventories	22	117,895	108,698
1(r1997).67	4002	Finance lease receivables	23	54,713	49,674
1(r1997).66(f)	4001(f)	Trade and other receivables	24	134,194	129,780
1(r1997).66(c)	4001(c)	Investments held for trading	21	37,243	29,730
1(r1997).66(g)	4001(g)	Bank balances and cash	24	5,609	1,175
				349,654	319,057
		Total assets		1,234,875	1,064,450

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED			
		CONSOLIDATED BALANCE SHEET			
		AT 31 DECEMBER 2002 - continued			
			NOTES	31/12/02	31/12/01
				CU'000	CU'000
		EQUITY AND LIABILITIES			
1(r1997).66(m)	4001(m)	**Capital and reserves**			
		Share capital	26	120,000	120,000
		Capital reserves	27	32,934	32,098
		Revaluation reserves	28	95,241	34,591
		Hedging and translation reserves	29	(11,708)	508
		Accumulated profits	30	259,740	159,323
				496,207	346,520
1(r1997).66(l), 27(r2000).26	4001(l), 4005	**Minority interest**		3,185	2,576
1(r1997).53	4006	**Non-current liabilities**			
1(r1997).66(k)	4001(k)	Bank loans - due after one year	31	388,729	474,902
1(R1997).67	4002	Convertible loan notes	32	24,327	-
1(r1997).67	4002	Retirement benefit obligation	44	30,196	34,001
12(r2000).69,70	8112	Deferred tax liabilities	34	15,447	6,372
1(r1997).67	4002	Obligations under finance leases			
		- due after one year	35	923	1,244
				459,622	516,519
1(r1997).53	4006	**Current liabilities**			
1(r1997).66(h)	4001(h)	Trade and other payables	36	141,949	86,291
1(r1997).67	4002	Retirement benefit obligation	44	3,732	4,473
12(r2000).69	8112	Tax liabilities		8,229	1,986
1(r1997).67	4002	Obligations under finance leases			
		- due within one year	35	1,470	1,483
1(r1997).66(k)	4001(k)	Bank overdrafts and loans			
		- due within one year	31	111,931	102,537
1(r1997).66(j)	4001(j)	Provisions	37	8,550	2,065
				275,861	198,835
		Total equity and liabilities		1,234,875	1,064,450

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED		
1(r1997).7(c)(ii)	2001,2023	**CONSOLIDATED STATEMENT OF RECOGNISED GAINS AND LOSSES**		
1(r1997).46(b),(c))	2024(b),(c)	**FOR THE YEAR ENDED 31 DECEMBER 2002**		[Alt 1]
			Year ended 31/12/02	Year ended 31/12/01
1(r1997).46(d),(e)	2024(d),(e)		CU'000	CU'000
1(r1997).86(b)	5001(b)	Revaluation increase/(decrease) on land and buildings	64,709	(4,049)
1(r1997).86(b)	5001(b)	Deferred tax liability arising on revaluation of land and buildings	(3,699)	-
1(r1997).86(b)	5001(b)	Increase in fair value of hedging derivatives	1,723	550
1(r1997).86(b)	5001(b)	Increase in fair value of available-for-sale investments	251	201
1(r1997).86(b)	5001(b)	Exchange differences arising on translation of overseas operations	(12,726)	2,706
1(r1997).86(b)	5001(b)	Net gains/(losses) not recognised in the income statement	50,258	(592)
1(r1997).86(a)	5001(a)	Net profit for the year	105,457	23,756
		Total recognised gains and losses	155,715	23,164

Note:
IAS 1(r1997) requires that the financial statements should include a statement showing either all changes in equity, or changes in equity other than those arising from capital transactions with owners and distributions to owners.

The above illustrates an approach which presents those changes in equity that represent gains and losses in a separate component of the financial statements. If this method of presentation is adopted, a reconciliation of the opening and closing balances of share capital, reserves and accumulated profits is required to be provided in the explanatory notes (see notes 26 to 30). An alternative method of presenting changes in equity is illustrated on the next page.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

Source	Checklist	
1(r1997).7(c)(i)	2001,2023	**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
1(r1997).46 (b),(c)	2024(b),(c)	**FOR THE YEAR ENDED 31 DECEMBER 2002** [Alt 2]

Source	Checklist		Share capital	Capital reserves	Revaluation reserves	Hedging and translation reserves	Accumulated profits	Total
1(r1997).74(b) 1(r1997).46(d),(e) 1(1997).86(e),(f)	8106 2024(d),(e) 5002(b),(c)		CU'000	CU'000	CU'000	CU'000	CU'000	CU'000
		Balance at 1 January 2001	120,000	32,098	38,439	(1,853)	143,607	332,291
16(r1998).64(f)	5003(c)	Revaluation decrease on land and buildings	-	-	(4,049)	-	-	(4,049)
39(r2000).169(c)	8134(a)	Increase in fair value of hedging derivatives	-	-	-	550	-	550
39(r2000).170(a)	5003(e)	Increase in fair value of available-for-sale investments	-	-	201	-	-	201
21(r1993).42(b)	5003(f)	Exchange differences arising on translation of overseas operations	-	-	-	2,706	-	2,706
1(r1997).86(b)	5001(b)	Net gains/(losses) not recognised in the income statement	-	-	(3,848)	3,256	-	(592)
39(r2000).169(c)	8134(b)	Transfer to income	-	-	-	(895)	-	(895)
1(r1997).86(a)	5001(a)	Net profit for the year	-	-	-	-	23,756	23,756
1(r1997).86(d)	5002(a)	Dividends	-	-	-	-	(8,040)	(8,040)
		Balance at 1 January 2002	120,000	32,098	34,591	508	159,323	346,520
16(r1998).64(f)	5003(c)	Revaluation increase on land and buildings	-	-	64,709	-	-	64,709
12(r2000).81(a)	5003(b)	Deferred tax liability arising on revaluation of land and buildings	-	-	(3,699)	-	-	(3,699)
39(r2000).169(c)	8134(a)	Increase in fair value of hedging derivatives	-	-	-	1,723	-	1,723
39(r2000).170(a)	5003(e)	Increase in fair value of available for-sale investments	-	-	251	-	-	251
21(r1993).42(b)	5003(f)	Exchange differences arising on translation of overseas operations	-	-	-	(12,726)	-	(12,726)
1(r1997).86(b)	5001(b)	Net gains/(losses) not recognised in the income statement	-	-	61,261	(11,003)	-	50,258
1(r1997).86(f)	5002(c)	Equity component of convertible loan notes	-	836	-	-	-	836
39(r2000).170(a)	5003(e)	Released on disposal of available-for-sale investments	-	-	(611)	-	-	(611)
39(r2000).169(c)	8134(b)	Transferred to income	-	-	-	(995)	-	(995)
39(r2000).169(c)	8134(c)	Transferred to inventories	-	-	-	(218)	-	(218)
1(r1997).86(a)	5001(a)	Net profit for the year	-	-	-	-	105,457	105,457
1(r1997).86(d)	5002(a)	Dividends	-	-	-	-	(5,040)	(5,040)
		Balance at 31 December 2002	120,000	32,934	95,241	(11,708)	259,740	496,207

Note:
See previous page for alternative method of presenting changes in equity.
The above layout combines reserves of a similar nature for ease of presentation. However, IAS 1(r1997) requires a reconciliation of the opening and closing position on each reserve separately. Therefore, if such a combined presentation is adopted for the purposes of the statement of changes in equity, further details should be presented in the notes to the financial statements (see notes 26 to 30).

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED			
1(r1997).7(d)	2001,2023	**CONSOLIDATED CASH FLOW STATEMENT**			
1(r1997).46(b),(c)	2024(b),(c)	**FOR THE YEAR ENDED 31 DECEMBER 2002**			**[Alt 1]**
1(r1997).92	8003		NOTES	Year ended 31/12/02	Year ended 31/12/01
1(r1997).46(d),(e)	2024(d),(e)			CU'000	CU'000
7(r1992).10	6002	**OPERATING ACTIVITIES**			
7(r1992).18(a)	6003(a)	Cash receipts from customers		1,227,520	835,187
		Cash paid to suppliers and employees		(1,042,076)	(816,963)
		Cash generated by operations		185,444	18,224
7(r1992).35	6008	Income taxes paid		(5,553)	(2,129)
7(r1992).31	6006	Interest paid		(42,209)	(32,995)
		NET CASH FROM/(USED IN) OPERATING ACTIVITIES		137,682	(16,900)
7(r1992).10	6002	**INVESTING ACTIVITIES**			
7(r1992).31	6006	Interest received		1,202	368
7(r1992).31	6006	Dividends received from associate		11,777	2,725
7(r1992).31	6006	Dividends received from trading investments		2,299	349
		Proceeds on disposal of trading investments		25,230	-
		Proceeds on disposal of available-for-sale investments		2,416	-
7(r1992).39	6010	Disposal of subsidiary	38	6,517	-
		Proceeds on disposal of property, plant and equipment		4,983	4,500
		Purchases of property, plant and equipment		(58,675)	(28,198)
		Acquisition of investment in an associate		(31,800)	-
		Purchases of trading investments		(34,023)	(15,328)
		Purchases of patents and trademarks		(3,835)	(18,617)
		Expenditure on product development		(3,600)	-
7(r1992).39	6010	Acquisition of subsidiary	39	(3,670)	-
		NET CASH USED IN INVESTING ACTIVITIES		(81,179)	(54,201)

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2002 - continued **[Alt 1]**

SOURCE	CHECKLIST		NOTES	Year ended 31/12/02 CU'000	Year ended 31/12/01 CU'000
7(r1992).10	6002	**FINANCING ACTIVITIES**			
7(r1992).31	6006	Dividends paid		(5,040)	(8,040)
		Repayments of borrowings		(86,777)	-
		Repayments of obligations under finance leases		(1,897)	-
		Proceeds on issue of convertible loan notes		25,000	-
		New bank loans raised		-	72,265
		Increase in bank overdrafts		16,396	5,482
		NET CASH (USED IN)/FROM FINANCING ACTIVITIES		(52,318)	69,707
		NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		4,185	(1,394)
		CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,175	1,907
		Effect of foreign exchange rate changes		249	662
		CASH AND CASH EQUIVALENTS AT END OF YEAR			
7(r1992).45	6014	Bank balances and cash		5,609	1,175

Note:
The above illustrates the direct method of reporting cash flows from operating activities.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED			
1(r1997).7(d)	2001,2023	**CONSOLIDATED CASH FLOW STATEMENT**			
1(r1997).46(b),(c)	2024(b),(c)	**FOR THE YEAR ENDED 31 DECEMBER 2002**			[Alt 2]
1(r1997).92	8003		NOTES	Year ended 31/12/02	Year ended 31/12/01
1(r1997).46(d),(e)	2024(d),(e)			CU'000	CU'000
7(r1992).10	6002	**OPERATING ACTIVITIES**			
7(r1992).18(b)	6003(b)	Profit from operations		138,158	59,562
		Adjustments for:			
		Depreciation of property, plant and equipment		29,517	19,042
		Impairment loss on equipment		4,130	-
		Amortisation of goodwill		463	247
		Amortisation of intangible assets		2,614	846
		Negative goodwill released to income		(1,682)	(2,210)
		(Increase)/decrease in fair value of investment property		(591)	49
		Gain on disposal of property, plant and equipment		(4,184)	(500)
		Increase/(decrease) in provisions		6,485	(2,000)
		Operating cash flows before movements in working capital		174,910	75,036
		Increase in inventories		(21,002)	(28,960)
		Increase in receivables		(22,215)	(31,993)
		Increase in payables		53,751	4,141
		Cash generated by operations		185,444	18,224
7(r1992).35	6008	Income taxes paid		(5,553)	(2,129)
7(r1992).31	6006	Interest paid		(42,209)	(32,995)
		NET CASH FROM (USED IN) OPERATING ACTIVITIES		137,682	(16,900)
7(r1992).10	6002	**INVESTING ACTIVITIES**			
7(r1992).31	6006	Interest received		1,202	368
7(r1992).31	6006	Dividends received from associates		11,777	2,725
7(r1992).31	6006	Dividends received from trading investments		2,299	349
		Proceeds on disposal of trading investments		25,230	-
		Proceeds on disposal of available-for-sale investments		2,416	-
7(r1992).39	6010	Disposal of subsidiary	38	6,517	-
		Proceeds on disposal of property, plant and equipment		4,983	4,500
		Purchases of property, plant and equipment		(58,675)	(28,198)
		Acquisition of investment in an associate		(31,800)	-
		Purchases of trading investments		(34,023)	(15,328)
		Purchases of patents and trademarks		(3,835)	(18,617)
		Expenditure on product development		(3,600)	-
7(r1992).39	6010	Acquisition of subsidiary	39	(3,670)	-
		NET CASH USED IN INVESTING ACTIVITIES		(81,179)	(54,201)

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2002 - continued [Alt 2]

SOURCE	CHECKLIST		NOTES	Year ended 31/12/02 CU'000	Year ended 31/12/01 CU'000
7(r1992).10	6002	**FINANCING ACTIVITIES**			
7(r1992).31	6006	Dividends paid		(5,040)	(8,040)
		Repayments of borrowings		(86,777)	-
		Repayments of obligations under finance leases		(1,897)	-
		Proceeds on issue of convertible loan notes		25,000	-
		New bank loans raised		-	72,265
		Increase in bank overdrafts		16,396	5,482
		NET CASH (USED IN)/FROM FINANCING ACTIVITIES		(52,318)	69,707
		NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		4,185	(1,394)
		CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,175	1,907
		Effect of foreign exchange rate changes		249	662
7(r1992).45	6014	**CASH AND CASH EQUIVALENTS AT END OF YEAR**			
		Bank balances and cash		5,609	1,175

Note:
The above illustrates the indirect method of reporting cash flows from operating activities.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED
1(r1997).7(e) 1(r1997).46(b)(c)	2001,2023 2024(b),(c)	**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002**
		1. GENERAL
1(r1997).102(a),(b)	8001	International GAAP Holdings Limited (the Company) is a limited company incorporated in A Land. The principal activities of the Company and its subsidiaries (the Group) are described in note 4.
21(r1993).43 SIC19.10(c)	2010 2011	These financial statements are presented in Currency Units (CU) since that is the currency in which the majority of the Group's transactions are denominated.
		2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
1(r1997).11	2003	The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).
1(r1997).91(a) 1(r1997).97	7001 7002	The financial statements have been prepared on the historical cost basis, except for the revaluation of land and buildings and certain financial instruments. The principal accounting policies adopted are set out below.
		Basis of consolidation
		The consolidated financial statements incorporate the financial statements of the Company and enterprises controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.
		On acquisition, the assets and liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess (deficiency) of the cost of acquisition over (below) the fair values of the identifiable net assets acquired is recognised as goodwill (negative goodwill). The interest of minority shareholders is stated at the minority's proportion of the fair values of the assets and liabilities recognised.
		The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.
		Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.
		All significant intercompany transactions and balances between group enterprises are eliminated on consolidation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

28(r2000).27(b) 7003(b)

Investments in associates

An associate is an enterprise over which the Group is in a position to exercise significant influence, but not control, through participation in the financial and operating policy decisions of the investee.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Investments in associates are carried in the balance sheet at cost as adjusted by post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Any excess (deficiency) of the cost of acquisition over (below) the Group's share of the fair values of the identifiable net assets of the associate at the date of acquisition is recognised as goodwill (negative goodwill).

Where a group enterprise transacts with an associate of the Group, unrealised profits and losses are eliminated to the extent of the Group's interest in the relevant associate, except to the extent that unrealised losses provide evidence of an impairment of the asset transferred.

Interests in joint ventures

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity that is subject to joint control.

Where a group company undertakes its activities under joint venture arrangements directly, the Group's share of jointly controlled assets and any liabilities incurred jointly with other venturers are recognised in the financial statements of the relevant company and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on an accrual basis. Income from the sale or use of the Group's share of the output of jointly controlled assets, and its share of joint venture expenses, are recognised when it is probable that the economic benefits associated with the transactions will flow to/from the Group and their amount can be measured reliably.

Joint venture arrangements which involve the establishment of a separate entity in which each venturer has an interest are referred to as jointly controlled entities. The Group reports its interests in jointly controlled entities using proportionate consolidation - the Group's share of the assets, liabilities, income and expenses of jointly controlled entities are combined with the equivalent items in the consolidated financial statements on a line-by-line basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

Where the Group transacts with its jointly controlled entities, unrealised profits and losses are eliminated to the extent of the Group's interest in the joint venture, except to the extent that unrealised losses provide evidence of an impairment of the asset transferred.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill is recognised as an asset and amortised on a straight-line basis over its estimated useful life.

Goodwill arising on the acquisition of an associate is included within the carrying amount of the associate. Goodwill arising on the acquisition of subsidiaries and jointly controlled entities is presented separately in the balance sheet.

On disposal of a subsidiary, associate or jointly controlled entity, the attributable amount of unamortised goodwill is included in the determination of the profit or loss on disposal.

Negative goodwill

Negative goodwill represents the excess of the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition over the cost of acquisition. Negative goodwill is released to income based on an analysis of the circumstances from which the balance resulted. To the extent that the negative goodwill is attributable to losses or expenses anticipated at the date of acquisition, it is released to income in the period in which those losses or expenses arise. The remaining negative goodwill is recognised as income on a straight-line basis over the remaining average useful life of the identifiable acquired depreciable assets. To the extent that such negative goodwill exceeds the aggregate fair value of the acquired identifiable non-monetary assets, it is recognised in income immediately.

Negative goodwill arising on the acquisition of an associate is deducted from the carrying amount of that associate. Negative goodwill arising on the acquisition of subsidiaries and jointly controlled entities is presented separately in the balance sheet as a deduction from assets.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

18(r1993).35(a) 7003(f)

Revenue recognition

Sales of goods are recognised when goods are delivered and title has passed.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

11(r1993).39(b),(c) 7003(g)

Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Leasing

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

The Group as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the date of acquisition or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income, unless they are directly attributable to qualifying assets, in which case they are capitalsed in accordance with the Group's general policy on borrowing costs (see below).

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease.

Foreign currencies

Transactions in currencies other than Currency Units are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in such currencies are retranslated at the rates prevailing on the balance sheet date. Profits and losses arising on exchange are included in net profit or loss for the period.

In order to hedge its exposure to certain foreign exchange risks, the Group enters into forward contracts and options (see below for details of the Group's accounting policies in respect of such derivative financial instruments).

On consolidation, the assets and liabilities of the Group's overseas operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

The financial statements of foreign subsidiaries and associates that report in the currency of a hyperinflationary economy are restated in terms of the measuring unit current at the balance sheet date before they are translated into Currency Units.

21(r1993).45	7003(e)	Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

23(r1993).29(a) 7003(h)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in net profit or loss in the period in which they are incurred.

20.39(a) 7003(i)

Government grants

Government grants towards staff re-training costs are recognised as income over the periods necessary to match them with the related costs and are deducted in reporting the related expense.

Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit plan.

19(r2002).120(a) 7003(j)

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses that exceed 10 per cent of the greater of the present value of the Group's defined benefit obligations and the fair value of plan assets are amortised over the expected average remaining working lives of the participating employees. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the amended benefits become vested.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the liability is settled or the asset realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

16(r1998).60 (a),(b),(c) 7003(l)

Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at their revalued amounts, being the fair value on the basis of their existing use at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the balance sheet date.

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

Depreciation on revalued buildings is charged to income. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to accumulated profits.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is charged so as to write off the cost or valuation of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method, on the following bases:

Buildings	4%
Fixtures and equipment	10% - 30%

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Investment property

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

38.107 7003(n) **Internally-generated intangible assets - research and development expenditure**

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from the Group's e-business development is recognised only if all of the following conditions are met:

- an asset is created that can be identified (such as software and new processes);
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred. Internally-generated intangible assets are amortised on a straight-line basis over their useful lives.

38.107 7003(n) **Patents and trademarks**

Patents and trademarks are measured initially at purchase cost and are amortised on a straight-line basis over their estimated useful lives.

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately, unless the relevant asset is land or buildings other than investment property carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

2(r1993).34(a) 7003(o)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

32(r1998).47(b) 7003(p)

Financial instruments

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

Trade receivables

Trade receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Investments

Investments are recognised on a trade-date basis and are initially measured at cost, including transaction costs.

At subsequent reporting dates, debt securities that the Group has the expressed intention and ability to hold to maturity (held-to-maturity debt securities) are measured at amortised cost, less any impairment loss recognised to reflect irrecoverable amounts. The annual amortisation of any discount or premium on the acquisition of a held-to-maturity security is aggregated with other investment income receivable over the term of the instrument so that the revenue recognised in each period represents a constant yield on the investment.

39(r2000).167(b) 7003(p) Investments other than held-to-maturity debt securities are classified as either held-for-trading or available-for-sale, and are measured at subsequent reporting dates at fair value. Where securities are held for trading purposes, gains and losses arising from changes in fair value are included in net profit or loss for the period. For available-for-sale investments, gains and losses arising from changes in fair value are recognised directly in equity, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the net profit or loss for the period.

Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption, are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Convertible loan notes

Convertible loan notes are regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the net proceeds of issue of the convertible loan notes and the fair value assigned to the liability component, representing the embedded option to convert the liability into equity of the Group, is included in equity (capital reserves).

Issue costs are apportioned between the liability and equity components of the convertible loan notes based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly against equity.

The interest expense on the liability component is calculated by applying the prevailing market interest rate for similar non-convertible debt to the liability component of the instrument. The difference between this amount and the interest paid is added to the carrying amount of the convertible loan note.

Trade payables

Trade payables are stated at their nominal value.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Derivative financial instruments

The Group uses derivative financial instruments (primarily foreign currency forward contracts) to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. Such derivatives are initially recorded at cost, if any, and are remeasured to fair value at subsequent reporting dates.

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows relating to firm commitments and forecasted transactions are recognised directly in equity. If the hedged firm commitment or forecasted transaction results in the recognition of an asset or a liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of an asset or a liability, amounts deferred in equity are recognised in the income statement in the same period in which the hedged firm commitment or forecasted transaction affects net profit or loss, for example, when the future sale actually occurs.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to net profit or loss for the period.

Provisions

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

Provisions for restructuring costs are recognised when the Group has a detailed formal plan for the restructuring that has been communicated to affected parties.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

3. REVENUE

18(r1993).35(b) | 8022(a) — An analysis of the Group's revenue is as follows:

Source	Checklist		Year ended 31/12/02 CU'000	Year ended 31/12/01 CU'000
		Continuing operations:		
		Sales of electronic goods	743,127	504,633
11(r1993).39(a)	8023	Revenue from construction contracts	304,073	209,562
		Equipment leasing income	16,858	13,492
40.66(d)(i)	8035(a)	Property rental income	602	563
			1,064,660	728,250
		Discontinuing operations:		
		Sales of toys	159,438	141,203
			1,224,098	869,453

4. BUSINESS AND GEOGRAPHICAL SEGMENTS

Note:
The following analysis by business and geographical segment is required by IAS 14 (r1997), Segment Reporting, to be presented by enterprises whose equity or debt securities are publicly traded or that are in the process of issuing equity or debt securities in public securities markets. If an enterprise whose securities are not publicly traded chooses to disclose segment information voluntarily in financial statements that comply with IFRS, that enterprise should comply fully with the requirements of IAS 14 (r1997).

Business segments

14(r1997).81 | 8021(a)
1(r1997).102(b) | 8001(b)

For management purposes, the Group is currently organised into three operating divisions - electronic goods, construction and leasing. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Electronic goods	-	manufacture and distribution of electronic consumer goods.
Construction	-	construction of properties on a contract basis.
Leasing	-	leasing of electronic equipment and property rental.

In prior years, the Group was also involved in the manufacture and sale of toys. That operation was discontinued with effect from 30 November 2002 (see note 9).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

Segment information about these businesses is presented below.

Source	Checklist	2002	Electronic goods	Construction	Leasing	Toys	Eliminations	Consolidated
			Year ended 31/12/02	Year ended 31/12/02	Year ended 31/12/02	Year ended 31/12/02	Year ended 31/12/02	Year ended 31/12/02
			CU'000	CU'000	CU'000	CU'000	CU'000	CU'000
14(r1997).51	8010(a)	**REVENUE**						
		External sales	743,127	304,073	17,460	159,438	-	1,224,098
		Inter-segment sales	10,020	-	-	-	(10,020)	-
14(r1997).67	8012(a)	Total revenue	753,147	304,073	17,460	159,438	(10,020)	1,224,098
14(r1997).75	8018(b)	Inter-segment sales are charged at prevailing market rates.						
		RESULT						
14(r1997).52	8010(b)	Segment result	95,292	34,879	16,699	4,493	(3,005)	148,358
		Unallocated corporate expenses						(10,200)
14(r1997).67	8012(b)	Profit from operations						138,158
		Finance costs						(36,680)
14(r1997).64	8010(h)	Income from associates	10,392	2,371	-	-		12,763
		Income from investments						2,938
		Profit on disposal of discontinuing operations	-	-	-	8,493		8,493
		Profit before tax						125,672
		Income tax expense						(19,606)
14(r1997).67	8012(b)	Profit after tax						106,066

OTHER INFORMATION

Source	Checklist		Electronic goods	Construction	Leasing	Toys	Other	Consolidated
			CU'000	CU'000	CU'000	CU'000	CU'000	CU'000
14(r1997).57	8010(e)	Capital additions	75,698	-	1,525	-	2,781	80,004
14(r1997).58	8010(f)	Depreciation and amortisation	21,603	6,120	192	1,420	3,259	32,594
36.116	8011	Impairment losses recognised in income	-	-	-	4,130	-	4,130

BALANCE SHEET

Source	Checklist		Electronic goods	Construction	Leasing	Toys		Consolidated
			31/12/02	31/12/02	31/12/02	31/12/02		31/12/02
			CU'000	CU'000	CU'000	CU'000		CU'000
		ASSETS						
14(r1997).55	8010(c)	Segment assets	673,160	149,890	208,798	-		1,031,848
14(r1997).66	8010(i)	Investments in associates	33,071	11,989	-	-		45,060
		Unallocated corporate assets						157,967
14(r1997).67	8012(c)	Consolidated total assets						1,234,875
		LIABILITIES						
14(r1997).56	8010(d)	Segment liabilities	108,657	44,457	20,156	6,058		179,328
		Unallocated corporate liabilities						556,155
14(r1997).67	8012(d)	Consolidated total liabilities						735,483

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

Source	Checklist	2001	Electronic goods	Construction	Leasing	Toys	Eliminations	Consolidated
			Year ended 31/12/01	Year ended 31/12/01	Year ended 31/12/01	Year ended 31/12/01	Year ended 31/12/01	Year ended 31/12/01
			CU'000	CU'000	CU'000	CU'000	CU'000	CU'000
14(r1997).51	8010(a)	**REVENUE**						
		External sales	504,633	209,562	14,055	141,203	-	869,453
		Inter-segment sales	9,370	-	-	-	(9,370)	-
14(r1997).67	8012(a)	Total revenue	514,003	209,562	14,055	141,203	(9,370)	869,453
14(r1997).75	8018(b)	Inter-segment sales are charged at prevailing market rates.						
		RESULT						
14(r1997).52	8010(b)	Segment result	33,993	15,930	9,929	5,390	(1,902)	63,340
		Unallocated corporate expenses						(3,778)
14(r1997).67	8012(b)	Profit from operations						59,562
		Finance costs						(32,995)
14(r1997).64	8010(h)	Income from associates	-	983	-	-		983
		Income from investments						673
		Profit before tax						28,223
		Income tax expense						(4,370)
14(r1997).67	8012(b)	Profit after tax						23,853

OTHER INFORMATION

Source	Checklist		Electronic goods	Construction	Leasing	Toys	Other	Consolidated
			CU'000	CU'000	CU'000	CU'000	CU'000	CU'000
14(r1997).57	8010(e)	Capital additions	44,046	-	2,277	-	4,682	51,005
14(r1997).58	8010(f)	Depreciation and amortisation	10,122	4,944	158	2,897	2,014	20,135

BALANCE SHEET

Source	Checklist		Electronic goods	Construction	Leasing	Toys	Consolidated
			31/12/01	31/12/01	31/12/01	31/12/01	31/12/01
			CU'000	CU'000	CU'000	CU'000	CU'000
		ASSETS					
14(r1997).55	8010(c)	Segment assets	572,546	105,002	189,021	36,062	902,631
14(r1996).66	8010(i)	Investments in associates	-	12,274	-	-	12,274
		Unallocated corporate assets					149,545
14(r1997).67	8012(c)	Consolidated total assets					1,064,450
		LIABILITIES					
14(r1997).56	8010(d)	Segment liabilities	76,625	31,217	14,190	4,798	126,830
		Unallocated corporate liabilities					588,524
14(r1997).67	8012(d)	Consolidated total liabilities					715,354

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

The average number of employees for the year for each of the Group's principal divisions was as follows:

Source	Checklist		Year ended 31/12/02	Year ended 31/12/01
		Electronic goods	2,182	2,483
		Construction	619	473
		Leasing	76	68
		Toys	345	430
		Head office and administration	278	248
1(r1997).102(d)	8001(d)		3,500	3,702

Geographical segments

14(r1997).81 8021(b) The Group's operations are located in A Land, B Land, C Land and D Land. The Group's construction and leasing divisions are located in A Land. Manufacturing of electronic goods is carried out in B Land, C Land and D Land. As discussed in note 18, the financial statements of the Group's subsidiary in C Land have not been consolidated due to restrictions on the subsidiary's ability to transfer funds to the Group.

14(r1997).69(a) 8013(a) The following table provides an analysis of the Group's sales by geographical market, irrespective of the origin of the goods/services:

	Sales revenue by geographical market	
	Year ended 31/12/02	Year ended 31/12/01
	CU'000	CU'000
P Land	822,699	584,347
A Land	171,486	121,803
B Land	52,701	37,432
Q Land	137,892	97,942
Other	39,320	27,929
	1,224,098	869,453

35.27(b) 8024(b) Revenue from the Group's discontinuing operations was derived principally from P Land (2002: CU81.4 million, 2001: CU103.3 million) and A Land (2002: CU75.5 million, 2001: CU35.8 million).

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

14(r1997).69(b),(c) 8013(b),(c)

The following is an analysis of the carrying amount of segment assets, and additions to property, plant and equipment and intangible assets, analysed by the geographical area in which the assets are located:

	Carrying amount of segment assets		Additions to property, plant and equipment and intangible assets	
	31/12/02	31/12/01	Year ended 31/12/02	Year ended 31/12/01
	CU'000	CU'000	CU'000	CU'000
A Land	521,709	441,940	38,261	22,787
B Land	363,310	415,654	18,551	18,446
D Land	349,856	206,856	23,192	9,772
	1,234,875	1,064,450	80,004	51,005

8(r1993).16 8046

5. RESTRUCTURING COSTS

In November 2002, the Group disposed of Subsix Limited (see note 9). Certain of the non-core assets of the toy division were retained by the Group. In addition, the shipping and distribution operations of the toy division were segregated from the manufacturing operations and retained by the Group. The assets retained were scrapped, and an impairment loss recognised in respect of their previous carrying amount. To the extent that workers in the shipping and distribution operations could not be redeployed, termination terms were agreed.

Source	Checklist		Year ended 31/12/02
			CU'000
36.113(a)	8098(a)	Impairment loss recognised in respect of assets	4,130
		Redundancy costs	14,170
			18,300

In addition, redundancy costs of CU1.42 million (2001: CU1.95 million) were incurred following the acquisition of Sub A Limited. This charge was offset by the release of negative goodwill of the same amount (see note 16).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

6. PROFIT FROM OPERATIONS

Profit from operations has been arrived at after charging (crediting):

Source	Checklist		Year ended 31/12/02 CU'000	Year ended 31/12/01 CU'000
21(r1993).42(a)	8037(a)	Net foreign exchange losses/(gains)	1,278	(731)
38.115	8036	Research and development costs	4,800	6,560
20.39(b)	8170(a)	Government grants towards training costs	(398)	(473)
		Amortisation		
22(r1998).88(d)	7003(c)	- goodwill (included in [depreciation and amortisation expense/other operating expenses])	463	247
38.107(d)	7003(n)	- intangible assets (included in [depreciation and amortisation expense/ other operating expenses])	2,614	846
			3,077	1,093
22(r1998).91(c)	7003(d)	Release of negative goodwill to income		
		- included in other operating income	(258)	(257)
		- offset against restructuring costs	(1,424)	(1,953)
			(1,682)	(2,210)
		(Increase)/decrease in fair value of investment property	(591)	49
2(r1993).37	8038	Cost of inventories recognised as expense	594,197	600,627

1(r1997).83 | 3007

Total staff costs incurred during the period amounted to CU247.9 million (2001: CU223.5 million) and total depreciation amounted to CU29.5 million (2001: CU19 million).

Note:
Separate disclosure of staff costs and depreciation is required where the expenses presented in the income statement are analysed by function (see Income Statement - Alt 2)

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

7. FINANCE COSTS

Source	Checklist		Year ended 31/12/02 CU'000	Year ended 31/12/01 CU'000
		Interest on bank overdrafts and loans	40,923	32,762
		Interest on convertible loan notes (note 32)	1,260	-
		Interest on obligations under finance leases	348	233
		Total borrowing costs	42,531	32,995
23(r1993).29(b)	8039(a)	Less: amounts included in the cost of qualifying assets	(5,571)	-
			36,960	32,995
39(r2000).170(c)	8138	Loss arising on derivatives trading	100	-
		Fair value gains on interest rate swaps transferred from equity	(380)	-
			36,680	32,995

23(r1993).29(c) 8039(b) Borrowing costs included in the cost of qualifying assets during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate of 7 per cent to expenditure on such assets.

18(r1993).35(b) 8022(a)
39(r2000).170(c) 8138

8. INCOME FROM INVESTMENTS

	Year ended 31/12/02 CU'000	Year ended 31/12/01 CU'000
Interest on bank deposits	1,202	368
Dividends from trading investments	2,299	349
Decline in fair value of trading investments disposed of	(892)	-
Decline in fair value of trading investments held at year end	(388)	(44)
Profit on disposal of available-for-sale investments	717	-
	2,938	673

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

9. DISCONTINUING OPERATIONS

35.27(c) 8024(c)
35.27(a),(b) 8024(a),(b)
35.27(d) 8024(d)

On 14 May 2001, the Group entered into a sale agreement to dispose of Subsix Limited, which carried out all of the Group's toy manufacturing operations. The disposal was effected in order to generate cash flow for the expansion of the Group's other businesses. The disposal was completed on 30 November 2002, on which date control of Subsix Limited passed to the acquirer.

35.27(f) 8024(f)
35.45 8034

The results of the toy manufacturing operations for the period from 1 January 2002 to 30 November 2002, which have been included in the consolidated financial statements, were as follows:

	Period ended 30/11/02	Year ended 31/12/01
	CU'000	CU'000
Revenue	159,438	141,203
Operating costs	(136,645)	(135,813)
Restructuring costs	(18,300)	-
Finance costs	(493)	(830)
Profit before tax	4,000	4,560
Income tax expense	(1,817)	(389)
Profit from ordinary activities after tax	2,183	4,171

Details of the restructuring costs arising following the disposal of Subsix Limited are set out in note 5.

35.27(g) 8024(g)
35.45 8034

During the year, Subsix Limited contributed CU4.8 million (2001: CU 4.25 million) to the Group's net operating cash flows, paid CU1.37 million (2001: CU2.89 million) in respect of investing activities and paid CU0.9 million (2001: CU3.71 million) in respect of financing activities.

35.31(b) 8026(b)(iii)

The carrying amounts of the assets and liabilities of Subsix Limited at the date of disposal are disclosed in note 38.

35.31(a) 8026(a)

A profit of CU8.5 million arose on the disposal of Subsix Limited, being the proceeds of disposal less the carrying amount of the subsidiary's net assets and attributable goodwill (see note 38). No tax charge or credit arose from the transaction.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

10. INCOME TAX EXPENSE

Source	Checklist		Year ended 31/12/02	Year ended 31/12/01
			CU'000	CU'000
12(r2000).79	8041	Current tax:		
		Domestic	5,408	1,994
		Foreign	8,242	1,538
			13,650	3,532
		Deferred tax (note 34):		
		Current year	6,046	838
		Attributable to a reduction in the rate of domestic income tax	(90)	-
			5,956	838
			19,606	4,370

12(r2000).81(d) 8043(a)

Domestic income tax is calculated at 16 per cent (2001: 16.5 per cent) of the estimated assessable profit for the year. The rate of tax has been amended with effect from the 2002/03 year of assessment.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

12(r2000).81(h) 8043(b)(ii)

Of the charge to domestic income tax, approximately CU1.8 million (2001: CU0.4 million) related to profits arising in the toy division, which was disposed of during the year. No tax charge or credit arose on the disposal of the relevant subsidiary.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

12(r2000).81(c) 8042

The charge for the year can be reconciled to the profit per the income statement as follows:

	Year ended 31/12/02		Year ended 31/12/01	
	CU'000	%	CU'000	%
Profit before tax	125,672		28,223	
Tax at the domestic income tax rate of 16% (2001: 16.5%)	20,108	16.0	4,657	16.5
Tax effect of expenses that are not deductible in determining taxable profit	301	0.2	23	0.1
Tax effect of utilisation of tax losses not previously recognised	(1,185)	(0.9)	(392)	(1.4)
Decrease in opening deferred tax liability resulting from a reduction in tax rates	(90)	(0.1)	-	-
Effect of different tax rates of subsidiaries operating in other jurisdictions	472	0.4	82	0.3
Tax expense and effective tax rate for the year	19,606	15.6	4,370	15.5

12(r2000).81(a) 5003(b)

In addition to the amount charged to the income statement, deferred tax relating to the revaluation of the Group's land and buildings other than investment property amounting to CU3.7 million and to the equity component of convertible bonds issued amounting to CU0.16 million has been charged directly to equity (see note 34).

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

11. DIVIDENDS

1(r1997).85 | 8047 | On 23 May 2002, a dividend of 4.2 cents (2001: 6.7 cents) per share was paid to shareholders.

1(r1997).74(c) | 8048 | In respect of the current year, the directors propose that a dividend of 9.8 cents per share will be paid to shareholders on 25 May 2003. This dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

The proposed dividend for 2002 is payable to all shareholders on the Register of Members on 21 April 2003. The total estimated dividend to be paid is CU14.7 million.

12. EARNINGS PER SHARE

Note:
IAS 33, Earnings Per Share, requires that Earnings Per Share (EPS) information be presented by enterprises whose ordinary shares or potential ordinary shares are publicly traded and by enterprises that are in the process of issuing ordinary shares or potential ordinary shares in public securities markets. If other enterprises choose to disclose EPS information in financial statements that comply with IFRS, they should comply fully with the requirements of IAS 33.

Including discontinuing operations

The calculation of the basic and diluted earnings per share is based on the following data:

33.49(a) | 3009(a) | ***Earnings***

	Year ended 31/12/02	Year ended 31/12/01
	CU'000	CU'000
Earnings for the purposes of basic earnings per share (net profit for the year)	105,457	23,756
Effect of dilutive potential ordinary shares:		
Interest on convertible loan notes (net of tax)	1,058	-
Earnings for the purposes of diluted earnings per share	106,515	23,756

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued**

33.49(b) 3009(b)

Number of shares

	Year ended 31/12/02 '000	Year ended 31/12/01 '000
Weighted average number of ordinary shares for the purposes of basic earnings per share	150,000	150,000
Effect of dilutive potential ordinary shares:		
Convertible loan notes	42,188	-
Weighted average number of ordinary shares for the purposes of diluted earnings per share	192,188	150,000

33.43 3011(c)

The denominators for the purposes of calculating both basic and diluted earnings per share have been adjusted to reflect the capitalisation issue in February 2003 (see note 26).

Excluding discontinuing operations

The additional basic and diluted earnings per share present earnings data after elimination of the effects of operations discontinued in the period.

33.51 3010

Earnings figures are calculated as follows:

	Year ended 31/12/02 CU'000	Year ended 31/12/01 CU'000
Net profit for the year	105,457	23,756
Adjustments for:		
Profit after tax from discontinuing operations	(2,183)	(4,171)
Profit on disposal of discontinuing operations	(8,493)	-
Earnings for the purposes of basic earnings per share excluding discontinuing operations	94,781	19,585
Effect of dilutive potential ordinary shares:		
Interest on convertible loan notes (net of tax)	1,058	-
Earnings for the purposes of diluted earnings per share excluding discontinuing operations	95,839	19,585

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

13. PROPERTY, PLANT AND EQUIPMENT

Source	Checklist		Land and buildings	Properties under construction	Fixtures and equipment	Total
			CU'000	CU'000	CU'000	CU'000
16(r1998).60(d),(e)	8052(b),(c)	**Cost or Valuation**				
		At 1 January 2002	442,099	77,700	103,870	623,669
16(r1998).61(c)	8053(b)	Additions	-	17,260	44,359	61,619
		Acquired on acquisition of a subsidiary	-	-	8,907	8,907
		Exchange differences	2,103	-	972	3,075
		Disposed of on disposal of a subsidiary	-	-	(22,402)	(22,402)
		Disposals	-	-	(6,413)	(6,413)
		Revaluation increase	41,586	-	-	41,586
		At 31 December 2002	485,788	94,960	129,293	710,041
16(r1998).60(a)	8052(a)	Comprising:				
		At cost	-	94,960	129,293	224,253
		At valuation 2002	485,788	-	-	485,788
			485,788	94,960	129,293	710,041
		Accumulated Depreciation				
		At 1 January 2002	9,900	-	46,927	56,827
		Charge for the year	13,172	-	16,345	29,517
36.113(a)	8098	Impairment loss	-	-	4,130	4,130
		Exchange differences	51	-	927	978
		Eliminated on disposals	-	-	(5,614)	(5,614)
		Eliminated on disposal of a subsidiary	-	-	(12,277)	(12,277)
		Eliminated on revaluation	(23,123)	-	-	(23,123)
		At 31 December 2002	-	-	50,438	50,438
		Carrying Amount				
		At 31 December 2002	485,788	94,960	78,855	659,603
		At 31 December 2001	432,199	77,700	56,943	566,842

The impairment loss on fixtures and equipment arose in connection with the restructuring following the disposal of Subsix Limited (see note 5).

17(r1997).23(a) 8118(a) The carrying amount of the Group's fixtures and equipment includes an amount of CU2.55 million (2001: CU1.40 million) in respect of assets held under finance leases.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED
		NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 - continued
16(r1998).61(a)	8053(a)	The Group has pledged land and buildings having a carrying amount of approximately CU370 million (2001: CU320 million) to secure banking facilities granted to the Group.
16(r1998).64(a), (b),(c)	8054(a),(b),(c)	Land and buildings were revalued at 31 December 2002 by Messrs. Lacey & King, independent valuers not connected with the Group, on the basis of market value. The valuation conforms to International Valuation Standards.
16(r1998).64(e)	8054(e)	At 31 December 2002, had the land and buildings other than investment property of the Group been carried at historical cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately CU390 million (2001: CU410 million).
		14. INVESTMENT PROPERTY

Source	Checklist		2002 CU'000
40.67	8059	**Fair Value**	
		At 1 January 2002	11,409
		Increase in fair value during the year	591
		At 31 December 2002	12,000

40.66(b),(c)	8057	The fair value of the Group's investment property at 31 December 2002 has been arrived at on the basis of a valuation carried out at that date by Messrs R P Trent, independent valuers not connected with the Group. The valuation, which conforms to International Valuation Standards, was arrived at by reference to market evidence of transaction prices for similar properties.
40.66(e)	8058	The Group has pledged all of its investment property to secure general banking facilities granted to the Group.
40.66(d)	8035	The property rental income earned by the Group from its investment property, all of which is leased out under operating leases, amounted to CU0.6 million (2001: CU0.56 million). Direct operating expenses arising on the investment property in the period amounted to CU0.16 million (2001: CU0.23 million).

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

15. GOODWILL

Source	Checklist		2002 CU'000
22(r1998).88(e)	8064	**Cost**	
		At 1 January 2002	8,624
		Exchange differences	194
		Arising on acquisition of a subsidiary	2,043
		Eliminated on disposal of a subsidiary	(6,503)
		At 31 December 2002	4,358
		Amortisation	
		At 1 January 2002	6,086
		Exchange differences	149
		Eliminated on disposal of a subsidiary	(3,545)
		Charge for the year	463
		At 31 December 2002	3,153
		Carrying Amount	
		At 31 December 2002	1,205
		At 31 December 2001	2,538

22(r1998).88(a) | 7003(c) | Goodwill is amortised over its estimated useful life. The foreseeable life of the goodwill arising on past acquisitions ranges from 12 to 20 years.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

16. NEGATIVE GOODWILL

Source	Checklist		2002 CU'000
22(r1998).91(d)	8067	**Gross Amount**	
		At 1 January and 31 December 2002	4,665
		Released to Income	
		At 1 January 2002	2,210
		Release in the year	1,682
		At 31 December 2002	3,892
		Carrying Amount	
		At 31 December 2002	773
		At 31 December 2001	2,455

22(r1998).91(b) 7003(d)
22(r1998).91(a) 8066

The negative goodwill of CU4.67 million arose on the Group's acquisition of Sub A Limited in February 2001. At the date of acquisition, CU3.37 million of the negative goodwill was identified as relating to anticipated redundancy costs, expected to be incurred during 2001 and 2002. In 2001, redundancy costs of CU1.95 million were incurred and an equivalent amount of the negative goodwill was released to income. In 2002, final settlements in respect of redundancies amounted to CU1.42 million, and the remaining balance of negative goodwill attributable to such expenses was released to income.

The remaining negative goodwill of CU1.3 million is released to income on a straight-line basis over a period of five years, the remaining weighted average useful life of the depreciable assets acquired.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

17. INTANGIBLE ASSETS

Source	Checklist		Development costs	Patents and trademarks	Total
			CU'000	CU'000	CU'000
38.107(c),(e)	8068	**Cost**			
		At 1 January 2002	-	31,617	31,617
		Additions	3,600	3,835	7,435
		Acquired on acquisition of a subsidiary	-	870	870
		At 31 December 2002	3,600	36,322	39,922
		Amortisation			
		At 1 January 2002	-	10,323	10,323
		Charge for the year	360	2,254	2,614
		At 31 December 2002	360	12,577	12,937
		Carrying Amount			
		At 31 December 2002	3,240	23,745	26,985
		At 31 December 2001	-	21,294	21,294

38.107(a),(b) 7003(n) The amortisation period for development costs incurred on the Group's e-business development is five years.

Patents and trademarks are amortised over their estimated useful lives, which is on average ten years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

18. SUBSIDIARIES

27(r2000).32(a) | 8073

Details of the Company's subsidiaries at 31 December 2002 are as follows:

Name of subsidiary	Place of incorporation (or registration) and operation	Proportion of ownership interest	Proportion of voting power held	Principal activity
		%	%	
Subone Limited	A Land	100	100	Property investment and construction
Subtwo Limited	A Land	70	55	Equipment leasing
Subthree Limited	B Land	100	100	Manufacture of electronic equipment
Subfour Limited	C Land	70	70	Manufacture of electronic equipment
Subfive Limited	D Land	100	100	Manufacture of electronic equipment

27(r2000).32(b)(i) | 8075(a)

The financial statements of Subfour Limited are not consolidated in the Group financial statements. As previously reported, the assets and liabilities of Subfour Limited were placed under court administration during 2000 pending investigation of allegations of misconduct by the minority shareholder and general manager. Consequently, the subsidiary operates under severe long-term restrictions that significantly impair its ability to transfer funds to the Group. As the directors considered that the Group was unlikely to recover any of its investment, the resulting impairment loss was recognised in previous years.

Subsequent to the balance sheet date, the administration proceedings were completed and an application was made to wind-up Subfour Limited (see note 45).

19. INVESTMENTS IN ASSOCIATES

	31/12/02	31/12/01
	CU'000	CU'000
Cost of investment	32,920	1,120
Share of post-acquisition profit, net of dividends received	12,140	11,154
	45,060	12,274

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

28(r2000).27(a) 8090(a)

Details of the Group's associates at 31 December 2002 are as follows:

Name of subsidiary	Place of incorporation and operation	Proportion of ownership interest	Proportion of voting power held	Principal activity
Aplus Limited	A Land	30%	30%	Manufacture of electronic equipment
Bplus Limited	D Land	45%	40%	Construction

20. JOINT VENTURES

31(r2000).47 8092

The Group has the following significant interests in joint ventures:

a) a 25 per cent share in the ownership of a property located in Central District, City A. The Group is entitled to a proportionate share of the rental income received and bears a proportionate share of the outgoings.

b) a 33.5 per cent equity shareholding with equivalent voting power, in JV Electronics Limited, a joint venture established in D Land.

31(r2000).47 8093

The following amounts are included in the Group's financial statements as a result of the proportionate consolidation of JV Electronics Limited:

	31/12/02 CU'000	31/12/01 CU'000
Current assets	33,129	46,382
Non-current assets	15,302	38,577
Current liabilities	17,639	15,278
Non-current liabilities	29,214	24,730

	Year ended 31/12/02 CU'000	Year ended 31/12/01 CU'000
Income	8,329	47,923
Expenses	51,702	46,378

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

21. INVESTMENTS IN SECURITIES

Available-for-sale investments

	2002
	CU'000
Fair value at 1 January 2002	25,602
Disposed of in the year	(2,310)
Increase in fair value	251
Fair value at 31 December 2002	23,543

Investments held for trading

	31/12/02	31/12/01
	CU'000	CU'000
Fair value	37,243	29,730

32(r1998).47(a) 8126 The investments included above represent investments in listed equity securities that present the Group with opportunity for return through dividend income and trading gains. They have no fixed maturity or coupon rate. The fair values of these securities are based on quoted market prices.

2(r1993).34(b) 8101(a) 22. INVENTORIES

	31/12/02	31/12/01
	CU'000	CU'000
Raw materials	84,225	80,504
Work-in-progress	2,578	1,893
Finished goods	31,062	26,301
	117,895	108,698

2(r1993).34(c) 8101(b) Included above are raw materials of CU1.2 million (2001: CU0.8 million) and work in progress of CU0.3 million (2001: Nil) carried at net realisable value.

2(r1993).34(f) 8101(e) Inventories with a carrying amount of CU26 million (2001: CU19.3 million) have been pledged as security for certain of the Group's bank overdrafts.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

23. FINANCE LEASE RECEIVABLES

Source	Checklist		Minimum lease payments 31/12/02 CU'000	Minimum lease payments 31/12/01 CU'000	Present value of minimum lease payments 31/12/02 CU'000	Present value of minimum lease payments 31/12/01 CU'000
17(r1997).39(a)	8094(a),(b)	Amounts receivable under finance leases:				
		Within one year	72,526	65,948	54,713	49,674
		In the second to fifth years inclusive	120,875	109,913	114,937	104,489
			193,401	175,861	169,650	154,163
17(r1997).39(b)	8094(c)	Less: unearned finance income	(23,751)	(21,698)	N/A	N/A
		Present value of minimum lease payments receivable	169,650	154,163	169,650	154,163
1(r1997).54	4014	Analysed as:				
		Non-current finance lease receivables (recoverable after 12 months)			114,937	104,489
		Current finance lease receivables (recoverable within12 months)			54,713	49,674
					169,650	154,163

17(r1997).39(f) 32(r1998).47(a) — 8094(g) 8126

The Group enters into finance leasing arrangements for certain of its electronic equipment. The average term of finance leases entered into is 4 years.

17(r1997).39(c) — 8094(d)

Unguaranteed residual values of assets leased under finance leases at the balance sheet date are estimated at CU0.37 million (2001: CU0.25 million).

32(r1998).56 — 8127

The interest rate inherent in the leases is fixed at the contract date for all of the lease term. The weighted average interest rate on finance lease receivables at 31 December 2002 was 11.9 per cent (2001: 12.5 per cent).

32(r1998).77 — 8129

The fair value of the Group's finance lease receivables at 31 December 2002 is estimated at CU182 million (2001: CU163 million).

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

24. OTHER FINANCIAL ASSETS

32(r1998).47(a) 8126

Trade and other receivables at the balance sheet date comprise amounts receivable from the sale of goods of CU83 million (2001: CU112 million), amounts due from construction contract customers of CU25 million (2001: CU17 million), deferred consideration for the disposal of Subsix Limited of CU24 million (see note 38), and currency and interest rate derivatives with a fair value of CU1.4 million (2001: CU0.26 million) (see note 33).

The average credit period taken on sales of goods is 35 days. An allowance has been made for estimated irrecoverable amounts from the sale of goods of CU3.24 million (2001: CU4.39 million). This allowance has been determined by reference to past default experience.

32(r1998).77 8129

The directors consider that the carrying amount of trade and other receivables approximates their fair value.

32(r1998).47(a) 8126
32(r1998).77 8129

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

32(r1998).66 8128

Credit risk

The Group's credit risk is primarily attributable to its trade and finance lease receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables, estimated by the Group's management based on prior experience and their assessment of the current economic environment.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

25. CONSTRUCTION CONTRACTS

Source	Checklist		31/12/02 CU'000	31/12/01 CCU'000
		Contracts in progress at balance sheet date:		
11(r1993).42(a)	8104(a)	Amounts due from contract customers included in trade and other receivables	24,930	17,302
11(r1993).42(b)	8104(b)	Amounts due to contract customers included in accounts payable	(3,587)	(3,904)
			21,343	13,398
11(r1993).40(a)	8103(a)	Contract costs incurred plus recognised profits less recognised losses to date	59,039	33,829
		Less: progress billings	(37,696)	(20,431)
			21,343	13,398

11(r1993).40(b),(c) 8103(b),(c) At 31 December 2002, retentions held by customers for contract work amounted to CU2.3 million (2001: CU1.8 million). Advances received from customers for contract work amounted to CU0.85 million (2001: Nil).

1(r1997).54 4014 At 31 December 2002, amounts of CU4.3 million (2001: CU2.1 million) included in trade and other receivables and arising from construction contracts are due for settlement after more than 12 months.

1(r1997).74(a) 8105

26. SHARE CAPITAL

	31/12/02 CU'000	31/12/01 CU'000
Authorised:		
200 million ordinary shares of par value CU1 each	200,000	200,000
Issued and fully paid:		
120 million ordinary shares of par value CU1 each	120,000	120,000

There were no movements in the share capital of the Company in either the 2002 or 2001 reporting periods.

The Company has one class of ordinary shares which carry no right to fixed income.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

On 14 February 2003, a capitalisation issue of 1 bonus share for every four shares in issue resulted in an increase in issued share capital of CU30 million, and an equivalent reduction in the share premium account.

1(r1997).74(b) 8106
1(r1997).86 5002

27. CAPITAL RESERVES

	Share premium CU'000	Equity reserve CU'000	Total CU'000
Balance at 1 January and 31 December 2001	32,098	-	32,098
Equity component of convertible loan notes issued (see note 32)	-	836	836
Balance at 31 December 2002	32,098	836	32,934

1(r1997).74(b) 8106
1(r1997).86 5002

28. REVALUATION RESERVES

Source	Checklist		Properties revaluation reserve CU'000	Investments revaluation reserve CU'000	Total CU'000
		Balance at 1 January 2001	33,208	5,231	38,439
		Revaluation decrease on land and buildings	(4,049)	-	(4,049)
		Increase in fair value of available-for-sale investments	-	201	201
		Balance at 1 January 2002	29,159	5,432	34,591
16(r1998).64(f)	5003(c)	Revaluation increase on land and buildings	64,709	-	64,709
12(r2000).81(a)	5003(b)	Deferred tax liability on revaluation of land and buildings	(3,699)	-	(3,699)
39(r2000).170(a)	5003(e)	Released on disposal of available-for-sale investments	-	(611)	(611)
39(r2000).170(a)	5003(e)	Increase in fair value of available-for-sale investments	-	251	251
		Balance at 31 December 2002	90,169	5,072	95,241

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

1(r1997).74(b) 8106
1(r1997).86 5002

29. HEDGING AND TRANSLATION RESERVES

Source	Checklist		Hedging reserve CU'000	Translation reserve CU'000	Total CU'000
		Balance at 1 January 2001	1,235	(3,088)	(1,853)
21(r1993).42(b)	5003(f)	Exchange differences arising on translation of overseas operations	-	2,706	2,706
		Increase in fair value of hedging derivatives	550	-	550
		Transfer to income	(895)	-	(895)
		Balance at 1 January 2002	890	(382)	508
21(r1993).42(b)	5003(f)	Exchange differences arising on translation of overseas operations	-	(12,726)	(12,726)
39(r2000).169(c)	8134(a)	Increase in fair value of hedging derivatives	1,723	-	1,723
39(r2000).169(c)	8134(b)	Transferred to income	(995)	-	(995)
39(r2000).169(c)	8134(c)	Transferred to inventories	(218)	-	(218)
		Balance at 31 December 2002	1,400	(13,108)	(11,708)

1(r1997).74(b) 8106
1(r1997).86 5002

30. ACCUMULATED PROFITS

	CU'000
Balance at 1 January 2001	143,607
Dividends paid	(8,040)
Net profit for the year	23,756
Balance at 1 January 2002	159,323
Dividends paid	(5,040)
Net profit for the year	105,457
Balance at 31 December 2002	259,740

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

32(r1998).47(a) 8126
32(r1998).56 8127

31. BANK OVERDRAFTS AND LOANS

	31/12/02	31/12/01
	CU'000	CU'000
Bank overdrafts	51,907	41,909
Bank loans	448,753	535,530
	500,660	577,439
The borrowings are repayable as follows:		
On demand or within one year	111,931	102,537
In the second year	46,727	71,728
In the third to fifth years inclusive	81,076	134,112
After five years	260,926	269,062
	500,660	577,439
Less: Amount due for settlement within 12 months (shown under current liabilities)	(111,931)	(102,537)
Amount due for settlement after 12 months	388,729	474,902

Analysis of borrowings by currency:

31/12/2002	Currency Units	A Currency	B Currency	C Currency
	CU'000	CU'000	CU'000	CU'000
Bank overdrafts	15,182	11,288	18,530	6,907
Bank loans	340,315	108,438	-	-
	355,497	119,726	18,530	6,907
31/12/2001				
Bank overdrafts	3,434	14,282	14,842	9,351
Bank loans	360,791	174,739	-	-
	364,225	189,021	14,842	9,351

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

The average interest rates paid were as follows:

	Year ended 31/12/02	Year ended 31/12/01
Bank overdrafts	8.7%	9.2%
Bank loans	7.8%	8.1%

Bank loans of CU108 million (2001: CU175 million) were arranged at fixed interest rates. Other borrowings are arranged at floating rates.

32(r1998).77 8129 The directors estimate the fair value of the Group's borrowings as follows:

	31/12/02 CU'000	31/12/01 CU'000
Bank overdrafts	51,907	41,909
Bank loans	463,000	540,000

The other principal features of the Group's borrowings are as follows:

(i) Bank overdrafts are repayable on demand. Overdrafts of CU20.9 million (2001: CU15.4 million) have been secured by a charge over the Group's inventories.

(ii) The Group has two principal bank loans:

a) a 20 year loan of CU340 million (2001: CU361 million) repayable by equal monthly instalments commencing 1 May 2001 and secured by a charge over certain of the Group's properties dated 3 March 2001; and

1(r1997).63 4012 b) a loan of CU108 million (2001: CU175 million) secured on certain current and non-current assets of the Group. This loan was advanced on 1 July 2000 and was originally due for repayment in full on 30 June 2003. Subsequent to the balance sheet date, the bank has agreed to reschedule the loan repayments so that they are now payable by instalments through to 3 January 2005. On the basis of the post-year end agreement to reschedule the repayments, the relevant portions of the loan continue to be treated as long-term.

At 31 December 2002, the Group had available CU200 million (2001: CU200 milliion) of undrawn committed borrowing facilities in respect of which all conditions precedent had been met.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

32. CONVERTIBLE LOAN NOTES

32(r1998).47(a) 8126
32(r1998).56 8127

The convertible loan notes were issued on 1 April 2002, and are secured by a personal guarantee of a director. The notes are convertible into ordinary shares of the Company at any time between the date of issue of the notes and their settlement date. On issue, the loan notes were convertible at 18 shares per CU10 loan note. The conversion rate has been adjusted to 22.5 shares per CU10 loan note following the capitalisation issue of shares on 14 February 2003.

If the notes have not been converted, they will be redeemed on 1 April 2004 at par. Interest of 5 per cent will be paid annually up until that settlement date.

The net proceeds received from the issue of the convertible loan notes have been split between the liability element and an equity component, representing the fair value of the embedded option to convert the liability into equity of the Group, as follows:

	CU'000
Nominal value of convertible loan notes issued	25,000
Equity component (net of deferred tax)	(836)
Deferred tax liability	(159)
Liability component at date of issue	24,005
Interest charged	1,260
Interest paid	(938)
Liability component at 31 December 2002	24,327

32(r1998).77 8129

The directors estimate the fair value of the convertible loan notes at 31 December 2002 to be approximately CU23.7 million.

32(r1998).47(a) 8126
32(r1998).56 8127
32(r1998).77 8129

33. DERIVATIVE FINANCIAL INSTRUMENTS

Currency derivatives

The Group utilises currency derivatives to hedge future transactions and cash flows. The Group is party to a variety of foreign currency forward contracts and options in the management of its exchange rate exposures. The instruments purchased are primarily denominated in the currencies of the Group's principal markets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

At the balance sheet date, the Group had contracted to sell the following amounts under forward contracts.

	31/12/02	31/12/01
	CU'000	CU'000
Currency of P Land	497,233	354,782
Others	49,807	48,791
	547,040	403,573

In addition, the Group had options to purchase currency of D Land equivalent to an amount of approximately CU50 million as a hedge against exchange losses on future purchases of goods.

These arrangements are designed to address significant exchange exposures for the first half of 2003, and will be renewed on a revolving basis as required.

At 31 December 2002, the fair value of the Group's currency derivatives is estimated to be approximately CU0.74 million (2001: CU0.46 million). These amounts are based on market values of equivalent instruments at the balance sheet date, comprising CU1.01 million assets included in trade and other receivables and CU0.27 million liabilities included in trade and other payables. The fair value of currency derivatives that are designated and effective as cash flow hedges amounting to CU1.01 million (2001: CU0.63 million) has been deferred in equity.

Amounts of CU0.62 million and CU0.22 million respectively have been transferred to the income statement and inventories in respect of contracts matured during the period.

Changes in the fair value of non-hedging currency derivatives amounting to CU0.1 million have been charged to income in the year (2001: nil).

Interest rate swaps

The Group uses interest rates swaps to manage its exposure to interest rate movements on its bank borrowings. Contracts with nominal values of CU20 million fix interest payments at an average rate of 7 per cent for periods up until 2006.

The fair value of swaps entered into at 31 December 2002 is estimated at CU0.39 million (2001: CU0.26 million). These amounts are based on market values of equivalent instruments at the balance sheet date. All of these interest rate swaps are designated and effective as cash flow hedges and the fair value thereof has been deferred in equity. An amount of CU0.38 million has been offset against hedged interest payments made in the period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

34. DEFERRED TAX

	31/12/02 CU'000	31/12/02 CU'000
Analysis for financial reporting purposes		
Deferred tax liabilities	15,447	6,372
Deferred tax assets	(2,661)	(3,400)
Net position	12,786	2,972

The movement for the year in the Group's net deferred tax position was as follows:

	Year ended 31/12/01 CU'000	Year ended 31/12/01 CU'000
At 1 January	2,972	2,172
Charge to income for the year	6,046	838
Charge to equity for the year	3,858	-
Net liability disposed of on disposal of subsidiary	(189)	-
Net asset acquired on acquisition of subsidiary	(201)	-
Exchange differences	390	(38)
Effect of change in tax rate	(90)	-
At 31 December	12,786	2,972

12(r2000).81(g) 8115(c) The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon during the period:

Deferred tax liabilities

	Accelerated tax depreciation CU'000	Deferred development costs CU'000	Revaluation of properties CU'000	Convertible bond-equity component CU'000	Total CU'000
At 1 January 2002	4,696	-	1,676	-	6,372
Charge to income for the year	4,748	547	-	(52)	5,243
Charge to equity for the year	-	-	3,699	159	3,858
Acquisitions/disposals	(140)	-	-	-	(140)
Exchange differences	317	-	8	-	325
Effect of change in tax rate	(127)	-	(84)	-	(211)
At 31 December 2002	9,494	547	5,299	107	15,447

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

12(r2000).81(g) | 8115(c)

Deferred tax assets

	Retirement benefit obligation	Tax losses	Total
	CU'000	CU'000	CU'000
At 1 January 2002	(2,561)	(839)	(3,400)
Charge to income for the year	214	589	803
Acquisitions/disposals	141	(391)	(250)
Exchange differences	65	-	65
Effect of change in tax rate	97	24	121
At 31 December 2002	(2,044)	(617)	(2,661)

12(r2000).81(e) | 8115(a)

At the balance sheet date, the Group has unused tax losses of CU11.23 million (2001: CU16.53 million) available for offset against future profits. A deferred tax asset has been recognised in respect of CU3.86 million (2001: CU5.08 million) of such losses. No deferred tax asset has been recognised in respect of the remaining CU7.37 million (2001: CU11.45 million) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of CU2.38 million (2001: CU3.29 million) that will expire in 2005. Other losses may be carried forward indefinitely.

12(r2000).81(f) | 8115(b)

At the balance sheet date, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries for which deferred tax liabilities have not been recognised was CU7.9 million (2001: CU6.3 million). No liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

12(r2000).81(f) | 8115(b)

Temporary differences arising in connection with interests in associates and joint ventures are insignificant.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

35. OBLIGATIONS UNDER FINANCE LEASES

Source	Checklist		Minimum lease payments		Present value of minimum lease payments	
			31/12/02	31/12/01	31/12/02	31/12/01
			CU'000	CU'000	CU'000	CU'000
17(r1997).23(b)	8118(b),(c)	Amounts payable under finance leases:				
		Within one year	1,655	2,245	1,470	1,483
		In the second to fifth years inclusive	1,014	1,365	923	1,244
			2,669	3,610	2,393	2,727
		Less: future finance charges	(276)	(883)	N/A	N/A
		Present value of lease obligations	2,393	2,727	2,393	2,727
		Less: Amount due for settlement within 12 months (shown under current liabilities)			(1,470)	(1,483)
1(r1997).54	4014	Amount due for settlement after 12 months			923	1,244

17(r1997).23(e) 8118(f)
32(r1998).47(a) 8126
32(r1998).56 8127

It is the Group's policy to lease certain of its fixtures and equipment under finance leases. The average lease term is 3-4 years. For the year ended 31 December 2002, the average effective borrowing rate was 8.5 per cent. Interest rates are fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

All lease obligations are denominated in Currency Units.

32(r1998).77 8129

The fair value of the Group's lease obligations approximates their carrying amount.

The Group's obligations under finance leases are secured by the lessor's charge over the leased assets.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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36. OTHER FINANCIAL LIABILITIES

32(r1998).47(a) 8126 **Trade and other payables** principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 45 days.

32(r1998).77 8129 The directors consider that the carrying amount of trade payables approximates to their fair value.

In addition, trade and other payables include currency derivative liabilities with a fair value of CU0.27 million (see note 33).

37.84 8156

37. PROVISIONS

	Warranty provision	Restructuring provision	Other	Total
	CU'000	CU'000	CU'000	CU'000
At 1 January 2002	1,572	-	493	2,065
Additional provision in the year	946	14,170	58	15,174
Utilisation of provision	(298)	(8,112)	(279)	(8,689)
At 31 December 2002	2,220	6,058	272	8,550

37.85 8157 The warranty provision represents management's best estimate of the Group's liability under 12 month warranties granted on electrical products, based on past experience and industry averages for defective products.

37.85 8157 The restructuring provision relates to redundancy costs incurred on the disposal of Subsix Limited (see note 5). As at 31 December 2002, approximately 50 per cent of the affected employees had left the Group's employment, with the remainder departing in January 2003.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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38. DISPOSAL OF SUBSIDIARY

As referred to in note 9, on 30 November 2002 the Group discontinued its toy operations at the time of the disposal of its subsidiary Subsix Limited.

Source	Checklist		30/11/02	31/12/01
7(r1992).40(d) 35.31(b)	6011(d) 8026(b)(iii)	The net assets of Subsix Limited at the date of disposal and at 31 December 2001 were as follows:		
35.45	8034		CU'000	CU'000
		Property, plant and equipment	10,125	7,293
		Inventories	11,976	14,247
		Trade receivables	12,264	11,685
7(r1992).40(c)	6011(c)	Bank balances and cash	4,382	1,946
		Retirement benefit obligation	(4,932)	(5,107)
		Deferred tax liability	(189)	-
		Income tax liability	(1,854)	(37)
		Trade payables	(2,387)	(2,104)
		Bank overdraft	(6,398)	(7,200)
		Attributable goodwill	2,958	3,039
			25,945	23,762
		Gain on disposal	8,493	
7(r1992).40(a) 35.31(b)	6011(a) 8026(b)(i)	Total consideration	34,438	
		Satisfied by:		
7(r1992).40(b)	6011(b)	Cash	10,899	
		Deferred consideration	23,539	
			34,438	
		Net cash inflow arising on disposal:		
		Cash consideration	10,899	
		Bank balances and cash disposed of	(4,382)	
			6,517	

35.31(b) 8026(b)(ii) The deferred consideration will be settled in cash by the purchaser on or before 30 May 2003.

27(r2000).32(b)(iv) 8075(d) The impact of Subsix Limited on the Group's results in the current and prior periods is disclosed in note 9.

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

39. ACQUISITION OF SUBSIDIARY

22(r1998).86 8078
22(r1998).87 8079

On 1 August 2002, the Group acquired 100 per cent of the issued share capital of Subfive limited for cash consideration of CU7.9 million. This transaction has been accounted for by the purchase method of accounting.

Source	Checklist		01/08/02 CU'000
7(r1992).40(d)	6011(d)	Net assets acquired:	
		Property, plant and equipment	8,907
		Trademarks	870
		Deferred tax asset	201
		Inventories	2,854
		Trade receivables	12,520
7(r1992).40(c)	6011(c)	Bank and cash balances	4,272
		Retirement benefit obligation	(2,436)
		Trade payables	(21,289)
			5,899
		Goodwill	2,043
7(r1992).40(a)	6011(a)	Total consideration	7,942
7(r1992).40(b)	6011(b)	Satisfied by cash	7,942
		Net cash outflow arising on acquisition:	
		Cash consideration	(7,942)
		Bank balances and cash acquired	4,272
			(3,670)

27(r2000).32(b)(iv) 8075(d)

Subfive Limited contributed CU15.3 million of revenue and CU1.2 million of profit before tax for the period between the date of acquisition and the balance sheet date.

7(r1992).43 6013

40. NON-CASH TRANSACTIONS

Additions to fixtures and equipment during the year amounting to CU1.56 million were financed by new finance leases. Additions of CU4.19 million in 2001 were acquired on deferred payment terms, and were settled in the current period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

37.86 8159

41. CONTINGENT LIABILITIES

During the reporting period, a customer of the Group instigated proceedings against it for alleged defects in an electronic product which, it is claimed, were the cause of a major fire in the customer's premises in February 2002. Total losses to the customer have been estimated at CU29.8 million and this amount is being claimed from the Group.

The Group's lawyers have advised that they do not consider that the suit has merit, and they have recommended that it be contested. No provision has been made in these financial statements as the Group's management do not consider that there is any probable loss.

31(r2000).45 8165

Contingent liabilities arising from interests in joint ventures

	31/12/02 CU'000	31/12/01 CU'000
Guarantees given to banks in respect of bank facilities utilised by jointly controlled entities	22,981	23,023
Share of contingent liabilities of jointly controlled entities arising from bills of exchange discounted with recourse	7,720	5,029
Guarantees given to banks in respect of bank facilities utilised by joint venture partners	5,371	8,209
	36,072	36,261

42. CAPITAL COMMITMENTS

Source	Checklist		31/12/02 CU'000	31/12/01 CU'000
16(r1998).61(d)	8166	Commitments for the acquisition of property, plant and equipment	9,965	20,066

40.66(f) 8167

In addition, the Group has entered into a contract for the maintenance of its investment property for the next 5 years, which will give rise to an annual charge of CU0.12 million.

31(r2000).46 8169

The Group's share of capital commitments of joint ventures at the balance sheet date amounted to CU1.47million (2001: CU0.38 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

43. OPERATING LEASE ARRANGEMENTS

The Group as lessee

Source	Checklist		Year ended 31/12/02 CU'000	Year ended 31/12/01 CU'000
17(r1997).27(c)	8119(c)	Minimum lease payments under operating leases recognised in income for the year	297	283

17(r1997).27(a) 8119(a) At the balance sheet date, the Group had outstanding commitments under non-cancellable operating leases, which fall due as follows:

	31/12/02 CU'000	31/12/01 CU'000
Within one year	309	297
In the second to fifth years inclusive	1,420	1,439
After five years	692	930
	2,421	2,666

17(r1997).27(d) 8119(d) Operating lease payments represent rentals payable by the Group for certain of its office properties. Leases are negotiated for an average term of seven years and rentals are fixed for an average of three years.

17(r1997).48(c) 8095(c) **The Group as lessor**

Property rental income earned during the year was CU0.6 million (2001: CU0.6 million). Certain of the Group's properties held for rental purposes, with a carrying amount of CU3.89 million, have been disposed of since the balance sheet date. The remaining properties are expected to generate rental yields of 10 per cent on an ongoing basis. All of the properties held have committed tenants for the next seven years.

17(r1997).48(a) 8095(a) At the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments:

	31/12/02 CU'000	31/12/01 CU'000
Within one year	810	602
In the second to fifth years inclusive	3,179	3,240
After five years	1,539	2,288
	5,528	6,130

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

44. RETIREMENT BENEFIT PLANS

Defined contribution plans

The Group operates defined contribution retirement benefit plans for all qualifying employees of its construction and leasing divisions in A Land. The assets of the plans are held separately from those of the Group in funds under the control of trustees. Where there are employees who leave the plans prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

The employees of the Group's subsidiary in B Land are members of a state-managed retirement benefit plan operated by the government of B Land. The subsidiary is required to contribute a specified percentage of their payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

19(r2002).46 8144

The total cost charged to income of CU9.8 million (2001: CU7.3 million) represents contributions payable to these plans by the Group at rates specified in the rules of the plans. As at 31 December 2002, contributions of CU0.7 million (2001: CU0.8 million) due in respect of the current reporting period had not been paid over to the plans.

Defined benefit plan

19(r2002).120(b) 8147(a)

The Group operates a defined benefit plan for qualifying employees of its subsidiaries in D Land, and previously for the employees of Subsix Limited. Under the plans, the employees are entitled to retirement benefits varying between 45 and 65 per cent of final salary on attainment of a retirement age of 60. No other post-retirement benefits are provided.

19(r2002).120(f) 8145

Amounts recognised in income in respect of these defined benefit plans are as follows:

	Year ended 31/12/02 CU'000	Year ended 31/12/01 CU'000
Current service cost	16,449	12,297
Interest costs	9,021	7,057
Expected return on plan assets	(10,675)	(9,503)
Net actuarial losses	232	1,309
Past service cost	1,652	1,888
	16,679	13,048

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

19(r2002).120(f) | 8145

The charge for the year has been included in staff costs. *[Where analysis of expenditure in the income statement is by nature]*

OR

Of the charge for the year, CU12.83 million (2001: CU10.03 million) has been included in cost of sales and CU3.85 million (2001: CU3.02 million) has been included in administrative expenses. *[Where analysis of expenditure in the income statement is by function]*

19(r2002).120(g) | 8147(e)

The actual return on plan assets was CU10.32 million (2001: CU9.7 million).

19(r2002).120(c) | 8147(b)

The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit retirement benefit plan is as follows:

	31/12/02	31/12/01
	CU'000	CU'000
Present value of funded obligations	160,512	177,395
Unrecognised actuarial losses	(17,310)	(15,372)
Unrecognised past service cost	(4,181)	(4,721)
Fair value of plan assets	(105,093)	(118,828)
	33,928	38,474

19(r2001).120(e) | 8147(d)

Movements in the net liability in the current period were as follows:

	2002	2001
	CU'000	CU'000
At 1 January	38,474	39,438
Exchange differences	438	(721)
Net liability transferred on disposal of subsidiary	(4,932)	-
Net liability acquired on acquisition of a subsidiary	2,436	-
Amounts charged to income	16,679	13,048
Contributions	(19,167)	(13,291)
At 31 December	33,928	38,474

SOURCE	CHECKLIST	INTERNATIONAL GAAP HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

1(r1997).54 4014

Analysis for financial reporting purposes:

	31/12/02	31/12/01
	CU'000	CU'000
Current liabilities	3,732	4,473
Non-current liabilities	30,196	34,001
	33,928	38,474

19(r2000).120(h) 8147(f)

	Valuation at	
	31/12/02	31/12/01
Key assumptions used:		
Discount rate	7%	7%
Expected return on plan assets	8%	9%
Expected rate of salary increases	5%	5%
Future pension increases	4%	4%

10(r1999).20 8178

45. SUBSEQUENT EVENTS

Subsequent to 31 December 2002, the court administration proceedings relating to Subfour Limited (see note 18) were completed and an application was made to wind-up the company. No further distributions to the Group are anticipated. The Group has no obligation to meet the outstanding liabilities of Subfour Limited.

On 14 February 2003, the Company made a bonus issue of shares (see note 26).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

24.22 8172

46. RELATED PARTY TRANSACTIONS

24.20 8171
1(r1997).102(c) 8001(c)

The holding company and ultimate holding company respectively of the Group are X Holdings Limited (incorporated in M Land) and Y Holdings Limited (incorporated in N Land).

Trading transactions

1(r1997).72 8174

During the year, group companies entered into the following transactions with related parties who are not members of the Group:

	Sales of goods		Purchases of goods		Amounts owed by related parties		Amounts owed to related parties	
	Year ended 31/12/02	Year ended 31/12/01	Year ended 31/12/02	Year ended 31/12/01	31/12/02	31/12/01	31/12/02	31/12/01
	CU'000	CU'000	CU'000	CU'000	CU'000	CU'000	CU'000	CU'000
X Holdings Ltd.	693	582	439	427	209	197	231	139
Subsidiaries of Y Holdings Ltd.	1,289	981	897	883	398	293	149	78
Associates and joint ventures	398	291	-	-	29	142	-	-

Sales of goods to related parties were made at the Group's usual list prices, less average discounts of 5 per cent. Purchases were made at market price discounted to reflect the quantity of goods purchased and the relationships between the parties.

Directors' and executives' remuneration

The remuneration of directors and other members of key management during the year was as follows:

	Year ended 31/12/02	Year ended 31/12/01
	CU'000	CU'000
Salaries	10,681	9,270
Contributions paid to retirement benefit schemes	1,602	1,391
Discretionary bonuses	4,153	2,769
Benefits in kind	949	863
	17,385	14,293

The remuneration of directors and key executives is decided by the remuneration committee having regard to comparable market statistics.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002 - continued

Note:
IAS 24 does not specifically require the disclosure of the remuneration of directors and key management. The Standard acknowledges that disclosures will generally be specified by local laws or stock exchange regulations. However, if there are no such local requirements, the payment of such remuneration constitutes a transaction between the enterprise and a related party and, as such, is prima facie disclosable.

In addition to the above, X Holdings Limited performed certain administrative services for the Company, for which a management fee of CU0.18 million (2001: CU0.16 million) was charged, being an appropriate allocation of costs incurred by relevant administrative departments.

The convertible loan notes issued during the period are secured by a personal guarantee of one of the directors. No charge has been made for this guarantee.

10(r1999).16 8175

47. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board of directors and authorised for issue on 15 March 2003.

REPORT OF THE AUDITORS

Deloitte
Touche
Tohmatsu

(APPROPRIATE ADDRESSEE)

We have audited the accompanying balance sheet of International GAAP Holdings Limited as of 31 December 2002 and the related statements of income, cash flows and changes in equity for the year then ended. These financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on these financial statements based on our audit.

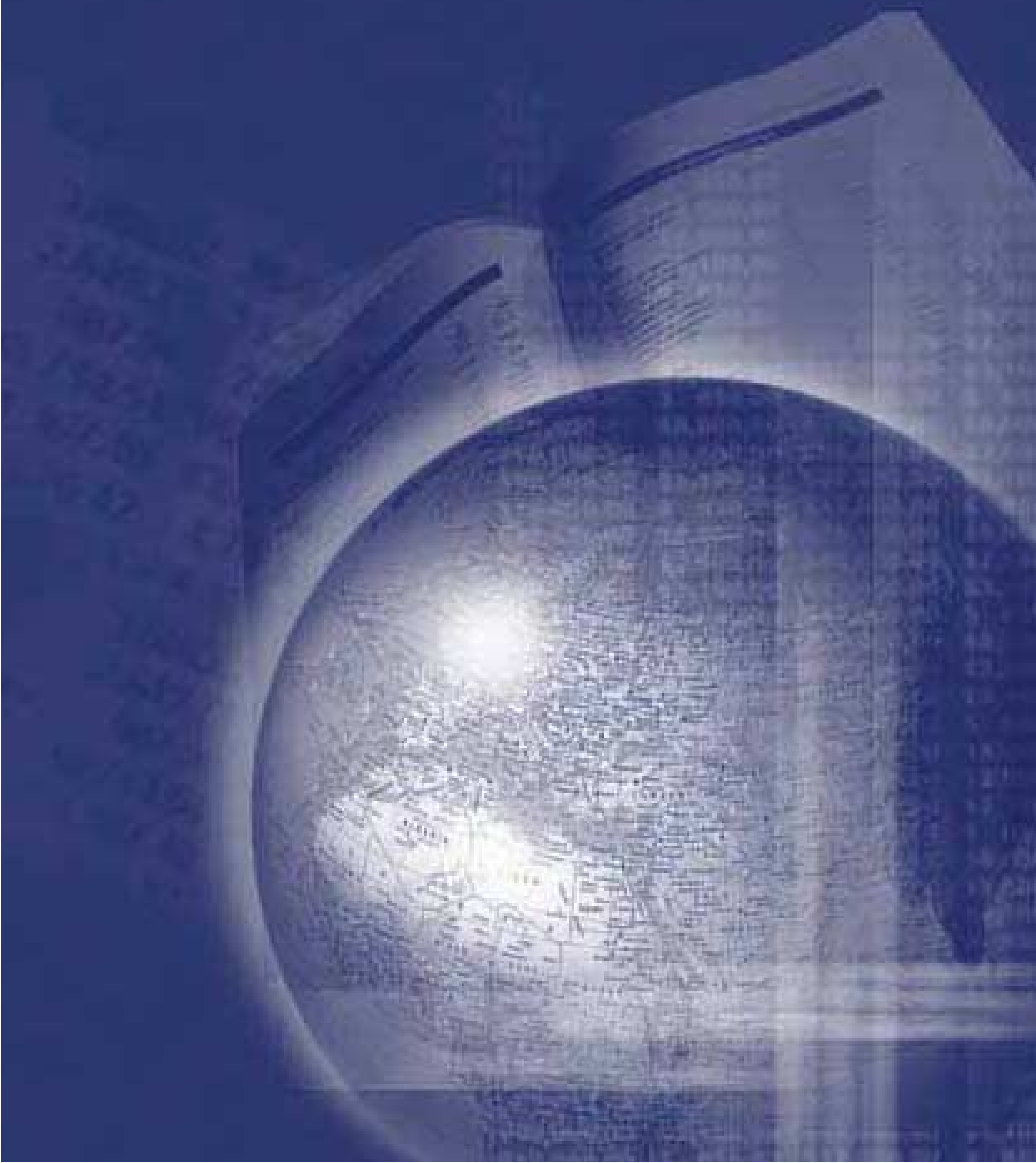
We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Group as of 31 December 2002 and the results of its operations and its cash flows for the year then ended, in accordance with International Financial Reporting Standards.

Deloitte Touche Tohmatsu
15 March 2003

Note:
The audit of the financial statements may be conducted in accordance with International Standards on Auditing (ISA) or applicable local standards, making reference to local laws or regulations. The format of the report above is as specified by ISA 700 The Auditor's Report on Financial Statements. When local auditing standards are used, the report format will be dictated by those local standards.

PRESENTATION AND DISCLOSURE CHECKLIST



INTERNATIONAL FINANCIAL REPORTING STANDARDS PRESENTATION AND DISCLOSURE CHECKLIST

This checklist is intended to aid the user in determining if the presentation and disclosure requirements of International Financial Reporting Standards (IFRS) have been met. It does not address the requirements of IFRS as regards recognition and measurement. [References are made by IAS number, followed by the paragraph number e.g. 40.69 refers to paragraph 69 of IAS 40. For those Standards revised since their original issue, the year of the most recent revision is also noted e.g. 14(r1997).55 refers to paragraph 55 of IAS 14 (Revised 1997).]

The checklist addresses the presentation and disclosure requirements of IFRS in issue at 30 November 2002.

All items in Sections 1 to 8 of the checklist are of general application. Sections 9 to 13 address additional disclosures in general purpose financial statements for banks and similar financial institutions, enterprises reporting the effects of changing prices, enterprises reporting in the currency of a hyper-inflationary economy, and enterprises engaged in agricultural activity.

The checklist does not include the presentation and disclosure requirements of IAS 34 *Interim Financial Reporting* or IAS 26 *Accounting and Reporting by Retirement Benefit Plans.*

CONTENTS

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	The requirements of International Financial Reporting Standards are confined to matters dealt with in the financial statements.	1(r1997).8,9
	However, IAS 1 (r1997) encourages enterprises to present, outside the financial statements, a financial review by management which describes and explains the main features of the enterprise's financial performance and financial position, and the principal uncertainties that it faces.	
	Such a report might include a review of:	
	a) the main factors and influences determining performance, including changes in the environment in which the enterprise operates, the enterprise's response to those changes and their effect, and the enterprise's policy for investment to maintain and enhance performance, including its dividend policy;	
	b) the enterprise's sources of funding, its policy on gearing and its risk management policies; and	
	c) the strengths and resources of the enterprise whose value is not reflected in the balance sheet under IFRS.	
	Enterprises are also encouraged to present additional statements outside the financial statements, such as environmental reports and value added statements, if management believes that they will assist users in making economic decisions.	
	Where the enterprise has significant dealings in financial instruments, IAS 32, Financial Instruments: Disclosure and Presentation, suggests that a discussion of management's policies for controlling the risks associated with such instruments would be helpful. Matters to be addressed might include policies on matters such as hedging of risk exposure, avoidance of undue concentrations of risk, and requirements for collateral to mitigate credit risks.	32(r1998).42

SECTION 2 GENERAL PRINCIPLES OF PRESENTATION

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	COMPONENTS OF FINANCIAL STATEMENTS	
2001	The financial statements should include the following components: a) balance sheet; b) income statement; c) a statement showing either: i) all changes in equity; or ii) changes in equity other than those arising from capital transactions with owners and distributions to owners; d) cash flow statement; and e) accounting policies and explanatory notes.	1(r1997).7
	FAIR PRESENTATION AND COMPLIANCE WITH IFRS	
2002	The financial statements should present fairly the financial position, financial performance and cash flows of the enterprise.	1(r1997).10
2003	The financial statements should disclose the fact that they comply with International Financial Reporting Standards. *Notes:* *1. Financial statements should not be described as complying with IAS/IFRS unless they comply with all of the requirements of each applicable Standard and each applicable Interpretation of the Standing Interpretations Committee.* *2. A particular exemption is permitted in respect of IAS 15, Information Reflecting the Effects of Changing Prices. Arising from the failure to reach international consensus on the disclosure of information reflecting the effects of changing prices, enterprises need not disclose the information required by IAS 15 in order that their financial statements conform with IFRS.* *3. In the period when IFRS are applied in full for the first time as the primary accounting basis, the financial statements of an enterprise should be prepared and presented as if the financial statements had always been prepared in accordance with the Standards and Interpretations effective for the period of first-time application. Therefore, the Standards and Interpretations effective for the period of first-time application should be applied retrospectively, except when:* *a) individual Standards or Interpretations require or permit a different transitional treatment; or* *b) the amount of the adjustment relating to prior periods cannot be reasonably determined.*	1(r1997).11

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Comparative information should be prepared and presented in accordance with IFRS. *Any adjustment resulting from the transition to IFRS should be treated as an adjustment to the opening balance of retained earnings of the earliest period presented in accordance with IFRS.* *When IFRS are applied in full for the first time as the primary accounting basis, an enterprise should apply the transitional provisions of the effective Standards and Interpretations only for periods ending on the dates prescribed in the respective Standards and Interpretations.* ***[SIC 8]***	
2004	In the period when IFRS are applied in full for the first time as the primary accounting basis, the enterprise should disclose: a) where the amount of the adjustment to the opening balance of retained earnings cannot be reasonably determined, that fact; b) where it is impracticable to provide comparative information, that fact and c) for each IAS that permits a choice of transitional accounting policies, the policy selected. *Note:* *In connection with the disclosures required by item 2003 above, enterprises are also encouraged to disclose the fact that IFRS are being applied in full for the first time.* ***[SIC 8.8]***	SIC 8.7
2005	In the extremely rare circumstances where management concludes that compliance with a Standard would be misleading, and therefore that departure is necessary to achieve a fair presentation, the following information should be disclosed: a) the fact that management has concluded that the financial statements fairly present the enterprise's financial position, financial performance and cash flows; b) that applicable Standards have been complied with in all material respects, except for a departure from a Standard in order to achieve a fair presentation; c) i) the Standard from which the enterprise has departed; ii) the nature of the departure (including the treatment that the Standard would require); iii) the reason why that treatment would be misleading in the circumstances; and iv) the treatment adopted; and d) the financial impact of the departure on the enterprise's net profit or loss, assets, liabilities, equity and cash flows for each period presented.	1(r1997).13
2006	When, in accordance with the specific requirements in that Standard, an IFRS is applied before its effective date, that fact should be disclosed.	1(r1997).19

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	GOING CONCERN	
2007	When management is aware, in making its assessment of the enterprise's ability to continue as a going concern, of any material uncertainties related to events or conditions which may cast significant doubt upon the enterprise's ability to continue as a going concern, those uncertainties should be disclosed.	1(r1997).23
2008	When the financial statements are not prepared on a going concern basis, that fact should be disclosed, together with the basis on which the financial statements are prepared and the reason why the enterprise is not considered to be a going concern.	1(r1997).23
	CONSISTENCY OF PRESENTATION	
2009	The presentation and classification of items in the financial statements should be retained from one period to the next, unless: a) a significant change in the nature of the operations of the enterprise or a review of its financial statements presentation demonstrates that the change will result in a more appropriate presentation of events or transactions; or b) a change in presentation is required by an IFRS or by an Interpretation of the Standing Interpretations Committee.	1(r1997).27
	MEASUREMENT/PRESENTATION CURRENCY	
2010	When the measurement currency used for the purposes of preparing the financial statements is different from the currency of the country in which the enterprise is domiciled, the reason for using a different currency should be disclosed.	21(r1993).43 SIC 19.10(a)
2011	When the financial statements are presented in a currency different from the enterprise's measurement currency determined under SIC 19, the following should be disclosed: a) the measurement currency; b) the reason for using a different presentation currency; c) a description of the method used in the translation process; and d) a statement that the measurement currency reflects the economic substance of the underlying events and circumstances of the enterprise.	SIC 19.10(c) SIC 30.8
2012	When financial statements are presented in a currency other than the measurement currency determined under SIC 19, and the measurement currency is the currency of a hyperinflationary economy, the enterprise should disclose the closing exchange rates between the measurement currency and the presentation currency existing at the date of each balance sheet presented, in addition to the disclosures required by IAS 29.39 (see item 11004).	SIC 30.9
2013	The reason for any change in the measurement currency or the presentation currency should be disclosed.	21(r1993).43 SIC 19.10(b)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
2014	When additional information not required by IFRS is displayed in financial statements and in a currency other than the currency used in presenting the financial statements, as a convenience to certain users, the enterprise should: a) clearly identify the information as supplementary information to distinguish it from the information required by IFRS ; b) disclose the measurement currency used to prepare the financial statements and the method of translation used to determine the supplementary information displayed; c) disclose the fact that the measurement currency reflects the economic substance of the underlying events and circumstances of the enterprise and that the supplementary information is displayed in another currency for convenience purposes only; and d) disclose the currency in which the supplementary information is displayed.	SIC 30.10
	MATERIALITY, AGGREGATION AND OFFSETTING	
2015	Each material item should be presented separately in the financial statements.	1(r1997).29
2016	Immaterial items should be aggregated with amounts of a similar nature or function and need not be presented separately.	1(r1997).29
2017	Assets and liabilities should not be offset except when offsetting is required or permitted by another IFRS .	1(r1997).33
2018	Items of income and expense should be offset when, and only when: a) an IFRS requires or permits it; or b) immaterial gains, losses and related expenses arising from the same or similar transactions and events are aggregated.	1(r1997).34
	COMPARATIVE INFORMATION	
2019	Unless an IFRS permits or requires otherwise, comparative information should be disclosed in respect of the previous period for all numerical information in the financial statements.	1(r1997).38
2020	Comparative information should be included for narrative and descriptive information when it is relevant to an understanding of the current year's financial statements.	1(r1997).38

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
2021	When the presentation or classification of items in the financial statements is amended: a) comparative amounts should be reclassified, unless it is impracticable to do so; b) the nature of, amount of, and reason for, any reclassification should be disclosed; and c) when it is not practicable to reclassify comparative amounts, the enterprise should disclose the reason for not doing so, as well as the nature of the changes that would have been made if amounts were reclassified.	1(r1997).40
	STRUCTURE AND CONTENT	
2022	The financial statements should be clearly identified and distinguished from other information in the same published document.	1(r1997).44
2023	Each component of the financial statements should be clearly identified.	1(r1997).46
2024	The following information should be prominently displayed, and repeated when it is necessary for a proper understanding of the information presented: a) the name of the reporting enterprise or other means of identification; b) whether the financial statements cover the individual enterprise or a group of enterprises; c) the balance sheet date or the period covered by the financial statements, whichever is appropriate to the related component of the financial statements; d) the reporting currency; and e) the level of precision used in the presentation of figures (e.g. in thousands or millions of units of the reporting currency).	1(r1997).46
2025	When, in exceptional circumstances, the balance sheet date changes and annual financial statements are presented for a period longer or shorter than one year, the enterprise should disclose: a) the period covered by the financial statements; b) the reason for a period other than one year being used; and c) the fact that comparative amounts for the income statement, changes in equity, cash flows and related notes are not comparable.	1(r1997).49

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	CONTENTS - GENERAL	
3001	All items of income and expense recognised in the period should be included in the determination of the net profit and loss for the period, unless an IFRS requires or permits otherwise.	8(r1993).7
3002	As a minimum, the face of the income statement should include line items which present the following amounts: a) revenue; b) the results of operating activities; c) finance costs; d) share of profits and losses of associates and joint ventures accounted for using the equity method; e) tax expense/income tax related to profit or loss from ordinary activities; f) profit or loss from ordinary activities; g) extraordinary items; h) minority interest; and i) net profit or loss for the period.	1(r1997).75 8(r1993).10 12(r2000).77 27(r2000).26
3003	Additional line items, headings and sub-totals should be presented on the face of the income statement when required by an IFRS , or when such presentation is necessary to present fairly the enterprise's financial performance.	1(r1997).75
3004	In respect of discontinuing operations, the amount of the pre-tax gain or loss recognised on the disposal of assets or settlement of liabilities attributable to a discontinuing operation should be disclosed on the face of the income statement.	35.39
3005	The investor's share of the profits or losses of associates accounted for using the equity method should be disclosed as a separate item in the income statement.	28(r2000).28
	ANALYSIS OF EXPENSES	
3006	The financial statements should present, either on the face of the income statement or in the notes to the income statement, an analysis of expenses using a classification based on either the nature of the expenses (staff costs, depreciation etc.) or their function within the enterprise (cost of sales, distribution costs, administrative expenses etc.).	1(r1997).77
3007	When expenses are classified by function, additional information should be disclosed on the nature of expenses, including depreciation and amortisation expense, and staff costs.	1(r1997).83

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	EARNINGS PER SHARE	
	Note: *IAS 33, Earnings Per Share, applies to enterprises whose ordinary shares or potential ordinary shares are publicly traded, to enterprises in the process of issuing ordinary shares or potential ordinary shares in public securities markets, and to any other enterprise which discloses earnings per share. When both parent and consolidated financial statements are presented, earnings per share information need be presented only on the basis of consolidated information.*	
3008	Basic and diluted earnings/(loss) per share should be presented on the face of the income statement (with equal prominence for all periods presented) for each class of ordinary shares that has a different right to share in the net profit for the period.	33.47,48
3009	The enterprise should disclose the following: a) the amounts used as the numerators in calculating basic and diluted earnings per share, and a reconciliation of those amounts to the net profit or loss for the period; and b) the weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share, and a reconciliation of those denominators to each other.	33.49
3010	If additional per share amounts are presented: a) where a reported component of net profit other than net profit or loss for the period attributable to ordinary shareholders is used as the numerator, the per share amounts should be calculated using the weighted average number of ordinary shares determined in accordance with IAS 33; b) where the numerator is a component of net profit which is not reported as a line item in the income statement, a reconciliation should be provided between the component used and a line item which is reported in the income statement; and c) basic and diluted per share amounts should be presented with equal prominence.	33.51

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
3011	The calculation of the basic and diluted earnings per share for all periods presented should be adjusted retrospectively for: a) any increases in the number of shares or potential ordinary shares outstanding during the period as a result of a capitalisation or bonus issue or share split; b) any decreases in the number of shares or potential ordinary shares outstanding during the period as a result of a reverse share split; c) any such increases or decreases that occur after the balance sheet date but before the issue of the financial statements; d) the effects of fundamental errors reported by adjusting the opening balance of retained earnings; e) any adjustments resulting from changes in accounting policies which have been applied retrospectively; and f) the effects of a business combination which is a uniting of interests.	33.43
3012	Where applicable, the fact should be disclosed that per share calculations have been adjusted retrospectively to reflect increases/decreases in the number of ordinary or potential ordinary shares outstanding arising from capitalisation issues or share splits/reverse share splits.	33.43

SECTION 4 BALANCE SHEET

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	CONTENTS - GENERAL	
4001	As a minimum, the face of the balance sheet should include line items which present the following amounts: a) property, plant and equipment; b) intangible assets; c) financial assets (excluding amounts under (d), (f) and (g)); d) investments accounted for using the equity method; e) inventories; f) trade and other receivables; g) cash and cash equivalents; h) trade and other payables; i) tax liabilities/assets as required by IAS 12 (r2000) *Income Taxes*; j) provisions; k) non-current interest-bearing liabilities; l) minority interest; and m) issued capital and reserves.	1(r1997).66
4002	Additional line items, headings and sub-totals should be presented on the face of the balance sheet where an IFRS requires it, or when such presentation is necessary to present fairly the enterprise's financial position.	1(r1997).67
4003	An enterprise should disclose, either on the face of the balance sheet or in the notes, further sub-classifications of the line items presented, classified by the nature of the items, in a manner appropriate to the enterprise's operations.	1(r1997).72
4004	Investments in associates accounted for using the equity method should be classified as long-term assets and disclosed as a separate item in the balance sheet.	28(r2000).28
4005	Minority interests should be presented in the consolidated balance sheet separately from liabilities and the parent shareholders' equity.	27(r2000).26
	CURRENT/NON-CURRENT DISTINCTION	
4006	Each enterprise should determine, based on the nature of its operations, whether or not to present current and non-current assets, and current and non-current liabilities as separate classifications on the face of the balance sheet.	1(r1997).53
4007	Where current and non-current assets, and current and non-current liabilities, are not presented as separate classifications on the face of the balance sheet, assets and liabilities should be presented broadly in order of their liquidity.	1(r1997).53

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
4008	An asset should be classified as a current asset when: a) it is expected to be realised in, or is held for sale or consumption in, the normal course of the enterprise's operating cycle; or b) it is held primarily for trading purposes or for the short-term, and is expected to be realised within 12 months of the balance sheet date; or c) it is cash or a cash equivalent asset which is not restricted in its use.	1(r1997).57
4009	All assets, other than those meeting one of the criteria outlined in item 4008 above, should be classified as non-current assets.	1(r1997).57
4010	A liability should be classified as a current liability when: a) it is expected to be settled in the normal course of the enterprise's operating cycle; or b) it is due to be settled within 12 months of the balance sheet date.	1(r1997).60
4011	All liabilities, other than those meeting one of the criteria outlined in item 4010 above, should be classified as non-current liabilities.	1(r1997).60
4012	An enterprise should continue to classify its long-term interest-bearing liabilities as non-current, even when they are due to be settled within 12 months of the balance sheet date, if: a) the original term was for a period of more than 12 months; b) it is intended to refinance the obligation on a long-term basis; and c) that intention is supported by an agreement to refinance, or to reschedule payments, which is completed before the financial statements are authorised for issue.	1(r1997).63
4013	The amount of any liability that has been excluded from current liabilities in accordance with item 4012 above should be disclosed in the notes to the financial statements, together with information in support of this presentation.	1(r1997).63
4014	Irrespective of whether the enterprise presents current and non-current assets, and current and non-current liabilities, separately, for each asset and liability item that combines amounts expected to be recovered or settled both before and after 12 months, the enterprise should disclose the amount expected to be recovered or settled after more than 12 months.	1(r1997).54

SECTION 5 STATEMENT OF CHANGES IN EQUITY

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Note: *IAS 1(r1997) acknowledges that the requirement to present a statement of changes in equity can be met in a number of ways. The approach adopted in many jurisdictions follows a columnar format, which reconciles between the opening and closing balances of each element within shareholders' equity, encompassing all of the items listed at 5001 and 5002 below. An alternative is to present a separate component of the financial statements which presents only the items specified by 5001 below. Under this approach, the items described in 5002 are shown in the notes to the financial statements. Both approaches are illustrated in the appendix to IAS 1 (r1997). Whichever approach is adopted, a sub-total of the items specified by 5001(b) is required, in order to enable users to derive the total gains and losses arising from the enterprise's activities during the period.*	
5001	An enterprise should present, as a separate component of the financial statements, a statement showing:	
	a) the net profit or loss for the period;	1(r1997).86(a)
	b) each item of income and expense, gain or loss which, as required by other Standards, is recognised directly in equity, and the total of those items; and	1(r1997).86(b)
	c) the cumulative effect of changes in accounting policy and the correction of fundamental errors dealt with under the benchmark treatments of IAS 8.	1(r1997).86(c)
5002	The following items should be presented, either within the statement referred to in item 5001, or in the notes to the financial statements:	
	a) capital transactions with owners and distributions to owners;	1(r1997).86(d)
	b) the balance of accumulated profit or loss at the beginning of the period and at the balance sheet date, and movements for the period; and	1(r1997).86(e)
	c) a reconciliation between the carrying amount of each class of equity capital, share premium and each reserve at the beginning and end of the period, separately disclosing each movement.	1(r1997).86(f)
5003	The following amounts charged or credited directly to equity should be separately disclosed (as required by specific Standards):	
	a) the aggregate current tax relating to items that are charged or credited to equity;	12(r2000).81(a)
	b) the aggregate deferred tax relating to items that are charged or credited to equity;	12(r2000).81(a)
	c) the revaluation surplus arising on property, plant and equipment, indicating the movement for the period and any restrictions on the distribution of the balance to shareholders;	16(r1998).64(f)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	d) the amount of the revaluation surplus that relates to intangible assets at the beginning and end of the period, indicating the changes during the period and any restrictions on the distribution of the balance to shareholders;	38.113(b)
	e) the amount recognised in equity in the period for gains/losses from remeasuring available-for-sale financial assets to fair value, and the amount that was removed from equity and reported in net profit or loss for the period;	39(r2000).170(a)
	f) the net exchange difference classified as equity, and a reconciliation of the amount of such exchange differences at the beginning and end of the period;	21(r1993).42(b)
	g) the amount of reductions to equity for treasury shares held; and	SIC 16.6
	h) the amount of transaction costs accounted for as a deduction from equity in the period.	SIC 17.9

SECTION 6 CASH FLOW STATEMENT

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
6001	A cash flow statement should be presented as an integral part of the financial statements for each period for which financial statements are presented.	7(r1992).1
	CLASSIFICATION OF CASH FLOWS	
6002	The cash flow statement should report cash flows during the period classified by operating, investing and financing activities.	7(r1992).10
6003	The enterprise should report cash flows from operating activities using either: a) the direct method, whereby major classes of gross cash receipts and gross cash payments are disclosed; or b) the indirect method, whereby net profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.	7(r1992).18
6004	Major classes of gross cash receipts and gross cash payments arising from investing and financing activities should be separately reported, except to the extent that they are specifically permitted by the Standard to be presented on a net basis. *Notes:* *The following classes of cash flow may be reported on a net basis:* *a) cash flows arising from the following operating, investing or financing activities:* *i) cash receipts and payments on behalf of customers when the cash flows reflect the activities of the customer rather than those of the enterprise; and* *ii) receipts and payments for items in which the turnover is quick, the amounts are large, and the maturities are short; and* *b) cash flows arising from each of the following activities of a financial institution:* *i) cash receipts and payments for the acceptance and repayment of deposits with a fixed maturity date;* *ii) the placement of deposits with and withdrawal of deposits from other financial institutions; and* *iii) cash advances and loans made to customers and the repayment of those advances and loans.*	7(r1992).21,22,24

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	EXTRAORDINARY ITEMS	
6005	The cash flows associated with extraordinary items should be classified as arising from operating, investing or financing activities as appropriate and separately disclosed.	7(r1992).29
	INTEREST AND DIVIDENDS	
6006	Cash flows from interest and dividends received and paid should each be disclosed separately.	7(r1992).31
6007	Cash flows from interest and dividends received and paid should each be classified in a consistent manner from period to period as either operating, investing or financing activities.	7(r1992).31
	TAXES ON INCOME	
6008	Cash flows arising from taxes on income should be separately disclosed.	7(r1992).35
6009	Cash flows arising from taxes on income should be classified as cash flows from operating activities unless they can be specifically identified with financing or investing activities.	7(r1992).35
	Note: *When tax cash flows are allocated over more than one class of activity, the total amount of taxes paid should be disclosed.*	7(r1992).36
	ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND OTHER BUSINESS UNITS	
6010	The aggregate cash flows arising from acquisitions and disposals of subsidiaries or other business units should be presented separately and classified as investing activities.	7(r1992).39
6011	The following information should be disclosed, in aggregate, in respect of both acquisitions and disposals of subsidiaries or other business units during the period: a) the total purchase or disposal consideration; b) the portion of the purchase or disposal consideration discharged by means of cash and cash equivalents; c) the amount of cash and cash equivalents in the subsidiary or business unit acquired or disposed of; and d) the amounts of the assets and liabilities other than cash or cash equivalents in the subsidiary or business unit acquired or disposed of, summarised by major category.	7(r1992).40
	NON-CASH TRANSACTIONS	
6012	Investing and financing transactions that do not require the use of cash or cash equivalents should be excluded from the cash flow statement.	7(r1992).43

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
6013	Investing and financing transactions that do not require the use of cash or cash equivalents should be disclosed elsewhere in the financial statements in a manner that provides all of the relevant information about those investing and financing activities.	7(r1992).43
	OTHER DISCLOSURES	
6014	The components of cash and cash equivalents should be disclosed.	7(r1992).45
6015	A reconciliation should be presented of the amounts of the components of cash and cash equivalents in the cash flow statement with the equivalent items reported in the balance sheet.	7(r1992).45
6016	The enterprise should disclose the amount of significant cash and cash equivalent balances held by the enterprise that are not available for use by the group, together with a commentary by management.	7(r1992).48

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	GENERAL REQUIREMENTS	
7001	The notes to the financial statements should present information about the basis of preparation of the financial statements and the specific accounting policies selected and applied for significant transactions and events.	1(r1997).91(a)
7002	The accounting policies section of the notes should describe:	1(r1997).97
	a) the measurement bases used in preparing the financial statements; and	
	b) each specific accounting policy that is necessary for a proper understanding of the financial statements.	
	POLICIES REQUIRED TO BE DISCLOSED BY SPECIFIC STANDARDS	
7003	The following accounting policies should be disclosed, as required by specific Standards:	
	a) Subsidiaries	
	- in the parent's separate financial statements, the method used to account for subsidiaries.	27(r2000).32(c)
	b) Associates	
	- the methods used to account for investments in associates.	28(r2000).27(b)
	c) Goodwill	
	- the amortisation period adopted;	22(r1998).88(a)
	- if goodwill is amortised over more than 20 years:	22(r1998).88(b)
	i) the justification for rebuttal of the presumption that the useful life of goodwill will not exceed 20 years from initial recognition; and	
	ii) a description of the factor(s) that played a significant role in determining the life of goodwill;	
	- if goodwill is not amortised on a straight-line basis, the basis used and the reason why that basis is more appropriate than the straight-line basis; and	22(r1998).88(c)
	- the line item(s) of the income statement in which the amortisation of goodwill is included.	22(r1998).88(d)
	d) Negative goodwill	
	- the period(s) over which negative goodwill is recognised as income; and	22(r1998).91(b)
	- the line item(s) of the income statement in which negative goodwill is recognised as income.	22(r1998).91(c)
	e) Goodwill and fair value adjustments	
	- the method selected in accordance with IAS 21 (r1993) (see below) to translate goodwill and fair value adjustments arising on the acquisition of a foreign entity.	21(r1993).45

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Notes: *IAS 21(r1993), paragraph 33 states that goodwill and fair value adjustments to the carrying amounts of assets and liabilities are treated either:* *i) as assets and liabilities of the foreign entity and translated at the closing rate in accordance with IAS 21(r1993), paragraph 30; or* *ii) as assets and liabilities of the reporting entity, which either are already expressed in the reporting currency or are non-monetary foreign currency items reported using the exchange rate at the transaction date in accordance with IAS 21(r1993), paragraph 11(b).*	
	f) Revenue	
	- the accounting policies adopted for the recognition of revenue, including the methods adopted to determine the stage of completion of transactions involving the rendering of services.	18(r1993).35(a)
	g) Construction contracts	
	- the methods used to determine the contract revenue recognised in the period; and	11(r1993).39(b)
	- the methods used to determine the stage of completion of contracts in progress.	11(r1993).39(c)
	h) Borrowing costs	
	- the accounting policy adopted for borrowing costs.	23(r1993).29(a)
	i) Government grants	
	- the accounting policy adopted for government grants, including the methods of presentation adopted in the financial statements.	20.39(a)
	j) Retirement benefit costs	
	- for defined benefit plans, the enterprise's accounting policy for recognising actuarial gains and losses.	19(r2002).120(a)
	k) Equity compensation plans	
	- the accounting policy for equity compensation plans.	19(r2002).147(b)
	l) Property, plant and equipment - for each class of asset	
	- the measurement basis used for determining the gross carrying amount;	16(r1998).60(a)
	- the depreciation methods used;	16(r1998).60(b)
	- the useful lives or the depreciation rates used; and	16(r1998).60(c)
	- the accounting policy for the estimated costs of restoring the site of items of property, plant or equipment.	16(r1998).61(b)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	m) Investment property carried at cost less accumulated depreciation:	
	- the depreciation methods used; and	40.69(a)
	- the useful lives or the depreciation rates used.	40.69(b)
	n) Intangible assets - for each class of asset, distinguishing between internally-generated intangible assets and other intangible assets:	
	- the useful lives or the amortisation rates used;	38.107(a)
	- the amortisation methods used;	38.107(b)
	- the line item(s) of the income statement in which the amortisation of intangible assets is included;	38.107(d)
	- if an intangible asset is amortised over more than 20 years:	38.111(a)
	i) the justification for rebuttal of the presumption that the useful life of an intangible asset will not exceed 20 years from the date when the asset is available for use; and	
	ii) a description of the factor(s) that played a significant role in determining the useful life of the asset; and	
	- for intangible assets acquired by way of a government grant and initially recognised at fair value, whether they are carried under the benchmark or the allowed alternative treatment for subsequent measurement.	38.111(c)(iii)
	o) Inventories	
	- the accounting policies adopted in measuring inventories, including the cost formula used.	2(r1993).34(a)
	p) Financial instruments	
	- the accounting policies and methods adopted for each class of financial asset, financial liability and equity instrument, both recognised and unrecognised, including the criteria for recognition and the basis of measurement applied;	32(r1998).47(b)
	- the methods and significant assumptions (separately for each significant class of financial asset) applied in estimating fair values for the financial assets and liabilities that are carried at fair value;	39(r2000).167(a)
	- whether gains and losses arising from changes in the fair value of available-for-sale financial assets carried at fair value are included in net income for the period or are recognised directly in equity until the financial asset is disposed of ; and	39(r2000).167(b)
	- for each category of financial assets defined in IAS 39(r2000), whether 'regular way' purchases and sales of financial assets are accounted for at trade date or settlement date.	39(r2000).167(c)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	CHANGES IN ACCOUNTING POLICIES	
7004	Where the benchmark treatment is adopted for changes in accounting policies, and a change in accounting policy has a material effect on the current period or any prior period presented, or may have a material effect in subsequent periods, the following should be disclosed: a) the reasons for the change; b) the amount of the adjustment for the current period and for each period presented; c) the amount of the adjustment relating to periods prior to those included in the comparative information; and d) the fact that comparative information has been restated or that it is impracticable to do so.	8(r1993).53
7005	Where the allowed alternative treatment is adopted for changes in accounting policies, and a change in accounting policy has a material effect on the current period or any prior period presented, or may have a material effect in subsequent periods, the following should be disclosed: a) the reasons for the change; b) the amount of the adjustment recognised in net profit or loss in the current period; c) additional proforma information prepared in accordance with the benchmark treatment; d) the amount of the adjustment included in each period for which proforma information is presented and the amount of the adjustment relating to periods prior to those included in the financial statements; and e) where it is impracticable to present proforma information, a statement of that fact.	8(r1993).54,57

SECTION 8 EXPLANATORY NOTES

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	GENERAL	
8001	The following details should be disclosed in the financial statements, if they are not disclosed elsewhere in information published with the financial statements: a) the domicile and legal form of the enterprise, its country of incorporation and registered office address (or principal place of business, if different from the registered office); b) a description of the nature of the enterprise's operations and its principal activities; c) the name of the parent enterprise and the ultimate parent enterprise of the group; and d) either the number of employees at the end of the period, or the average for the period.	1(r1997).102
8002	The notes to the financial statements should: a) disclose the information required by IFRS that is not presented elsewhere in the financial statements; and b) provide additional information that is not presented on the face of the financial statements, but which is necessary for a fair presentation.	1(r1997).91(b), (c)
8003	The notes to the financial statements should be presented in a systematic manner, with each item on the face of the balance sheet, income statement and cash flow statement cross-referenced to any related information in the notes.	1(r1997).92
	FUNDAMENTAL ERRORS	
8004	Where the benchmark treatment is adopted for fundamental errors, the following should be disclosed: a) the nature of the fundamental error; b) the amount of the correction for the current period and for each prior period presented; c) the amount of the correction relating to periods prior to those included in the comparative information; and d) the fact that comparative information has been restated or that it is impracticable to do so.	8(r1993).37

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
8005	Where the allowed alternative treatment is adopted for fundamental errors, the following should be disclosed: a) the nature of the fundamental error; b) the amount of the correction recognised in net profit or loss for the current period; c) additional proforma information prepared in accordance with the benchmark treatment; d) unless it is impracticable to do so, the amount of the correction included in each period for which proforma information is presented and the amount of the correction relating to periods prior to those included in the proforma information; and e) where it is impracticable to present proforma information, a statement of that fact.	8(r1993).38,40
	CHANGES IN ACCOUNTING ESTIMATES	
8006	The effect of a change in an accounting estimate should be included in the same income statement classification as was used previously for the estimate.	8(r1993).28
8007	The nature and, unless it is impracticable to do so, the amount of a change in accounting estimate that has a material effect in the current period, or which is expected to have a material effect in subsequent periods, should be disclosed.	8(r1993).30
8008	If it is impracticable to quantify the amount of a change in accounting estimate that has a material effect in the current period, or which is expected to have a material effect in subsequent periods, that fact should be disclosed.	8(r1993).30
8009	If an estimate of an amount reported in an interim period is changed significantly during the final interim period of the financial year, but a separate financial report is not issued for that final interim period, the nature and amount of that change in estimate should be disclosed in a note to the annual financial statements for that financial year.	34.26
	SEGMENT REPORTING	
	Notes: *1. IAS 14 (r1997), Segment Reporting, applies to enterprises whose equity or debt securities are publicly traded, to enterprises that are in the process of issuing equity or debt securities in public securities markets, and to any other enterprise that voluntarily discloses segment information.* *2. When both parent and consolidated financial statements are presented, segment information need be presented only on the basis of the consolidated financial statements. When separate financial statements of an equity method associate or joint venture are included in the financial report of the investing enterprise, segment information need be presented only on the basis of the investing enterprise's financial statements. If any subsidiary or equity method associate or joint venture is itself an enterprise whose securities are publicly traded, it should present segment information in its own financial report.*	

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
8010	The following disclosures should be made for each reportable segment based on the enterprise's primary reporting format:	14(r1997).50
	a) segment revenue, separately distinguishing segment revenue from sales to external customers and segment revenue from transactions with other segments;	14(r1997).51
	b) segment result;	14(r1997).52
	c) total carrying amount of segment assets;	14(r1997).55
	d) segment liabilities;	14(r1997).56
	e) total cost incurred during the period to acquire segment assets that are expected to be used during more than one period (property, plant, equipment, and intangible assets); *Note:* *This information should be presented on an accrual basis, not a cash basis.*	14(r1997).57
	f) total amount of expense included in segment results for depreciation and amortisation of segment assets for the period;	14(r1997).58
	g) total amount of significant non-cash expenses, other than depreciation and amortisation, that are included in segment expense and, therefore, deducted in measuring segment result;	14(r1997).61
	h) the aggregate of the enterprise's share of the net profit or loss of associates, joint ventures, or other investments accounted for under the equity method, if substantially all of those operations are within that single segment; and	14(r1997).64
	i) where the group's share of results of associates and joint ventures is disclosed under (h) above, the aggregate investments in those associates and joint ventures.	14(r1997).66
	Notes: 1. *Enterprises are encouraged, but not required, to disclose the nature and amount of any items of segment revenue and segment expense that are of such size, nature or incidence that their disclosure is relevant to explain the performance of each reportable segment for the period.*	14(r1997).59
	2. *An enterprise that provides the segment cash flow disclosures that are encouraged by IAS 7 (r1992) need not also disclose depreciation and amortisation expenses or non-cash expenses pursuant to (f) and (g) above.*	14(r1997).63
8011	The enterprise should disclose the following for each reportable segment based on its primary format:	36.116
	a) the amount of impairment losses recognised in the income statement and directly in equity during the period; and	
	b) the amount of reversals of impairment losses recognised in the income statement and directly in equity during the period.	

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
8012	The enterprise should present a reconciliation between the information disclosed for reportable segments and the aggregated information in the consolidated or enterprise financial statements, including: a) segment revenue reconciled to enterprise revenue from external customers (including disclosure of the amount of enterprise revenue from external customers not included in any segment's revenue); b) segment result reconciled to a comparable measure of enterprise operating profit or loss as well as to enterprise net profit or loss; c) segment assets reconciled to enterprise assets; and d) segment liabilities reconciled to enterprise liabilities.	14(r1997).67
8013	If the enterprise's primary format for reporting segment information is business segments, it should also report the following information: a) segment revenue from external customers, by geographical area, based on the geographical location of its customers, for each geographical segment whose revenue from sales to external customers is 10 per cent or more of total enterprise revenue from sales to all external customers; b) the total carrying amount of segment assets, by geographical location of assets, for each geographical segment whose segment assets are 10 per cent or more of the total assets of all geographical segments; and c) the total cost incurred during the period to acquire segment assets that are expected to be used during more than one period (property, plant, equipment, and intangible assets), by geographical location of assets, for each geographical segment whose segment assets are 10 per cent or more of the total assets of all geographical segments.	14(r1997).69
8014	If the enterprise's primary format for reporting segment information is geographical segments (whether based on location of assets or location of customers), it should also report the following segment information for each business segment whose revenue from sales to external customers is 10 per cent or more of total enterprise revenue from sales to all external customers or whose segment assets are 10 per cent or more of the total assets of all business segments: a) segment revenue from external customers; b) the total carrying amount of segment assets; and c) the total cost incurred during the period to acquire segment assets that are expected to be used during more than one period (property, plant, equipment, and intangible assets).	14(r1997).70
8015	If the enterprise's primary format for reporting segment information is geographical segments that are based on location of assets, and if the location of its customers is different from the location of its assets, then it should also report revenue from sales to external customers for each customer-based geographical segment whose revenue from sales to external customers is 10 per cent or more of total enterprise revenue from sales to all external customers.	14(r1997).71

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
8016	If the enterprise's primary format for reporting segment information is geographical segments that are based on location of customers, and if the enterprise's assets are located in different geographical areas from its customers, then it should also report the following segment information for each asset-based geographical segment whose revenue from sales to external customers or segment assets are 10 per cent or more of related consolidated or total enterprise amounts: a) the total carrying amount of segment assets by geographical location of the assets; and b) the total cost incurred during the period to acquire segment assets that are expected to be used during more than one period (property, plant, equipment, and intangible assets) by location of the assets.	14(r1997).72
8017	If a business segment or geographical segment for which information is reported to the board of directors and chief executive officer is not a reportable segment because it earns a majority of its revenue from sales to other segments, but nonetheless its revenue from sales to external customers is 10 per cent or more of total enterprise revenue from sales to all external customers, the enterprise should disclose: a) the fact that these circumstances exist; b) the amount of revenue from sales to external customers; and c) the amount of revenue from internal sales to other segments.	14(r1997).74
8018	For inter-segment transfers: a) segment revenue from transactions with other segments should be measured and reported on the basis actually used to price those transfers; and b) the basis of pricing inter-segment transfers and any change therein should be disclosed.	14(r1997).75
8019	Where changes in accounting policies are adopted for segment reporting that have a material effect on segment information: a) prior period segment information presented for comparative purposes should be restated unless it is impracticable to do so; and b) details of the change should be disclosed, including: i) a description of the nature of the change; ii) the reasons for the change; iii) the fact that comparative information has been restated or that it is impracticable to do so; and iv) the financial effect of the change, if it is reasonably determinable.	14(r1997).76

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
8020	If the enterprise changes the identification of its segments and it does not restate prior period segment information on the new basis because it is impracticable to do so then, for the purpose of comparison, the enterprise should report segment data for both the old and the new bases of segmentation in the year in which it changes the identification of its segments.	14(r1997).76
8021	If not otherwise disclosed in the financial statements or elsewhere in the financial report, the enterprise should indicate, for both primary and secondary segments: a) the types of products and services included in each reported business segment; and b) the composition of each reported geographical segment.	14(r1997).81
	REVENUE	
8022	The following items should be disclosed: a) the amount of each significant category of revenue recognised during the period including revenue arising from: i) the sale of goods; ii) the rendering of services; iii) interest; iv) royalties; and v) dividends; and b) the amount of revenue arising from exchanges of goods or services in each significant category of revenue.	18(r1993).35(b)
8023	The enterprise should disclose the amount of revenue arising on construction contracts recognised as revenue in the period.	11(r1993).39(a)
	DISCONTINUING OPERATIONS	
8024	The following information should be disclosed relating to a discontinuing operation, beginning with the financial statements for the period in which the initial disclosure event occurs: a) a description of the discontinuing operation; b) the business or geographical segment(s) in which it is reported in accordance with IAS 14 (r1997) *Segment Reporting;* c) the date and nature of the initial disclosure event; d) if known or determinable, the date or period in which the discontinuance is expected to be completed; e) the carrying amounts, as of the balance sheet date, of the total assets and the total liabilities to be disposed of;	35.27

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	f) the amounts of revenue, expenses and pre-tax profit or loss from ordinary activities attributable to the discontinuing operation during the current financial reporting period, and the income tax expense relating thereto; and	
	g) the amounts of net cash flows attributable to the operating, investing and financing activities of the discontinuing operation during the current financial reporting period.	
8025	Where an initial disclosure event has occurred after the end of the enterprise's financial reporting period, but before the financial statements for that period are authorised for issue, the financial statements should include the disclosures specified in item 8024 above for the period covered by those financial statements.	35.29
8026	If the enterprise has disposed of assets or settled liabilities attributable to a discontinuing operation or entered into binding agreements for the sale of such assets, or the settlement of such liabilities, the following information should be included in the financial statements when the events occur:	35.31
	a) for any gain or loss that is recognised on the disposal of assets or settlement of liabilities attributable to the discontinuing operation:	
	i) the amount of the pre-tax gain or loss; and	
	ii) the income tax expense relating to the gain or loss; and	
	b) for those net assets for which the enterprise has entered into one or more binding sale agreements:	
	i) the net selling price or range of prices (which is after deducting the expected disposal costs);	
	ii) the expected timing of receipt of those cash flows; and	
	iii) the carrying amount of those net assets.	
8027	In addition to the disclosures specified in items 8024 and 8026 above, the enterprise should include in its financial statements, for periods subsequent to the one in which the initial disclosure event occurs, a description of any significant changes in the amount or timing of cash flows relating to the assets and liabilities to be disposed of or settled, and the events causing those changes.	35.33
8028	The disclosures required by items 8024 to 8027 above should be continued in financial statements for periods up to and including the period in which the discontinuance is completed.	35.35
8029	Where the enterprise abandons or withdraws from a plan that was previously reported as a discontinuing operation, that fact and its effect should be disclosed.	35.36
8030	The specified disclosures should be presented separately for each discontinuing operation.	35.38

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
8031	The disclosures specified in respect of discontinuing operations should be presented either in the notes to the financial statements or on the face of the financial statements [other than item 8026(a)(i) above, which is required to be presented on the face of the income statement]. *Note:* *The disclosures required by items 8024(f) and 8024(g) are encouraged to be presented on the face of the income statement and cash flow statement respectively.*	35.39
8032	Any income or expense relating to a discontinuing operation should be presented within ordinary activities and not as an extraordinary item.	35.41
8033	The use of the term 'discontinuing operation' should be restricted to restructurings, transactions and events that meet the definition of a discontinuing operation under IAS 35.	35.43
8034	Comparative information for prior periods, presented in financial statements prepared after the initial disclosure event, should be restated to segregate continuing and discontinuing assets, liabilities, income, expenses, and cash flows.	35.45
	INVESTMENT PROPERTY INCOME AND EXPENDITURE	
8035	The enterprise should disclose amounts included in the income statement for: a) rental income from investment property; b) direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the period; and c) direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income during the period.	40.66(d)
	OTHER ITEMS OF INCOME AND EXPENDITURE	
	Research and Development Costs	
8036	The financial statements should disclose the aggregate amount of research and development expenditure recognised as an expense during the period.	38.115
	Exchange Differences	
8037	The following should be disclosed: a) the amount of exchange differences included in the net profit or loss for the period; and b) the amount of exchange differences arising during the period that are included in the carrying amount of an asset in accordance with the allowed alternative treatment permitted under IAS 21(r1993).21.	21(r1993).42(a), (c)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Costs of Inventories	
8038	The financial statements should disclose either: a) the cost of inventories recognised as an expense during the period; or b) the operating costs, applicable to revenues, recognised as an expense during the period, classified by their nature.	2(r1993).37
	Borrowing Costs	
8039	The following should be disclosed: a) the amount of borrowing costs added to the cost of qualifying assets during the period; and b) the rate used to determine the amount of borrowing costs eligible for such treatment.	23(r1993).29(b), (c)
	Compensation Received	
8040	Monetary or non-monetary compensation received for the impairment or loss of items of property, plant and equipment should be disclosed separately.	SIC 14.5
	TAXATION	
8041	The major components of tax expense/income should be separately disclosed.	12(r2000).79
8042	An explanation should be provided of the relationship between the tax expense/income and the accounting profit in either or both of the following forms: a) a numerical reconciliation between the tax expense/income and the product of accounting profit multiplied by the applicable tax rate, disclosing also the basis on which the applicable tax rate is computed; and/or b) a numerical reconciliation between the average effective tax rate and the applicable tax rate, disclosing also the basis on which the applicable tax rate is computed.	12(r2000).81(c)
8043	The following should be disclosed:	
	a) an explanation of changes in the applicable tax rate compared to the previous accounting period; and	12(r2000).81(d)
	b) in respect of discontinuing operations, the tax expense relating to: i) the gain or loss on discontinuance; and ii) the profit or loss from the ordinary activities of the discontinuing operation for the period, together with the corresponding amounts for each prior period presented.	12(r2000).81(h)
8044	For each type of temporary difference, and each type of unused tax losses and unused tax credits, the enterprise should disclose the amount of the deferred tax income or expense recognised in the income statement, where not readily apparent from the changes in the amounts recognised in the balance sheet.	12(r2000).81(g)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	EXTRAORDINARY ITEMS	
8045	The following should be disclosed separately for extraordinary items:	8(r1993).11
	a) the nature and amount of each item; and	
	b) the tax expense/income relating to extraordinary items recognised during the period.	12(r2000).81(b)
	OTHER UNUSUAL ITEMS	
8046	Where items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items should be disclosed separately.	8(r1993).16
	DIVIDENDS	
8047	The enterprise should disclose, either on the face of the income statement or in the notes, the amount of dividends per share, declared or proposed, for the period covered by the financial statements.	1(r1997).85
8048	The enterprise should disclose the amount of dividends that were proposed or declared after the balance sheet date but before the financial statements were authorised for issue.	1(r1997).74(c)
8049	The enterprise should disclose the amount of the income tax consequences of dividends to shareholders of the enterprise that were proposed or declared before the financial statements were authorised for issue, but are not recognised as a liability in the financial statements.	12(r2000).81(i)
8050	The enterprise should disclose the amount of any cumulative preference dividends not recognised.	1(r1997).74(d)
	PROPERTY, PLANT AND EQUIPMENT	
8051	Items classified as property, plant and equipment in the financial statements should be limited to tangible assets that are both:	16(r1998).6
	a) held by an enterprise for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and	
	b) expected to be used during more than one period.	
8052	The following information should be disclosed for each class of property, plant and equipment:	
	a) when more than one measurement basis has been used, the gross carrying amount included for each measurement basis in each category;	16(r1998).60(a)
	b) the gross carrying amount and the accumulated depreciation (aggregated with accumulated impairment losses) at the beginning and end of the period; and	16(r1998).60(d)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	c) a reconciliation of the carrying amount at the beginning and end of the period showing: i) additions; ii) disposals; iii) acquisitions through business combinations; iv) increases or decreases during the period resulting from revaluations and from impairment losses recognised or reversed directly in equity (if any); v) impairment losses recognised in the income statement during the period (if any); vi) impairment losses reversed in the income statement during the period (if any); vii) depreciation; viii) the net exchange differences arising on the translation of the financial statements of a foreign entity; and ix) other movements.	16(r1998).60(e)
	Note: *Comparative information is not required for the reconciliation specified in item 8052(c).*	
8053	The financial statements should also disclose the following information:	
	a) the existence and amounts of restrictions on title, and property, plant and equipment pledged as security for liabilities; and	16(r1998).61(a)
	b) the amount of expenditure on account of property, plant and equipment in the course of construction.	16(r1998).61(c)
8054	When items of property, plant and equipment are stated at revalued amounts, the following additional information should be disclosed: a) the basis used to revalue the assets; b) the effective date of the revaluation; c) whether an independent valuer was involved; d) the nature of any indices used to determine replacement cost; and e) the carrying amount of each class of property, plant and equipment that would have been included in the financial statements had the assets been carried under the benchmark treatment.	16(r1998).64

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	INVESTMENT PROPERTY	
8055	Assets classified as investment property in the financial statements should be limited to property held to earn rentals, or for capital appreciation, or both, rather than for: a) use in the production or supply of goods or services or for administrative proposes; or b) sale in the ordinary course of business.	40.4
	Note: *The disclosures set out below are in addition to those in IAS 17 (r1997), Leases. Under IAS 17 (r1997), the owner of an investment property gives a lessor's disclosures about operating leases. Under IAS 17 (r1997), an enterprise that holds an investment property under a finance lease gives a lessee's disclosures about that finance lease and a lessor's disclosures about any operating leases that the enterprise has granted.*	40.65
	Disclosures for all Investment Property	
8056	When the determination of the appropriate classification for property is difficult, the financial statements should disclose the criteria developed by the enterprise to distinguish investment property from owner-occupied property and property held for sale in the ordinary course of business.	40.66(a)
8057	a) The enterprise should disclose the methods and significant assumptions applied in determining the fair value of investment property.	40.66(b)
	b) The disclosures under item 8057(a) should include a statement as to whether the determination of fair value was supported by market evidence or was more heavily based on other factors (which the enterprise should disclose) because of the nature of the property and lack of comparable market data.	40.66(b)
	c) The enterprise should disclose the extent to which the fair value of investment property (as disclosed in the financial statements) is based on a valuation by an independent valuer who holds a recognised qualification and who has recent experience in the location and category of the investment property being valued.	40.66(c)
	d) If there has been no valuation by an independent valuer, as described in the previous paragraph, that fact should be disclosed.	40.66(c)
8058	The enterprise should disclose the existence and amount of restrictions on the realisability of investment property or the remittance of income and proceeds of disposal.	40.66(e)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Fair Value Model	
8059	In addition to the disclosures required by items 8056 to 8058 above, an enterprise that applies the fair value model in accounting for its investment property should also disclose a reconciliation of the carrying amount of investment property at the beginning and end of the period showing the following:	40.67
	a) additions, disclosing separately those additions resulting from acquisitions and those resulting from capitalised subsequent expenditure;	
	b) additions resulting from acquisitions through business combinations;	
	c) disposals;	
	d) net gains or losses from fair value adjustments;	
	e) the net exchange differences arising on the translation of the financial statements of a foreign entity;	
	f) transfers to and from inventories and owner-occupied property; and	
	g) other movements.	
	Note: *Comparative information need not be provided for the reconciliation specified in item 8059.*	
8060	In the exceptional circumstances when an enterprise measures investment property using the benchmark treatment in IAS 16 (r1998) *Property, Plant and Equipment* (because of the lack of a reliable fair value):	
	a) the reconciliation required by item 8059 above should disclose amounts relating to that investment property separately from amounts relating to other investment property; and	40.68
	b) the enterprise should disclose:	
	i) a description of the investment property accounted for in accordance with IAS 16 (r1998);	
	ii) an explanation of why fair value cannot be reliably measured;	
	iii) if possible, the range of estimates within which fair value is highly likely to lie; and	
	iv) on disposal of investment property not carried at fair value:	
	- the fact that the enterprise has disposed of investment property not carried at fair value;	
	- the carrying amount of that investment property at the time of sale; and	
	- the amount of the gain or loss recognised.	

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Cost Model	
8061	In addition to the disclosures required by items 8056 to 8058 above, an enterprise that applies the cost model in accounting for its investment property should also disclose: a) the gross carrying amount and the accumulated depreciation (aggregated with accumulated impairment losses) at the beginning and end of the period; and b) a reconciliation of the carrying amount of investment property at the beginning and end of the period showing the following: i) additions, disclosing separately those additions resulting from acquisitions and those resulting from capitalised subsequent expenditure; ii) additions resulting from acquisitions through business combinations; iii) disposals; iv) depreciation; v) the amount of impairment losses recognised, and the amount of impairment losses reversed, during the period in accordance with IAS 36 *Impairment of Assets;* vi) the net exchange differences arising on the translation of the financial statements of a foreign entity; vii) transfers to and from inventories and owner-occupied property; and viii) other movements. *Note:* *Comparative information need not be provided for the reconciliation specified in item 8061(b).*	40.69(c),(d)
8062	Enterprises using the cost model should disclose the fair value of investment property. In the exceptional circumstances when an enterprise cannot determine the fair value of the investment property reliably, the enterprise should disclose: a) a description of the investment property; b) an explanation of why fair value cannot be determined reliably; and c) if possible, the range of estimates within which fair value is highly likely to lie.	40.69(e)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Transitional Provisions	
8063	Under the fair value model, an enterprise should report the effect of adopting IAS 40 on its effective date (or earlier) as an adjustment to the opening balance of retained earnings for the period in which IAS 40 is first adopted. In addition: a) if the enterprise has previously disclosed publicly (in financial statements or otherwise) the fair value of its investment property in earlier periods (determined on a basis that satisfies the definition of fair value in IAS 40, paragraph 4 and the guidance in IAS 40, paragraphs 29 to 46), the enterprise is encouraged, but not required, to: i) adjust the opening balance of retained earnings for the earliest period presented for which such fair value was disclosed publicly; and ii) restate comparative information for those periods; and b) if the enterprise has not previously disclosed publicly the information described in item 8063(a) above, the enterprise should not restate comparative information and should disclose that fact.	40.70
	GOODWILL	
8064	The financial statements should provide a reconciliation of the carrying amount of goodwill at the beginning and end of the period showing: a) the gross amount and the accumulated amortisation (aggregated with accumulated impairment losses) at the beginning of the period; b) any additional goodwill recognised during the period; c) any adjustments resulting from subsequent identification or changes in value of identifiable assets and liabilities; d) any goodwill derecognised on the disposal of all or part of the business to which it relates during the period; e) amortisation recognised during the period; f) impairment losses recognised during the period in accordance with IAS 36 *Impairment of Assets* (if any); g) impairment losses reversed during the period in accordance with IAS 36 *Impairment of Assets* (if any); h) other changes in the carrying amount of goodwill during the period (if any); and i) the gross amount and the accumulated amortisation (aggregated with accumulated impairment losses), at the end of the period. *Note:* *Comparative information need not be provided for the reconciliation specified in item 8064.*	22(r1998).88(e)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	NEGATIVE GOODWILL	
8065	Negative goodwill should be presented as a deduction from the assets of the reporting enterprise, in the same balance sheet classification as goodwill.	22(r1998).64
8066	To the extent that negative goodwill relates to expectations of future losses or expenses that are identified in the acquirer's plan for the acquisition and can be measured reliably, but which do not represent identifiable liabilities at the date of acquisition, the enterprise should disclose a description, the amount and the timing of the expected future losses and expenses.	22(r1998).91(a)
8067	The financial statements should disclose a reconciliation of the carrying amount of negative goodwill at the beginning and end of the period showing: a) the gross amount of negative goodwill and the accumulated amount of negative goodwill already recognised as income, at the beginning of the period; b) any additional negative goodwill recognised during the period; c) any adjustments resulting from subsequent identification or changes in value of identifiable assets and liabilities; d) any negative goodwill derecognised on the disposal of all or part of the business to which it relates during the period; e) negative goodwill recognised as income during the period, showing separately the portion of negative goodwill recognised as income under IAS 22 (r1998), paragraph 61 (if any); f) other changes in the carrying amount during the period (if any); and g) the gross amount of negative goodwill and the accumulated amount of negative goodwill already recognised as income, at the end of the period.	22(r1998).91(d)
	Note: *Comparative information need not be provided for the reconciliation specified in item 8067.*	
	INTANGIBLE ASSETS	
8068	The financial statements should disclose the following for each class of intangible assets, distinguishing between internally-generated intangible assets and other intangible assets:	
	a) the gross carrying amount and the accumulated amortisation (aggregated with accumulated impairment losses) at the beginning and end of the period; and	38.107(c)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	b) a reconciliation of the carrying amount at the beginning and end of the period showing: i) additions, indicating separately those from internal development and through business combinations; ii) retirements and disposals; iii) increases or decreases during the period resulting from revaluations and from impairment losses recognised or reversed directly in equity (if any); iv) impairment losses recognised in the income statement during the period (if any); v) impairment losses reversed in the income statement during the period (if any); vi) amortisation recognised during the period; vii) net exchange differences arising on the translation of the financial statements of a foreign entity; and viii) other changes in the carrying amount during the period. *Note:* *Comparative information is not required for the reconciliation specified in item 8068(b).*	38.107(e)
8069	The financial statements should also disclose a description, the carrying amount and remaining amortisation period of any individual intangible asset that is material to the financial statements of the enterprise as a whole.	38.111(b)
8070	For intangible assets acquired by way of government grant and initially recognised at fair value, the enterprise should disclose: a) the fair value initially recognised for those assets; and b) their carrying amount.	38.111(c)
8071	The financial statements should disclose the existence and carrying amounts of: a) intangible assets whose title is restricted; and b) intangible assets pledged as security for liabilities.	38.111(d)
8072	If intangible assets are carried at revalued amounts, the following details should also be disclosed by class of intangible asset: a) the effective date of the revaluation; b) the carrying amount of revalued intangible assets; and c) the carrying amount that would have been included in the financial statements had the revalued intangible assets been carried under the benchmark treatment.	38.113(a)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Note: *An enterprise is encouraged, but not required, to give the following information:* *a) a description of any fully amortised intangible asset that is still in use; and* *b) a brief description of significant intangible assets controlled by the enterprise, but not recognised as assets because they did not meet the recognition criteria in IAS 38, or because they were acquired or generated before IAS 38 was effective.*	38.117
	SUBSIDIARIES	
8073	The consolidated financial statements should include a listing of significant subsidiaries, with disclosure of the name, country of incorporation or residence, proportion of ownership interest and, if different, the proportion of voting power held.	27(r2000).32(a)
8074	Where a parent does not prepare consolidated financial statements because it is a wholly-owned or a virtually wholly-owned subsidiary, the following disclosures should be made: a) the reasons why consolidated financial statements have not been presented together with the bases on which subsidiaries are accounted for in the parent's separate financial statements; and b) the name and registered office of its parent that publishes consolidated financial statements.	27(r2000).8
8075	The consolidated financial statements should disclose, where applicable: a) the reasons for not consolidating a subsidiary; b) the nature of the relationship between the parent and a subsidiary in which the parent does not own, directly or indirectly through subsidiaries, more than half of the voting power; c) the name of any enterprise in which more than half of the voting power is owned, directly or indirectly through subsidiaries, but which, because of the absence of control, is not a subsidiary; and d) the effect of the acquisition and disposal of subsidiaries on the financial position at the reporting date, the results for the reporting period, and on the corresponding amounts for the preceding period.	27(r2000).32(b)
8076	Where it is not practicable to use uniform accounting policies for the purposes of consolidated financial statements, that fact should be disclosed, together with the proportions of the items in the consolidated financial statements to which the different accounting policies have been applied.	27(r2000).21
8077	When there is a change in the classification of a significant foreign operation, the following matters should be disclosed: a) the nature of the change in classification; b) the reason for the change; c) the impact of the change in classification on shareholders' equity; and d) the impact on net profit or loss for each prior period presented had the change in classification occurred at the beginning of the earliest period presented.	21(r1993).44

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	BUSINESS COMBINATIONS	
8078	For all business combinations, the following disclosures should be made in the financial statements for the period during which the combination takes place: a) the names and descriptions of the combining enterprises; b) the method of accounting for the combination; c) the effective date of the combination for accounting purposes; and d) any operations resulting from the business combination which the enterprise has decided to dispose of.	22(r1998).86
	Acquisitions - General	
8079	For a business combination that is an acquisition, the following disclosures should be made in the financial statements for the period during which the acquisition takes place: a) the percentage of voting shares acquired; and b) the cost of acquisition and a description of the purchase consideration paid or contingently payable.	22(r1998).87
	Restructuring Provisions	
8080	The disclosure requirements of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* should be applied to provisions for terminating or reducing the activities of an acquiree, recognised under IAS 22 (r1998), paragraph 31.	22(r1998).92
8081	Provisions for terminating or reducing activities as described in item 8080 above should be dealt with as a separate class of provisions for the purposes of disclosure under IAS 37.	22(r1998).92
8082	The aggregate carrying amount of such provisions recognised under IAS 22 (r1998), paragraph 31 should be disclosed for each individual business combination.	22(r1998).92
	Cost of Acquisition	
8083	When a published price of an equity instrument issued as purchase consideration exists at the date of exchange, but has not been used as the instrument's fair value, the enterprise should disclose: a) that fact; b) the reasons why the published price is not the fair value of the equity instrument; c) the method and significant assumptions applied in determining the fair value; and d) the aggregate amount of the difference between the published price and the amount determined to be the fair value of the equity instruments.	SIC 28.7

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
8084	When an equity instrument issued as purchase consideration does not have a published price at the date of exchange, the enterprise should disclose that fact, and the method and significant assumptions applied in determining the fair value.	SIC 28.8
	Fair Values of Identifiable Assets and Liabilities	
8085	In an acquisition, if the fair values of the identifiable assets and liabilities or the purchase consideration can only be determined on a provisional basis at the end of the period in which the acquisition takes place, that fact should be stated and reasons given.	22(r1998).93
8086	When there are subsequent adjustments to the provisional fair values described at item 8085 above, those adjustments should be disclosed and explained in the financial statements of the period concerned, with separate disclosure of the amount of the adjustment that relates to prior and comparative periods.	22(r1998).93 SIC22.8
	Unitings of Interests	
8087	For a business combination that is a uniting of interests, the following additional disclosures should be made in the financial statements for the period during which the uniting of interests takes place:	22(r1998).94
	a) a description and the number of shares issued, together with the percentage of each enterprise's voting shares exchanged to effect the uniting of interests;	
	b) the amounts of assets and liabilities contributed by each enterprise; and	
	c) the sales revenue, other operating revenues, extraordinary items and net profit or loss of each enterprise prior to the date of the combination that are included in the net profit or loss shown by the combined enterprise's financial statements.	
	Combinations after the Balance Sheet Date	
8088	For business combinations effected after the balance sheet date, the information required by items 8078 to 8087 above should be disclosed.	22(r1998).96
8089	If it is impracticable to disclose any of the information required by item 8088 above, that fact should be disclosed.	22(r1998).96
	INVESTMENTS IN ASSOCIATES	
8090	The following disclosures should be made in relation to investments in associates:	
	a) an appropriate listing and description of significant associates, including the proportion of ownership interest and, if different, the proportion of voting power held; and	28(r2000).27(a)
	b) the investor's share of any extraordinary or prior period items, separately disclosed.	28(r2000).28

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
8091	If the investor discontinues recognition of its share of losses of an investee (generally where the share of losses equals or exceeds the carrying amount of its investment), the investor should disclose in its financial statements the amount of its unrecognised share of losses of the investee, both during the period and cumulatively.	SIC 20.10
	INTERESTS IN JOINT VENTURES	
	Note: *The disclosures listed below are required for all venturers, including those that do not issue consolidated financial statements because they do not have subsidiaries.*	
8092	The venturer should disclose a listing and description of interests in significant joint ventures and the proportion of ownership interest held in jointly controlled entities.	31(r2000).47,48
8093	Where the venturer reports its interests in jointly controlled entities using the line-by-line reporting format for proportionate consolidation or the equity method, it should disclose the aggregate amount of each of current assets, long-term assets, current liabilities, long-term liabilities, income and expenses related to its interests in joint ventures.	31(r2000).47,48
	ACCOUNTING FOR LEASES BY LESSORS	
8094	The following disclosures should be made in the financial statements for finance leases:	17(r1997).39
	a) a reconciliation between the total gross investment in the lease at the balance sheet date, and the present value of minimum lease payments receivable at the balance sheet date;	
	b) the total gross investment in the lease and the present value of minimum lease payments receivable at the balance sheet date, for each of the periods not later than one year, later than one year and not later than five years, and later than five years;	
	c) unearned finance income;	
	d) the unguaranteed residual values accruing to the benefit of the lessor;	
	e) the accumulated allowance for uncollectible minimum lease payments receivable;	
	f) contingent rents recognised in income; and	
	g) a general description of the lessor's significant leasing arrangements.	
8095	The following disclosures should be made in the financial statements for operating leases:	
	a) the future minimum lease payments under non-cancellable operating leases, in aggregate and for each of the periods not later than one year, later than one year and not later than five years, and later than five years;	17(r1997).48(a)
	b) total contingent rents recognised in income; and	17(r1997).48(b)
	c) a general description of the lessor's significant leasing arrangements.	17(r1997).48(c)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Notes:	
	1. The disclosures specified in items 8094 and 8095 above are in addition to the requirements of IAS 32 (r1998), Financial Instruments: Disclosure and Presentation.	17(r1997).48
	2. In addition to the requirements set out at item 8095 above, the requirements on disclosure under IAS 16 (r1998), Property, Plant and Equipment, IAS 36, Impairment of Assets, IAS 38, Intangible Assets, IAS 40, Investment Property, and IAS 41, Agriculture, apply to assets leased out under operating leases.	17(r1997).48A
	ARRANGEMENTS INVOLVING THE LEGAL FORM OF A LEASE	
8096	Where an arrangement involves the legal form of a lease but does not, in substance, involve a lease under IAS 17, Leases, all aspects of the arrangement should be considered in determining the appropriate disclosures that are necessary to understand the arrangement and the accounting treatment adopted.	SIC 27.10
8097	The enterprise should disclose the following in each period in which an arrangement of the type described in item 8096 above exists:	SIC 27.10
	a) a description of the arrangement, including:	
	i) the underlying asset and any restrictions on its use;	
	ii) the life and other significant terms of the arrangement; and	
	iii) the transactions that are linked together, including any options; and	
	b) i) the accounting treatment applied to any fee received;	
	ii) the amount recognised as income in the period; and	
	iii) the line item of the income statement in which it is included.	
	Note:	
	The disclosures required by item 8097 above should be provided individually for each arrangement, or in aggregate for each class of arrangements (i.e. each grouping of arrangements with underlying assets of a similar nature).	SIC 27.11
	IMPAIRMENT OF ASSETS	
	Note:	
	IAS 36 should be applied in accounting for the impairment of all assets, except inventories (IAS 2(r1993)), construction contracts (IAS 11 (r1993)), deferred tax assets (IAS 12(r2000)), assets arising from employee benefits (IAS 19 (r2000)), financial assets falling within the scope of IAS 32(r1998), investment property that is measured at fair value (IAS 40) and biological assets that are measured at fair value less estimated point-of-sale costs (IAS 41).	
8098	For each class of assets, the financial statements should disclose:	
	a) the amount of impairment losses recognised in the income statement during the period and the line item(s) of the income statement in which those impairment losses are included;	36.113(a)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	b) the amount of reversals of impairment losses recognised in the income statement during the period and the line item(s) of the income statement in which those impairment losses are reversed;	36.113(b)
	c) the amount of impairment losses recognised directly in equity during the period; and	36.113(c)
	d) the amount of reversals of impairment losses recognised directly in equity during the period.	36.113(d)
8099	If an impairment loss for an individual asset or a cash-generating unit is recognised or reversed during the period and is material to the financial statements of the reporting enterprise as a whole, the enterprise should disclose:	36.117
	a) the events and circumstances that led to the recognition or reversal of the impairment loss;	
	b) the amount of the impairment loss recognised or reversed;	
	c) for an individual asset:	
	i) the nature of the asset; and	
	ii) if the enterprise applies IAS 14 (r1997) *Segment Reporting*, the reportable segment to which the asset belongs, based on the enterprise's primary format;	
	d) for a cash-generating unit:	
	i) a description of the cash-generating unit (such as whether it is a product line, a plant, a business operation, a geographical area, a reportable segment as defined in IAS 14 (r1997) *Segment Reporting* or other);	
	ii) the amount of the impairment loss recognised or reversed by class of assets and, if the enterprise applies IAS 14 (r1997) *Segment Reporting*, by reportable segment based on the enterprise's primary format; and	
	iii) if the aggregation of assets for identifying the cash-generating unit has changed since the previous estimate of the cash-generating unit's recoverable amount (if any), the enterprise should describe the current and former ways of aggregating assets and the reasons for changing the way the cash-generating unit is identified;	
	e) whether the recoverable amount of the asset (cash-generating unit) is its net selling price or its value in use;	
	f) if recoverable amount is net selling price, the basis used to determine net selling price (such as whether selling price was determined by reference to an active market or in some other way); and	
	g) if recoverable amount is value in use, the discount rate(s) used in the current estimate and previous estimate (if any) of value in use.	

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
8100	If impairment losses recognised (reversed) during the period are material in aggregate to the financial statements of the reporting enterprise as a whole, the enterprise should disclose a brief description of the following: a) the main classes of assets affected by impairment losses (reversals of impairment losses) for which no information is disclosed under item 8099; and b) the main events and circumstances that led to the recognition (reversal) of these impairment losses for which no information is disclosed under item 8099.	36.118
	INVENTORIES	
8101	The following items should be disclosed in the financial statements: a) the total carrying amount of inventories and the carrying amount in classifications appropriate to the enterprise; b) the carrying amount of inventories carried at net realisable value; c) the amount of any reversal of any write-down that is recognised as income in the period; d) the circumstances or events that led to the reversal of a write-down of inventories; and e) the carrying amount of inventories pledged as security for liabilities.	2(r1993).34
8102	When the cost of inventories is determined using the LIFO formula in accordance with the allowed alternative treatment under IAS 2 (r1993), the financial statements should disclose the difference between the amount of inventories as shown in the balance sheet and either: a) the lower of the amount arrived at in accordance with the FIFO or weighted average cost formulas and net realisable value; or b) the lower of current cost at the balance sheet date and net realisable value.	2(r1993).36
	CONSTRUCTION CONTRACTS	
8103	The enterprise should disclose each of the following for contracts in progress at the balance sheet date: a) the aggregate amount of costs incurred and recognised profits (less recognised losses) to date; b) the amount of advances received; and c) the amount of retentions.	11(r1993).40
8104	The enterprise should present: a) the gross amount due from customers for contract work as an asset; and b) the gross amount due to customers for contract work as a liability.	11(r1993).42

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	SHAREHOLDERS' EQUITY	
8105	For each class of share capital, the following information should be disclosed, either on the face of the balance sheet or in the notes: a) the number of shares authorised; b) the number of shares issued and fully paid, and issued but not fully paid; c) par value per share, or that the shares have no par value; d) a reconciliation of the number of shares outstanding at the beginning and at the end of the year; e) the rights, preferences and restrictions attaching to that class, including restrictions on the distribution of dividends and the repayment of capital; f) shares in the enterprise held by the enterprise itself or by subsidiaries or associates of the enterprise; and g) shares reserved for issuance under options and sales contracts, including the terms and amounts.	1(r1997).74(a)
8106	The financial statements should include a description of the nature and purpose of each reserve within owners' equity, either on the face of the balance sheet or in the notes.	1(r1997).74(b)
	Note: *An enterprise without share capital (e.g. a partnership), should disclose information equivalent to that required by items 8105 and 8106 above, showing movements during the period in each category of equity interest and the rights, preferences and restrictions attaching to each category of equity interest.*	1(r1997).74
	TREASURY SHARES	
8107	Treasury shares should be presented in the balance sheet as a deduction from equity.	SIC 16.4
8108	The acquisition of treasury shares should be presented in the financial statements as a change in equity.	SIC 16.4
8109	Consideration received on the sale, issuance or cancellation of treasury shares should be presented in the financial statements as a change in equity.	SIC 16.5
8110	The amounts of reductions to equity for treasury shares held should be disclosed separately, either on the face of the balance sheet or in the notes.	SIC 16.6
8111	Where the enterprise, or any of its subsidiaries (including special purpose entities) re-acquires its own shares from parties able to control or exercise significant influence over the enterprise, this should be disclosed as a related party transaction in accordance with IAS 24, paragraph 22 (see item 8172 below).	SIC 16.7

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Notes: *The acquisition cost of treasury shares held by the enterprise (and, in a consolidated balance sheet, by its subsidiaries) should be presented in one of the following ways:* *a) total cost is shown as a one-line adjustment of equity; or* *b) the par value, if any, is shown as a deduction from share capital, with adjustment of premiums or discounts against other categories of equity; or* *c) each category of equity is adjusted.*	SIC 16.10
	TAX ASSETS AND LIABILITIES	
8112	The following principles should be applied in the presentation of tax assets and liabilities:	
	a) tax assets and tax liabilities should be presented separately from other assets and liabilities in the balance sheet;	12(r2000).69
	b) current tax assets and liabilities should be distinguished from deferred tax assets and liabilities; and	12(r2000).69
	c) when the enterprise distinguishes between current and non-current assets and liabilities in its financial statements, deferred tax assets (liabilities) should not be treated as current assets (liabilities).	12(r2000).70
8113	Current tax assets and current tax liabilities should be offset if, and only if, both of the following conditions are satisfied: a) there is a legally enforceable right to set off the recognised amounts; and b) it is intended either to settle on a net basis, or to realise the asset and settle the liability simultaneously.	12(r2000).71
8114	Deferred tax assets and deferred tax liabilities should be offset if, and only if, both of the following conditions are satisfied: a) there is a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either: i) the same taxable entity; or ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.	12(r2000).74

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
8115	The following should be disclosed:	
	a) the amount (and expiry date, if any) of deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax asset is recognised in the balance sheet;	12(r2000).81(e)
	b) the aggregate amount of temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures, for which deferred tax liabilities are not recognised; and	12(r2000).81(f)
	c) the amount of the deferred tax assets and liabilities recognised in the balance sheet for each period presented in respect of each type of temporary difference, and in respect of each type of unused tax losses and unused tax credits.	12(r2000).81(g)
8116	When the utilisation of a deferred tax asset is dependent on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences, and the enterprise has suffered a loss in either the current or the preceding period in the tax jurisdiction to which the deferred tax asset relates, the amount of such asset and the nature of the evidence supporting its recognition should be disclosed.	12(r2000).82
8117	Where current and deferred tax assets and liabilities are measured at the tax rate applicable to undistributed profits, but the net income taxes payable will be affected if part of the retained earnings is paid out as a dividend to shareholders, the enterprise should disclose:	12(r2000).82A
	a) the nature of the potential income tax consequences that would result from the payment of dividends to its shareholders;	
	b) the amounts of the potential income tax consequences that are practicably determinable; and	
	c) whether there are any potential income tax consequences that are not practicably determinable.	
	ACCOUNTING FOR LEASES BY LESSEES	
	Note: *The disclosure requirements in respect of transactions involving the legal form of a lease but which do not, in substance, involve a lease under IAS 17, Leases, are set out at items 8096 and 8097 above. These apply equally to lessees' financial statements.*	
8118	The following disclosures should made in the financial statements for finance leases:	17(r1997).23
	a) for each class of asset, the net carrying amount at the balance sheet date;	
	b) a reconciliation between the total of minimum lease payments at the balance sheet date, and their present value;	
	c) the total of minimum lease payments at the balance sheet date for each of the periods not later than one year, later than one year and not later than five years, and later than five years, and their present value;	

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	d) contingent rents recognised in income in the period;	
	e) the total of future minimum sublease payments expected to be received under non-cancellable subleases at the balance sheet date; and	
	f) a general description of the lessee's significant leasing arrangements including, but not limited to, the basis on which contingent rents are determined; the existence and terms of renewal or purchase options and escalation clauses; and restrictions imposed by lease arrangements (such as those concerning dividends, additional debt and further leasing).	
	Note: *In addition to the requirements set out at item 8118 above, the requirements on disclosure under IAS 16 (r1998), Property, Plant and Equipment, IAS 36, Impairment of Assets, IAS 38, Intangible Assets, IAS 40, Investment Property, and IAS 41, Agriculture, apply to leased assets held under finance leases that are accounted for by the lessee as acquisitions of assets.*	17(r1997).24
8119	The following disclosures should be made in the financial statements for operating leases:	17(r1997).27
	a) the total of future minimum lease payments under non-cancellable operating leases for each of the periods not later than one year, later than one year and not later than five years, and later than five years;	
	b) the total of future minimum sublease payments expected to be received under non-cancellable subleases at the balance sheet date;	
	c) lease and sublease payments recognised in income for the period, with separate amounts for minimum lease payments, contingent rents and sublease payments; and	
	d) a general description of the lessee's significant leasing arrangements including, but not limited to, the basis on which contingent rents are determined; the existence and terms of renewal or purchase options and escalation clauses; and restrictions imposed by lease arrangements (such as those concerning dividends, additional debt and further leasing).	
	Note: *The disclosures specified in items 8118 and 8119 above are in addition to the requirements of IAS 32 (r1998), Financial Instruments: Disclosure and Presentation.*	17(r1997).23, 27
	FINANCIAL INSTRUMENTS: DISCLOSURE AND PRESENTATION	
8120	The issuer of a financial instrument should classify the instrument (or its component parts), as either a liability or as equity, in accordance with the substance of the contractual arrangement on initial recognition, and by reference to the definitions of a financial liability and an equity instrument.	32(r1998).18

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Note: *Where the rights and obligations regarding the manner of settlement of a financial instrument depend on the occurrence or non-occurrence of uncertain future events or on the outcome of uncertain circumstances that are beyond the control of both the issuer and the holder, the financial instrument should be classified as a liability, except where the possibility of the issuer being required to settle in cash or another financial asset is remote at the time of issuance, when the contingent settlement provision should be ignored and the instrument should be classified as equity. [**SIC 5.5 & 5.6**]*	
8121	The issuer of a financial instrument that contains both a liability and an equity element, should classify the component parts separately in accordance with item 8120 above.	32(r1998).23
8122	Interest, dividends, losses and gains relating to a financial instrument, or a component part, which is classified as a financial liability, should be reported in the income statement as expense or income.	32(r1998).30
8123	Distributions to holders of financial instruments which are classified as equity instruments should be debited directly to equity.	32(r1998).30
8124	A financial asset and a financial liability should be offset, and the net amount reported in the balance sheet if, but only if, both of the following conditions are met: a) the enterprise has a legally enforceable right to set off the recognised amounts; and b) the enterprise intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.	32(r1998).33
8125	The enterprise should describe its financial risk management objectives and policies, including its policy for hedging each major type of forecasted transaction for which hedge accounting is used.	32(r1998).43A
8126	For each class of financial asset, financial liability and equity instrument, both recognised and unrecognised, the enterprise should disclose information about the extent and nature of the financial instruments, including significant terms and conditions that may affect the amount, timing and certainty of future cash flows.	32(r1998).47(a)
8127	For each class of financial asset and financial liability, both recognised and unrecognised, the enterprise should disclose information about its exposure to interest rate risk, including: a) contractual repricing or maturity dates, whichever dates are earlier; and b) effective interest rates, when applicable.	32(r1998).56

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
8128	For each class of financial asset, both recognised and unrecognised, the enterprise should disclose information about its exposure to credit risk, including: a) the amount that best represents its maximum credit risk exposure at the balance sheet date, without taking account of the fair value of any collateral, in the event that other parties fail to perform their obligations under financial instruments; and b) significant concentrations of credit risk.	32(r1998).66
8129	For each class of financial asset and financial liability, both recognised and unrecognised, the enterprise should disclose information about fair value, unless it is impracticable to do so.	32(r1998).77
8130	When it is not practicable to disclose such fair value information, within given constraints of timeliness or cost, that fact should be disclosed, together with information about the principal characteristics of the underlying financial instrument that are pertinent to its fair value.	32(r1998).77
8131	Where an enterprise carries one or more financial assets at an amount in excess of their fair value, it should disclose both: a) the carrying amount and the fair value of either the individual assets or appropriate groupings of those individual assets; and b) the reasons for not reducing the carrying amount, including the nature of the evidence that provides the basis for management's belief that the carrying amount will be recovered.	32(r1998).88
	Note: *The requirements of items 8129 to 8131 above do not apply to those financial assets and financial liabilities carried at fair value.*	39(r2000).166
8132	The enterprise should disclose a description of its financial risk management objectives and policies, including its policy for hedging each major type of forecasted transaction.	39(r2000).169(a)
8133	The financial statements should disclose the following (separately for designated fair value hedges, cash flow hedges, and hedges of a net investment in a foreign entity): a) a description of the hedge; b) a description of the financial instruments designated as hedging instruments for the hedge and their fair values at the balance sheet date; c) the nature of the risks being hedged; and d) for hedges of forecasted transactions, the periods in which the forecasted transactions are expected to occur, when they are expected to enter into the determination of net profit or loss, and a description of any forecasted transaction for which hedge accounting had previously been used but that is no longer expected to occur.	39(r2000).169(b)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
8134	If a gain or loss on derivative and non-derivative financial assets and liabilities designated as hedging instruments in cash flow hedges has been recognised directly in equity, the following should be disclosed: a) the amount that was so recognised in equity during the current period; b) the amount that was removed from equity and reported in net profit or loss for the period; and c) the amount that was removed from equity and added to the initial measurement of the acquisition cost or other carrying amount of the asset or liability in a hedged forecasted transaction during the current period (see IAS 39(r2000), paragraph 160).	39(r2000).169(c)
8135	If a gain or loss from remeasuring available-for-sale financial assets to fair value (other than assets relating to hedges) has been recognised directly in equity, the financial statements should disclose: a) the amount that was so recognised in equity during the current period; and b) the amount that was removed from equity and reported in net profit or loss for the period.	39(r2000).170(a)
8136	If the presumption that fair value can be reliably measured for all financial assets that are available for sale or held for trading has been overcome and the enterprise is, therefore, measuring any such financial assets at amortised cost, that fact should be disclosed, together with a description of the financial assets, their carrying amount, an explanation of why fair value cannot be reliably measured, and, if possible, the range of estimates within which fair value is highly likely to lie.	39(r2000).170(b)
8137	If financial assets whose fair value previously could not be measured reliably are sold, that fact should be disclosed as well as the carrying amount of such financial assets at the time of sale, and the amount of gain or loss recognised.	39(r2000).170(b)
8138	The financial statements should disclose significant items of income, expense, and gains and losses resulting from financial assets and financial liabilities, whether included in net profit or loss or as a separate component of equity. *Notes:* *1. For the purpose of item 8138, total interest income and total interest expense should be disclosed separately.* *2. For the purpose of item 8138, with respect to available-for-sale financial assets that are adjusted to fair value after initial acquisition, total gains and losses from derecognition of such financial assets and included in net profit or loss for the period should be reported separately from total gains and losses from fair value adjustments of recognised assets and liabilities included in net profit or loss for the period. A similar split of 'realised' versus 'unrealised' gains and losses with respect to financial assets and liabilities held for trading is not required.*	39(r2000).170(c)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	3. For the purpose of item 8138, the enterprise should disclose the amount of interest income that has been accrued on impaired loans pursuant to IAS 39(r2000), paragraph 116, and that has not yet been received in cash.	
8139	If the enterprise has entered into a securitisation or repurchase agreement, it should disclose, separately for such transactions occurring in the current financial reporting period and for remaining retained interests from transactions occurring in prior financial reporting periods:	39(r2000).170(d)
	a) the nature and extent of such transactions, including a description of any collateral, and quantitative information about the key assumptions used in calculating the fair values of new and retained interests; and	
	b) whether the financial assets have been derecognised.	
8140	If the enterprise has reclassified a financial asset as one required to be reported at amortised cost rather than at fair value, the reason for that reclassification should be disclosed.	39(r2000).170(e)
8141	Disclosure should be made of the nature and amount of any impairment loss or reversal of an impairment loss recognised for a financial asset, separately for each significant class of financial asset.	39(r2000).170(f)
8142	A borrower should disclose the carrying amount of financial assets pledged as collateral for liabilities and any significant terms and conditions relating to pledged assets.	39(r2000).170(g)
8143	A lender should disclose:	39(r2000).170(h)
	a) the fair value of collateral (both financial and non-financial assets) that it has accepted and that it is permitted to sell or repledge in the absence of default;	
	b) the fair value of collateral that is sold or repledged; and	
	c) any significant terms and conditions associated with its use of collateral.	
	EMPLOYEE BENEFITS	
	Post-Employment Benefits	
8144	For defined contribution plans, the enterprise should disclose the amount recognised as an expense in the period.	19(r2002).46
8145	For defined benefit plans, the enterprise should disclose the total expense recognised in the income statement for each of the following, and the line item(s) of the income statement in which they are included:	19(r2002).120(f)
	a) current service cost;	
	b) interest cost;	
	c) expected return on plan assets;	
	d) expected return on any reimbursement right recognised as an asset under IAS 19(r2002), paragraph 104A;	

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	e) actuarial gains and losses;	
	f) past service cost; and	
	g) the effect of any curtailment or settlement.	
8146	An asset relating to one retirement benefit plan should be offset against a liability relating to another plan when, and only when, the following conditions are satisfied:	19(r2002).116
	a) the enterprise has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan; and	
	b) the enterprise intends either to settle the obligations on a net basis, or to realise the surplus on one plan and settle its obligations under the other plan simultaneously.	
8147	The following information should be disclosed about defined benefit plans:	
	a) a general description of the type of plan;	19(r2002).120(b)
	b) a reconciliation of the assets and liabilities recognised in the balance sheet, showing at least:	19(r2002).120(c)
	i) the present value at the balance sheet date of defined benefit obligations that are wholly unfunded;	
	ii) the present value (before deducting the fair value of plan assets) at the balance sheet date of defined benefit obligations that are wholly or partly funded;	
	iii) the fair value of any plan assets at the balance sheet date;	
	iv) the net actuarial gains or losses not recognised in the balance sheet;	
	v) the past service cost not yet recognised in the balance sheet;	
	vi) any amount not recognised as an asset, because of the limit restrictions imposed by IAS 19 (r2002), paragraph 58(b);	
	vii) the fair value at the balance sheet date of any reimbursement right recognised as an asset under IAS 19 (r2002), paragraph 104A (with a brief description of the link between the reimbursement right and the related obligation); and	
	viii) the other amounts recognised in the balance sheet;	
	c) the amounts included in the fair value of plan assets for:	19(r2002).120(d)
	i) each category of the reporting enterprise's own financial instruments; and	
	ii) any property occupied by, or other assets used by, the reporting enterprise;	

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	d) a reconciliation showing the movements during the period in the net liability (or asset) recognised in the balance sheet;	19(r2002).120(e)
	e) the actual return on plan assets, as well as the actual return on any reimbursement right recognised as an asset under IAS 19(r2002), paragraph 104A and;	19(r2002).120(g)
	f) the principal actuarial assumptions used as at the balance sheet date, including, where applicable:	19(r2002).120(h)
	i) the discount rates;	
	ii) the expected rates of return on any plan assets for the periods presented in the financial statements;	
	iii) the expected rates of return for the periods presented in the financial statements on any reimbursement right recognised as an asset under IAS 19 (r2002), paragraph 104A;	
	iv) the expected rates of salary increases (and of changes in an index or other variable specified in the formal or constructive terms of a plan as the basis for future benefit increases);	
	v) medical cost trend rates; and	
	vi) any other material actuarial assumptions used.	
	Notes: *1. The enterprise should disclose each actuarial assumption in absolute terms (for example as an absolute percentage) and not just as a margin between different percentages or other variables.*	
	2. When an enterprise has more than one defined benefit plan, disclosures may be made in total, separately for each plan, or under appropriate groupings.	19(r2002).122
8148	Where a multi-employer plan is accounted for as a defined benefit plan, the enterprise should disclose the information specified in item 8147 above.	19(r2002).29
8149	Where a multi-employer plan is a defined benefit plan, but is accounted for as a defined contribution plan because sufficient information is not available to use defined-benefit accounting, the enterprise should disclose:	19(r2002).30
	a) the fact that the plan is a defined benefit plan;	
	b) the reason why sufficient information is not available to enable the enterprise to account for the plan as a defined benefit plan; and	
	c) to the extent that a surplus or deficit in the plan may affect the amount of future contributions:	
	i) any available information about that surplus or deficit;	
	ii) the basis used to determine that surplus or deficit; and	
	iii) the implications, if any, for the enterprise.	

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Equity Compensation Benefits	
8150	In respect of equity compensation benefits, the following should be disclosed: a) the nature and terms (including any vesting rules) of equity compensation plans; b) the amounts recognised in the financial statements for equity compensation plans; c) the number and terms (including, where applicable, dividend and voting rights, conversion rights, exercise dates, exercise prices and expiry dates) of the enterprise's own equity financial instruments which are held by equity compensation plans (and, in the case of share options, by employees) at the beginning and end of the period, and the extent to which employees' entitlements to those instruments are vested at the beginning and end of the period; d) the number and terms (including, where applicable, dividend and voting rights, conversion rights, exercise dates, exercise prices and expiry dates) of equity financial instruments issued by the enterprise to equity compensation plans or to employees (or of the enterprise's own equity financial instruments distributed by equity compensation plans to employees) during the period and the fair value of any consideration received from the equity compensation plans or the employees; e) the number, exercise dates and exercise prices of share options exercised under equity compensation plans during the period; f) the number of share options held by equity compensation plans, or held by employees under such plans, that lapsed during the period; and g) the amount, and principal terms, of any loans or guarantees granted by the reporting enterprise to, or on behalf of, equity compensation plans.	19(r2002).147
8151	Unless it is impracticable to do so, the following additional items should be disclosed: a) the fair value, at the beginning and end of the period, of the enterprise's own equity financial instruments (other than share options) held by equity compensation plans; and b) the fair value, at the date of issue, of the enterprise's own equity financial instruments (other than share options) issued by the enterprise to equity compensation plans or to employees during the period.	19(r2002).148
8152	If it is not practicable to determine the fair value of the equity financial instruments specified for disclosure under item 8151 above, that fact should be disclosed.	19(r2002).148
	Note: *When an enterprise has more than one equity compensation plan, disclosures may be made in total, separately for each plan, or under appropriate groupings.*	19(r2002).149

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
8153	On implementation of IAS 19 (r1998), the enterprise should determine its transitional liability in accordance with IAS 19(r1998), paragraph 154. Where the enterprise elects to recognise any excess of the transitional liability over the liability that would have been arrived at under its previous accounting policy over a period of up to 5 years, rather than immediately, it should disclose at each balance sheet date: a) the amount of the excess that remains unrecognised; and b) the amount recognised in the current period.	19(r2002).155(b)
8154	Specific amendments to IAS 19 regarding the revised definition of plan assets, the related definitions of assets held by a long-term employee benefit fund and qualifying insurance policy, and the recognition and measurement requirements for reimbursements, and related disclosures become operative for annual financial statements beginning on or after 1 January 2001. If earlier adoption of these amendments affects the financial statements, that fact should be disclosed.	19(r2002).159
8155	Specific amendments to IAS 19 regarding the asset ceiling test become operative for annual financial statements covering periods ending on or after 31 May 2002. If earlier adoption of these amendments affects the financial statements, that fact should be disclosed.	19(r2002).159A
	PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS	
8156	For each class of provision, the enterprise should disclose: a) the carrying amount at the beginning and end of the period; b) additional provisions made in the period, including increases to existing provisions; c) amounts used (i.e. incurred and charged against the provision) during the period; d) unused amounts reversed during the period; and e) the increase during the period in the discounted amount arising from the passage of time and the effect of any change in the discount rate. *Note:* *Comparative information is not required for the disclosures specified in item 8156.*	37.84
8157	The enterprise should disclose the following for each class of provision: a) a brief description of the nature of the obligation and the expected timing of any resulting outflows of economic benefits; b) an indication of the uncertainties about the amount or timing of those outflows including, where necessary to provide adequate information, the major assumptions made concerning future events; and c) the amount of any expected reimbursement, stating the amount of any asset that has been recognised for that expected reimbursement.	37.85

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
8158	Unless the possibility of any outflow in settlement is remote, the enterprise should disclose, for each class of contingent liability at the balance sheet date, a brief description of the nature of the contingent liability.	37.86
8159	Where practicable, the following information should also be disclosed in respect of contingent liabilities: a) an estimate of the financial effect of the contingent liability, under the measurement rules specified in IAS 37, paragraphs 36 to 52; b) an indication of the uncertainties relating to the amount or timing of any outflow; and c) the possibility of any reimbursement.	37.86
8160	Where an inflow of economic benefits is probable, the enterprise should disclose a brief description of the nature of the contingent assets at the balance sheet date.	37.89
8161	Where practicable, the enterprise should also disclose an estimate of the financial effect of contingent assets, measured using the principles specified in IAS 37, paragraphs 36 to 52.	37.89
8162	Where any of the information required by items 8158 to 8161 is not disclosed, because it is not practicable to do so, that fact should be stated.	37.91
8163	In the extremely rare case where information is not disclosed because disclosure of some or all of the information required by items 8156 to 8161 could be expected to prejudice seriously the position of the enterprise in a dispute with other parties on the subject matter of the provision, contingent liability or contingent asset, the enterprise should disclose the general nature of the dispute, together with the fact that, and the reason why, the information has not been disclosed.	37.92
8164	On implementation of IAS 37, if comparative information is not restated, that fact should be disclosed.	37.93
8165	A venturer should disclose the aggregate amount of the following contingent liabilities (unless the probability of loss is remote), separately from the amount of other contingent liabilities: a) any contingent liabilities that the venturer has incurred in relation to its interests in joint ventures and its share in each of the contingent liabilities which have been incurred jointly with other venturers; b) its share of the contingent liabilities of the joint ventures themselves for which it is contingently liable; and c) those contingent liabilities that arise because the venturer is contingently liable for the liabilities of the other venturers in a joint venture.	31(r2000).45,48

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	COMMITMENTS	
8166	The financial statements should disclose the amount of commitments for the acquisition of property, plant and equipment.	16(r1998).61(d)
8167	The financial statements should disclose material contractual obligations to purchase, construct or develop investment property, or for repairs, maintenance or enhancements.	40.66(f)
8168	The financial statements should disclose the amount of commitments for the acquisition of intangible assets.	38.111(e)
8169	A venturer should disclose the aggregate amount of the following commitments in respect of its interests in joint ventures, separately from the amount of other commitments:	31(r2000).46,48
	a) any capital commitments that the venturer has incurred in relation to its interests in joint ventures and its share in each of the capital commitments that have been incurred jointly with other venturers; and	
	b) its share of the capital commitments of the joint ventures themselves.	
	GOVERNMENT GRANTS	
8170	The following information should disclosed in the financial statements:	
	a) the nature and extent of government grants recognised in the financial statements and an indication of other forms of government assistance from which the enterprise has directly benefited; and	20.39(b)
	b) unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.	20.39(c)
	RELATED PARTY DISCLOSURES	
	Note: *IAS 24 does not specifically require the disclosure of the employee benefits of directors and key management. The Standard acknowledges that disclosures will generally be specified by local laws or stock exchange regulations. However, if there are no such local requirements, the payment of such benefits constitutes a transaction between the enterprise and a related party and, as such, is prima facie disclosable.*	
8171	Related party relationships where control exists should be disclosed in the financial statements, irrespective of whether there have been transactions between the related parties.	24.20
8172	If there have been transactions between related parties, the enterprise should disclose the nature of the related party relationships, as well as the types of transactions and the elements of the transactions necessary for an understanding of the financial statements.	24.22

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Note: *The elements of a transaction necessary for an understanding of the financial statements will normally include:* *a) an indication of the volume of the transactions, either as an amount, or as an appropriate proportion;* *b) amounts or appropriate proportions of outstanding items; and* *c) pricing policies*	24.23
8173	Items of a similar nature should only be aggregated when such aggregation is appropriate on the basis that separate disclosure is not necessary for an understanding of the effects of related party transactions on the financial statements.	24.24
8174	Separate disclosure should be made of amounts payable to and receivable from: a) the parent enterprise; b) fellow subsidiaries and associates; and c) other related parties.	1(r1997).72
	EVENTS AFTER THE BALANCE SHEET DATE	
8175	The enterprise should disclose the date when the financial statements were authorised for issue.	10(r1999).16
8176	If the enterprise's owners or others have the power to amend the financial statements after issuance, the enterprise should disclose that fact.	10(r1999).16
8177	If the enterprise receives information after the balance sheet date about conditions that existed at the balance sheet, the enterprise should update disclosures that relate to those conditions, in the light of the new information.	10(r1999).18
8178	Where non-adjusting events after the balance sheet date are of such importance that non-disclosure would affect the ability of the users of financial statements to make proper evaluations and decisions, the enterprise should disclose the following information for each significant category of non-adjusting event after the balance sheet date: a) the nature of the event; and b) an estimate of its financial effect, or a statement that such an estimate cannot be made.	10(r1999).20

SECTION 9 ADDITIONAL DISCLOSURE REQUIREMENTS - BANKS AND SIMILAR FINANCIAL INSTITUTIONS (IAS 30)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Note: *For the purposes of IAS 30, a bank is defined as a financial institution, one of whose principal activities is to take deposits and borrow with the objective of lending and investing, and which is within the scope of banking or similar legislation, whether or not it has the word 'bank' in its name.*	
	INCOME STATEMENT - GENERAL	
9001	The income statement should group income and expenses by nature and disclose the amounts of the principal types of income and expenses.	30.9
9002	In addition to the requirements of other IFRS, the following items of income and expense should be disclosed in the income statement or in the notes to the financial statements: a) interest and similar income; b) interest expense and similar charges; c) dividend income; d) fee and commission income; e) fee and commission expense; f) gains less losses arising from dealing securities; g) gains less losses arising from investment securities; h) gains less losses arising from dealing in foreign currencies; i) other operating income; j) losses on loans and advances; k) general administrative expenses; and l) other operating expenses.	30.10
9003	Items of income and expense should be offset only when they are relate to hedges or to assets and liabilities that have been offset in compliance with item 9006 below.	30.13
	BALANCE SHEET - GENERAL	
9004	The balance sheet should group assets and liabilities by nature, and list them in an order that reflects their relative liquidity.	30.18
9005	In addition to the requirements of other IFRS, the following assets and liabilities should be disclosed in the balance sheet or in the notes to the financial statements: ***Assets*** a) cash and balances with the central bank;	30.19

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	b) treasury bills and other bills eligible for rediscounting with the central bank;	
	c) government and other securities held for dealing purposes;	
	d) placements with, and loans and advances to, other banks;	
	e) other money market placements;	
	f) loans and advances to customers; and	
	g) investment securities.	
	Liabilities	
	a) deposits from other banks;	
	b) other money market deposits;	
	c) amounts owed to other depositors;	
	d) certificates of deposit;	
	e) promissory notes and other liabilities evidenced by paper; and	
	f) other borrowed funds.	
9006	Assets and liabilities should be offset only when a legal right of set-off exists and the offsetting represents the expectation as to the realisation of the asset or settlement of the liability.	30.23
9007	The bank should disclose the fair value of each class of its financial assets and liabilities as required by IAS 32 (r1998) *Financial Instruments: Disclosure and Presentation* and IAS 39 (r2000) *Financial Instruments: Recognition and Measurement.*	30.24
	CONTINGENT LIABILITIES AND COMMITMENTS (INCLUDING OFF BALANCE SHEET ITEMS)	
9008	The bank should disclose the following contingent liabilities and commitments:	30.26
	a) the nature and amount of commitments to extend credit that are irrevocable because they cannot be withdrawn at the discretion of the bank without the risk of incurring significant penalty or expense; and	
	b) the nature and amount of contingent liabilities and commitments arising from off-balance sheet items, including those relating to:	
	i) direct credit substitutes, including general guarantees of indebtedness, bank acceptance guarantees and standby letters of credit serving as financial guarantees for loans and securities;	
	ii) certain transaction-related contingent liabilities, including performance bonds, bid bonds, warranties and standby letters of credit related to particular transactions;	

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	iii) short-term, self-liquidating, trade-related contingent liabilities arising from the movement of goods, such as documentary credits where the underlying shipment is used as security;	
	iv) any sale and repurchase agreements not recognised in the balance sheet;	
	v) interest and foreign exchange rate-related items, including swaps, options and futures; and	
	vi) other commitments, note issuance facilities and revolving underwriting facilities.	
	MATURITIES OF ASSETS AND LIABILITIES	
9009	The bank should provide an analysis of assets and liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date.	30.30
	CONCENTRATIONS OF ASSETS AND LIABILITIES	
9010	The bank's financial statements should disclose:	30.40
	a) any significant concentrations of its assets, liabilities and off-balance sheet items, in terms of geographical areas, customer or industry groups, or other concentrations of risk; and	
	b) the amount of significant net foreign currency exposures.	
	LOSSES ON LOANS AND ADVANCES	
9011	The bank should disclose the following:	30.43
	a) the accounting policy that describes the basis on which uncollectable loans and advances are recognised as an expense and written off;	
	b) details of the movements in the provision for losses on loans and advances during the period, disclosing separately:	
	i) the amount charged to income in the period for losses on uncollectible loans and advances;	
	ii) the amount charged in the period for loans and advances written off; and	
	iii) the amount credited in the period for loans and advances previously written off that have been recovered;	
	c) the aggregate amount of the provision for losses on loans and advances at the balance sheet date; and	
	d) the aggregate amount included in the balance sheet for loans and advances on which interest is not being accrued and the basis used to determine the carrying amount of such loans and advances.	

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
9012	Any amounts that have been set aside in respect of losses on loans and advances (in addition to those losses that have been specifically identified or potential losses that experience indicates are inherent in any portfolio of loans and advances) should be accounted for as appropriations of retained earnings.	30.44
9013	Any credits resulting from the reduction of the amounts referred to in item 9012 should be excluded from the determination of net income and credited to retained earnings.	30.44
	GENERAL BANKING RISKS	
9014	Any amounts that have been set aside for general banking risks (including those covering future losses and other unforeseeable risks or contingencies) should be separately disclosed as appropriations of retained earnings.	30.50
9015	Any credits resulting from the reduction of the amounts referred to in item 9014 should be excluded from the determination of net profit or loss for the period and should be credited to retained earnings.	30.50
	ASSETS PLEDGED AS SECURITY	
9016	The bank should disclose: a) the aggregate amount of secured liabilities; and b) the nature and carrying amount of the assets pledged as security.	30.53

SECTION 10 DISCLOSURE OF INFORMATION REFLECTING THE EFFECTS OF CHANGING PRICES (IAS 15)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Notes: *1. A particular exemption is permitted in relation to IAS 15. Arising from the failure to reach international consensus on the disclosure of information reflecting the effects of changing prices, enterprises need not disclose the information required by IAS 15 in order that their financial statements conform with International Financial Reporting Standards. However, enterprises are encouraged to disclose information reflecting the effects of changing prices and, where they do so, to disclose the items required by IAS 15.* *2. IAS 15 applies to enterprises whose levels of revenues, profit, assets or employment are significant in the economic environment in which they operate.When both parent company and consolidated financial statements are presented, the information called for by this section need be presented only on the basis of consolidated information.* *The information is not required for a subsidiary operating in the country of domicile of its parent if consolidated information on this basis is presented by the parent. For subsidiaries operating in a country other than the country of domicile of the parent, the information specified is required only when it is accepted practice for similar information to be presented by enterprises of economic significance in that country.* *3. Presentation of information reflecting the effects of changing prices is encouraged for other entities in the interest of promoting more informative financial reporting.*	
10001	The following items should be disclosed using an accounting method reflecting the effects of changing prices:	15.8
	a) the amount of the adjustment to or the adjusted amount of depreciation of property, plant and equipment;	15.21(a)
	b) the amount of the adjustment to or the adjusted amount of cost of sales;	15.21(b)
	c) the adjustments relating to monetary items, the effect of borrowing, or equity interests when such adjustments have been taken into account in determining income under the accounting method adopted;	15.21(c)
	d) the overall effect of the adjustments described in (a) and (b) and, where appropriate, (c), as well as any other items reflecting the effects of changing prices that are reported under the accounting method adopted;	15.21(d)
	e) if a current cost method is adopted, the current cost of property, plant and equipment, and of inventories; and	15.22
	f) a description of the methods adopted to compute the information specified by (a) to (e) above, including the nature of any indices used.	15.23
10002	If the information specified above has not been presented in the primary financial statements, it should be provided on a supplementary basis.	15.24

SECTION 11 DISCLOSURES FOR ENTERPRISES REPORTING IN THE CURRENCY OF A HYPERINFLATIONARY ECONOMY (IAS 29)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Note: *This section applies to the primary financial statements, including the consolidated financial statements, of any enterprise that reports in the currency of a hyperinflationary economy.*	
11001	The financial statements of an enterprise that reports in the currency of a hyperinflationary economy (whether based on a historical cost approach or a current cost approach) should be stated in terms of the measuring unit current at the balance sheet date.	29.8
11002	The corresponding figures for the previous period, and any information in respect of earlier periods, should be stated in terms of the measuring unit current at the balance sheet date.	29.8
11003	The gain or loss on the net monetary position should be included in net income and separately disclosed.	29.9
11004	The financial statements should disclose the following information: a) the fact that the financial statements and the corresponding figures for previous periods have been restated for the changes in the general purchasing power of the reporting currency and, as a result, are stated in terms of the measuring unit current at the balance sheet date; b) whether the financial statements are based on a historical cost or current cost approach; and c) the identity and level of the price index at the balance sheet date and the movement in the index during the current and the previous reporting period.	29.39
11005	When the economy has ceased to be hyperinflationary, and the enterprise has discontinued the preparation and presentation of financial statements prepared in accordance with IAS 29, the enterprise should treat the amounts expressed in the measuring unit current at the end of the previous reporting period as the basis for the carrying amounts in its subsequent financial statements.	29.38

SECTION 12 DISCLOSURES FOR ENTERPRISES ENGAGED IN AGRICULTURAL ACTIVITY (IAS 41)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Note: *IAS 41, Agriculture, is effective for annual financial statements covering periods beginning on or after 1 January 2003. Earlier adoption is encouraged.*	
12001	The enterprise should present the carrying amount of its biological assets separately on the face of its balance sheet.	41.39
	GENERAL DISCLOSURES	
12002	The enterprise should disclose the aggregate gain or loss arising during the current period on initial recognition of biological assets and agricultural produce, and from the change in fair value less estimated point-of-sale costs of biological assets.	41.40
12003	The enterprise should provide a description of each group of biological assets, either in narrative form or as a quantified description.	41.41
12004	If not disclosed elsewhere in information published with the financial statements, the enterprise should describe: a) the nature of its activities involving each group of biological assets; and b) non-financial measures or estimates of the physical quantities of: i) each group of the enterprise's biological assets at the end of the period; and ii) output of agricultural produce during the period.	41.46
12005	The enterprise should disclose the methods used and significant assumptions applied in determining the fair value of each group of agricultural produce at the point of harvest, and each group of biological assets.	41.47
12006	The enterprise should disclose the fair value less estimated point-of-sale costs of agricultural produce harvested during the period, determined at the point of harvest.	41.48
12007	The enterprise should disclose: a) the existence and carrying amounts of biological assets whose title is restricted, and the carrying amounts of biological assets pledged as security for liabilities; b) the amount of commitments for the development or acquisition of biological assets; and c) financial risk management strategies related to agricultural activity.	41.49
12008	The enterprise should present a reconciliation of changes in the carrying amount of biological assets between the beginning and the end of the current period, including: a) the gain or loss arising from changes in fair value less estimated point-of-sale costs;	41.50

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	b) increases due to purchases;	
	c) decreases due to sales;	
	d) decreases due to harvest;	
	e) increases resulting from business combinations;	
	f) net exchange differences arising on the translation of the financial statements of a foreign entity; and	
	g) other changes.	
	Note: *Comparative information is not required for the reconciliation specified in item 12008.*	
	ADDITIONAL DISCLOSURES FOR BIOLOGICAL ASSETS WHERE FAIR VALUE CANNOT BE MEASURED RELIABLY	
12009	If an enterprise measures biological assets at their cost less any accumulated depreciation and any accumulated impairment losses at the end of the period, the enterprise should disclose for such biological assets:	41.54
	a) a description of the biological assets;	
	b) an explanation of why fair value cannot be measured reliably;	
	c) if possible, the range of estimates within which fair value is highly likely to lie;	
	d) the depreciation method used;	
	e) the useful lives or the depreciation rates used; and	
	f) the gross carrying amount and the accumulated depreciation (aggregated with accumulated impairment losses) at the beginning and end of the period.	
12010	If, during the current period, an enterprise measures biological assets at their cost less any accumulated depreciation and any accumulated impairment losses, the enterprise should disclose any gain or loss recognised on disposal of such biological assets and the reconciliation required under item 12008 above should disclose amounts related to such biological assets separately.	41.55
12011	In the circumstances described in item 12010, the reconciliation should also include the following amounts included in net profit or loss related to those biological assets:	41.55
	a) impairment losses;	
	b) reversals of impairment losses; and	
	c) depreciation.	

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
12012	If the fair value of biological assets previously measured at their cost less any accumulated depreciation and any accumulated impairment losses becomes reliably measurable during the current period, the enterprise should disclose for those biological assets: a) a description of the biological assets; b) an explanation of why fair value has become reliably measurable; and c) the effect of the change.	41.56
	GOVERNMENT GRANTS	
12013	The enterprise should disclose the following related to agricultural activity covered by IAS 41: a) the nature and extent of government grants recognised in the financial statements. b) unfulfilled conditions and other contingencies attaching to government grants; and c) significant decreases expected in the level of government grants.	41.57
	TRANSITIONAL PROVISIONS	
12014	If the enterprise applies IAS 41 for periods beginning before 1 January 2003 (its effective date), that fact should be disclosed.	41.58

SECTION 13 DISCLOSURES FOR SERVICE CONCESSION ARRANGEMENTS (SIC 29)

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	Notes: *SIC 29 sets out the required disclosures where an enterprise (the Concession Operator) enters into an arrangement with another enterprise (the Concession Provider) to provide services that give the public access to major economic and social facilities.* *Examples of such service concession arrangements include water treatment and supply facilities, motorways, car parks, tunnels, bridges, airports and telecommunication networks.* *A service concession arrangement generally include the Concession Provider conveying for the period of the concession to the Concession Operator:* *a) the right to provide services that give the public access to major economic and social facilities, and* *b) in some cases, the right to use specified tangible assets, intangible assets and/or financial assets,* *in exchange for the Concession Operator:* *a) committing to provide the services according to certain terms and conditions during the concession period, and* *b) when applicable, committing to return at the end of the concession period the rights received at the beginning of the concession period and/or acquired during the concession period.* *Certain aspects and disclosures relating to some service concession arrangements are addressed by IAS (e.g. IAS 16 applies to acquisitions of property, plant and equipment; IAS 17 applies to leases of assets; IAS 38 applies to acquisitions of intangible assets). However, given that the arrangements may involve executory contracts that are not addressed in IAS, unless they are onerous, in which case IAS 37, Provisions, Contingent Liabilities and Contingent Assets, applies, SIC 29 has introduced additional disclosures for service concession arrangements.*	
13001	All aspects of a service concession arrangement should be considered in determining the appropriate disclosures in the notes to the financial statements. A Concession Operator and a Concession Provider should disclose the following in each period: a) a description of the arrangement; b) significant terms of the arrangement that may affect the amount, timing and certainty of future cash flows (e.g. the period of the concession, re-pricing dates and the basis upon which re-pricing or re-negotiation is determined); c) the nature and extent (e.g. quantity, time period or amount, as appropriate) of: i) rights to use specified assets; ii) obligations to provide or rights to expect provision of service;	SIC 29.6

REF.	PRESENTATION/DISCLOSURE REQUIREMENT	SOURCE
	iii) obligations to acquire or build items of property, plant and equipment;	
	iv) obligations to deliver or rights to receive specified assets at the end of the concession period;	
	v) renewal and termination options; and	
	vi) other rights and obligations (e.g. major overhauls); and	
	d) changes in the arrangements occurring during the period.	
	Note: *The disclosures required by item 13001 should be provided individually for each service concession arrangement or in aggregate for each class of service concession arrangements. A class is a grouping of service concession arrangements involving services of a similar nature (e.g. toll collections, telecommunications and water treatment services).*	SIC 29.7

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