Section C: Model concise report for financial years ending on or after 30 June 2012

Section C
Model concise report
for financial years ending on or after 30 June 2012

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About the model concise report

Purpose

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

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

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

Source references

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

Abbreviations used in this model are as follows:

s.	Section of the Corporations Act 2001.
Reg	Regulation of the Corporations Regulations 2001.
AASB	Australian Accounting Standard issued by the Australian Accounting Standards Board.
ASA	Australian Auditing Standard issued by the Auditing and Assurance Standards Board.
ASIC-CO	Australian Securities and Investments Commission Class Order issued pursuant to s.341(1) of the Corporations Act 2001.
ASIC-PN	Australian Securities and Investments Commission Practice Note.
ASX-LR	Australian Securities Exchange Limited Listing Rule.
ASX-GN	Australian Securities Exchange Limited Guidance Note.
ASIC-RG	Australian Securities and Investments Commission Regulatory Guide.

GAAP Holdings (Australia) Limited
ACN 123 456 789
Concise report for the financial year ended 30 June 2012

The concise financial statements are an extract from the full financial statements of GAAP Holdings (Australia) Limited. The financial statements and specific disclosures included in the concise financial statements have been derived from the full financial statements of GAAP Holdings (Australia) Limited, and cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial statements.

Further financial information can be obtained from GAAP Holdings (Australia) Limited's full financial statements, a copy of which, together with a copy of the independent audit report, is available to all shareholders, and will be sent to shareholders without charge on request.

Source references: AASB1039.33, s.314(2)(e)

Source	GAAP Holdings (Australia) Limited
	Format of the concise report
	Content of a concise report
s.314(2)	A concise report for a financial year consists of: (a) a concise financial report prepared in accordance with AASB 1039 'Concise Financial Reports'; (b) the directors' report; (c) an audit report; (d) a copy of any qualification and of any statements included in the emphasis of matter section of the auditor's report on the financial report; and (e) a statement that the report is a concise financial report and a full financial report and auditor's report will be sent to any member free of charge on request.
ASIC-CO 98/2395	Where information required by s.298(1)(c)[1] (auditors' independence declaration), s.299(1A) (information to give a true and fair view), s.299 (general information about operations and activities) or s.299A (information about the entity's operations, financial position, business strategies and future prospects) has been transferred out of the directors' report into a document forming part of the annual report, the concise report must include the documents that contain this information.
	Financial statements
AASB1039.18	Concise financial statements shall include the following financial statements: (a) a statement of comprehensive income for the annual reporting period; (b) a statement of financial position as at the end of the annual reporting period; (c) a statement of cash flows for the annual reporting period; and (d) a statement of changes in equity for the annual reporting period. The Corporations Act 2001 does not require the concise financial report to include a directors' declaration. However, to be consistent with the preparation of the full financial report the preparation of a directors' declaration is encouraged.
AASB1039.34	Where an entity is the parent of a group, AASB 1039 applies to the consolidated financial statements of the entity and the notes to those statements, and does not require that parent financial information be provided. Where parent financial information is provided in addition to consolidated financial information, the parent financial information is also subject to the requirements of AASB 1039.
AASB1039.20	Each financial statement in the concise financial statements shall be presented as it is in the full financial statements, in accordance with Accounting Standards, except for the omission of cross-references to notes to the financial statements in the full financial statements.
AASB1039.24	The financial statements of entities other than listed companies shall be accompanied by discussion and analysis to assist the understanding of members.
	Comparative information
AASB1039.34	Information for the preceding corresponding reporting period which corresponds to the disclosures made in accordance with AASB 1039 for the current reporting period shall be disclosed except when comparative information is not required to be disclosed in the financial statements.
AASB1039.35	When a disclosure specifically required by AASB 1039 is not required with respect to the current reporting period, but was required in the preceding reporting period, it is still necessary to disclose the comparative information.
	Definitions
AASB1039.36	The technical terms referred to in AASB 1039 have the same meaning as in the relevant Accounting Standards applied in the preparation of the full financial statements for the current reporting period.
	Directors' report
	The directors' report in the concise financial report shall be the same as that in the annual financial report, except that references to notes in the full financial statements shall be omitted.
ASIC-CO 98/2395	Where information has been transferred out of the directors' report as permitted by ASIC Class Order 98/2395, the page references in the directors' report must be updated as necessary.

[1] Subsection 298(1)(c) has been removed and relocated to subsections 298(1)(1AA)(c) and 298(1)(1AB)(c) as a result of the Corporations Amendment (Corporate Reporting Reform) Act 2010.

Source	GAAP Holdings (Australia) Limited

Directors' report

ASIC-CO 98/2395

The directors' report included in the concise report shall be identical to the directors' report presented together with the full financial report of an entity. Cross references shall be updated where necessary to identify the location of information transferred out of the directors' report as permitted by ASIC-CO 98/2395. Where information has been transferred into the directors' report as permitted by Regulation 2M.6.04, it forms part of the directors' report and similarly be included in the directors' report forming part of the concise report.

s.1308(7)

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

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

s.300(2)

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

ASIC-CO 98/2395

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

The directors of GAAP Holdings (Australia) Limited submit herewith the annual report of the company for the financial year ended 30 June 2012. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Information about the directors

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

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

Name [all entities]	**Particulars** [public companies only]
Mr C.J. Chambers	Chairman, Chartered Accountant, joined the Board in 2002 in a non-executive capacity and is a non-executive director of the ultimate holding company, Y Holdings Limited. Mr C.J. Chambers is also a director of Eastwood Limited. He is a member of the audit committee and the risk management committee.
Mr P.H. Taylor	Chief Executive Officer, joined the Board in 1999. Mr P.H. Taylor was previously the CEO at a large manufacturing company.
Ms F.R. Ridley	Chartered Accountant, joined the Board in 2008 in a non-executive capacity. Ms F.R. Ridley is a member of the nomination and remuneration committee, and of the audit committee.
Mr A.K. Black	Industrial Engineer, joined the Board in July 2012. He previously held various senior management positions in manufacturing and wholesale companies.
Mr B.M. Stavrinidis	Director of Merchant Bank Limited, joined the Board in 2007 in a non-executive capacity. Mr B.M. Stavrinidis is a member of the nomination and remuneration committee, the audit committee, and the risk management committee.
Mr W.K. Flinders	Practicing Solicitor, joined the Board in 2004 in a non-executive capacity and resigned during the year. Mr W.K. Flinders was a member of the nomination and remuneration committee until his resignation.
Ms S.M. Saunders	Practicing Solicitor, joined the Board in 2011 in a non-executive capacity and resigned after year end. Ms S.M. Saunders was a member of the nomination and remuneration committee and the risk management committee until her resignation.

[2] Subsection 298(1)(c) has been removed and relocated to subsections 298(1)(1AA)(c) and 298(1)(1AB)(c) as a result of the Corporations Amendment (Corporate Reporting Reform) Act 2010.

Source	GAAP Holdings (Australia) Limited

s.300(1)(c)

The above named directors held office during the whole of the financial year and since the end of the financial year except for:
Mr W.K. Flinders – resigned 20 July 2011
Ms S.M. Saunders – appointed 1 August 2010, resigned 30 July 2012
Mr A.K. Black – appointed 21 July 2012

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

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

Directorships of other listed companies [listed companies only]

s.300(11)(e)

Directorships of other listed companies held by directors in the 3 years immediately before the end of the financial year are as follows:

Name	Company	Period of directorship
Mr C.J. Chambers	Eastwood Limited	Since 2009
	Yarwood Limited	2008 – 2010

Former partners of the audit firm

s.300(1)(ca)

The directors' report must disclose the name of each person who:

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

Directors' shareholdings [listed companies only]

s.300(11)(a), (b), (c)

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

	GAAP Holdings (Australia) Limited		
Directors	Fully paid ordinary shares Number	Share options Number	Convertible notes Number
C.J. Chambers	5,000	-	3,000
P.H. Taylor	50,000	88,000	15,000
A.K. Black	9,000	-	-

s.608

Directors are considered to have a relevant interest where the director:
(a) is the holder of the securities;
(b) has power to exercise, or control the exercise of, a right to vote attached to the securities; or
(c) has power to dispose of, or control the exercise of a power to dispose of, the securities.

s.608

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

s.608, s.609

Refer s.608 and s.609 of the Corporations Act 2001 for more information about when a person has a relevant interest in a security.
Although s.300(11)(a)-(c) only requires relevant interests in shares, debentures, and rights or options in shares or debentures to be disclosed, where considered necessary (i.e., to satisfy the information needs of the likely users of the annual report), directors may consider disclosing interests in other equity instruments.

s.300(11)(d)

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

Remuneration of key management personnel

Information about the remuneration of key management personnel is set out in the remuneration report of this directors' report, on pages C12 to C20. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the consolidated entity

Source	GAAP Holdings (Australia) Limited

Share options granted to directors and senior management

s.300(1)(d) The directors' report should include details of options that are:
(a) granted over unissued shares or unissued interests during or since the end of the financial year; and
(b) granted to any of the directors or any of the 5 most highly remunerated officers of the company (other than the directors[3]); and
(c) granted to them as part of their remuneration.

s.300(3) The disclosures required by s.300(1)(d) (illustrated below), s.300(1)(e) and s.300(1)(f) cover:
(a) options over unissued shares and interests of the company, registered scheme or disclosing entity; and
(b) if consolidated financial statements are required – options over unissued shares and interests of any controlled entity that is a company, registered scheme or disclosing entity.

s.300(5) The details of an option granted during or since the end of the financial year should include:
(a) the identity of the company, registered scheme or disclosing entity granting the option;
(b) the name of the person to whom the option is granted; and
(c) the number and class of shares or interests over which the option is granted.

s.300(1)(d), s.300(5) During and since the end of the financial year an aggregate 140,870 share options were granted to the following directors and to the five highest remunerated officers of the company and its controlled entity as part of their remuneration[3].

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

Company secretary [public companies only]

s.300(10)(d) Mr A.B. Grey, Chartered Accountant, held the position of company secretary of GAAP Holdings (Australia) Limited at the end of the financial year. He joined GAAP Holdings (Australia) Limited in 2005 and previously held the company secretary position at a large manufacturing company. He is a member of the Chartered Institute of Company Secretaries in Australia.

s.300(10) Disclosure of the company secretary's qualifications and experience is not required for a public company which is a wholly-owned controlled entity of another company.

Principal activities

s.299(1)(c) The consolidated entity's principal activities in the course of the financial year were the manufacture of electronic equipment and leisure goods, and the construction and renovation of residential properties.

During the financial year the consolidated entity sold its toy business. Details of the sale are contained in note 11 and note 47 to the full financial statements of GAAP Holdings (Australia) Limited. During the year the board of directors decided to dispose of the bicycle business. Details of the planned disposal are contained in note 11 to the financial statements of GAAP Holdings (Australia) Limited.

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

Source	GAAP Holdings (Australia) Limited
	Review of operations
s.299(1)(a), ASX-LR 4.10.17	The directors' report must contain a review of the consolidated entity's operations during the financial year and the results of those operations. The Corporations Act 2001 contains additional general requirements for listed public companies.
	Additional requirements for listed companies, listed registered schemes and listed disclosing entities
s.299A(1), (2)	The directors' report for a company, registered scheme or disclosing entity that is listed must also contain information that members of the listed entity would reasonably require to make an informed assessment of: (a) the operations of the consolidated entity; (b) the financial position of the consolidated entity; and (c) the business strategies, and prospects for future financial years, of the consolidated entity.
s.299A(3)	The directors' report may omit material that would otherwise be included under s.299A(1)(c) concerning the consolidated entity's business strategies and prospects for future financial years, if it is likely to result in unreasonable prejudice to the consolidated entity or any entity (including the company, registered scheme or disclosing entity) that is part of the consolidated entity. If material is omitted, the report must say so.
ASX-GN 10	In preparing this disclosure, entities may wish to refer to ASX Guidance Note 10 'Review of Operations and Activities: Listing Rule 4.10.17' and to the G100's 'Guide to Review of Operations and Financial Condition', providing guidance on the form and content of the consolidated entity's review of operations and the results of those operations, including specific guidance on items which might be appropriately included in such a review. It is recommended that the review should provide users, being shareholders, prospective investors and other interested stakeholders, an understanding of the consolidated entity by providing short and long-term analysis of the business as seen through the eyes of the directors. As such, the review should aim to meet the information needs of users of financial reports relating to the current reporting period and also provide them with a basis for forming a view as to likely future performance in the context of the strategies of the consolidated entity for achieving long-term value creation and known trends in performance. This requires that the review contains a discussion of the operations of the period, including an explanation of unusual or infrequent events and transactions, and an analysis of the opportunities and risks facing the consolidated entity, together with the planned approach to managing those opportunities and risks. Given this context, preparers of annual reports are encouraged to provide: (a) An overview of the consolidated entity and its strategy (b) A review of operations, considering both short and longer-term value creation in the context of the consolidated entity's strategy (c) Information on investments made to enhance future value creating potential (d) A review of the consolidated entity's financial condition (e) An overview of risk management and governance practices. This is aimed at anchoring the review in a strategic context of how the consolidated entity is aiming to enhance shareholder value, both in the short and long term. This includes discussion of both financial and non-financial elements of performance, including analysis using relevant financial and non-financial key performance indicators. The latter may include sustainability related indicators. The recommended contents of the review include: (a) Consolidated entity overview and strategy i. Explaining the objectives of the consolidated entity and how they are to be achieved ii. Including a discussion and analysis of key financial and non-financial performance indicators used by management in their assessment of the consolidated entity and its performance (including relevant sustainability performance indicators) iii. Discussing the main factors and influences that may have a major effect on future results (including potential longer-term effects), whether or not they were significant in the period under review. This may include discussion of market opportunities and risks; competitive advantage; changes in market share or position; economic factors; key customer and other relationships; employee skills and training; environmental, occupational health and safety aspects; significant legal issues; and innovation and technological developments.

Source	GAAP Holdings (Australia) Limited
	(b) Review of operations i. Discussing the main activities of the consolidated entity, including significant features of operating performance for the period under review. It should cover all aspects of operations, focussing on the consolidated entity as a whole 'through the eyes of the directors'. It should not be boilerplate, and should cover significant aspects of the consolidated entity's performance in the period, financial and non-financial. Consideration should be given to unusual or infrequent events or transactions, including material acquisitions or disposals, major sources of revenues and expenses, and changes in factors which affect the results to enable users to assess the significance of the ongoing and core activities of the consolidated entity to identify the sustainability of performance over the longer-term ii. Providing the overall return attributable to shareholders in terms of dividends and increases in shareholders' funds, including a commentary on the comparison between the results of the financial year and dividends, both in total and in per share terms, and indicating the directors' overall distribution policy. (c) Providing information on investments made for future performance, including capital expenditure and other expenditure enhancing future performance potential. This may include marketing and advertising spend to enhance brand loyalty and reputation; staff training and development programmes; quality improvement and health and safety programs; customer relationship management; and expansion of production capacity. (d) Review of financial conditions i. Capital structure of the consolidated entity including capital funding and treasury policies and objectives ii. Cash from operations and other sources of capital iii. Discussion of the liquidity and funding at the end of the period under review, including restrictions on funds transfer, covenants entered into and the maturity profile of borrowings iv. Discussing the resources available to the consolidated entity not reflected in the statement of financial position, for example mineral reserves, key intellectual property (e.g. databases or specific entity competences); market-position; employee competences or resources / skills and their role in creating longer-term value v. Impact of legislation and other external requirements having a material effect on the financial condition in the reporting period or expected to have a material effect on the financial condition in future periods. (e) Risk management and corporate governance practices, including management of both financial and non-financial risks.
	Non-IFRS financial information
ASIC-RG 230	If the directors consider it appropriate to include non-IFRS financial information in the operating and financial review, the directors' report or another document in the annual report, the guidelines in Section D of Regulatory Guide 230 'Disclosing non-IFRS financial information' should be followed to assist in reducing the risk of non-IFRS financial information being misleading[4]. Important considerations include that: • IFRS financial information should be given equal or greater prominence compared to non-IFRS financial information, in particular IFRS profit; • Non-IFRS information should: ○ be explained and reconciled to IFRS financial information; ○ be calculated consistently from period to period; and ○ be unbiased and not used to remove 'bad news'. Entities should refer to the complete document when preparing their reports as it provides detailed guidance for presenting non-IFRS financial information.

[4] Non-IFRS financial information is financial information presented other than in accordance with all relevant accounting standards.

Source	GAAP Holdings (Australia) Limited
	Changes in state of affairs
s.299(1)(b)	During the financial year, the consolidated entity disposed of its toy business. The consolidated entity is also seeking to dispose of its bicycle business, in order to focus its operations towards the manufacture and distribution of electronic equipment and leisure goods as proposed and agreed at the company's last Annual General Meeting. Other than the above, there was no significant change in the state of affairs of the consolidated entity during the financial year.
	Subsequent events
s.299(1)(d)	On 18 July 2012, the premises of Subfive Limited were seriously damaged by fire. Insurance claims are in process, but the cost of refurbishment is currently expected to exceed the amount that will be reimbursed by $8.3 million. Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.
	Future developments
s.299(1)(e), s.299(3)	Disclosure of information regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the consolidated entity. Accordingly, this information has not been disclosed in this report.
s.299(1)(e), s.299(3)	Directors must bring likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations to the attention of the users of the annual report. These disclosures are not required where they would result in unreasonable prejudice to the entity.
s.299A(1)(c), (2)	The directors' report for a company, registered scheme or disclosing entity that is listed must also contain information that members of the listed entity would reasonably require to make an informed assessment of the consolidated entity's prospects for future financial years.
	Environmental regulations
s.299(1)(f)	If the consolidated entity's operations are subject to any particular and significant environmental regulation under a law of the Commonwealth or of a State or Territory, the directors' report should disclose details of the consolidated entity's performance in relation to the environmental regulation.
ASIC-RG 68.74	The ASIC has provided the following guidance on completing environmental regulations disclosures: • prima facie, the requirements would normally apply where an entity is licensed or otherwise subject to conditions for the purposes of environmental legislation or regulation; • the requirements are not related specifically to financial disclosures (e.g. contingent liabilities and capital commitments) but relate to performance in relation to environmental regulation. Hence, accounting concepts of materiality in financial statements are not applicable; • the information provided in the directors' report cannot be reduced or eliminated because information has been provided to a regulatory authority for the purposes of any environmental legislation; and • the information provided in the director's report would normally be more general and less technical than information which an entity is required to provide in any compliance reports to an environmental regulator.

Source	GAAP Holdings (Australia) Limited
	Dividends
s.254T	(1) A company must not pay a dividend unless: (a) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend; and (b) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and (c) the payment of the dividend does not materially prejudice the company's ability to pay its creditors. Note 1: As an example, the payment of a dividend would materially prejudice the company's ability to pay its creditors if the company would become insolvent as a result of the payment. Note 2: For a director's duty to prevent insolvent trading on payment of dividends, see section 588G. (2) Assets and liabilities are to be calculated for the purposes of this section in accordance with accounting standards in force at the relevant time (even if the standard does not otherwise apply to the financial year of some or all of the companies concerned).
s.300(1)(a)	In respect of the financial year ended 30 June 2011, as detailed in the directors' report for that financial year, a final dividend of 19.36 cents per share franked to 100% at 30% corporate income tax rate was paid to the holders of fully paid ordinary shares on 12 October 2011.
s.300(1)(a)	In respect of the financial year ended 30 June 2012, an interim dividend of 17.85 cents per share franked to 100% at 30% corporate income tax rate was paid to the holders of fully paid ordinary shares on 5 March 2012.
s.300(1)(a)	In respect of the financial year ended 30 June 2012, a dividend of 10.00 cents per share franked to 100% at 30% corporate income tax rate was paid to the holders of convertible non-participating preference shares on 20 June 2012.
s.300(1)(a)	In respect of the financial year ended 30 June 2012, an interim dividend of 20.33 cents per share franked to 100% at 30% corporate income tax rate was paid to the holders of redeemable cumulative preference shares on 20 June 2012.
s.300(1)(b)	In respect of the financial year ended 30 June 2012, the directors recommend the payment of a final dividend of 26.31 cents per share franked to 100% at 30% corporate income tax rate to the holders of fully paid ordinary shares on 3 October 2012.
	Where no dividends have been paid or declared since the start of the financial year, and/or the directors do not recommend the payment of a dividend in respect of the financial year, the directors' report should disclose that fact.
AASB110.13	If dividends are declared (i.e. the dividends are appropriately authorised and no longer at the discretion of the entity) after the reporting date but before the financial statements are authorised for issue, the dividends are not recognised as a liability at the reporting date because no obligations exist at that time. Such dividends are disclosed in the notes to the financial statements in accordance with AASB 101 'Presentation of Financial Statements'.
	Shares under option or issued on exercise of options
	The directors' report should include details of:
s.300(1)(f)	(a) shares or interests issued during or since the end of the financial year as a result of the exercise of an option over unissued shares or interests; and
s.300(1)(e)	(b) unissued shares or interests under option as at the date of the directors' report.
s.300(3)	The disclosures required by s.300(1)(d) (illustrated on page C4), s.300(1)(e) and s.300(1)(f) cover: (a) options over unissued shares and interests of the company, registered scheme or disclosing entity; and (b) if consolidated financial statements are required – options over unissued shares and interests of any controlled entity that is a company, registered scheme or disclosing entity.
s.300(6)	The details of unissued shares or interests under option should include: (a) the company, registered scheme or disclosing entity that will issue shares or interests when the options are exercised; (b) the number and classes of those shares or interests; (c) the issue price, or the method of determining the issue price, of those shares or interests; (d) the expiry date of the options; and

Source	GAAP Holdings (Australia) Limited

(e) any rights that option holders have under the options to participate in any share issue or interest issue of the company, registered scheme or disclosing entity or of any other body corporate or registered scheme.

s.300(7)

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

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

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

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

Issuing entity	Number of shares under option	Class of shares	Exercise price of option	Expiry date of options
GAAP Holdings (Australia) Limited	136,000	Ordinary	$1.00	30 September 2012
GAAP Holdings (Australia) Limited	60,000	Ordinary	$1.00[(a)]	27 March 2013

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

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

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

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

Issuing entity	Number of shares issued	Class of shares	Amount paid for shares	Amount unpaid on shares
GAAP Holdings (Australia) Limited	314,000	Ordinary	$1.00	$nil

Indemnification of officers and auditors

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

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

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

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

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

Source	GAAP Holdings (Australia) Limited

Directors' meetings [public companies only]

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

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

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

Registered schemes [registered schemes only]

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

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

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

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

Proceedings on behalf of the company

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

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

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

Non-audit services [listed companies only]

s.300(2A), s.300(11B)(a) Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in note 53 to the full financial statements of GAAP Holdings (Australia) Limited.

s.300(11B)(b) The directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

Source	GAAP Holdings (Australia) Limited
s.300(11B)(c)	The directors are of the opinion that the services as disclosed in note 53 to the full financial statements of GAAP Holdings (Australia) Limited do not compromise the external auditor's independence, based on advice received from the Audit Committee, for the following reasons: • all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor, and • none of the services undermine the general principles relating to auditor independence as set out in APES 110 'Code of Ethics for Professional Accountants' issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.
s.300(11D)	The statements under s.300(11B)(b) and (c) must be made in accordance with: (a) advice provided by the listed company's audit committee if the company has an audit committee; or (b) a resolution of the directors of the listed company if the company does not have an audit committee.
s.300(11E)	A statement is taken to be made in accordance with advice provided by the company's audit committee only if: (a) the statement is consistent with that advice and does not contain any material omission of material included in that advice; (b) the advice is endorsed by a resolution passed by the members of the audit committee; and (c) the advice is written advice signed by a member of the audit committee on behalf of the audit committee and given to the directors.
	Auditor's independence declaration
s.298(1AA)(c)	The auditor's independence declaration is included on page C21 of the concise report.
	Extension of audit rotation period [listed companies only]
s.300(11A)	Where, in accordance with s.342A, ASIC has made a declaration to enable an individual who is a registered company auditor to continue to play a significant role (as defined in s.9 of the Corporations Act 2001) in the audit of a listed company (by extending the audit involvement period from the normal five successive financial years to six or seven successive financial years), the directors' report must include details of the declaration.
	True and fair view
s.298(1A)	If the financial statements for a financial year include additional information under s.295(3)(c) to give a true and fair view of financial position and performance, the directors' report for the financial year must also: (a) set out the directors' reasons for forming the opinion that the inclusion of that additional information was necessary to give a true and fair view required by s.297; and (b) specify where that additional information can be found in the financial statements.
	Rounding off of amounts
	If the company is of the kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and consequently the amounts in the directors' report and the financial statements are rounded, that fact must be disclosed in the financial statements or the directors' report.
ASIC-CO 98/100	The company is a company of the kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.
	or
ASIC-CO 98/100	The company is a company of the kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the financial statements are rounded off to the nearest hundred thousand dollars, unless otherwise indicated.
	or
ASIC-CO 98/100	The company is a company of the kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the financial statements are rounded off to the nearest million dollars, unless otherwise indicated.

Source	GAAP Holdings (Australia) Limited
s.300A(1), (1A), (2)	**Remuneration report** [all disclosing entities that are companies]
	This model remuneration report is suitable for use as a **guide** only and will not be appropriate for use by all companies required to prepare a remuneration report. Each company shall consider its respective circumstances and amend the disclosures as necessary.
	Defined terms
s.9, AASB124.9	Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.
s.9	Closely related party of a member of the key management personnel for an entity means: (a) a spouse or child of the member; or (b) a child of the member's spouse; or (c) a dependant of the member or of the member's spouse; or (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or (e) a company the member controls; or (f) a person prescribed by the regulations for the purposes of this paragraph.
s.206K(2)(b)	A remuneration committee is a committee of the board of directors of the company that has functions relating to the remuneration of key management personnel for the company.
s.9	Remuneration consultant means a person: (a) who makes a remuneration recommendation under a contract for services with the company to whose key management personnel the recommendation relates; and (b) who is not an officer or employee of the company.
s.9B(1) to (4)	1. A remuneration recommendation is: (a) a recommendation about either or both of the following: (i) how much the remuneration should be; (ii) what elements the remuneration should have; for one or more members of the key management personnel for a company; or (b) a recommendation or advice about a matter or of a kind prescribed by the regulations. 2. None of the following is a remuneration recommendation (even if it would otherwise be covered by s.9B(1) above): (a) advice about the operation of the law (including tax law); (b) advice about the operation of accounting principles (for example, about how options should be valued); (c) advice about the operation of actuarial principles and practice; (d) the provision of facts; (e) the provision of information of a general nature relevant to all employees of the company; (f) a recommendation, or advice or information, of a kind prescribed by the regulations. (Regulation 1.2.01 of the of the Corporations Regulations 2001 prescribes that for s.9B(2)(f), a recommendation, or advice or information, provided in relation to one or more members of the key management personnel for a company by an employee of a company within the same consolidated entity, is not a remuneration recommendation). 3. s.9B(2) does not limit the things that are not remuneration recommendations, nor does it mean that something specified in that subsection would otherwise be a remuneration recommendation within the meaning of s.9B(1). 4. ASIC may by writing declare that s.9B(1) above does not apply to a specified recommendation or specified advice, but may do so only if ASIC is satisfied that it would be unreasonable in the circumstances for the advice or recommendation to be a remuneration recommendation. The declaration has effect accordingly. The declaration is not a legislative instrument.

Source	GAAP Holdings (Australia) Limited

Prescribed details in relation to remuneration

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

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

(a) if consolidated financial statements are required – each member of the key management personnel for the consolidated entity; or

(b) if consolidated financial statements are not required – each member of the key management personnel for the company.

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

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

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of GAAP Holdings (Australia) Limited's key management personnel for the financial year ended 30 June 2012. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the consolidated entity. The prescribed details for each person covered by this report are detailed below under the following headings:

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

Key management personnel

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

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

Mr C.J. Chambers (Chairman, Non-executive director)
Mr P.H. Taylor (Executive Director, Chief Executive Officer)
Ms F.R. Ridley (Non-executive director)
Mr A.K. Black (Non-executive director) (appointed 21 July 2012)
Mr B.M. Stavrinidis (Non-executive director)
Mr W.K. Flinders (Non-executive director) (resigned 20 July 2011)
Ms S.M. Saunders (Non-executive director) (appointed 1 August 2011, resigned 30 July 2012)
W.L. Lee (Chief Financial Officer – Subthree Limited)
L.J. Jackson (Chief Marketing Officer – Subfour Limited)
C.P. Daniels (Chief Operations Officer, resigned 3 July 2012)
N.W. Wright (General Manager – Electronic equipment division, resigned 27 June 2012)
T.L. Smith (General Manager – Leisure goods division, appointed 3 July 2011)

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

s.300A, Reg2M.3.03

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

(a) if consolidated financial statements are required – each member of the key management personnel for the consolidated entity; or

(b) if consolidated financial statements are not required – each member of the key management personnel for the company.

Remuneration policy

s.300A(1)(a)

The directors' report for a financial year for a company must include (in a separate and clearly identified section of the report):

(a) discussion of board policy for determining, or in relation to, the nature and amount (or value, as appropriate) of remuneration of the key management personnel for:

i. the company, if consolidated financial statements are not required; or

ii. the consolidated entity, if consolidated financial statements are required.

Source	GAAP Holdings (Australia) Limited
s.300A(1)(f)	The report must also include: (a) such other matters related to the policy or policies referred to in s.300A(1)(a) above as are prescribed by the regulations; and
s.300A(1)(g)	(b) if: (i) at the company's most recent AGM, comments were made on the remuneration report that was considered at that AGM; and (ii) when a resolution that the remuneration report for the last financial year be adopted was put to the vote at the company's most recent AGM, at least 25% of the votes cast were against adoption of that report; an explanation of the board's proposed action in response or, if the board does not propose any action, the board's reasons for inaction; and
s.300A(1)(h)	(c) if a remuneration consultant made a remuneration recommendation in relation to any of the key management personnel for the company or, if consolidated financial statements are required, for the consolidated entity, for the financial year: (i) the name of the consultant; and (ii) a statement that the consultant made such a recommendation; and (iii) if the consultant provided any other kind of advice to the company or entity for the financial year--a statement that the consultant provided that other kind or those other kinds of advice; and (iv) the amount and nature of the consideration payable for the remuneration recommendation; and (v) the amount and nature of the consideration payable for any other kind of advice referred to in subparagraph (iii); and (vi) information about the arrangements the company made to ensure that the making of the remuneration recommendation would be free from undue influence by the member or members of the key management personnel to whom the recommendation relates; and (vii) a statement about whether the board is satisfied that the remuneration recommendation was made free from undue influence by the member or members of the key management personnel to whom the recommendation relates; and (viii) if the board is satisfied that the remuneration recommendation was made free from undue influence by the member or members of the key management personnel to whom the recommendation relates--the board's reasons for being satisfied of this.
	Relationship between the remuneration policy and company performance
	Extent (or otherwise) of remuneration being dependent on satisfaction of a performance condition A disclosing entity that is a company must disclose:
s.300A(1)(e)(i)	(a) an explanation of the relative proportions of those elements of the remuneration of a s.300A(1)(c) identified person that are related to performance and those elements of the person's remuneration that are not;
s.300A(1)(d)	(b) if an element of the remuneration of a s.300A(1)(c) identified person consists of securities of a body and that element is not dependent on the satisfaction of a performance condition – an explanation of why that element of the remuneration is not dependent on the satisfaction of a performance condition must be disclosed;
s.300A(1)(ba)	(c) if an element of the remuneration of a member of <u>key management personnel</u> for the company, or if consolidated financial statements are required, for the consolidated entity, is dependent on the satisfaction of a performance condition: i. a detailed summary of the performance condition; ii. an explanation of why the performance condition was chosen; iii. a summary of the methods used in assessing whether the performance condition is satisfied and an explanation of why those methods were chosen; and iv. if the performance condition involves a comparison with factors external to the company: (A) a summary of the factors to be used in making the comparison; and (B) if any of the factors relates to the performance of another company, of 2 or more other companies or of an index in which the securities of a company or companies are included – the identity of that company, of each of those companies or of the index.

Source	GAAP Holdings (Australia) Limited

No hedging of remuneration of key management personnel

s.206J(1) to (3)

(1) A member of the key management personnel for a company that is a disclosing entity, or a closely related party of such a member, must not enter into an arrangement (with anyone) if the arrangement would have the effect of limiting the exposure of the member to risk relating to an element of the member's remuneration that:
   (a) has not vested in the member; or
   (b) has vested in the member but remains subject to a holding lock.

(2) Without limiting s.206J(1)(a), remuneration that is not payable to a member until a particular day is, until that day, remuneration that has not vested in the member.

(3) In determining whether an arrangement has the effect described in s.206J(1) in relation to an element of remuneration described in that subsection, regard is to be had to the regulations made for the purposes of this subsection (see Regulation 2D.7.01 of the Corporations Regulations 2001).

Discussion of the relationship between the remuneration policy and company performance

s.300A(1)(b)

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

s.300A(1AA)

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

(a) the company's earnings; and
(b) the consequences of the company's performance on shareholder wealth;

in the financial year to which the report relates and in the previous 4 financial years.

s.300A(1AB)

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

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

s.300A(1)(b)

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

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

The tables below set out summary information about the consolidated entity's earnings and movements in shareholder wealth for the five years to 30 June 2012:

	30 June 2012 $'000	30 June 2011 $'000	30 June 2010 $'000	30 June 2009 $'000	30 June 2008 $'000
Revenue	140,918	151,840	217,054	205,321	200,058
Net profit before tax	41,773	45,124	42,567	40,243	39,011
Net profit after tax	27,049	30,327	28,217	26,211	26,208

	30 June 2012	30 June 2011	30 June 2010	30 June 2009	30 June 2008
Share price at start of year	$2.65	$2.59	$2.61	$2.54	$1.90
Share price at end of year	$3.37	$2.65	$2.59	$2.61	$2.54
Interim dividend[1]	17.85cps	12.71cps	12.71cps	10.00cps	10.00cps
Final dividend[1, 2]	26.31cps	19.36cps	18.93cps	15.00cps	15.00cps
Basic earnings per share	132.2cps	137.0cps	133.0cps	123.5cps	123.5cps
Diluted earnings per share	115.5cps	130.5cps	127.5cps	118.4cps	118.4cps

[1] Franked to 100% at 30% corporate income tax rate.
[2] Declared after the the end of the reporting period and not reflected in the financial statements.

In addition, during 2012 GAAP Holdings (Australia) Limited repurchased 5,603 thousand shares for $17,011 thousand. The shares were repurchased at the prevailing market price on the date of the buy-back.

Source	GAAP Holdings (Australia) Limited

Remuneration of directors and senior management

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

2012	Short-term employee benefits				Post-employment benefits	Other long-term employee benefits	Share-based payment	Total
	Salary & fees $	Bonus $	Non-monetary $	Other $	Superannuation $	$	Options & rights $	$
Non-executive directors								
C.J. Chambers	76,000	-	28,050	1,250	-	-	-	105,300
F.R. Ridley	65,000	-	25,091	854	-	-	-	90,945
B.M. Stavrinidis	65,000	-	26,800	685	-	-	-	92,485
W.K. Flinders	4,000	-	800	200	-	-	-	5,000
S.M. Saunders	65,000	-	15,159	689	-	-	-	80,848
Executive officers								
P.H. Taylor	261,600	-	66,280	1,240	30,000	5,400	105,600	470,120
W.L. Lee	183,712	10,000	6,796	-	17,937	8,788	7,500	234,733
L.J. Jackson	187,928	-	16,481	-	20,000	4,572	7,500	236,481
C.P. Daniels	185,500	-	14,805	-	20,000	-	5,000	225,305
N.W. Wright	184,000	-	12,761	-	17,708	-	5,000	219,469
T.L. Smith	180,000	-	4,734	-	16,716	1,000	8,663	211,113
								1,971,799

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

2011	Short-term employee benefits				Post-employment benefits	Other long-term employee benefits	Share-based payment	Total
	Salary & fees $	Bonus $	Non-monetary $	Other $	Superannuation $	$	Options & rights $	$
Non-executive directors								
C.J. Chambers	65,125	-	25,400	1,125	-	-	-	91,650
F.R. Ridley	62,000	-	23,162	850	-	-	-	86,012
B.M. Stavrinidis	62,000	-	24,350	670	-	-	-	87,020
W.K. Flinders	62,000	-	24,350	680	-	-	-	87,030
O.H. O'Brien	36,750	-	20,120	312	-	-	-	57,182
Executive officers								
P.H. Taylor	229,860	-	53,800	1,125	38,000	10,140	57,500	390,425
W.L. Lee	179,372	-	5,980	-	17,300	6,878	-	209,530
L.J. Jackson	180,690	-	14,503	-	20,000	5,560	-	220,753
C.P. Daniels	171,250	-	13,028	-	20,000	7,750	-	212,028
N.W. Wright	173,738	-	11,230	-	17,500	4,587	-	207,055
E.P Hart	179,375	-	12,500	-	17,270	-	-	209,145
								1,857,830

Reg2M.3.03(1) (Item 10)

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

Payments and benefits

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

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

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

Source	GAAP Holdings (Australia) Limited

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

Total of a person's compensation

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

Comparative information

Reg2M.3.03(2)

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

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

Reg2M.3.03(1) (Item 12)

Bonuses

Mr. W.L. Lee was granted a cash bonus of $10,000 on 12 June 2012. The bonus was given, on successful acquisition by the consolidated entity, for his identification of the distribution business of Minus Pty Limited as an advantageous investment opportunity earlier in the reporting period. No other bonuses were granted during 2012.

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

Employee share option plan

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

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

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

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

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

Source	GAAP Holdings (Australia) Limited

Reg2M.3.03(1) (Item 12(a), 15(b)(i), (b)(iv), (b)(v))

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

Options series	Grant date	Expiry date	Grant date fair value	Vesting date
(1) Issued 30 September 2010	30/09/10	30/09/11	$1.15	Vests at date of grant
(2) Issued 31 March 2011	31/03/11	31/03/12	$1.18	Vests at date of grant
(3) Issued 30 September 2011	30/09/11	30/09/12	$1.20	Vests at date of grant
(4) Issued 29 March 2012	29/03/12	27/03/13	$1.05	Vests when the GAAP Holdings (Australia) Limited share price exceeds $4.00

Reg2M.3.03(1) (Item 12(g), 15(b)(vi))

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

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

The following grants of share-based payment compensation to key management personnel relate to the current financial year:

Name	Option series	During the financial year				% of compensation for the year consisting of options
		No. granted	No. vested	% of grant vested	% of grant forfeited	
Mr P.H. Taylor	(3) Issued 30 Sep 11	88,000	88,000	100%	n/a	22.5%
W.L. Lee	(3) Issued 30 Sep 11	6,250	6,250	100%	n/a	3.2%
L.J. Jackson	(3) Issued 30 Sep 11	6,250	6,250	100%	n/a	3.2%
C.P. Daniels	(3) Issued 30 Sep 11	4,167	4,167	100%	n/a	2.2%
N.W. Wright	(3) Issued 30 Sep 11	4,167	4,167	100%	n/a	2.3%
T.L. Smith	(4) Issued 29 Mar 12	32,036	nil	nil	nil	4.1%

Reg2M.3.03(1) (Item 16)

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

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

Source	GAAP Holdings (Australia) Limited

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

The following table summarises the value of options to key management personnel granted, exercised or lapsed during the year:

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

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

Compensation

Reg2M.3.03(1) (Item 12)

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

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

Options and rights over equity instruments

Reg2M.3.03(3)

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

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

Reg2M.3.03(1) (Item 15)

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

(a) the number of options and the number of rights that:
  i. have been granted; and
  ii. have vested
  during the reporting period;

Source	GAAP Holdings (Australia) Limited
	(b) the terms and conditions of each grant made during the reporting period, including: i. the fair value per option or right at grant date; and ii. the exercise price per share or unit; and iii. the amount, if any, paid or payable, by the recipient; and iv. the expiry date; and v. the date or dates when the options or rights may be exercised; and vi. a summary of the service and performance criteria that must be met before the beneficial interest vests in the person.
Reg2M.3.03(1) (Item 16)	If an equity instrument that is issued or issuable by the disclosing entity or any of its subsidiaries has been provided as a result of the exercise during the reporting period of options and rights that have been granted as compensation to a person: (a) the number of equity instruments; (b) if the number of options or rights exercised differs from the number of equity instruments disclosed under paragraph (a) – the number of options or rights exercised; (c) the amount paid per instrument; and (d) the amount unpaid per instrument.
	Alterations and modifications
Reg2M.3.03(1) (Item 14)	If the terms of share-based payment transactions (including options or rights) granted as compensation to key management personnel have been altered or modified by the issuing entity during the reporting period: (a) the date of the alteration; (b) the market price of the underlying equity instrument at the date of the alteration; (c) the terms of the grant of compensation immediately before the alteration, including: i. the number and class of the underlying equity instruments, exercise price; and ii. the time remaining until expiry; and iii. each other condition in the terms that affects the vesting or exercise of an option or other right; (d) the new terms; and (e) the difference between: i. the total of the fair value of the options or other rights affected by the alteration immediately before the alteration; and ii. the total of the fair value of the options or other rights immediately after the alteration.
	Key terms of employment contracts
	The report must also include, for each s.300A(1)(c) identified person:
s.300A(1)(e)(vii)	(a) if the person is employed by the company under a contract – the duration of the contract, the periods of notice required to terminate the contract and the termination payments provided for under the contract;
Reg2M.3.03(1) (Item 13)	(b) for each contract for services between a person and the disclosing entity (or any of its subsidiaries), any further explanation that is necessary in addition to those prescribed in s.300A(1)(ba) (refer page C14) and Regulation 2M.3.03(1)(Item 12) (refer page C19) to provide an understanding of: i. how the amount of compensation in the current reporting period was determined; and ii. how the terms of the contract affect compensation in future periods.
s.298(2)	This directors' report is signed in accordance with a resolution of directors made pursuant to s.298(2) of the Corporations Act 2001. On behalf of the Directors *(Signature)* C.J. Chambers Director Sydney, 11 September 2012

Deloitte.

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The Board of Directors
GAAP Holdings (Australia) Limited
167 Admin Ave
SYDNEY, NSW 2000

11 September 2012

Dear Board Members,

GAAP Holdings (Australia) Limited

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

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of GAAP Holdings (Australia) Limited.

As lead audit partner for the audit of the financial statements of GAAP Holdings (Australia) Limited for the financial year ended 30 June 2012, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

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

Yours sincerely

DELOITTE TOUCHE TOHMATSU

T.L. Green
Partner
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.
Member of Deloitte Touche Tohmatsu Limited

Source	GAAP Holdings (Australia) Limited
s.307C(1), (3)	If an audit firm, audit company or individual auditor conducts an audit or review of the financial statements for the financial year, the lead auditor must give the directors of the company, registered scheme or disclosing entity a written declaration that, to the best of the lead auditor's knowledge and belief, there have been: (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit or review; and (b) no contraventions of any applicable code of professional conduct in relation to the audit or review; or a written declaration that, to the best of the lead auditor's knowledge and belief, the only contraventions of: (a) the auditor independence requirements of the Corporations Act 2001 in relation to the audit or review; or (b) any applicable code of professional conduct in relation to the audit or review; are those contraventions details of which are set out in the declaration.
s.307C(5)(a)	The auditor's independence declaration must be given when the audit report is given to the directors of the company, registered scheme or disclosing entity (other than when the conditions in s.307(5A) are satisfied – see below) and must be signed by the person making the declaration.
s.307(5A)	A declaration under s.307C(1) or s.307C(3) in relation to financial statements for a financial year satisfies the conditions in this subsection if: (a) the declaration is given to the directors of the company, registered scheme or disclosing entity before the directors pass a resolution under s.298(2) in relation to the directors' report for the financial year; and (b) a director signs the directors' report within 7 days after the declaration is given to the directors; and (c) the auditors' report on the financial statements is made within 7 days after the directors' report is signed; and (d) the auditors' report includes either of the following statements: i. a statement to the effect that the declaration would be in the same terms if it had been given to the directors at the time that auditors' report was made; ii. a statement to the effect that circumstances have changed since the declaration was given to the directors, and setting out how the declaration would differ if it had been given to the directors at the time the auditor's report was made.
s.307C(5B)	An individual auditor or lead auditor is not required to give a declaration under s.307C(1) and s.307C(3) in respect of a contravention if: (a) the contravention was a contravention by a person of s.324CE(2) or s.324CG(2) (strict liability contravention of specific independence requirements by individual auditor or audit firm), or s.324CF(2) (contravention of independence requirements by members of audit firms); and (b) the person does not commit an offence because of s.324CE(4), s.324CF(4) or s.324CG(4) (quality control system defence).

Source	GAAP Holdings (Australia) Limited
	Independent auditor's report **to the members of GAAP Holdings (Australia) Limited**
	An independent auditor's report shall be prepared by the auditor in accordance with the Australian Auditing Standards.
	Duty to form an opinion
s.314(2)(c)	The concise financial report shall include a statement by the auditor: • that the financial report has been audited; and • whether, in the auditor's opinion, the concise financial report complies with AASB 1039 'Concise Financial Reports'.
	The auditor is also required to form an opinion on the following:
s.307(b)	• whether the auditor has been given all information, explanations and assistance necessary for the conduct of the audit;
s.307(c)	• whether the company has kept financial records sufficient to enable a financial report to be prepared and audited; and
s.307(d)	• whether the company has kept other records and registers as required by the Corporations Act 2001.
s.308(3)(b)	The auditor is only required to include in the audit report particulars of any deficiency, failure or shortcoming in respect of any matter referred to in s.307(b), (c) or (d) above.
	Qualified audit opinions
s.308(2)	Where, in the auditor's opinion, there has been a departure from a particular Australian Accounting Standard, the audit report must, to the extent that is practicable to do so, quantify the effect that non-compliance has on the financial report. If it is not practicable to quantify the effect fully, the report must say why.
	Duty to report
s.308(3)(a)	The auditor is required to report any defect or irregularity in the financial report.
s.308(3A)	The audit report must include any statements or disclosures required by the auditing standards.
s.308(3B)	If the financial report includes additional information under s.295(3)(c) (information included to give true and fair view of financial position and performance), the audit report must also include a statement of the auditor's opinion on whether the inclusion of that additional information was necessary to give the true and fair view required by s.297.
	Duty to inform
s.311	The auditor must inform the ASIC in writing if the auditor is aware of circumstances that: • the auditor has reasonable grounds to suspect amount to a contravention of the Corporations Act 2001; or • amount to an attempt, in relation to the audit, by any person to unduly influence, coerce, manipulate or mislead a person involved in the conduct of the audit; or • amount to an attempt, by any person, to otherwise interfere with the proper conduct of the audit.
s.311(c)	The auditor is required to notify ASIC in writing of the circumstances of the matters outlined above as soon as practicable and in any case within 28 days, after the auditor becomes aware of those circumstances.
ASIC-RG 34	ASIC Regulatory Guide 34 provides guidance on the procedures to be followed by registered company auditors in complying with s.311 of the Corporations Act 2001, including specific reference to evidence of a contravention, examples of contraventions and timing of notification.

Source	GAAP Holdings (Australia) Limited

Directors' declaration

The directors declare that:

(a) in the directors' opinion, the attached financial statements and notes thereto comply with Accounting Standard AASB 1039 'Concise Financial Reports'; and

(b) the attached financial statements and notes thereto have been derived from the full financial report of the company.

Signed in accordance with a resolution of the directors.

On behalf of the Directors

(Signature)
C.J. Chambers
Director

Sydney, 11 September 2012

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

Source	GAAP Holdings (Australia) Limited		
AASB1039.18(a), AASB101.10(b), 51(b),(c) AASB101.113	**Consolidated statement of comprehensive income for the year ended 30 June 2012**		**[Alt 1]**
		Year ended 30/06/12	Year ended 30/06/11
AASB101.51(d), (e)		$'000	$'000
	Continuing operations		
AASB101.82(a)	Revenue	140,918	151,840
AASB101.99	Cost of sales	(87,897)	(91,840)
AASB101.85	Gross profit	53,021	60,000
AASB101.85	Investment income	3,608	2,351
AASB101.85	Other gains and losses	647	1,005
AASB101.82(c)	Share of profits of associates	1,186	1,589
AASB101.85	Gain recognised on disposal of interest in former associate	581	-
AASB101.99	Distribution expenses	(5,087)	(4,600)
AASB101.99	Marketing expenses	(3,305)	(2,254)
AASB101.99	Occupancy expenses	(2,128)	(2,201)
AASB101.99	Administration expenses	(11,001)	(15,124)
AASB101.82(b)	Finance costs	(4,418)	(6,023)
AASB101.99	Other expenses	(2,801)	(2,612)
AASB101.85	Profit before tax	30,303	32,131
AASB101.82(d)	Income tax expense	(11,564)	(11,799)
AASB101.85	Profit for the year from continuing operations	18,739	20,332
	Discontinued operations		
AASB101.82(e)	Profit for the year from discontinued operations	8,310	9,995
AASB101.82(f)	**PROFIT FOR THE YEAR**	27,049	30,327
	Other comprehensive income, net of income tax		
AASB101.82(g)	Exchange differences on translating foreign operations	(39)	85
AASB101.82(g)	Net gain on available-for-sale financial assets	66	57
AASB101.82(g)	Net gain on hedging instruments entered into for cash flow hedges	39	20
AASB101.82(g)	Gain on revaluation of properties	-	1,150
AASB101.82(h)	Share of other comprehensive income of associates	-	-
AASB101.85	Other comprehensive income for the year, net of tax	66	1,312
AASB101.82(i)	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR**	27,115	31,639
	Profit attributable to:		
AASB101.83(a)	Owners of the Company	23,049	27,564
AASB101.83(a)	Non-controlling interests	4,000	2,763
		27,049	30,327
	Total comprehensive income attributable to:		
AASB101.83(b)	Owners of the Company	23,115	28,876
AASB101.83(b)	Non-controlling interests	4,000	2,763
		27,115	31,639

Source	GAAP Holdings (Australia) Limited		
	Consolidated statement of comprehensive income for the year ended 30 June 2012 – continued		**[Alt 1]**
		Year ended 30/06/12 $'000	Year ended 30/06/11 $'000
AASB1039.30(d)	**Earnings per share**		
	From continuing and discontinued operations		
AASB133.66	Basic (cents per share)	132.2	137.0
AASB133.66	Diluted (cents per share)	115.5	130.5
	From continuing operations		
AASB133.66	Basic (cents per share)	84.5	87.3
AASB133.66	Diluted (cents per share)	74.0	83.2

Alt 1 above illustrates the presentation of comprehensive income in one statement. Alt 2 (see next pages) illustrates the presentation of comprehensive income in two statements.

Whichever presentation is selected, the distinction is retained between items recognised in profit or loss and items recognised in other comprehensive income. The only difference between the one-statement and the two-statement approaches is that, for the latter, a total is struck in the separate income statement at 'profit for the year' (this is the same amount as is presented as a sub-total under the one-statement approach). This 'profit for the year' is then the starting point for the statement of comprehensive income, which is required to be presented immediately following the income statement. Under the two-statement approach, the analysis of 'profit for the year' between the amount attributable to the owners of the parent and the amount attributable to non-controlling interests is presented at the end of the separate income statement.

Irrespective of whether the one-statement or the two-statement approach is followed, for the components of other comprehensive income, additional presentation options are available, as follows.

AASB101.90
- The individual components may be presented net of tax in the statement of comprehensive income (as illustrated on the previous page), or they may be presented gross with a single line deduction for tax (see Alt 2). Whichever option is selected, the income tax relating to each component of comprehensive income must be disclosed, either in the statement of comprehensive income or in the notes to the full financial statements.

AASB101.93
- For reclassification adjustments, an aggregated presentation may be adopted, with separate disclosure of the current year gain or loss and reclassification adjustments in the notes to the full financial statements (see previous page). Alternatively, using a disaggregated presentation, the current year gain or loss and reclassification adjustments are shown separately in the statement of comprehensive income (see Alt 2).

Alt 1 aggregates expenses according to their function.

Source	GAAP Holdings (Australia) Limited		
AASB1039.18(a), AASB101.10(b), 81(b), 51(b),(c) AASB101.113	**Consolidated income statement for the year ended 30 June 2012**		**[Alt 2]**
		Year ended 30/06/12	Year ended 30/06/11
AASB101.51(d), (e)		$'000	$'000
	Continuing operations		
AASB101.82(a)	Revenue	140,918	151,840
AASB101.85	Investment income	3,608	2,351
AASB101.85	Other gains and losses	647	1,005
AASB101.82(c)	Share of profits of associates	1,186	1,589
AASB101.85	Gain recognised on disposal of interest in former associate	581	-
AASB101.99	Changes in inventories of finished goods and work in progress	(7,134)	2,118
AASB101.99	Raw materials and consumables used	(70,391)	(85,413)
AASB101.99	Depreciation and amortisation expenses	(14,179)	(17,350)
AASB101.99	Employee benefits expense	(9,803)	(11,655)
AASB101.82(b)	Finance costs	(4,418)	(6,023)
AASB101.99	Consulting expense	(3,120)	(1,926)
AASB101.99	Other expenses	(7,592)	(4,405)
AASB101.85	Profit before tax	30,303	32,131
AASB101.82(d)	Income tax expense	(11,564)	(11,799)
AASB101.85	Profit for the year from continuing operations	18,739	20,332
	Discontinued operations		
AASB101.82(e)	Profit for the year from discontinued operations	8,310	9,995
AASB101.82(f)	**PROFIT FOR THE YEAR**	27,049	30,327
	Attributable to:		
AASB101.83(a)	Owners of the Company	23,049	27,564
AASB101.83(a)	Non-controlling interests	4,000	2,763
		27,049	30,327
AASB1039.30(d)	**Earnings per share**		
	From continuing and discontinued operations		
AASB133.66, 67A	Basic (cents per share)	132.2	137.0
AASB133.66, 67A	Diluted (cents per share)	115.5	130.5
	From continuing operations		
AASB133.66, 67A	Basic (cents per share)	84.5	87.3
AASB133.66, 67A	Diluted (cents per share)	74.0	83.2

The format outlined above aggregates expenses according to their nature.
See previous page for a discussion of the format of the statement of comprehensive income. Note that where the two-statement approach is adopted (above and on the next page), as required by AASB101.12, the income statement must be displayed immediately before the statement of comprehensive income.

Source	GAAP Holdings (Australia) Limited		
AASB101.10(b), 81(b), 51(b),(c)	**Consolidated statement of comprehensive income for the year ended 30 June 2012**		**[Alt 2]**
AASB101.113		Year ended 30/06/12	Year ended 30/06/11
AASB101.51(d), (e)		$'000	$'000
AASB101.82(f)	**Profit for the year**	27,049	30,327
	Other comprehensive income		
AASB101.82(g)	Exchange differences on translating foreign operations		
	Exchange differences arising during the year	75	121
	Loss on hedging instruments designated in hedges of the net assets of foreign operations	(12)	-
	Reclassification adjustments relating to foreign operations disposed of in the year	(166)	-
	Reclassification adjustments relating to hedges of the net assets of foreign operations disposed of in the year	46	-
		(57)	121
AASB101.82(g)	Available-for-sale financial assets		
	Net gain on available-for-sale financial assets during the year	94	81
	Adjustments relating to available-for-sale financial assets disposed of in the year	-	-
		94	81
AASB101.82(g)	Cash flow hedges		
	Gains arising during the year	436	316
	Reclassification adjustments for amounts recognised in profit or loss	(123)	(86)
	Reclassification adjustments for amounts transferred to the initial carrying amounts of hedged items	(257)	(201)
		56	29
AASB101.82(g)	Gain on revaluation of properties	-	1,643
AASB101.82(h)	Share of other comprehensive income of associates	-	-
	Income tax relating to components of other comprehensive income	(27)	(562)
AASB101.82(i)	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR**	**27,115**	**31,639**
	Total comprehensive income attributable to:		
AASB101.83(b)	Owners of the Company	23,115	**28,876**
AASB101.83(b)	Non-controlling interests	4,000	**2,763**
		27,115	**31,639**

Source	GAAP Holdings (Australia) Limited
	Discussion and analysis of the consolidated statement of comprehensive income/ consolidated income statement [non-listed entities only]
AASB1039.24	The financial statements of entities other than listed companies shall be accompanied by discussion and analysis to assist the understanding of members.
AASB1039.25	Listed companies are not required by AASB 1039 'Concise Financial Reports' to provide discussion and analysis in the concise financial statements because, unlike other entities, they are required by s.299A of the Corporations Act 2001 to provide an operational and financial report in the directors' report that is part of the concise report. AASB 1039 only exempts listed companies from the statutory obligation to provide discussion and analysis of the financial statements. It does not prohibit a listed company from providing any discussion and analysis that it considers would assist a reader to understand the financial statements in the concise financial statements.
	Guidance
AASB1039.26	The information reported in the financial statements will be enhanced by a discussion and analysis of the principal factors affecting the financial performance, financial position and financing and investing activities of the entity. The extent of the discussion and analysis provided will vary from entity to entity, and from year to year, as is necessary in the circumstances to help compensate for the brevity of the concise financial report compared with the full financial report.
AASB1039.27(a)	In most situations, the content of the discussion and analysis in relation to the statement of comprehensive income would cover at least the following areas: (a) trends in revenues; (b) the effects of significant economic or other events on the operations of the entity; (c) the main influences on costs of operations; and (d) measures of financial performance such as return on sales, return on assets and return on equity.

Source	GAAP Holdings (Australia) Limited			
AASB1039.18(b), AASB101.10(a), (f), 51(b),(c) AASB101.113	**Consolidated statement of financial position at 30 June 2012**			
		30/06/12	30/06/11	01/07/10
AASB101.51(d), (e)		$'000	$'000	$'000
	Assets			
AASB101.60	*Current assets*			
AASB101.54(i)	Cash and bank balances	23,446	19,778	9,082
AASB101.54(h)	Trade and other receivables	19,735	16,292	14,002
AASB101.55	Finance lease receivables	198	188	182
AASB101.54(d)	Other financial assets	8,757	6,949	5,528
AASB101.54(g)	Inventories	31,213	28,982	29,688
AASB101.54(n)	Current tax assets	125	60	81
AASB101.55	Other assets	-	-	-
		83,474	72,249	58,563
AASB101.54(j)	Assets classified as held for sale	22,336	-	-
	Total current assets	105,810	72,249	58,563
AASB101.60	*Non-current assets*			
AASB101.54(e)	Investments in associates	7,402	7,270	5,706
AASB101.55	Finance lease receivables	830	717	739
AASB101.54(d)	Other financial assets	10,771	9,655	7,850
AASB101.54(a)	Property, plant and equipment	109,783	134,211	161,058
AASB101.54(b)	Investment property	1,936	1,642	170
AASB101.54(o)	Deferred tax assets	-	-	-
AASB101.55	Goodwill	20,285	24,060	23,920
AASB101.54(c)	Other intangible assets	9,739	11,325	12,523
AASB101.55	Other assets	-	-	-
	Total non-current assets	160,746	188,880	211,966
	Total assets	266,556	261,129	270,529

AASB 101.10(f) requires that an entity should present a statement of financial position as at the beginning of the earliest comparative period when it applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements. However, AASB 101 does not provide further clarification as to when an entity is required to present an additional statement of financial position.

AASB 101.31 states that an entity need not provide a specific disclosure required by an Australian Accounting Standard if the information is not material. In determining whether it is necessary to present an additional statement of financial position, entities should consider the materiality of the information that would be contained in the additional statement of financial position and whether this would affect economic decisions made by a user of the financial statements. Specifically, it would be useful to consider factors such as the nature of the change, the alternative disclosures provided and whether the change in accounting policy actually affected the financial position at the beginning of the comparative period. Specific views from regulators should be considered in the assessment.

In this model, the application of new and revised standards does not result in any retrospective restatement of items in the financial statements (see note 2). However, this model does include the additional statement of financial position and the related notes for illustrative purposes only in order to show the level of detail to be disclosed when entities, after considering the specific facts and circumstances and exercising judgement, conclude that the additional statement of financial position and the related notes should be presented.

Source	GAAP Holdings (Australia) Limited			
	Consolidated statement of financial position at 30 June 2012 – continued			
		30/06/12	30/06/11	01/07/10
		$'000	$'000	$'000
	Liabilities			
AASB101.60	*Current liabilities*			
AASB101.54(k)	Trade and other payables	16,373	21,220	52,750
AASB101.55	Borrowings	22,446	25,600	33,618
AASB101.54(m)	Other financial liabilities	116	18	-
AASB101.54(n)	Current tax liabilities	5,270	5,868	4,910
AASB101.54(l)	Provisions	3,356	3,195	2,235
AASB101.55	Deferred revenue	355	52	63
AASB101.55	Other liabilities	90	95	-
		48,006	56,048	93,576
AASB101.54(p)	Liabilities directly associated with assets classified as held for sale	3,684	-	-
	Total current liabilities	51,690	56,048	93,576
AASB101.60	*Non-current liabilities*			
AASB101.55	Borrowings	20,221	31,478	28,014
AASB101.54(m)	Other financial liabilities	15,001	-	-
AASB101.55	Retirement benefit obligation	508	352	739
AASB101.54(o)	Deferred tax liabilities	4,646	3,693	2,593
AASB101.54(l)	Provisions	2,294	2,231	4,102
AASB101.55	Deferred revenue	219	95	41
AASB101.55	Other liabilities	180	270	-
	Total non-current liabilities	43,069	38,119	35,489
	Total liabilities	94,759	94,167	129,065
	Net assets	171,797	166,962	141,464
	Equity			
	Capital and reserves			
AASB101.55	Issued capital	32,439	48,672	48,672
AASB101.55	Reserves	4,237	3,376	1,726
AASB101.55	Retained earnings	110,805	94,909	73,824
		147,481	146,957	124,222
AASB101.55	Amounts recognised directly in equity relating to assets classified as held for sale	-	-	-
AASB101.54(r)	Equity attributable to owners of the Company	147,481	146,957	124,222
AASB101.54(q)	Non-controlling interests	24,316	20,005	17,242
	Total equity	171,797	166,962	141,464

Source	GAAP Holdings (Australia) Limited
	Discussion and analysis of the consolidated statement of financial position [non-listed entities only]
AASB1039.24	The financial statements of entities other than listed companies shall be accompanied by discussion and analysis to assist the understanding of members.
AASB1039.25	Listed companies are not required by AASB 1039 'Concise Financial Reports' to provide discussion and analysis in the concise financial statements because, unlike other entities, they are required by s.299A of the Corporations Act 2001 to provide an operational and financial report in the directors' report that is part of the concise report. AASB 1039 only exempts listed companies from the statutory obligation to provide discussion and analysis of the financial statements. It does not prohibit a listed company from providing any discussion and analysis that it considers would assist a reader to understand the financial statements in the concise financial statements.
	Guidance
AASB1039.26	The information reported in the financial statements will be enhanced by a discussion and analysis of the principal factors affecting the financial performance, financial position and financing and investing activities of the entity. The extent of the discussion and analysis provided will vary from entity to entity, and from year to year, as is necessary in the circumstances to help compensate for the brevity of the concise financial report compared with the full financial report.
AASB1039.27(b)	In most situations, the content of the discussion and analysis in relation to the balance sheet would cover at least the following areas: (a) changes in the composition of assets; (b) the relationship between debt and equity; and (c) significant movements in assets, liabilities and equity items.

Source	GAAP Holdings (Australia) Limited

AASB1039.18(d), AASB101.10(c), 51(b),(c) AASB101.106 AASB101.106A

AASB101.51(d), (e)

Consolidated statement of changes in equity for the year ended 30 June 2012

	Share capital	General reserve	Properties revaluation reserve	Investments revaluation reserve	Equity-settled employee benefits reserve	Cash flow hedging reserve	Foreign currency translation reserve	Option premium on convertible notes	Retained earnings	Attributable to owners of the parent	Non-controlling interests	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2010	48,672	807	51	470	-	258	140	-	73,824	124,222	17,242	141,464
Payment of dividends	-	-	-	-	-	-	-	-	(6,479)	(6,479)	-	(6,479)
Profit for the year	-	-	-	-	-	-	-	-	27,564	27,564	2,763	30,327
Other comprehensive income for the year, net of income tax	-	-	1,150	57	-	20	85	-	-	1,312	-	1,312
Total comprehensive income for the year	-	-	1,150	57	-	20	85	-	27,564	28,876	2,763	31,639
Recognition of share-based payments	-	-	-	-	338	-	-	-	-	338	-	338
Balance at 30 June 2011	48,672	807	1,201	527	338	278	225	-	94,909	146,957	20,005	166,962
Payment of dividends	-	-	-	-	-	-	-	-	(6,635)	(6,635)	-	(6,635)
Profit for the year	-	-	-	-	-	-	-	-	23,049	23,049	4,000	27,049
Other comprehensive income for the year, net of income tax	-	-	-	66	-	39	(39)	-	-	66	-	66
Total comprehensive income for the year	-	-	-	66	-	39	(39)	-	23,049	23,115	4,000	27,115
Additional non-controlling interests arising on the acquisition of Subsix Limited	-	-	-	-	-	-	-	-	-	-	132	132
Additional non-controlling interests arising on disposal of interest in Subone Limited	-	-	-	-	-	-	-	-	-	-	179	179
Difference arising on disposal of interest in Subone Limited	-	-	-	-	-	-	-	-	34	34	-	34
Recognition of share-based payments	-	-	-	-	206	-	-	-	-	206	-	206
Issue of ordinary shares under employee share option plan	314	-	-	-	-	-	-	-	-	314	-	314
Issue of ordinary shares for consulting services performed	8	-	-	-	-	-	-	-	-	8	-	8
Issue of convertible non-participating preference shares	100	-	-	-	-	-	-	-	-	100	-	100
Issue of convertible notes	-	-	-	-	-	-	-	834	-	834	-	834
Share issue costs	(6)	-	-	-	-	-	-	-	-	(6)	-	(6)
Buy-back of ordinary shares	(16,456)	-	-	-	-	-	-	-	(555)	(17,011)	-	(17,011)
Share buy-back costs	(277)	-	-	-	-	-	-	-	-	(277)	-	(277)
Transfer to retained earnings	-	-	(3)	-	-	-	-	-	3	-	-	-
Income tax relating to transactions with owners	84	-	-	-	-	-	-	(242)	-	(158)	-	(158)
Balance at 30 June 2012	32,439	807	1,198	593	544	317	186	592	110,805	147,481	24,316	171,797

The single-line presentation for other comprehensive income illustrated above reflects the Group's application of the amendments to AASB 101 'Presentation of Financial Statements' (adopted in advance of effective date of 1 January 2011) arising from AASB 2010-4 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project'.

Source	GAAP Holdings (Australia) Limited
	Discussion and analysis of the consolidated statement of changes in equity [non-listed entities only]
AASB1039.24	The financial statements of entities other than listed companies shall be accompanied by discussion and analysis to assist the understanding of members.
AASB1039.25	Listed companies are not required by AASB 1039 'Concise Financial Reports' to provide discussion and analysis in the concise financial statements because, unlike other entities, they are required by s.299A of the Corporations Act 2001 to provide an operational and financial report in the directors' report that is part of the concise report. AASB 1039 only exempts listed companies from the statutory obligation to provide discussion and analysis of the financial statements. It does not prohibit a listed company from providing any discussion and analysis that it considers would assist a reader to understand the financial statements in the concise financial statements.
	Guidance
AASB1039.26	The information reported in the financial statements will be enhanced by a discussion and analysis of the principal factors affecting the financial performance, financial position and financing and investing activities of the entity. The extent of the discussion and analysis provided will vary from entity to entity, and from year to year, as is necessary in the circumstances to help compensate for the brevity of the concise financial report compared with the full financial report.
AASB1039.27(d)	In most situations, the content of the discussion and analysis in relation to the statement of changes in equity (or statement of recognised income and expense) would cover at least the following areas: (a) changes in the composition of the components of equity; and (b) causes of significant changes in subscribed capital, such as rights issues, share buy-backs or capital reductions.

Source	GAAP Holdings (Australia) Limited		
AASB1039.18(c), AASB101.10(d), 51(b),(c) AASB101.113	**Consolidated statement of cash flows for the year ended 30 June 2012**		**[Alt 1]**
		Year ended 30/06/12	Year ended 30/06/11
AASB101.51(d), (e)		$'000	$'000
AASB107.10	**Cash flows from operating activities**		
AASB107.18(a)	Receipts from customers	211,032	214,487
	Payments to suppliers and employees	(165,666)	(181,378)
	Cash generated from operations	45,366	33,109
AASB107.31	Interest paid	(4,493)	(6,106)
AASB107.35	Income taxes paid	(13,848)	(13,340)
	Net cash generated by operating activities	27,025	13,663
AASB107.10	**Cash flows from investing activities**		
	Payments to acquire financial assets	(3,163)	(2,163)
	Proceeds on sale of financial assets	938	1,712
AASB107.31	Interest received	2,315	1,304
	Royalties and other investment income received	1,137	893
AASB124.19(d)	Dividends received from associates	30	25
AASB107.31	Other dividends received	156	154
	Amounts advanced to related parties	(738)	(4,311)
	Repayments by related parties	189	1,578
	Payments for property, plant and equipment	(22,047)	(11,875)
	Proceeds from disposal of property, plant and equipment	11,462	21,245
	Payments for investment property	(10)	(12)
	Proceeds from disposal of investment property	-	58
	Payments for intangible assets	(6)	(358)
AASB107.39	Net cash outflow on acquisition of subsidiaries	(477)	-
AASB107.39	Net cash inflow on disposal of subsidiary	7,566	-
	Net cash inflow on disposal of associate	1,245	-
	Net cash (used in)/generated by investing activities	(3,173)	8,250
AASB107.10	**Cash flows from financing activities**		
	Proceeds from issue of equity instruments of the Company	414	-
	Proceeds from issue of convertible notes	4,950	-
	Payment for share issue costs	(6)	-
	Payment for buy-back of shares	(17,011)	-
	Payment for share buy-back costs	(277)	-
	Proceeds from issue of redeemable preference shares	15,000	-
	Proceeds from issue of perpetual notes	2,500	-
	Payment for debt issue costs	(595)	-
	Proceeds from borrowings	17,122	26,798
	Repayment of borrowings	(37,761)	(23,209)
	Proceeds from government loans	2,610	-
	Proceeds on disposal of partial interest in a subsidiary that does not involve loss of control	213	-
AASB107.31	Dividends paid on redeemable preference shares	(613)	-
AASB107.31	Dividends paid to owners of the Company	(6,635)	(6,479)
	Net cash used in financing activities	(20,089)	(2,890)
	Net increase in cash and cash equivalents	3,763	19,023
	Cash and cash equivalents at the beginning of the year	19,400	561
AASB107.28	Effects of exchange rate changes on the balance of cash	(80)	(184)
	Cash and cash equivalents at the end of the year	23,083	19,400

The above illustrates the direct method of reporting cash flows from operating activities. AASB 107 applying to annual reporting periods beginning on or after 1 July 2007 allows entities to report cash flows from operating activities using either the direct method (as illustrated above), or the indirect method. Entities are encouraged to report cash flows from activities using the direct method.

Source	GAAP Holdings (Australia) Limited		
AASB1039.18(c), AASB101.10(d), 51(b),(c)	**Consolidated statement of cash flows for the year ended 30 June 2012**		**[Alt 2]**
AASB101.113		Year ended 30/06/12	Year ended 30/06/11
AASB101.51(d), (e)		$'000	$'000
AASB107.10	**Cash flows from operating activities**		
AASB107.18(b)	Profit for the year	27,049	30,327
	Adjustments for:		
	Income tax expense recognised in profit or loss	14,088	14,797
	Share of profits of associates	(1,186)	(1,589)
	Finance costs recognised in profit or loss	4,418	6,023
	Investment income recognised in profit or loss	(3,608)	(2,351)
	Gain on disposal of property, plant and equipment	(6)	(67)
	Gain arising on changes in fair value of investment property	(297)	(8)
	Gain on disposal of subsidiary	(1,940)	-
	Gain on disposal of interest in former associate	(581)	-
	Net (gain)/loss arising on financial liabilities designated as at fair value through profit or loss	488	-
	Net (gain)/loss arising on financial assets classified as held for trading	129	-
	Hedge ineffectiveness on cash flow hedges	(89)	(68)
	Net (gain)/loss on disposal of available-for-sale financial assets	-	-
	Impairment loss recognised on trade receivables	63	430
	Reversal of impairment loss on trade receivables	(103)	-
	Depreciation and amortisation of non-current assets	14,179	17,350
	Impairment of non-current assets	1,325	-
	Net foreign exchange (gain)/loss	(101)	117
	Expense recognised in respect of equity-settled share-based payments	206	338
	Expense recognised in respect of shares issued in exchange for consulting services	8	-
	Amortisation of financial guarantee contracts	6	18
	Gain arising on effective settlement of claim against Subseven Limited	(40)	-
		54,008	65,317
	Movements in working capital		
	Decrease/(increase) in trade and other receivables	(2,262)	(1,880)
	(Increase)/decrease in inventories	(5,900)	204
	(Increase)/decrease in other assets	(34)	(20)
	Decrease in trade and other payables	(929)	(29,979)
	Increase/(decrease) in provisions	151	(941)
	Decrease/(increase) in deferred revenue	427	43
	(Decrease)/increase in other liabilities	(95)	365
	Cash generated from operations	45,366	33,109
AASB107.31	Interest paid	(4,493)	(6,106)
AASB107.35	Income taxes paid	(13,848)	(13,340)
	Net cash generated by operating activities	27,025	13,663

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

Source	GAAP Holdings (Australia) Limited		
	Consolidated statement of cash flows for the year ended 30 June 2012 - continued		**[Alt 2 continued]**
		Year ended 30/06/12 $'000	Year ended 30/06/11 $'000
AASB107.10	**Cash flows from investing activities**		
	Payments to acquire financial assets	(3,163)	(2,163)
	Proceeds on sale of financial assets	938	1,712
AASB107.31	Interest received	2,315	1,313
	Royalties and other investment income received	1,137	884
AASB124.19(d)	Dividends received from associates	30	25
AASB107.31	Other dividends received	156	154
	Amounts advanced to related parties	(738)	(4,311)
	Repayments by related parties	189	1,578
	Payments for property, plant and equipment	(22,932)	(11,875)
	Proceeds from disposal of property, plant and equipment	11,462	21,245
	Payments for investment property	(10)	(12)
	Proceeds from disposal of investment property	-	58
	Payments for intangible assets	(6)	(358)
AASB107.39	Net cash outflow on acquisition of subsidiaries	(477)	-
AASB107.39	Net cash inflow on disposal of subsidiary	7,566	-
	Net cash inflow on disposal of associate	360	-
	Net cash (used in)/generated by investing activities	(3,173)	8,250
AASB107.10	**Cash flows from financing activities**		
	Proceeds from issue of equity instruments of the Company	414	-
	Proceeds from issue of convertible notes	4,950	-
	Payment for share issue costs	(6)	-
	Payment for buy-back of shares	(17,011)	-
	Payment for share buy-back costs	(277)	-
	Proceeds from issue of redeemable preference shares	15,000	-
	Proceeds from issue of perpetual notes	2,500	-
	Payment for debt issue costs	(595)	-
	Proceeds from borrowings	17,122	26,798
	Repayment of borrowings	(37,761)	(23,209)
	Proceeds from government loans	2,610	-
	Proceeds on disposal of partial interest in a subsidiary that does not involve loss of control	213	-
AASB107.31	Dividends paid on redeemable cumulative preference	(613)	-
AASB107.31	Dividends paid to owners of the Company	(6,635)	(6,479)
	Net cash used in financing activities	(20,089)	(2,890)
	Net increase in cash and cash equivalents	3,763	19,023
	Cash and cash equivalents at the beginning of the year	19,400	561
AASB107.28	Effects of exchange rate changes on the balance of cash held in foreign currencies	(80)	(184)
	Cash and cash equivalents at the end of the year	23,083	19,400

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

Source	GAAP Holdings (Australia) Limited
	Discussion and analysis of the consolidated statement of cash flows [non-listed entities only]
AASB1039.24	The financial statements of entities other than listed companies shall be accompanied by discussion and analysis to assist the understanding of members.
AASB1039.25	Listed companies are not required by AASB 1039 'Concise Financial Reports' to provide discussion and analysis in the concise financial statements because, unlike other entities, they are required by s.299A of the Corporations Act 2001 to provide an operational and financial report in the directors' report that is part of the concise report. AASB 1039 only exempts listed companies from the statutory obligation to provide discussion and analysis of the financial statements. It does not prohibit a listed company from providing any discussion and analysis that it considers would assist a reader to understand the financial statements in the concise financial statements.
	Guidance
AASB1039.26	The information reported in the financial statements will be enhanced by a discussion and analysis of the principal factors affecting the financial performance, financial position and financing and investing activities of the entity. The extent of the discussion and analysis provided will vary from entity to entity, and from year to year, as is necessary in the circumstances to help compensate for the brevity of the concise financial report compared with the full financial report.
AASB1039.27(c))	In most situations, the content of the discussion and analysis in relation to the cash flow statement would cover at least the following areas: (a) changes in cash flows from operations; (b) financing of capital expenditure programs; and (c) servicing and repayment of borrowings.

Source	GAAP Holdings (Australia) Limited

1. Basis of preparation

AASB1039.33(a), (b)

The concise financial statements have been prepared in accordance with the Corporations Act 2001 and Accounting Standard AASB 1039 'Concise Financial Reports'. The concise financial statements are an extract from the full financial statements. The concise financial statements and specific disclosures included in the concise financial statements have been derived from the full financial statements of GAAP Holdings (Australia) Limited.

AASB1039.31(a)

All amounts are presented in Australian dollars.

Going concern basis

AASB1039.28

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

2. Application of new and revised Accounting Standards

2.1 Standards and Interpretations affecting amounts reported in the current period (and/or prior periods)

AASB1039.31(c), AASB108.28

The following new and revised Standards and Interpretations have been adopted in the current year and have affected the amounts reported in the financial statements. Details of other Standards and Interpretations adopted in the financial statements but that have had no effect on the amounts reported are set out in section 2.2.

Standards affecting presentation and disclosure

AASB7.44L	Amendments to AASB 7 'Financial Instruments: Disclosure'	The amendments (part of AASB 2010-4 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project'[1]) clarify the required level of disclosures about credit risk and collateral held and provide relief from disclosures previously required in the full financial statements regarding renegotiated loans.
AASB101.139F	Amendments to AASB 101 'Presentation of Financial Statements'	The amendments (part of AASB 2010-4 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project'[1]) clarify that an entity may choose to present the required analysis of items of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements.
AASB1054	AASB 1054 'Australian Additional Disclosures' and AASB 2011-1 'Amendments to Australian Accounting Standards arising from Trans-Tasman Convergence Project'	AASB 1054 sets out the Australian-specific disclosures for entities that have adopted Australian Accounting Standards. This Standard contains disclosure requirements that are in addition to IFRSs in areas such as compliance with Australian Accounting Standards, the nature of financial statements (general purpose or special purpose), audit fees, imputation (franking) credits and the reconciliation of net operating cash flow to profit (loss). AASB 2011-1 makes amendments to a range of Australian Accounting Standards and Interpretations for the purpose of closer alignment to IFRSs and harmonisation between Australian and New Zealand Standards. The Standard deletes various Australian-specific guidance and disclosures from other Standards (Australian-specific disclosures retained are now contained in AASB 1054), and aligns the wording used to that adopted in IFRSs.

[1] Given that this Standard was issued in June 2010 and available for early adoption, entities may have already early adopted this standard in their June 2011 financial reports. For entites that have early adopted this standard, such entites do not need to repeat the disclosure in their 30 June 2012 financial reports.

Source	GAAP Holdings (Australia) Limited	
	2. Application of new and revised Accounting Standards (cont'd)	
		The application of AASB 1054 and AASB 2011-1 in the current year has resulted in the simplification of disclosures in regards to audit fees, franking credits and capital and other expenditure commitments as well as an additional disclosure on whether the Group is a for-profit or not-for-profit entity.
AASB124.28	AASB 124 'Related Party Disclosures' (as revised in 2009)	AASB 124 (as revised in 2009) has been revised on the following two aspects: (a) AASB 124 (as revised in 2009) has changed the definition of a related party and (b) AASB 124 (as revised in 2009) introduces a partial exemption from the disclosure requirements for government-related entities. The Company and its subsidiaries are not government-related entities. The application of the revised definition of related party set out in AASB 124 (as revised in 2009) in the current year has resulted in the identification of related parties that were not identified as related parties under the previous Standard. Specifically, associates of the ultimate holding company of the Company are treated as related parties of the Group under the revised Standard whilst such entities were not treated as related parties of the Group under the previous Standard. The related party disclosures set out in note 45 to the full financial statements have been changed to reflect the application of the revised Standard. Changes have been applied retrospectively.
	<u>Standards and Interpretations affecting the reported results or financial position</u>	
	There are no new and revised Standards and Interpretations adopted in the financial statements affecting the reporting results or financial position.	
	2.2 Standards and Interpretations adopted with no effect on financial statements	
	The following new and revised Standards and Interpretations have also been adopted in the financial statements. Their adoption has not had any significant impact on the amounts reported in the financial statements but may affect the accounting for future transactions or arrangements.	
	AASB 2009-14 'Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement'	Interpretation 114 addresses when refunds or reductions in future contributions should be regarded as available in accordance with paragraph 58 of AASB 119; how minimum funding requirements might affect the availability of reductions in future contributions; and when minimum funding requirements might give rise to a liability. The amendments now allow recognition of an asset in the form of prepaid minimum funding contributions. The application of the amendments to Interpretation 114 has not had material effect on the financial statements.
	AASB 2009-12 'Amendments to Australian Accounting Standards'	The application of AASB 2009-12 makes amendments to AASB 8 'Operating Segments' as a result of the issuance of AASB 124 'Related Party Disclosures' (2009). The amendment to AASB 8 requires an entity to exercise judgement in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures. The Standard also makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations. The application of AASB 2009-12 has not had any material effect on amounts reported in the financial statements.

Source	GAAP Holdings (Australia) Limited

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

AASB 2010-5 'Amendments to Australian Accounting Standards'	The Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations. The application of AASB 2010-5 has not had any material effect on amounts reported in the financial statements.
AASB 2010-6 'Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets'	The application of AASB 2010-6 makes amendments to AASB 7 'Financial Instruments – Disclosures' to introduce additional disclosure requirements for transactions involving transfer of financial assets. These amendments are intended to provide greater transparency around risk exposures when a financial asset is transferred and derecognised but the transferor retains some level of continuing exposure in the asset. To date, the Group has not entered into any transfer arrangements of financial assets that are derecognised but with some level of continuing exposure in the asset. Therefore, the application of the amendments has not had any material effect on the disclosures made in the financial statements.

3. Revenue

	Year ended 30/06/12	Year ended 30/06/11
	$'000	$'000
Revenue from the sale of goods	119,232	128,852
Revenue from the rendering of services	16,388	18,215
Construction contract revenue	5,298	4,773
	140,918	151,840

Source	GAAP Holdings (Australia) Limited

4. Segment information

4.1 Segment revenues and results

AASB1039.29(a), (b)

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment.

		Segment revenue		Segment profit	
		Year ended 30/06/12	Year ended 30/06/11	Year ended 30/06/12	Year ended 30/06/11
		$'000	$'000	$'000	$'000
Electronic equipment	- direct sales	37,509	39,641	6,619	10,336
	- wholesalers and retail outlets	20,194	22,534	7,265	5,954
	- internet sales	27,563	29,699	6,632	5,348
Leisure goods	- wholesalers	13,514	18,332	3,252	4,110
	- retail outlets	20,452	18,646	4,921	4,372
Other		21,686	22,988	3,590	6,760
Total for continuing operations		140,918	151,840	32,279	36,880
Share of profits of associates				1,186	1,589
Gain recognised on disposal of interest in former associate				581	-
Investment income				3,608	2,351
Central administration costs and directors' salaries				(2,933)	(2,666)
Finance costs				(4,418)	(6,023)
Profit before tax (continuing operations)				30,303	32,131

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2011: Nil).

Source	GAAP Holdings (Australia) Limited

4. Segment information (cont'd)

4.2 Segment assets and liabilities

AASB1039.29(c)

Segment assets

		30/06/12	30/06/11	01/07/10
		$'000	$'000	$'000
Electronic equipment	- direct sales	52,574	47,263	55,100
	- wholesalers and retail outlets	48,596	36,061	51,082
	- internet sales	42,648	32,817	44,697
Leisure goods	- wholesalers	29,851	33,942	31,926
	- retail outlets	33,032	44,432	35,119
Other		11,724	23,408	14,011
Total segment assets		218,425	217,923	231,935
Assets relating to bicycle operations (now discontinued)		21,076	19,272	19,429
Unallocated		27,055	23,934	19,165
Consolidated total assets		266,556	261,129	270,529

AASB1039.29(d)

Segment liabilities

Electronic equipment	- direct sales	22,491	20,138	38,246
	- wholesalers and retail outlets	10,935	20,079	19,123
	- internet sales	12,783	13,784	20,862
Leisure goods	- wholesalers	9,152	10,262	15,646
	- retail outlets	4,978	11,146	8,692
Other		5,433	3,832	10,655
Total segment liabilities		65,772	79,241	113,224
Liabilities relating to bicycle operations (now discontinued)		3,684	4,982	8,338
Unallocated		25,303	9,944	7,503
Consolidated total liabilities		94,759	94,167	129,065

Source	GAAP Holdings (Australia) Limited

AASB1039.30(b), (c)

5. Dividends on equity instruments

	Year ended 30/06/12		Year ended 30/06/11	
	Cents per share	Total $'000	Cents per share	Total $'000
Recognised amounts				
Fully paid ordinary shares				
Interim dividend:				
Fully franked at a 30% tax rate	17.85	2,618	12.71	2,559
Final dividend:				
Fully franked at a 30% tax rate	19.36	3,897	18.93	3,810
	37.21	6,515	31.64	6,369
Converting non-participating preference shares				
Final dividend:				
Fully franked at a 30% tax rate	10.00	120	10.00	110
		6,635		6,479
Unrecognised amounts				
Fully paid ordinary shares				
Final dividend:				
Fully franked at a 30% tax rate	26.31	3,905	19.36	3,897

On 31 August 2012, the directors declared a fully franked final dividend of 26.31 cents per share to the holders of fully paid ordinary shares in respect of the financial year ended 30 June 2012, to be paid to shareholders on 3 October 2012. This dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these consolidated financial statements. If approved, the dividend will be paid to all shareholders on the Register of Members on 28 September 2012. The total estimated dividend to be paid is $3,905 thousand.

Source	GAAP Holdings (Australia) Limited

6. Events after the reporting period

AASB1039.31(b)

On 18 July 2012, the premises of Subfive Limited were seriously damaged by fire. Insurance claims are in process, but the cost of refurbishment is currently expected to exceed the amount that will be reimbursed by $8.3 million.

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

(a) the nature of the event; and

(b) an estimate of its financial effect, or a statement that such an estimate cannot be made.

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

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

The effects of events after the end of the reporting period providing evidence of conditions that existed at the end of the reporting period shall be brought to account rather than disclosed by way of note to the financial statements. If an entity receives information after the end of the reporting period about conditions that existed at the end of the reporting period, it shall update disclosures that relate to these conditions, in the light of the new information.

7. Approval of financial statements

The financial statements were approved by the board of directors and authorised for issue on 11 September 2012.