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Illustrative Annual Reports

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the accounting spectrum*

Section C –
Illustrative concise report

Financial years ending on or after 30 June 2008

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At Deloitte, our Assurance & Advisory Services division includes a national team of specialists whose role is to assist clients by providing guidance and advice on Australian and International Accounting Standards, the Corporations Act 2001, and ASIC and ASX releases relating to external reporting. Our accounting technical team identifies, analyses and explains the major developments in financial reporting affecting today's reporting obligations and shaping tomorrow's annual reports.

The Australian accounting technical team is recognised as one of only a handful of Deloitte IFRS Centres of Excellence which provide technical input on accounting interpretations developed by our Global firm. As a Deloitte IFRS Centre of Excellence and a member of the Deloitte Global IFRS Leadership Team, which includes representatives from the United Kingdom, United States of America, France, South Africa, Denmark, Hong Kong and Australia, the Australian team has direct access to the most up-to-date global information regarding accounting developments.

Our culture makes sure that there is extensive interaction with other areas of Deloitte so that a 'whole of firm approach' is delivered to clients through our Integrated Services Offering. This means the use of specialists as part of the audit team delivering value above and beyond audit assurance. It also brings together fresh thinking and a flexible approach to everything we do.

The team is committed to the continual improvement of your financial reporting knowledge through timely communications advising of developments in financial reporting, and the issue of thought leadership publications.

Take advantage of the technical expertise Deloitte can offer.

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Illustrative annual reports

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Section C

Illustrative concise report for financial years ending on or after 30 June 2008

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About the concise report

Purpose

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

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

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

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

Source references

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

Abbreviations used in this section are as follows:

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

Source reference

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

s.314(2)

A concise report for a financial year consists of:

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

ASIC-CO 98/2395

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

Financial statements

AASB1039.5.1

A concise financial report shall include the following financial statements:

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

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

AASB1039.1.2, 1.2.1

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

AASB1039.5.2

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

AASB1039.5.3

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

Comparative information

AASB1039.8.1

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

Definitions

AASB1039.9.1

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

Directors' report

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

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.

Elucidation Limited

ACN 123 456 789

Concise report for the financial year ended 30 June 2008

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

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

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

Source reference

Directors' report

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.

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

ASIC-CO 98/2395

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

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

ASIC-CO 98/2395

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

The directors of Elucidation Limited submit herewith the annual financial report of the company for the financial year ended 30 June 2008. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Information about the directors and senior management

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

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

Name [all entities]	Particulars [public companies only]
Mr C.J. Chambers	Chairman, Chartered Accountant, joined the Board in 1999 in a non-executive capacity and is a non-executive director of the ultimate holding company, ELC Ultimate Limited. Mr C.J. Chambers is also a director of Eastwood Limited. He is a member of the audit committee and the risk management committee.
Mr P.H. Taylor	Chief Executive Officer, joined the Board in 1996. Mr P.H. Taylor was previously the CEO at a large manufacturing company.
Ms F.R. Ridley	Chartered Accountant, joined the Board in 2005 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 2008. 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 2004 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 2001 in a non-executive capacity and resigned on 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 2007 in a non-executive capacity and resigned after year end. Ms S.M. Saunders was a member of the nomination and remuneration committee and the risk management committee until her resignation.

s.300(1)(c)

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

- Mr W.K. Flinders – resigned 20 July 2007
- Ms S.M. Saunders – appointed 1 August 2007, resigned 30 July 2008
- Mr A.K. Black – appointed 21 July 2008

Source reference

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.

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

<u>Name</u>	<u>Company</u>	<u>Period of directorship</u>
Mr C.J. Chambers	Eastwood Limited	Since 2006
	Yarwood Limited	2005 – 2007

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.

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

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

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

(a) is the holder of the securities;

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

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

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

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

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

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

Remuneration of directors and senior management

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

Share options granted to directors and senior management

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

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

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

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

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

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

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

Source reference

s.300(5)

The details of an option granted during or since the end of the financial year should include:

- the identity of the company, registered scheme or disclosing entity granting the option;
- the name of the person to whom the option is granted; and
- 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 as part of their remuneration:

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

Company secretary [public companies only]

s.300(10)(d)

Mr A.B. Grey, Chartered Accountant, held the position of company secretary of Elucidation Limited at the end of the financial year. He joined Elucidation Limited in 2003 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. During the year the board of directors decided to dispose of the bicycle business. Details of the planned disposal are contained in note 41 to the full financial report of Elucidation Limited.

Review of operations

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

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

Additional requirements for listed public companies

s.299A(1), (2)

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

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

s.299A(3)

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

ASX Guidance Note
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' or to the G100's 'Guide to Review of Operations and Financial Condition', which provide general guidance on the form and content of the consolidated entity's review of operations and the results of those operations, together with specific guidance on items which might be appropriately included in such a review.

Recommended contents of the review of operations include:

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

Source reference

- (b) review of operations:
 - i. operating results of the consolidated entity by main business activity including a comparison to prior periods and any projections published by the company and its controlled entities. Consideration should be given to unusual or infrequent events or transactions, including material acquisitions or disposals, major sources of revenues and expenses, and changes in factors which affect the results; and
 - ii. overall return attributable to shareholders in terms of dividends, and increase in shareholder funds. Consideration should be given to the company's distribution policy (including the extent of franking), other forms of shareholder returns, for example, dividend reinvestment plans or shareholder privileges, and movements in the company's share price;
- (c) details of investments for future performance, including the current and planned future level of capital expenditure, major projects and expected benefits;
- (d) review of financial conditions:
 - i. capital structure of the company including capital funding and treasury policies and objectives;
 - ii. liquidity and funding as at year end including restrictions on funds transfer, covenants entered into and the maturity profile of borrowings;
 - iii. resources available to the consolidated entity not reflected in the balance sheet;
 - iv. cash generated from operations and other sources of cash flows during the period; and
 - v. impact of legislation and other external requirements having a material effect on the financial condition in the reporting period or expected to have a material effect on the financial condition in future periods; and
- (e) risk management and corporate governance practices.

Changes in state of affairs

s.299(1)(b) During the financial year, the consolidated entity disposed of its toy business. The consolidated entity is also seeking to dispose of its bicycle business, in order to focus its operations towards the manufacture and distribution of electronic equipment and leisure goods as proposed and agreed at the company's last Annual General Meeting.
Other than the above, there was no significant change in the state of affairs of the consolidated entity during the financial year.

Subsequent events

s.299(1)(d) There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

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

Future developments

s.299(1)(e), s.299(3) Disclosure of information regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the consolidated entity. Accordingly, this information has not been disclosed in this report.

s.299(1)(e), s.299(3) Directors must bring likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations to the attention of the users of the financial report. These disclosures are not required where they would result in unreasonable prejudice to the entity.

s.299A(1)(c), (2) The directors' report for a company or disclosing entity that is a listed public company must also contain information that members of the company would reasonably require to make an informed assessment of the consolidated entity's prospects for future financial years.

Source reference

Environmental regulations

s.299(1)(f)

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

ASIC-RG 68

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

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

Dividends

s.300(1)(a)

In respect of the financial year ended 30 June 2007, 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 2007.

s.300(1)(a)

In respect of the financial year ended 30 June 2008, 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 2008.

s.300(1)(a)

In respect of the financial year ended 30 June 2008, a dividend of 10.00 cents per share franked to 100% at 30% corporate income tax rate was paid to the holders of converting non-participating preference shares on 20 June 2008.

s.300(1)(a)

In respect of the financial year ended 30 June 2008, 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 2008.

s.300(1)(b)

In respect of the financial year ended 30 June 2008, 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 2008.

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

AASB110.13

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

Shares under option or issued on exercise of options

s.300(1)(f)

The directors' report should include details of:

(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 C7), s.300(1)(e) and s.300(1)(f) cover:

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

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

s.300(6)

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

(a) the company, registered scheme or disclosing entity that will issue shares or interests when the options are exercised;

(b) the number and classes of those shares or interests;

(c) the issue price, or the method of determining the issue price, of those shares or interests;

(d) the expiry date of the options; and

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

Source reference

s.300(7)

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

- the company, registered scheme or disclosing entity issuing the shares or interests;
- the number of shares or interests issued;
- 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;
- the amount unpaid on each of those shares or interests; and
- the amount paid, or agreed to be considered as paid, on each of those shares or interests.

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

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

Issuing entity	Number of shares under option	Class of shares	Exercise price of option	Expiry date of options
Elucidation Limited	136,000	Ordinary	\$1.00	30 September 2008
Elucidation Limited	60,000	Ordinary	\$1.00 ^(a)	27 March 2009

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

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

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

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

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

Indemnification of officers and auditors

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

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

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

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

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

Directors' meetings [public companies only]

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

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

Directors	Board of directors		Nomination & remuneration committee		Audit committee		Risk management committee	
	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 are not required for a public company which is a wholly-owned controlled entity of another company.

Source reference

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 47 to the full financial report.
- 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.
- s.300(11B)(c) The directors are of the opinion that the services as disclosed in note 47 to the full financial statements do not compromise the external auditor's independence, based on advice received from the Audit Committee, for the following reasons:
- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor, and
 - none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.
- s.300(11D) The statements under s.300(11B)(b) and (c) must be made in accordance with:
- (a) advice provided by the listed company's audit committee if the company has an audit committee; or
 - (b) a resolution of the directors of the listed company if the company does not have an audit committee.
- s.300(11E) A statement is taken to be made in accordance with advice provided by the company's audit committee only if:
- (a) the statement is consistent with that advice and does not contain any material omission of material included in that advice;
 - (b) the advice is endorsed by a resolution passed by the members of the audit committee; and
 - (c) the advice is written advice signed by a member of the audit committee on behalf of the audit committee and given to the directors.

Source reference

Auditor's independence declaration

s.298(1)(c)

The auditor's independence declaration is included on page C22 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 report for a financial year includes additional information under s.295(3)(c) to give a true and fair view of financial position and performance, the directors' report for the financial year must also:

- (a) set out the directors' reasons for forming the opinion that the inclusion of that additional information was necessary to give a true and fair view required by s.297; and
- (b) specify where that additional information can be found in the financial report.

Rounding off of amounts

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

ASIC-CO 98/0100

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

or

ASIC-CO 98/0100

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

or

ASIC-CO 98/0100

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

Source reference

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

Remuneration report [all disclosing entities that are companies]

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

Remuneration report developments

s.300A of the Corporations Act 2001 has been amended by the Corporations Legislation Amendment (Simpler Regulatory System) Act 2007, effective for financial years beginning on or after 28 June 2007. Regulation 2M.3.03, which specifies the prescribed details in relation to the remuneration of identified persons, has also been amended by the Corporations Amendment Regulations 2007 (No.2), effective for financial years beginning on or after 30 June 2007.

The amendments to s.300A include extending the requirements of s.300A to all disclosing entities that are companies and requiring that the auditor express an opinion on the remuneration report's compliance with s.300A. More information about the amendments is provided in Section A.

Changes to the ability to transfer compensation information into the remuneration report

Regulation 2M.6.04 and Schedule 5B are omitted effective for financial years beginning on or after 30 June 2007, i.e. disclosing entities that are companies are required to present information about key management personnel compensation in both the remuneration report and in the financial report.

At the time of printing, there is no class order relief similar to previous ASIC Class Order 06/50 'Transfer of remuneration information into directors' reports' (expired 31 March 2006) relieving entities from some of this duplication.

Defined terms

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

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

Senior manager:

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

Group executives for a consolidated entity means:

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

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.300A(1B)(a)

s.300A(1B)(b)

s.9

s.9

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

Source reference

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

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

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

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

s.300A(1)

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

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

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

Remuneration from each entity

s.300A(4)

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

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of Elucidation Limited's directors and its senior management for the financial year ended 30 June 2008. The prescribed details for each person covered by this report are detailed below under the following headings:

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

Director and senior management details

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

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

Mr C.J. Chambers (Chairman)
Mr P.H. Taylor (Chief Executive Officer)
Ms F.R. Ridley
Mr A.K. Black (appointed 21 July 2008)
Mr B.M. Stavrinidis
Mr W.K. Flinders (resigned 20 July 2007)
Ms S.M. Saunders (appointed 1 August 2007, resigned 30 July 2008)

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

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

W.L. Lee (Chief Financial Officer – ELC Investments Pty Ltd)
L.J. Jackson (Chief Marketing Officer – ELC Sales Pty Ltd)
C.P. Daniels (Chief Operations Officer, resigned 3 July 2008)
N.W. Wright (General Manager – Electronic equipment division, resigned 27 June 2008)
T.L. Smith (General Manager – Leisure goods division, appointed 3 July 2007)
A.B. Grey (Company Secretary)

Source reference

s.300A, Reg2M.3.03

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

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

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

Remuneration policy

s.300A(1)(a)

The directors' report must include discussion of:

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

s.300A(1)(f)

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

Relationship between the remuneration policy and company performance

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

A disclosing entity that is a company must disclose:

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

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

s.300A(1)(d)

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

s.300A(1)(da)

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

s.300A(1)(ba)

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

Source reference

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:

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

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

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

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

s.300A(1AA), (1AB) The tables below set out summary information about the consolidated entity's earnings and movements in shareholder wealth for the five years to June 2008:

	30 June 2008 \$'000	30 June 2007 \$'000	30 June 2006 \$'000	30 June 2005 \$'000	30 June 2004 \$'000*
Revenue	208,931	232,034	217,054	205,321	200,058
Net profit before tax	41,018	45,131	42,567	40,243	39,011
Net profit after tax	26,552	30,332	28,217	26,211	26,208

* Elucidation Limited adopted the Australian equivalents to International Financial Reporting Standards with effect from 1 July 2004, which resulted in various changes to its accounting policies from that date. The results for the year ended 30 June 2004 are reported in accordance with Elucidation Limited's previous accounting policies as permitted under Australian accounting standards as applicable at that time.

	30 June 2008	30 June 2007	30 June 2006	30 June 2005	30 June 2004
Share price at start of year	\$2.65	\$2.59	\$2.61	\$2.54	\$1.90
Share price at end of year	\$3.37	\$2.65	\$2.59	\$2.61	\$2.54
Interim dividend ¹	17.85cps	12.71cps	12.71cps	10.00cps	10.00cps
Final dividend ^{1,2}	26.31cps	19.36cps	19.36cps	15.00cps	15.00cps
Basic earnings per share ³	112.3cps	129.9cps	133.0cps	123.5cps	123.5cps
Diluted earnings per share ³	106.6cps	124.1cps	127.5cps	118.4cps	118.4cps

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

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

³ Elucidation Limited adopted the Australian equivalents to International Financial Reporting Standards with effect from 1 July 2004, which resulted in various changes to its accounting policies from that date. The basic and diluted earnings per share for the year ended 30 June 2004 were calculated in accordance with Elucidation Limited's previous accounting policies as permitted under Australian accounting standards as applicable at that time.

In addition, during 2008 Elucidation Limited repurchased 5,603 thousand shares for \$17,011 thousand. The shares were repurchased at the prevailing market price on the date of the buy-back.

Source reference

Remuneration of directors and senior management

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

	Short-term employee benefits				Post-employment benefits	Other long-term employee benefits	Share-based payment	Total
	Salary & fees	Bonus	Non-monetary	Other	Super-annuation		Options & rights	
2008	\$	\$	\$	\$	\$	\$	\$	\$
Non-executive directors								
C.J. Chambers	76,000	-	28,050	1,250	-	-	-	105,300
F.R. Ridley	65,000	-	25,091	854	-	-	-	90,945
B.M. Stavrinidis	65,000	-	26,800	685	-	-	-	92,485
W.K. Flinders	4,000	-	800	200	-	-	-	5,000
S.M. Saunders	65,000	-	15,159	689	-	-	-	80,848
Executive officers								
P.H. Taylor	261,600	-	66,280	1,240	30,000	5,400	105,600	470,120
W.L. Lee	183,712	10,000	6,796	-	17,937	8,788	7,500	234,733
L.J. Jackson	187,928	-	16,481	-	20,000	4,572	7,500	236,481
C.P. Daniels	185,500	-	14,805	-	20,000	-	5,000	225,305
N.W. Wright	184,000	-	12,761	-	17,708	-	5,000	219,469
T.L. Smith	180,000	-	4,734	-	16,716	1,000	8,663	211,113
A.B. Grey	150,000	-	11,450	-	15,000	2,354	-	178,804
								<u>2,150,603</u>

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

	Short-term employee benefits				Post-employment benefits	Other long-term employee benefits	Share-based payment	Total
	Salary & fees	Bonus	Non-monetary	Other	Super-annuation		Options & rights	
2007	\$	\$	\$	\$	\$	\$	\$	\$
Non-executive directors								
C.J. Chambers	65,125	-	25,400	1,125	-	-	-	91,650
F.R. Ridley	62,000	-	23,162	850	-	-	-	86,012
B.M. Stavrinidis	62,000	-	24,350	670	-	-	-	87,020
W.K. Flinders	62,000	-	24,350	680	-	-	-	87,030
O.H. O'Brien	36,750	-	20,120	312	-	-	-	57,182
Executive officers								
P.H. Taylor	229,860	-	53,800	1,125	38,000	10,140	57,500	390,425
W.L. Lee	179,372	-	5,980	-	17,300	6,878	-	209,530
L.J. Jackson	180,690	-	14,503	-	20,000	5,560	-	220,753
C.P. Daniels	171,250	-	13,028	-	20,000	7,750	-	212,028
N.W. Wright	173,738	-	11,230	-	17,500	4,587	-	207,055
E.P. Hart	179,375	-	12,500	-	17,270	-	-	209,145
A.B. Grey	145,000	-	10,500	-	14,500	1,000	-	171,000
								<u>2,028,830</u>

Reg2M.3.03(1)
(Item 10)

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

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

Payments and benefits

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

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

Source reference

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

Total of a person's compensation

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

Comparative information

Reg2M.3.03(2) For items 6-9 and 11 of Regulation 2M.3.03, information of the kind described in the item (refer page C17 and above) for the previous financial year must also be disclosed in the financial year to which the item relates (to give comparative information for the purposes of the item), but this does not apply in relation to the first financial year in which paragraph 300A(1)(c) of the Corporations Act 2001 applies in relation to a person.

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

Bonuses

Reg2M.3.03(1) (Item 12) Mr. W.L. Lee was granted a cash bonus of \$10,000 on 12 June 2008. 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 2008.

Employee share option plan

Reg2M.3.03(1) (Item 12(b), (c), 15(b)(ii), (b)(iii), (b)(v)) Elucidation Limited operates an ownership-based scheme for executives and senior employees of the consolidated entity. In accordance with the provisions of the plan, as approved by shareholders at a previous annual general meeting, executives and senior employees with more than five years service with the company may be granted options to purchase parcels of ordinary shares at an exercise price of \$1.00 per ordinary share.

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

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

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

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

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 2006	30/09/06	30/09/07	\$1.15	Vests at date of grant
(2) Issued 31 March 2007	31/03/07	31/03/08	\$1.18	Vests at date of grant
(3) Issued 30 September 2007	30/09/07	30/09/08	\$1.20	Vests at date of grant
(4) Issued 29 March 2008	29/03/08	27/03/09	\$1.05	Vests when the Elucidation 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.

Source reference

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

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

Name	Option series	During the financial year				% of compensation for the year consisting of options
		No. granted	No. vested	% of grant vested	% of grant forfeited	
Mr P.H. Taylor	(1) Issued 30 Sep 07	88,000	88,000	100%	n/a	22.5%
W.L. Lee	(1) Issued 30 Sep 07	6,250	6,250	100%	n/a	3.2%
L.J. Jackson	(1) Issued 30 Sep 07	6,250	6,250	100%	n/a	3.2%
C.P. Daniels	(1) Issued 30 Sep 07	4,167	4,167	100%	n/a	2.2%
N.W. Wright	(1) Issued 30 Sep 07	4,167	4,167	100%	n/a	2.3%
T.L. Smith	(4) Issued 29 Mar 08	32,036	nil	nil	nil	4.1%

Reg2M.3.03(1)
(Item 16)

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

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

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

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

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

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

Reg2M.3.03(1)
(Item 12)

Compensation

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

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

Source reference

Reg2M.3.03(3)

Options and rights over equity instruments

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

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

Reg2M.3.03(1)
(Item 15)

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

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

Reg2M.3.03(1)
(Item 16)

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

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

Reg2M.3.03(1)
(Item 14)

Alterations and modifications

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

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

Source reference

Key terms of employment contracts

- The report must also include, for each s.300A(1)(c) identified person:
- (a) if the person is employed by the company under a contract – the duration of the contract, the periods of notice required to terminate the contract and the termination payments provided for under the contract;
 - (b) for each contract for services between a person and the disclosing entity (or any of its subsidiaries), any further explanation that is necessary in addition to those prescribed in s.300A(1)(ba) (refer page C15) 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, 12 September 2008

Source reference

Deloitte.

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

12 September 2008

Dear Board Members,

Elucidation Limited

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

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

As lead audit partner for the audit of the financial statements of Elucidation Limited for the financial year ended 30 June 2008, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely

DELOITTE TOUCHE TOHMATSU

T.L. Green
Partner
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.

Source reference

s.307C(1), (3)	<p>If an audit firm, audit company or individual auditor conducts an audit of the financial report for the financial year, the lead auditor must give the directors of the company, registered scheme or disclosing entity a written declaration that, to the best of the lead auditor's knowledge and belief, there have been:</p> <ul style="list-style-type: none">(i) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and(ii) no contraventions of any applicable code of professional conduct in relation to the audit; or a written declaration that, to the best of the lead auditor's knowledge and belief, the only contraventions of:<ul style="list-style-type: none">(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; or(ii) any applicable code of professional conduct in relation to the audit;are those contraventions details of which are set out in the declaration.
s.307C(5)(a)	<p>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.</p>
s.307(5A)	<p>A declaration under s.307C(1) or s.307C(3) in relation to a financial report for a financial year satisfies the conditions in this subsection if:</p> <ul style="list-style-type: none">(a) the declaration is given to the directors of the company, registered scheme or disclosing entity before the directors pass a resolution under s.298(2) in relation to the directors' report for the financial year; and(b) a director signs the directors' report within 7 days after the declaration is given to the directors; and(c) the auditors' report on the financial report is made within 7 days after the directors' report is signed; and(d) the auditors' report includes either of the following statements:<ul style="list-style-type: none">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)	<p>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:</p> <ul style="list-style-type: none">(a) the contravention was a contravention by a person of s.324CE(2) or s.324CG(2) (strict liability contravention of specific independence requirements by individual auditor or audit firm), or s.324CF(2) (contravention of independence requirements by members of audit firms); and(b) the person does not commit an offence because of s.324CE(4), s.324CF(4) or s.324CG(4) (quality control system defence).

Source reference

Independent auditor's report to the members of Elucidation Limited

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

	Duty to form an opinion
s.314(2)(c)	The concise report shall include a statement by the auditor: <ul style="list-style-type: none">• 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'.
s.314(2)(d)	The concise report shall include a copy of any qualification in, and of any statements included in the emphasis of matter section of, the auditor's report on the financial report.
s.314(3)	If the accounting standards made for the purposes of s.314(2)(a) require a discussion and analysis to be included in a concise financial report: <ul style="list-style-type: none">• the auditor must report on whether the discussion and analysis complies with the requirements that the accounting standards lay down for the discussion and analysis; and• the auditor does not otherwise need to audit the statements made in the discussion and analysis.
s.307(b)	The auditor is also required to form an opinion on the following: <ul style="list-style-type: none">• whether the auditor has been given all information, explanations and assistance necessary for the conduct of the audit;
s.307(c)	<ul style="list-style-type: none">• whether the company, registered scheme or disclosing entity has kept financial records sufficient to enable a financial report to be prepared and audited;
s.307(d)	<ul style="list-style-type: none">• whether the company, registered scheme or disclosing entity 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 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: <ul style="list-style-type: none">• the auditor has reasonable grounds to suspect amount to a contravention of the Corporations Act 2001; or• amount to an attempt, in relation to the audit, by any person to unduly influence, coerce, manipulate or mislead a person involved in the conduct of the audit; or• amount to an attempt, by any person, to otherwise interfere with the proper conduct of the audit.
s.311	The auditor is required to notify ASIC in writing of the circumstances of the matters outlined above as soon as practicable and in any case within 28 days, after the auditor becomes aware of those circumstances.
ASIC-RG 34	ASIC Regulatory Guide 34 provides guidance on the procedures to be followed by registered company auditors in complying with s.311 of the Corporations Act 2001, including specific reference to evidence of a contravention, examples of contraventions and timing of notification.

Source reference

Directors' declaration

The directors declare that:

- (a) in the directors' opinion, the attached financial statements and notes thereto comply with Accounting Standard AASB 1039 'Concise Financial Reports'; and
- (b) the attached financial statements and notes 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, 12 September 2008

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

Consolidated income statement for the financial year ended 30 June 2008

(Alt 1: example of expenses disclosed by function)

	Note	Consolidated	
		2008 \$'000	2007 \$'000
Continuing operations			
Revenue	6	140,918	151,840
Cost of sales		(87,899)	(91,840)
Gross profit		53,019	60,000
Other revenue		3,608	2,351
Other income		934	1,005
Share of profits of associates and jointly controlled entities accounted for using the equity method		1,186	1,589
Distribution expenses		(5,087)	(4,600)
Marketing expenses		(3,293)	(2,247)
Occupancy expenses		(2,128)	(2,201)
Administration expenses		(11,001)	(15,124)
Finance costs		(5,034)	(6,023)
Other expenses		(2,656)	(2,612)
Profit before tax		29,548	32,138
Income tax expense		(11,306)	(11,801)
Profit for the year from continuing operations		18,242	20,337
Discontinued operations			
Profit for the year from discontinued operations		8,310	9,995
Profit for the year			
		26,552	30,332
Attributable to:			
Equity holders of the parent		22,552	27,569
Minority interest		4,000	2,763
		26,552	30,332
Earnings per share			
From continuing and discontinued operations:			
Basic (cents per share)		112.3	129.9
Diluted (cents per share)		106.6	124.1
From continuing operations:			
Basic (cents per share)		70.9	82.8
Diluted (cents per share)		67.3	79.1

Notes to the financial statements are included on pages C37 to C42.

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

Consolidated income statement for the financial year ended 30 June 2008

(Alt 2: example of expenses disclosed by nature)

	Note	Consolidated	
		2008 \$'000	2007 \$'000
Continuing operations			
Revenue	6	144,526	154,191
Other income		934	1,005
Share of profits of associates and jointly controlled entities accounted for using the equity method		1,186	1,589
Changes in inventories of finished goods and work in progress		(7,122)	2,118
Raw materials and consumables used		(70,393)	(85,406)
Employee benefits expense		(9,803)	(11,655)
Depreciation and amortisation expense		(12,193)	(13,878)
Finance costs		(5,034)	(6,023)
Impairment of non-current assets		(219)	-
Consulting expense		(3,120)	(1,926)
Other expenses		(9,214)	(7,877)
Profit before tax		29,548	32,138
Income tax expense		(11,306)	(11,801)
Profit for the year from continuing operations		18,242	20,337
Discontinued operations			
Profit for the year from discontinued operations		8,310	9,995
Profit for the year		26,552	30,332
Attributable to:			
Equity holders of the parent		22,552	27,569
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Diluted (cents per share)		67.3	79.1

Notes to the financial statements are included on pages C37 to C42.

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

Source reference

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

AASB1039.5.3

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

AASB1039.5.3.1

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

AASB1039.5.3.2

Guidance

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

AASB1039.5.3.3(a)

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

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

Consolidated balance sheet as at 30 June 2008

	Consolidated	
	2008	2007
	\$'000	\$'000
Current assets		
Cash and cash equivalents	20,199	19,778
Trade and other receivables	19,518	17,197
Other financial assets	8,757	6,949
Inventories	31,364	30,242
Current tax assets	85	60
Other	-	-
	79,923	74,226
Non-current assets classified as held for sale	22,336	-
Total current assets	102,259	74,226
Non-current assets		
Investments accounted for using the equity method	8,425	7,269
Other financial assets	10,411	9,656
Property, plant and equipment	111,235	134,461
Investment property	136	132
Deferred tax assets	-	-
Goodwill	20,208	24,060
Other intangible assets	9,739	11,325
Other	-	-
Total non-current assets	160,154	186,903
Total assets	262,413	261,129
Current liabilities		
Trade and other payables	16,820	21,495
Borrowings	22,446	25,600
Other financial liabilities	104	18
Current tax liabilities	5,133	5,868
Provisions	3,416	3,247
Other	90	95
	48,009	56,323
Liabilities directly associated with non-current assets classified as held for sale	3,684	-
Total current liabilities	51,693	56,323
Non-current liabilities		
Borrowings	32,611	31,478
Other financial liabilities	-	-
Deferred tax liabilities	4,591	3,693
Provisions	2,298	2,326
Other	180	270
Total non-current liabilities	39,680	37,767
Total liabilities	91,373	94,090
Net assets	171,040	167,039
Equity		
Issued capital	32,777	48,672
Reserves	3,907	3,376
Retained earnings	110,351	94,986
	147,035	147,034
Amounts recognised directly in equity relating to non-current assets classified as held for sale	-	-
Equity attributable to equity holders of the parent	147,035	147,034
Minority interest	24,005	20,005
Total equity	171,040	167,039

Notes to the financial statements are included on pages C37 to C42.

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

Source reference

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

AASB1039.5.3

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

AASB1039.5.3.1

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

AASB1039.5.3.2

Guidance

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

AASB1039.5.3.3(b)

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

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

Consolidated statement of recognised income and expense for the financial year ended 30 June 2008

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

	Note	Consolidated	
		2008 \$'000	2007 \$'000
Gain/(loss) on revaluation of property		-	1,643
Increase/(decrease) arising from a change in existing decommissioning, restoration or similar liabilities		-	-
Gain/(loss) on available-for-sale investments taken to equity		94	81
Gain/(loss) on cash flow hedges taken to equity		436	316
Exchange differences arising on translation of foreign operations		75	121
Actuarial gain/(loss) on defined benefit plans		-	-
Other [describe]		-	-
Income tax on items taken directly to equity		(181)	(648)
Net income/(expense) recognised directly in equity		424	1,513
Transfers (net of any related tax):			
Transfer to profit or loss on sale of available-for-sale investments		-	-
Transfer to profit or loss on cash flow hedges		(86)	(60)
Transfer to initial carrying amount of non-financial hedged item on cash flow hedges		(180)	(141)
Transfer to profit or loss on disposal of foreign operation		(84)	-
Profit for the period		26,552	30,332
Total recognised income and expense for the period		26,626	31,644
Attributable to:			
Equity holders of the parent		22,626	28,881
Minority interests		4,000	2,763
		26,626	31,644
Effects of changes in accounting policy			
Attributable to equity holders of the parent:			
- increase/(decrease) in retained earnings at the beginning of the period	2	-	-
- [describe]	2	-	-
Attributable to minority interests		-	-
		-	-
Effects of corrections of errors			
Attributable to equity holders of the parent:			
- increase/(decrease) in retained earnings at the beginning of the period	4	-	-
Attributable to minority interests		-	-
		-	-

Notes to the financial statements are included on pages C37 to C42.

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

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

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

Consolidated statement of changes in equity for the financial year ended 30 June 2008

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

Consolidated

	Fully paid ordinary shares \$'000	Partly paid ordinary shares \$'000	Converting non- participating preference shares \$'000	General reserve \$'000	Asset revaluation reserve \$'000
Balance at 1 July 2006	45,797	1,775	1,100	807	51
Effects of changes in accounting policies: [details]	-	-	-	-	-
As restated	45,797	1,775	1,100	807	51
Gain/(loss) on revaluation of property	-	-	-	-	1,643
Increase/(decrease) arising from a change in existing decommissioning, restoration or similar liabilities	-	-	-	-	-
Gain/(loss) on available-for-sale investments	-	-	-	-	-
Gain/(loss) on cash flow hedges	-	-	-	-	-
Exchange differences arising on translation of foreign operations	-	-	-	-	-
Related income tax	-	-	-	-	(493)
Net income recognised directly in equity	-	-	-	-	1,150
Transfers (net of any related tax):					
Transfer to profit or loss on cash flow hedges	-	-	-	-	-
Transfer to initial carrying amount of non-financial hedged item on cash flow hedges	-	-	-	-	-
Transfer to profit or loss on sale of available-for-sale investments	-	-	-	-	-
Profit for the period	-	-	-	-	-
Total recognised income and expense	-	-	-	-	1,150
Recognition of share-based payments	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Payment of dividends	-	-	-	-	-
Balance at 30 June 2007	45,797	1,775	1,100	807	1,201
Balance at 1 July 2007	45,797	1,775	1,100	807	1,201
Gain/(loss) on revaluation of property	-	-	-	-	-
Increase/(decrease) arising from a change in existing decommissioning, restoration or similar liabilities	-	-	-	-	-
Gain/(loss) on available-for-sale investments	-	-	-	-	-
Gain/(loss) on cash flow hedges	-	-	-	-	-
Exchange differences arising on translation of foreign operations	-	-	-	-	-
Related income tax	-	-	-	-	-
Net income recognised directly in equity	-	-	-	-	-
Transfers (net of any related tax):					
Transfer to profit or loss on cash flow hedges	-	-	-	-	-
Transfer to initial carrying amount of non-financial hedged item on cash flow hedges	-	-	-	-	-
Transfer to profit or loss on disposal of foreign operation	-	-	-	-	-
Profit for the period	-	-	-	-	-
Total recognised income and expense	-	-	-	-	-
Recognition of share-based payments	-	-	-	-	-
Transfer from equity-settled employee benefits reserve	338	-	-	-	-
Issue of shares under share option plan	314	-	-	-	-
Issue of shares for consulting services performed	8	-	-	-	-
Issue of converting non-participating preference shares	-	-	100	-	-
Issue of convertible notes	-	-	-	-	-
Share issue costs	-	-	(6)	-	-
Share buy-back	(16,456)	-	-	-	-
Share buy-back costs	(277)	-	-	-	-
Transfer to retained earnings	-	-	-	-	(3)
Payment of dividends	-	-	-	-	-
Related income tax	83	-	1	-	-
Balance at 30 June 2008	29,807	1,775	1,195	807	1,198

Notes to the financial statements are included on pages C37 to C42.

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

Investments revaluation reserve \$'000	Equity-settled employee benefits reserve \$'000	Hedging reserve \$'000	Foreign currency translation reserve \$'000	Option premium on convertible notes \$'000	Tax consolidation reserve \$'000	Retained earnings \$'000	Attributable to equity holders of the parent \$'000	Minority interest \$'000	Total \$'000
470	-	258	140	-	-	73,896	124,294	17,242	141,536
-	-	-	-	-	-	-	-	-	-
470	-	258	140	-	-	73,896	124,294	17,242	141,536
-	-	-	-	-	-	-	1,643	-	1,643
-	-	-	-	-	-	-	-	-	-
81	-	-	-	-	-	-	81	-	81
-	-	316	-	-	-	-	316	-	316
-	-	-	121	-	-	-	121	-	121
(24)	-	(95)	(36)	-	-	-	(648)	-	(648)
57	-	221	85	-	-	-	1,513	-	1,513
-	-	(60)	-	-	-	-	(60)	-	(60)
-	-	(141)	-	-	-	-	(141)	-	(141)
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	27,569	27,569	2,763	30,332
57	-	20	85	-	-	27,569	28,881	2,763	31,644
-	338	-	-	-	-	-	338	-	338
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	(6,479)	(6,479)	-	(6,479)
527	338	278	225	-	-	94,986	147,034	20,005	167,039
527	338	278	225	-	-	94,986	147,034	20,005	167,039
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
94	-	-	-	-	-	-	94	-	94
-	-	436	-	-	-	-	436	-	436
-	-	-	75	-	-	-	75	-	75
(28)	-	(131)	(22)	-	-	-	(181)	-	(181)
66	-	305	53	-	-	-	424	-	424
-	-	(86)	-	-	-	-	(86)	-	(86)
-	-	(180)	-	-	-	-	(180)	-	(180)
-	-	-	(84)	-	-	-	(84)	-	(84)
-	-	-	-	-	-	22,552	22,552	4,000	26,552
66	-	39	(31)	-	-	22,552	22,626	4,000	26,626
-	206	-	-	-	-	-	206	-	206
-	(338)	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	314	-	314
-	-	-	-	-	-	-	8	-	8
-	-	-	-	-	-	-	100	-	100
-	-	-	-	834	-	-	834	-	834
-	-	-	-	-	-	-	(6)	-	(6)
-	-	-	-	-	-	(555)	(17,011)	-	(17,011)
-	-	-	-	-	-	-	(277)	-	(277)
-	-	-	-	-	-	3	-	-	-
-	-	-	-	-	-	(6,635)	(6,635)	-	(6,635)
-	-	-	-	(242)	-	-	(158)	-	(158)
593	206	317	194	592	-	110,351	147,035	24,005	171,040

Source reference

Discussion and analysis of the consolidated statement of changes in equity**[or consolidated statement of recognised income and expense, as appropriate]
[non-listed entities only]**

AASB1039.5.3

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

AASB1039.5.3.1

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

Guidance

AASB1039.5.3.2

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

AASB1039.5.3.3(d)

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

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

Consolidated cash flow statement for the financial year ended 30 June 2008

	Consolidated	
	2008 \$'000	2007 \$'000
Cash flows from operating activities		
Receipts from customers	204,158	227,649
Payments to suppliers and employees	(156,841)	(174,195)
Interest and other costs of finance paid	(5,184)	(6,186)
Income taxes paid	(13,574)	(14,082)
Net cash provided by operating activities	28,559	33,186
Cash flows from investing activities		
Payment for investment securities	(5,393)	(10,588)
Proceeds on sale of investment securities	3,604	2,410
Interest received	2,315	1,304
Dividends received	196	179
Amounts advanced to related parties	(5,147)	(5,020)
Proceeds from repayment of related party loans	4,598	3,417
Payments for property, plant and equipment	(22,943)	(11,887)
Proceeds from sale of property, plant and equipment	9,872	22,295
Payments for investment properties	(10)	(12)
Payments for intangible assets	(6)	(358)
Development costs paid	(502)	(440)
Additional interests acquired in associates and jointly controlled entities	(10)	-
Proceeds from sale of businesses	7,566	-
Payment for businesses	(622)	-
Net cash (used in)/provided by investing activities	(6,482)	1,300
Cash flows from financing activities		
Proceeds from issues of equity securities	414	-
Payment for share issue costs	(6)	-
Payment for share buy-back to:		
- equity holders of the parent	(17,011)	-
- minority interests	-	-
Payment for share buy-back costs	(277)	-
Proceeds from issue of debt securities	22,450	-
Payment for debt issue costs	(595)	-
Proceeds from borrowings	7,828	5,541
Repayment of borrowings	(27,754)	(30,310)
Dividends paid to:		
- equity holders of the parent	(6,635)	(6,479)
- minority interests	-	-
Net cash used in financing activities	(21,586)	(31,248)
Net increase in cash and cash equivalents	491	3,238
Cash and cash equivalents at the beginning of the financial year	19,400	16,137
Effects of exchange rate changes on the balance of cash held in foreign currencies	(55)	25
Cash and cash equivalents at the end of the financial year	19,836	19,400

Notes to the financial statements are included on pages C37 to C42.

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

Source reference

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

AASB1039.5.3

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

AASB1039.5.3.1

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

AASB1039.5.3.2

Guidance

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

AASB1039.5.3.3(c)

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

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

Source reference

Notes to the concise financial statements for the financial year ended 30 June 2008

1. Basis of preparation

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

AASB1039.6.4(a)

All amounts are presented in Australian dollars.

AASB1039.4.1.1

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

Going concern basis

AASB1039.6.1

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

2. Adoption of new and revised Accounting Standards

AASB1039.6.4(c),
AASB108.28

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. Details of the impact of the adoption of these new accounting standards are set out below. The Group has also adopted the following Standards as listed below which only impacted on the Group's financial statements with respect to disclosure.

- AASB 101 'Presentation of Financial Statements' (revised October 2006)
- AASB 7 'Financial Instruments: Disclosures'

Early adoption of Accounting Standards

The directors have elected under s.334(5) of the Corporations Act 2001 to apply AASB 8 'Operating Segments' and AASB 2007-3 'Amendments to Australian Accounting Standards arising from AASB 8', even though the Standards are not required to be applied until annual reporting periods beginning on or after 1 January 2009.

AASB 8 is a disclosure standard which has resulted in a redesignation of the Group's reportable segments (see note 5), but has no impact on the reported results or financial position of the Group. The operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

Impact on earnings per share

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

To the extent that the changes described above have had an impact on results reported for 2008 and 2007, they have had an impact on the amounts reported for earnings per share.

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

	Impact on basic earnings per share		Impact on diluted earnings per share	
	2008 Cents per share	2007 Cents per share	2008 Cents per share	2007 Cents per share
Other [describe]	-	-	-	-
Total impact of changes in accounting policies	-	-	-	-

AASB1039.6.4(c)

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

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

Source reference

**2. Adoption of new and revised Accounting Standards (cont'd)
Standards and Interpretations issued not yet effective**

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

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

- | | | |
|--------------------------|--|---|
| AASB 108.31(a), (c), (d) | <ul style="list-style-type: none"> • AASB 101 'Presentation of Financial Statements' – (revised September 2007) | Effective for annual reporting periods beginning on or after 1 January 2009 |
|--------------------------|--|---|

AASB108.30, 31 Initial application of the following Standards and Interpretations is not expected to have any material impact on the financial report of the Group and the company:

- | | | |
|--------------------------|---|---|
| AASB 108.31(a), (c), (d) | <ul style="list-style-type: none"> • AASB Interpretation 12 'Service Concession Arrangements' • AASB Interpretation 14 'AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction' • AASB Interpretation 13 'Customer Loyalty Programmes' • AASB 123 'Borrowing Costs' (revised) • AASB 2008-2 'Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations arising on Liquidation' | <p>Effective for annual reporting periods beginning on or after 1 January 2008</p> <p>Effective for annual reporting periods beginning on or after 1 January 2008</p> <p>Effective for annual reporting periods beginning on or after 1 July 2008</p> <p>Effective for annual reporting periods beginning on or after 1 January 2009</p> <p>Effective for annual reporting periods beginning on or after 1 January 2009</p> |
|--------------------------|---|---|

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

- | | |
|--|--|
| <ul style="list-style-type: none"> • IFRS 3 – 'Business Combinations' and IAS 27 'Separate and Consolidated Financial Statements' | Effective for annual reporting periods beginning on or after 1 July 2009 |
|--|--|

Revised AASB 101 'Presentation of Financial Statements'

The impact of this standard will be on disclosure in the financial statements. All non-owner changes in equity must be presented in one statement of comprehensive income, or in a separate income statement and statement of comprehensive income. Components of comprehensive income may not be presented in the statement of changes in equity. Income tax and reclassification adjustments relating to each component of other comprehensive income have to be disclosed. The titles of financial statements will also change.

Interpretation 12 'Service Concession Arrangements'

The Interpretation addresses the appropriate accounting for service concession arrangements under which private sector entities participate in the development, financing, operation and maintenance of infrastructure for the provision of public services, such as transport, water and energy facilities.

Interpretation 13 'Customer Loyalty Programmes'

This Interpretation adopts a revenue allocation rather than cost accrual approach to accounting for customer loyalty programmes for entities that operate or otherwise participate in customer loyalty programmes for their customers. Loyalty awards are not seen as costs that directly relate to the goods of services already delivered, rather they are separate goods or services delivered at a later date.

Interpretation 14 'AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction'

This Interpretation deals with the following issues:

- when refunds or reductions in future contributions should be regarded as available in accordance with paragraph 58 of AASB 119 'Employee benefits';
- how a minimum funding requirement might affect the availability of reductions in future contributions; and
- when a minimum funding requirement might give rise to a liability.

AASB 123 'Borrowing Costs'

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

Source reference

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

IFRS 3 – ‘Business Combinations’ and IAS 27 ‘Separate and Consolidated Financial Statements’

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

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

3. Revision of accounting estimates

Useful lives of property, plant and equipment

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

The financial effect of this reassessment, assuming the assets are held until the end of their estimated useful lives, is to increase consolidated depreciation expense in the current financial year and for the next 5 years, by the following amounts:

	\$'000
2008	9
2009	7
2010	4
2011	2

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

4. Errors

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

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

Financial reports of subsequent periods need not repeat these disclosures.

AASB1039.6.4(c),
AASB108.39

AASB1039.6.4(c),
AASB108.49

Source reference

5. Business segments

AASB 8 'Operating Segments' has been early adopted in the preparation of the following segment disclosures. Refer to Section B 'Illustrative Annual Report' for segment information disclosed in accordance with AASB 114 'Segment Reporting'.

AASB1039.6.2(a), (b)

Segment revenues and results

	Revenue		Segment profit	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Continuing operations				
Electronic equipment:				
Direct sales	45,509	47,641	8,107	12,691
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	13,686	14,988	2,545	4,412
	140,918	151,840	32,722	36,887
Share of profits of associates and jointly controlled entities accounted for using the equity method			1,186	1,589
Interest revenue			2,315	1,304
Finance costs			(5,034)	(6,023)
Central administration costs and directors' salaries			(2,934)	(2,666)
Other income			1,293	1,047
Profit before tax from continuing operations			29,548	32,138
Income tax expense			(11,306)	(11,801)
Profit for the year from continuing operations			18,242	20,337
Discontinued operations				
Leisure goods:				
Wholesalers	26,505	32,035	4,606	7,034
Retail outlets	37,900	45,808	6,560	7,507
	64,405	77,843	11,166	14,541
Interest revenue			-	-
Central administration costs and directors' salaries			(1,486)	(1,414)
Finance costs			(150)	(134)
Gain on disposal of operation			1,940	-
Profit before tax from discontinued operations			11,470	12,993
Income tax expense			(3,160)	(2,998)
Profit for the year from discontinued operations			8,310	9,995
Consolidated revenue (excluding interest and other revenue) and profit for the year	205,323	229,683	26,552	30,332

All the sales relate to external customers and there were no revenues from transactions with other segments.

The amount of each segment item reported shall be the measure reported to the chief operating decision maker for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing an entity's financial statements and allocations of revenues, expenses, and gains or losses shall be included in the determining reported segment profit or loss only if they are included in the measure of the segment's profit or loss that is used by the chief operating decision maker.

Source reference

5. Business segments (cont'd)

AASB1039.6.2(c), (d)

Segment assets and liabilities

	Assets		Liabilities	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Electronic equipment:				
Direct sales	65,584	59,263	22,491	20,138
Wholesalers and retail outlets	48,596	46,061	20,935	20,079
Internet sales	32,648	32,817	12,783	13,874
Leisure goods:				
Wholesalers	29,851	33,942	9,152	10,262
Retail outlets	33,032	44,432	9,978	11,146
Other	25,024	20,680	6,026	8,742
Total segment assets and liabilities	234,735	237,195	81,365	84,241
Unallocated assets and liabilities	27,678	23,934	10,008	9,849
Consolidated total assets and liabilities	262,413	261,129	91,373	94,090

6. Sales revenue

AASB1039.6.3(a)

Profit from operations includes the following amounts of sales revenue:

	Consolidated	
	2008 \$'000	2007 \$'000
Continuing operations:		
Revenue from the sale of goods	102,469	102,035
Revenue from the rendering of services	33,151	45,032
Construction contract revenue	5,298	4,773
	140,918	151,840
Discontinued operations:		
Revenue from the sale of goods	64,405	77,843
	205,323	229,683

AASB1039.6.3

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

7. Dividends

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

Recognised amounts

Fully paid ordinary shares

Interim dividend fully franked at a 30% tax rate paid on 5 March 2008
(Prior year: paid on 6 March 2007)

Final dividend fully franked at a 30% tax rate paid on 12 October 2007
(Prior year: paid on 6 October 2006)

Final dividend fully franked at a 30% tax rate paid on 20 June 2008
(Prior year: paid on 20 June 2007)

Final dividend fully franked at a 30% tax rate paid on 20 June 2008
(Prior year: paid on 20 June 2007)

Final dividend fully franked at a 30% tax rate paid on 20 June 2008
(Prior year: paid on 20 June 2007)

Final dividend fully franked at a 30% tax rate paid on 20 June 2008
(Prior year: paid on 20 June 2007)

Final dividend fully franked at a 30% tax rate paid on 20 June 2008
(Prior year: paid on 20 June 2007)

Final dividend fully franked at a 30% tax rate paid on 20 June 2008
(Prior year: paid on 20 June 2007)

Final dividend fully franked at a 30% tax rate paid on 20 June 2008
(Prior year: paid on 20 June 2007)

Final dividend fully franked at a 30% tax rate paid on 20 June 2008
(Prior year: paid on 20 June 2007)

Final dividend fully franked at a 30% tax rate paid on 20 June 2008
(Prior year: paid on 20 June 2007)

Final dividend fully franked at a 30% tax rate paid on 20 June 2008
(Prior year: paid on 20 June 2007)

Final dividend fully franked at a 30% tax rate paid on 20 June 2008
(Prior year: paid on 20 June 2007)

Final dividend fully franked at a 30% tax rate paid on 20 June 2008
(Prior year: paid on 20 June 2007)

Final dividend fully franked at a 30% tax rate paid on 20 June 2008
(Prior year: paid on 20 June 2007)

Final dividend fully franked at a 30% tax rate paid on 20 June 2008
(Prior year: paid on 20 June 2007)

Final dividend fully franked at a 30% tax rate paid on 20 June 2008
(Prior year: paid on 20 June 2007)

Final dividend fully franked at a 30% tax rate paid on 20 June 2008
(Prior year: paid on 20 June 2007)

	2008		2007	
	Cents per share	Total \$'000	Cents per share	Total \$'000
Recognised amounts				
<u>Fully paid ordinary shares</u>				
Interim dividend fully franked at a 30% tax rate paid on 5 March 2008 (Prior year: paid on 6 March 2007)	17.85	2,618	12.71	2,559
Final dividend fully franked at a 30% tax rate paid on 12 October 2007 (Prior year: paid on 6 October 2006)	19.36	3,897	18.93	3,810
	37.21	6,515	31.64	6,369
<u>Converting non-participating preference shares</u>				
Final dividend fully franked at a 30% tax rate paid on 20 June 2008 (Prior year: paid on 20 June 2007)	10.00	120	10.00	110
		6,635		6,479
Unrecognised amounts				
<u>Fully paid ordinary shares</u>				
Final dividend fully franked at a 30% tax rate to be paid on 3 October 2008 (Prior year: paid on 12 October 2007)	26.31	3,905	19.36	3,897

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

Unrecognised amounts

Fully paid ordinary shares

Final dividend fully franked at a 30% tax rate to be paid on 3 October 2008
(Prior year: paid on 12 October 2007)

Final dividend fully franked at a 30% tax rate to be paid on 3 October 2008
(Prior year: paid on 12 October 2007)

Final dividend fully franked at a 30% tax rate to be paid on 3 October 2008
(Prior year: paid on 12 October 2007)

Final dividend fully franked at a 30% tax rate to be paid on 3 October 2008
(Prior year: paid on 12 October 2007)

Final dividend fully franked at a 30% tax rate to be paid on 3 October 2008
(Prior year: paid on 12 October 2007)

Final dividend fully franked at a 30% tax rate to be paid on 3 October 2008
(Prior year: paid on 12 October 2007)

AASB1039.6.3

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

Source reference

8. Subsequent events

AASB1039.6.4(b)

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

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

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

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

9. Disclosure of additional information

AASB1039.4.2, 4.2.1

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

AASB1039.4.1, 4.1.3

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

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