



School of Accounting and Corporate Governance

Faculty of Business

BFA209

Corporate Reporting and Disclosure

Semester 2 2009

Unit Outline

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CRICOS Provider Code: 00586B

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Unit description

In this unit we look at the major ways in which Australian companies report and disclose information to external stakeholders. We identify the sources of mandatory disclosure requirements and overview the various reporting obligations that are imposed on companies by the Corporations Act and the Australian Stock Exchange Listing Rules. We also consider the incentives that firms have to make voluntary disclosures of information and look at the nature of the information that is disclosed voluntarily. We consider how firms might manage their disclosure decisions to create certain impressions through the information voluntarily included in annual reports.

Learning outcomes

On completion of this unit, you should be able to:

1. differentiate between mandatory reporting requirements for Australian companies and the voluntary reporting decisions these companies make;
2. identify the various sources of mandatory reporting requirements, locate examples of these in the reporting documents produced by companies, and apply these requirements to Australian companies;
3. appraise characteristics of narrative passages included in annual reports;
4. appraise levels of bias that might be associated with graphs in annual reports;
5. understand how imagery might be used strategically in annual reports; and
6. demonstrate written and graphical communication skills through the cogent discussion of ideas in a group context and the presentation of project work.

Generic graduate attributes

The University has defined a set of generic graduate attributes (GGAs) that can be expected of all graduates (see <http://www.utas.edu.au/tl/orientation/generic-ga.html>). By undertaking this unit you should make progress in attaining the following attributes:

Knowledge: you should acquire and apply technical knowledge about corporate reporting in Australia.

Communication skills: your development of communication skills is multi-faceted in this unit. Through the completion of the major projects and the capstone assignment, you should demonstrate competent written and graphical communication skills. In the assessable discussion, you will develop the ability to present lucid arguments in an

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electronic discussion board situation as well as demonstrating “listening” and evaluation skills as you respond to the comments of others.

Social responsibility: you will acquire the ability to identify how annual report material can be manipulated to create particular impressions and be able to assess the degree with which such material is distorted and comment on the acceptability of this.

Learning Outcomes/Generic Graduate Attributes Matrix

	Assessment items				
		<i>MyLO Discussion</i>	<i>Project One</i>	<i>Project Two</i>	<i>Capstone</i>
Learning Outcomes	1	✓	✓	✓	✓
	2	✓	✓		✓
	3	✓	✓	✓	✓
	4	✓		✓	✓
	5	✓		✓	✓
	6	✓	✓	✓	✓
Generic Graduate Attributes	Knowledge	✓	✓	✓	✓
	Communication	✓	✓	✓	✓
	Social responsibility	✓		✓	✓

Prior knowledge &/or skills

In order to enrol in this unit, you need to have satisfactorily completed BFA103 *Accounting and Financial Decision Making*, or its equivalent.

Learning resources required

There is no prescribed text for this unit. Materials will be provided to you in the form of an interactive CD, via printed media and through access to materials posted on MyLO (the University’s online service). These materials include narrated PowerPoint presentations, PowerPoint Slides in PDF format; some online activities; and notes to accompany each topic.

Some of the files made available through MyLO may be in Portable Document Format (PDF). These files can be viewed from within your web browser or separately by using a program called Adobe Acrobat Reader. This software is already installed on the Faculty of Business laboratory machines, but can be downloaded free of charge from the Adobe site: <http://www.adobe.com/prodindex/acrobat/readstep2.html>

E- (electronic) resources

Learning online - for online learning and MyLO support

URL: <http://www.utas.edu.au/coursesonline/>

Information Technology Resources - for general IT support

URL: <http://www.its.utas.edu.au/>

Library services - for information on literacy support

URL: <http://www.utas.edu.au/library/>

MyLO

MyLO is an internet service that has been adopted by the University and will be used in this unit. MyLO may be accessed on computers in computing laboratories at the University or on your computer at home or at work. Information about accessing and using this service, about required computer specifications, frequently asked questions, and about how to get help if you experience difficulties, is available at the following University website: <http://www.utas.edu.au/coursesonline>

You are strongly advised to visit this site and become familiar with the features of MyLO, especially if you have not used it before. You will probably be using it in other units that you are studying as well. Here are some important points about accessing our web site:

Access to MyLO

You can access your MyLO course from the Student Page on the University's web site: **Current Students** **»** **LOGIN MyLO@UTAS** or go directly to the web address noted above:

- Enter your email POP account "Username" (for example, dsmith) and your "Password". These are identical to the pop account/email username and password that you are given with your enrolment confirmation form.
- When you enter your user name and password, click on OK and choose "BFA209" from the list of units in which you are enrolled.
 - MyLO will automatically check that your browser is properly configured. If the MyLO 'browser checker' window appears – scroll down to make sure you have a tick in each area shown – then close the window.

- From the Unit's homepage click on the area you wish to access. A table of contents will appear on the left hand side of your screen. Scroll through the list until you find what you want and click the underlined topic.

To access MyLO from your own computer you will need the appropriate software, and hardware to run that software. See **Learning Online** at <http://uconnect.utas.edu.au> for computer software you will need.

Note: Older computers may not have the hardware to run some of the required software applications. Contact your local IT support person or the Service Desk on 6226 1818 if you experience difficulties.

For further information on using MyLO self help sheets can be accessed at: <http://www.utas.edu.au/coursesonline/MyLO-Support.htm>

MyLO course tools used for this unit

Announcements– This is used to make announcements to you from time to time. You should look at these on a regular basis.

MyLO offers a “Discussion” facility, which we will use in connection with this unit. Discussion is arranged under ‘Topics’, which are as follows.

Assessable Discussion – Assessable discussions are a part of this unit. Topics have been created for each assessable discussion question.

General Discussion – There are topics for each module in which you can make postings in relation to particular aspects of a module's content for non-assessable discussion. For example, you may have comments to make to other group members or questions to ask of them in terms of generating discussion that will help them or may be of interest to them.

Major Projects (1 and 2) – There are two topics in which you can make postings in relation to the major projects. You may have queries that you wish to raise and can use these topics for that purpose.

Social Café – This topic is opened so that we can communicate with each other with a view to getting to know everyone in the unit. You should provide some information about yourself and what you are doing, what your interests are, etc. We are trying to create an interesting and active on-line community.

Feedback – This topic has been opened so that you can make comments, suggestions and criticisms, which are anonymous. There may be issues that

need to be addressed and a 'Feedback' Topic allows these matters to be identified so that we can respond appropriately.

If you wish to communicate with the unit coordinator privately, you should use the MyLO Mail facility to do this OR you can send emails to the unit coordinator at: Patricia.OKeefe@utas.edu.au

Details of teaching arrangements

Self-paced, student-focussed learning

There are NO face-to-face classes in this unit. The unit is planned to enable you to work at your own pace. Although no formal face-to-face meetings are scheduled, you should maintain regular contact with the unit coordinator through MyLO, e-mail, and telephone, and with other students through MyLO. You can expect a response to MyLO and email queries within two working days.

Learning expectations and strategies

The learning approach in this unit reflects a student focussed philosophy, a key strategy of which is "learning by doing". Compared with some of the face-to-face units that you may have studied, you can typically expect to spend a little less time pre-reading and problem-solving prior to working through the CD materials for each module but relatively more time subsequently consolidating that material with discussion and project work. As detailed further on in this unit outline, there are two assessable major projects in this unit and these are designed to engage you in "hands-on" work to facilitate your learning and understanding in this unit. These projects should be a key focus of your attention.

This unit is planned to enable you to work at your own pace. It is important, however, to work consistently through the materials and complete all the tasks. If there is any area of the work that you do not understand, please contact the unit coordinator immediately, and make sure that you do not progress to the next stage without a thorough understanding of the previous one. Each part of the unit develops themes from, and assumes an understanding of, the previous parts, so it is important that areas are not skipped. The topic schedule below has suggested dates for completion to assist your time management and there are dates at which the assessable discussions and the projects must be completed and submitted in order for you to earn marks that will count to your overall final assessment.

Encouraging you to study and learn independently is an important goal of university study. It is a feature of a *reflective approach* to learning in which you reflect on what it is you are learning and how you plan your learning strategy. It is not the aim of flexible delivery that students feel they must work through problems alone. Throughout the unit, topics are provided for discussion with other students via the

discussion facility of MyLO, and the exchange of information and ideas is a very important part of your learning development. You will gain most benefit by staying in close contact with other students and with your Unit Coordinator.

Do not be reluctant to ask questions or contribute ideas, even if only partly formed, as these can often form a basis for very constructive interaction. Remember that the MyLO discussions will be as interesting and useful as **you** make them.

If you need assistance in preparing for study please refer to the Learning Support website: <http://www.utas.edu.au/learndev/>

In general, you should do well in this unit if you:

- have a strong interest in corporate reporting, stewardship and governance issues;
- keep up-to-date with your coursework;
- consolidate your understanding by undertaking the on-line activities and give yourself plenty of time to complete your projects;
- prepare for and actively participate in the discussion group.

The University is committed to high standards of professional conduct in all activities, and holds its commitment and responsibilities to its students as being of paramount importance. Likewise, it holds expectations about the responsibilities students have as they pursue their studies within the special environment the University offers.

The University's Code of Conduct for Teaching and Learning states:

Students are expected to participate actively and positively in the teaching/learning environment. They must attend classes when and as required, strive to maintain steady progress within the subject or unit framework, comply with workload expectations, and submit required work on time.

Occupational health and safety (OH&S)

The University is committed to providing a safe and secure teaching and learning environment. In addition to specific requirements of this unit you should refer to the University's policy at: http://www.admin.utas.edu.au/hr/ohs/pol_proc/ohs.pdf

Assessment details

There are three types of assessment in this unit:

- Participation in the on-line discussion on MyLO
- Two consolidating major projects
- A capstone assignment.

The assessment weightings and due dates are as follows:

Assessment task	Date due	Percent weighting
Assessment Task 1: Discussion on MyLO: Section One Section Two Section Three	Midnight AEST: Wednesday August 12 Friday September 18 Wednesday October 14	6.66% 6.66% 6.66%
Assessment Task 2: Project 1	Midnight AEST Thursday August 27	20%
Assessment Task 3: Project 2	Midnight AEST Thursday October 8	20%
Assessment Task 4: Capstone assignment	One week from receipt but no later than 9.00 am AEST Monday November 9 2009	40%

Participation in discussion (20%):

For the modules in the first three sections in this unit, broad questions for discussion are posed. You are expected to engage in the discussion on each question. You may, and are expected to, move the discussion in any direction that is related to the issues raised. The unit coordinator will monitor the discussion regularly, but will not interfere, except to correct misconceptions, errors and so on. It is *your* discussion to explore in whatever directions and dimensions that you wish provided they are at least tangentially related to the module content. The discussion is relevant to achieving all of the learning outcomes in this unit and to developing your generic communication skills.

Your participation in discussion will be assessed on the following basis:

HD Outstanding Contributor: This person's contributions reflect exceptional preparation and reflection. The ideas offered are always substantive and provide major insights and direction for the discussion. This person challenges the group by posing additional questions that derive from the general discussion. An outstanding contributor will often play the role of "devil's advocate" in response to the suggestions of others. They will be pro-active and interact with others in the discussion at various times, and keep the discussion vibrant, progressing and focussed.

CR – DN Good Contributor: Contributions in discussion reflect thorough preparation. The good contributor offers ideas that are usually substantive, provide good insights and sometimes lead the direction of the discussion. Points and

arguments are generally well thought out and are often persuasive. They will interact with others at various times throughout the discussion, aiming to build on and progress the discussion by adding new dimensions or challenging the ideas of others.

PP – CR Adequate Contributor: Contributions reflect satisfactory preparation. Ideas offered are sometimes substantive and provide useful insights, but seldom offer a major new direction for the discussion. Contributions tend to be more piecemeal than integrative. Arguments are sometimes presented and are fairly well substantiated and sometimes persuasive.

NN₋–Non-participant: This person has offered very little or nothing to the discussion to date. Hence, there is an inadequate basis for evaluation. If this person were not a member of the group, the quality of the discussion would not be changed.

NN₋–Unsatisfactory Contributor: Contributions reflect inadequate preparation. Ideas offered are seldom substantive; they provide few, if any, insights and rarely or never a constructive direction for the group. Integrative comments and effective arguments are absent. Class comments are either obvious, restate the contributions of others or restate material from the course notes, are isolated from the main discussion, or are confusing to the group. If this person were not a member of the group, valuable air time would be saved.

Your discussion is likely to be more constructive and effective if you participate when others are also discussing the topic. You cannot expect to stimulate or direct the discussion if you leave your contributions until late in the discussion. Therefore, you should monitor the discussion board regularly to see what discussion is taking place. You should be mindful that there are set dates after which contributions to the discussion component are no longer assessable.

Key points for obtaining feedback and for ensuring that your discussion is assessed for marks that count towards your final grade are:

Discussion on:	Indicative feedback provided at the end of Week:	Assessable discussion ends midnight AEST on:
Section One (Modules 1, 2 & 3)	Three	Wednesday August 12
Section Two (Modules 4, 5 & 6)	Eight	Friday September 18
Section One (Modules 7, 8 & 9)	Eleven	Wednesday October 14

The major projects (2 @ 20%)

The major projects require you look at specific aspects of corporate reporting and disclosure. The details for each project can be found at the end of this unit outline.

The capstone assignment

The capstone assignment draws together all elements of the unit. When you have worked completely through the unit materials, participated in the discussion,

completed and submitted the major projects and are ready to do the capstone assignment, send an e-mail request to your unit coordinator requesting that the assignment be sent to you. Twenty-four hours is required and it will not be sent on weekends or public holidays. Once sent, the assignment is to be completed and submitted **within one week of receipt**, and is worth 40% of the marks in this unit. *Late submissions will not be accepted.*

If you have not requested the capstone assignment by Monday November 2, the start of the second week of the examination period for Semester Two, it will be sent to you on that day. It must be returned by 9.00 am Australian Eastern Standard Time on the following Monday, November 9.

Specific attendance/performance requirements

You must achieve an overall mark of at least 50 per cent AND have participated in all of the assessable discussion AND have **completed** and submitted each item of assessment to pass the unit.

How your final result is determined

Your final grade is determined by aggregating your score on the assessable discussion activities, the two projects and the capstone assignment.

Submission of assignments and the examination

Your assignments and examination can be submitted using the MyLO mail facility or they can be emailed to the unit coordinator (Patricia.OKeefe@utas.edu.au) before the submission deadline. Alternately they can be posted to the unit coordinator to arrive on or before the due date at the following address:

BFA209 Unit Coordinator
School of Accounting and Corporate Governance
University of Tasmania
Private Bag 86
Hobart , Tasmania Australia 7001

Receipt of your assignments in a readable form will be acknowledged by email or MyLO mail.

Requests for extensions

Consistent with the Faculty's policy on late submission, extensions of time will only be granted on medical or compassionate grounds. They will not be granted because of work or other commitments. Requests for extension must be made to the unit coordinator in writing on the School's Application for Late Submission Form available at <http://www.utas.edu.au/accg/studentres.htm> or on MyLO before the due

date of the assignment. Medical certificates or other evidence, which supports the application, must be attached and must contain information which justifies the extension sought.

Penalties

Over-length Work

Policy under review – consult the Faculty website for the latest policy document

Late Submission of Continuous Coursework

Policy under review – consult the Faculty website for the latest policy document

Review of results and appeals

You may request a formal remark of your original submission (in accordance with Rule of Academic Assessment 2, Clause 22.1). Under the Rule of Academic Assessment 2, clause 23, you may also request a review of your final result in a unit. For further information see:

http://www.admin.utas.edu.au/ac_serv/complaints_info.html

Requirements for Submitted work

Your submitted work is to be presented in accordance with the *Guide for Students - Presentation and Submission of Assignments* issued by the Faculty of Business (available on MyLO). Your attention is particularly drawn to the University's rules on **plagiarism**. Whilst students are encouraged to work together and exchange information in this unit, submitted assignments must be the student's own work. Assignments containing any plagiarised information will be subject to the disciplinary processes of the University.

Academic referencing

In your written work you will need to support your ideas by referring to scholarly literature, and other sources of information such as the accounting regulatory bodies. It is important that you understand how to correctly refer to the work of others and maintain academic integrity. Failure to appropriately acknowledge the ideas of others constitutes academic dishonesty (plagiarism), a matter considered by the University of Tasmania as a serious offence.

The appropriate referencing style for this unit is the Harvard referencing method. Further information on presentation of assignments, including referencing styles is available at: <http://www.utas.edu.au/library/assist/gpoa/gpoa.html>

Please read the following statement on plagiarism. Should you require clarification please see your unit coordinator or lecturer.

Plagiarism

Plagiarism is a form of cheating. It is taking and using someone else's thoughts, writings or inventions and representing them as your own; for example, using an author's words without putting them in quotation marks and citing the source, using an author's ideas without proper acknowledgment and citation, copying another student's work.

If you have any doubts about how to refer to the work of others in your assignments, please consult your lecturer or tutor for relevant referencing guidelines, and the academic integrity resources on the web at: <http://www.utas.edu.au/plagiarism/>

The intentional copying of someone else's work as one's own is a serious offence punishable by penalties that may range from a fine or deduction/cancellation of marks and, in the most serious of cases, to exclusion from a unit, a course or the University. Details of penalties that can be imposed are available in the Ordinance of Student Discipline – Part 3 Academic Misconduct, see <http://www.utas.edu.au/universitycouncil/legislation/>

The University and any persons authorised by the University may submit your assessable works to a plagiarism checking service, to obtain a report on possible instances of plagiarism. Assessable works may also be included in a reference database. It is a condition of this arrangement that the original author's permission is required before a work within the database can be viewed.

For further information on this statement and general referencing guidelines, see <http://www.utas.edu.au/plagiarism/> or follow the link under 'Policy, Procedures and Feedback' on the **Current Students** homepage.

Further information and assistance

If you are experiencing difficulties with your studies or assignments, have personal or life planning issues, disability or illness which may affect your course of study, you are advised to raise these with your lecturer in the first instance.

There is a range of University-wide support services available to you including Teaching & Learning, Student Services, International Services. Please refer to the **Current Students** homepage at: <http://www.utas.edu.au/students/>

Should you require assistance in accessing the Library visit its website for more information at <http://www.utas.edu.au/library/>

If you have a problem . . .

then in the first instance you should discuss the matter with your lecturer. However, if you do not feel comfortable approaching your lecturer, or if you have a discussion with your lecturer and are not satisfied with the outcome, then you are encouraged to contact one of the Ombudspersons listed below, who also teach in the School of Accounting & Corporate Governance.

Mr Peter Collett
Room: 502, Faculty of Business
Building, Hobart
Ph: (+61 3) 6226 2192
email: Peter.Collett@utas.edu.au

Ms Sue Conway
Room D111
Launceston
Ph: (+61 3) 6324 3068
email: Susan.Conway@utas.edu.au

Discussions with the ombudsperson will be kept in the strictest confidence. If you wish to pursue the matter further, they will provide advice as to how this can be done. The University also has formal policies, which can be accessed at: http://www.admin.utas.edu.au/ac_serv/complaints_info.html

The Faculty's Postgraduate Academic Advisor, Jan Counsel (Room 332b, 6262 1939, jan.counsel@utas.edu.au) can help you with your studies. For administrative issues see the MPA Course Co-ordinator, Sonia Shimeld (03 6226 7586), or the Faculty's Postgraduate Course Advisor, Dr Lucy Mills (Room 318c, 6226 2009, Lucy.Mills@utas.edu.au).

Students with Disabilities –University & Faculty Equity Plans

Goal 1 of the University of Tasmania Equity Plan provides for: "An inclusive teaching and learning environment that values diversity, supports the pursuit of academic excellence and produces high quality education and employment results for all students and staff". The University's Equity Plan can be accessed at: http://services.admin.utas.edu.au/equity/Equity_Plan/Text/index.htm

The Faculty of Business Equity Plan facilitates the University Plan at an operational level and has developed an 'Action Plan'. The Action Plan for Goal 1 lays down procedures to ensure that all students, including those with disabilities, have equal access to lecture and course materials. The School of Accounting & Corporate Governance complies with these procedures.

Unit schedule

The following schedule pages sets out the modules and topics that make up this unit. A suggested target time schedule is set out for those who wish to complete the course progressively throughout the semester.

Suggested schedule	Module	Topics
Section One: Introduction		
Week One to Three	1	Introduction to Corporate Reporting and Disclosure in Australia
	2	The Nature and Use of Corporate Reports <ul style="list-style-type: none"> • Annual reports: definition and reporting circa 1950 • Evolution of annual reports and the contemporary annual report • The role and purpose of annual reports • The usefulness of annual reports
	3	Regulatory and Institutional Arrangements <ul style="list-style-type: none"> • Reporting requirements of the Corporations Act • Stock Exchange Listing Rules • The FRC, the AASB and accounting standards

Section Two: Mandatory Reporting Requirements		
Week Five To Week Seven	4	Mandatory Elements in Financial Reports <ul style="list-style-type: none"> • The balance sheet • The income statement and statement of changes in equity • The cash flow statement • Notes to the accounts and the Directors' Declaration
	5	Other Mandatory Elements in Annual Reports <ul style="list-style-type: none"> • The directors' report • Additional disclosures required by ASX listing rules • AASB 124: Related party disclosures • Concise financial reports
	6	Other Mandatory Reporting Requirements <ul style="list-style-type: none"> • Half yearly reports • Continuous disclosure requirements • General governance disclosures

Project One: due midnight AEST Thursday August 27
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Section Three: Voluntary Aspects of Disclosure		
Week Nine To Week Eleven	7	The nature of voluntary disclosures <ul style="list-style-type: none"> • Types of voluntary disclosures • Incentives for voluntary disclosure • Social and environmental disclosures
	8	The use of narrative in annual reports <ul style="list-style-type: none"> • Content choices in narratives • Linguistic styles and devices used • Readability of narratives
	9	The use of imagery in annual reports <ul style="list-style-type: none"> • Creating the overall report “package” • Graphs – benefits and design principles • The use and misuse of graphs in corporate reports • Strategic use of imagery

Project Three: due midnight AEST Thursday October 8

Section Four: Concluding Overview		
Week Thirteen	10	An Overview <ul style="list-style-type: none"> • Mandatory reporting requirements • Voluntary reporting decisions

**Request capstone assignment
Submit capstone assignment within one week of receipt and no later than 9.00 am
AEST Monday November 9**

The major projects

Project One: Mandatory reporting requirements

In your folder of unit materials you will find the annual report for Leighton Holdings Limited for 2007 and a copy of the G100's *Guide to Review of Operations and Financial Condition*. We are going to use these documents to consolidate our understanding of parts of Sections One and Two of this unit. This assignment specifically addresses learning outcomes 1, 2, 3 and 6 and develops the generic attributes of knowledge and communication skills.

Required:

Prepare a report in which you:

- Describe what must be included in the annual reporting document of a publicly listed company in Australia in order to meet the requirements of ASIC and the ASX. Explain, in broad terms, the role of the AASB's accounting standards in the reporting process (you do not need to discuss the content of any particular standard in detail). With reference to Leighton's 2007 Annual Report, indicate where, through page number references, Leighton has met each of the requirements that you identified above.
- Evaluate the extent to which the information about activities and operations included in its annual directors' report and elsewhere in the annual report, if relevant, conforms with the G100's recommendations in its *Guide to Review of Operations and Financial Condition* that relate to general requirements for the framework and presentation of the review (summarised in Table 1) and the essential features of the review (summarised in Table2).
- Leighton's 2007 annual report is a concise financial report. Describe how a concise report differs for a full financial report, using illustrative material from Leighton's 2007 report. Evaluate whether you feel that the concise annual report is likely to result in improved communication with less sophisticated shareholders. Clearly justify the views that you present.

Length:

Your completed report should not exceed 2,000 words.

Assessment criteria:

The following criteria will be used in assessing this assignment:

- Demonstrated understanding of the impact of the regulatory and institutional requirements influencing annual corporate reporting in Australia. Comprehensiveness of the list of report items identified as meeting these requirements for Leighton Holdings in 2007.

(30 % of project assessment)

- Evidence of a good understanding of the general recommendations set out in the G100's Guide. Demonstrated ability to align report items and characteristics with those recommendations, including the ability to identify deficiencies in style and content to make an informed judgement about conformity

(30 % of project assessment)

- Evidence of understanding of the philosophy behind concise reporting and the regulatory requirements for such reports. Demonstrated ability to evaluate the impact of concise reporting as it is practiced in order to make an informed judgement about likely effectiveness

(30 % of project assessment)

- Excellent presentation standards, with work submitted in a style and format appropriate to the task

(10 % of project assessment)

Due date: midnight AEST Thursday August 27.

Project Two: Voluntary disclosure decisions, narratives, and use of graphs

In your folder of unit materials you will find the annual reports for Leighton Holdings Limited for 1965, 1985 and 2007. Electronic copies are also available on the unit CD. We are going to use these documents to consolidate our understanding of Section Three of this unit. This assignment specifically addresses learning outcomes 1, 3, 4, 5, and 6 and develops the generic attributes of knowledge, communication skills and social responsibility.

Required:

- Describe how the nature of voluntary content in the annual reports has changed over the three reporting periods (focus on as many things as you can, including what is presented/discussed, where it is presented, how it is presented, how much is presented, whether pictures are used and so on). Speculate, with examples to support your reasoning, why you might have observed the specific changes that you did over the time periods examined.
- On your unit CD in the Project Resources section you will find two text files. The first (Letter) contains the text from Leighton's 2007 Annual Report Letter from the Chairman. The second (Note_One) contains the first two pages of the Note One to the full financial report. It is the note that provides a summary of significant accounting policies. You will also find a copy of "Flesh" on the CD. This is freeware that allows you to calculate readability scores. Calculate the readability score for the text from the report letter and for the extract from the notes. Explain how and why these scores differ.

Based on the readability scores calculated, explain their implications for the users of the reports and discuss whether you feel any changes should be recommended in the narrative styles adopted. If so, explain, with justification, what actions the company might take.

- Describe and evaluate, with respect to the use of good graphical guidelines, the way in which graphs have been used by Leighton in its 2007 annual report. Assume hypothetically that in 2008, Leighton has a very bad financial year and has to report a significant loss and that you are advising Leighton regarding the use of graphs and photographs in its 2008 report. What advice will you give and what is the reasoning underpinning your recommendations?

Length:

Your completed report should not exceed 2,000 words.

Assessment criteria:

The following criteria will be used in assessing this assignment:

- Comprehensiveness of the comparative analysis of the reports over time, looking for evidence of a systematic and thorough analysis of all non-trivial changes in voluntary disclosure from one time period to another. Soundness of the reasoning used to speculate why the differences might be observed over time, together with appropriate use of examples to support your suggestions.

(35 % of project assessment)

- Demonstrated ability to determine, understand and interpret readability scores and make appropriate recommendations.

(25% of project assessment)

- Demonstrated understanding of principles of graphical construction and of how graphs can be misused in annual reports.

(30 % of project assessment)

- Excellent presentation standards, with work submitted in a style and format appropriate to the task.

(10 % of project assessment)

Due date: midnight AEST Thursday October 8