



ABC PTY LTD
RISKVIEW[®] CORPORATE REPORT
(SAMPLE)

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9 September 2004

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Disclaimer

The information in this report has been prepared from the responses and input from ABC Pty Ltd. RISK POINT does not assume responsibility for the outcome or accuracy of neither the data, nor the actions that ABC Pty Ltd takes following the production of this review. The information contained herein is based on the application of Australian standards for the corporate governance best practice and RISK POINT takes no responsibility for the accuracy or validity of this report or the actions taken by ABC Ltd to its contents and findings.

1. Executive Summary

This document is a report on the output from the RISKVIEW® CORPORATE questionnaire completed by ABC Pty Ltd. The information is designed to provide a high level overview of the degree of conformity to the Australian Standard AS 8000 – 2003, Good Governance Principles. It also provides a decision-making framework for risk management.

The questionnaire was completed by ABC and contains the findings from ABC's own evaluation of current business and operational activities. The information contained in this report is designed to provide a high level overview of ABC's governance processes, policies and procedures. It is intended to provide a measurement against best practice for providing organisational and corporate governance. RISKVIEW® CORPORATE is a benchmarking tool and not a detailed risk assessment.

ABC has two areas of its business operations that do not achieve best practice for corporate governance. These are Operational and Maintenance elements of the governance system. This is due to the fact that the governance issues have not been clearly defined, and that there is no system for detection, recording and dealing with governance breaches and complaints. Furthermore, board members do not receive training and education about their roles and responsibilities, and the corporate governance system is not reviewed on a regular basis.

2. RISKVIEW® Methodology

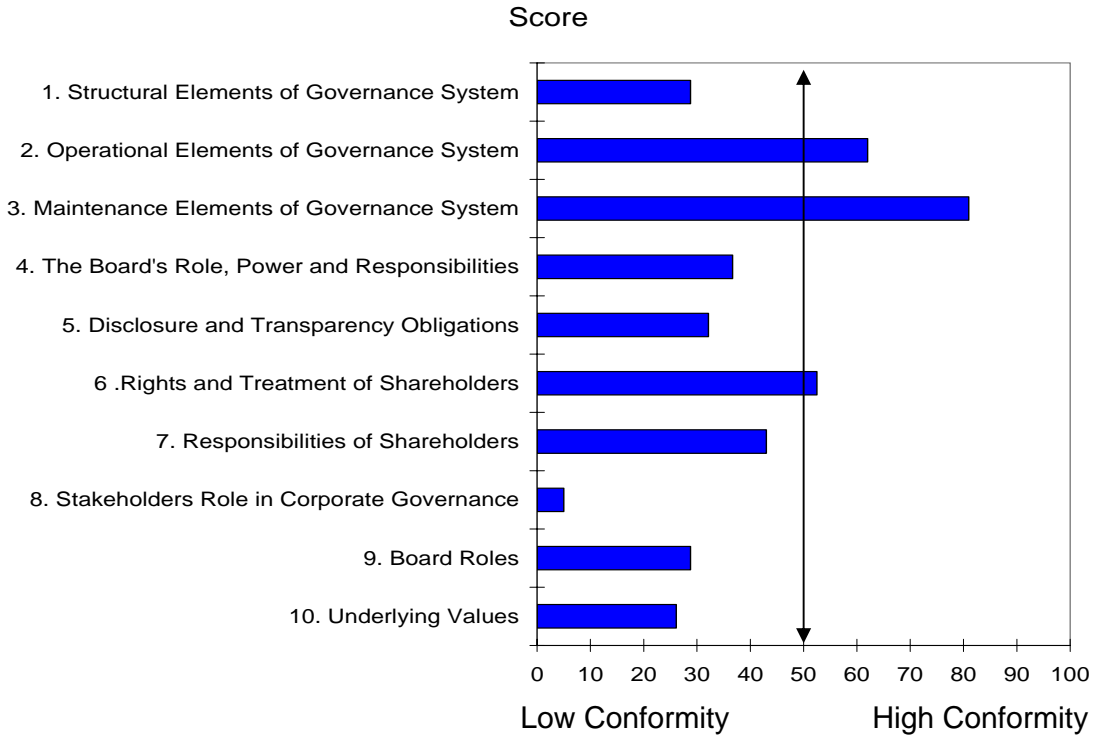
RISKVIEW® CORPORATE is based on Australian Standard AS 8000-2003 and addresses corporate governance processes, policies and procedures. The questions are weighted in order that no one area of the questionnaire carries greater or lesser importance than another. The maximum score in any one area is 100, being the highest level of non-conformity with respect to the Standard. The minimum score possible in any one area is 5, being the highest level of conformity to the Standard.

A score of 25 or lower in each area indicates a close conformity to best practice standards. A score of between 25 and 50 indicates that the governance system may be adequate, but management effort is required to improve operational performance.

A score of greater than 50 indicate there are deficiencies in the corporate governance system and management action is required to improve the corporate governance system. A score of greater than 75 indicates major non-conformity to best practice.

3. RISKVIEW® CORPORATE Profile

The following diagram is ABC's corporate governance profile.



4. Data Analysis and Interpretation

A high score represents poor conformity to best practice as a result of the greatest disparity between ABC’s operational activities and best practice for corporate governance. A low score represents low exposures and vulnerabilities as a result of most closely meeting best practice standards.

Table 1 provides a matrix for evaluating ABC’s performance against best practice.

Table 1, Corporate Governance Performance Evaluation

Score in Framework	<25	25-50	50-75	>75
Interpretation	Procedures and policies most closely meet best practice standards	Procedures and policies may be adequate but require review	Procedures and policies generally do not meet best practice standards and require management review	Procedures and policies do not meet best practice standards and <i>immediate</i> management action is required

5. Findings

The aggregate score of just over 50 in area 2 (Operational Elements of the Governance System) is due to the fact that the governance issues have not been clearly defined, and that there is no system for detection, recording and dealing with governance breaches and complaints. Furthermore, board members do not receive training and education about their roles and responsibilities, and the corporate governance system is not reviewed on a regular basis

It is therefore recommended that management take action to address these areas of the Corporate Governance System.

6. Questionnaire Overview

6.1 Scope

A. This questionnaire is designed to provide a high level review of the level of conformity to corporate governance best practice. It contains 62 questions with the option for "Yes"/ "No" answers. The default configuration is flagged "Not Yet Answered". It is important that all questions be answered either yes or no, as leaving a default setting will alter the best practice profile.

B. Each question on the form has a space to allow any additional information to be added should you wish to provide it. This can be done in the box immediately below the question by entering information into the editable field. This is optional and may assist in the response process.

C. Depending upon the level of complexity of the organisation, the questionnaire should take between 45 and 60 minutes to complete. In some instances, some internal investigations may be required in order to obtain all the information necessary before a question may be answered.

7. Appendix 1 – Output from Questionnaire

1. Structural Elements of Governance System

A.1.1 1.1 Commitment

Is there a clear and strong commitment from the board and Chief Executive Officer to good corporate governance practices?

Response: Yes *Score:* 1.25

A.1.2 1.2 Governance policy

Does the organisation have a documented corporate governance policy?

Response: Yes *Score:* 1.25

A.1.3 1.3 Board responsibility

Does the board have a good understanding of its responsibilities for good corporate governance?

Response: Yes *Score:* 1.25

A.1.4 1.4 Continuous improvement

Is there a process for continual improvement of corporate governance?

Response: No *Score:* 25.00

2. Operational Elements of Governance System

A.2.1 2.1 Governance issues

Have governance issues been clearly defined?

Response: No *Score:* 20.00

A.2.2 2.2 Operating procedures

Are governance requirements built in to the day-to-day operating procedures?

Response: Yes *Score:* 1.00

A.2.3 2.3 Breaches and complaints

Is there a system for detection, recording and dealing with governance breaches and complaints?

Response: No *Score:* 20.00

A.2.4 2.4 Record keeping

Are records kept to AS ISO 15459.1, AS ISO 15489.2 standards?

Response: No *Score:* 20.00

A.2.5 2.5 Internal reporting

Is there internal reporting consistent with AS/NZS 4360 in place which integrates with the organisation's risk management strategies?

Response: Yes *Score:* 1.00

3. Maintenance Elements of Governance System

A.3.1 3.1 Education and training

Do board members receive training and education about their roles and responsibilities?

Response: No *Score:* 20.00

A.3.2 3.2 Visibility and communication

Are the board's corporate governance policies and practices publicised within and external to the organisation (to promote visibility)?

Response: Yes *Score:* 1.00

A.3.3 3.3 Monitoring and assessment

Is the corporate governance system regularly monitored and performance against it evaluated?

Response: No *Score:* 20.00

A.3.4 3.4 Review

Is the corporate governance system reviewed and board performance evaluated (against the system) on a regular basis?

Response: No *Score:* 20.00

A.3.5 3.5 Liaison

Does the board liaise with shareholders, relevant professional associations and stakeholders to ensure best governance practices?

Response: No *Score:* 20.00