

Financial reporting guide

Consolidated entity disclosure statement

This publication provides a high-level summary of the *Corporations Act 2001* requirement for a public company to prepare a 'consolidated entity disclosure statement'.

Although called a 'consolidated entity disclosure statement', the statement must be prepared by all public companies reporting under Part 2M.3 of the *Corporations Act 2001* (the Corporations Act) irrespective of whether the company is required to prepare consolidated financial statements.

Does the requirement apply to all entities reporting under the Corporations Act?

The requirement to prepare a 'consolidated entity disclosure statement' applies only to public companies reporting under Part 2M.3 of the Corporations Act. This includes both listed and non-listed public companies, and both 'for-profit' and 'not-for-profit' public companies.

What information is included in the 'consolidated entity disclosure statement'?

The content of the 'consolidated entity disclosure statement' differs depending on whether the public company is required to prepare consolidated financial statements.

If Australian Accounting Standards require the public company to prepare consolidated financial statements, the 'consolidated entity disclosure statement' must include the following information about each entity that was part of the consolidated entity at the end of the financial year:

- the entity's name (if any);
- whether the entity was a body corporate, partnership, or trust;
- whether the entity was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity;
- if the entity is a body corporate - the place at which the entity was incorporated or formed;
- if the entity is a body corporate with share capital - the percentage of the entity's issued share capital that was held, directly or indirectly, by the public company;
- whether the entity is an Australian resident for tax purposes (as defined by subsection 295(3B) of the Corporations Act);
- a list of each foreign jurisdiction (if any) in which the entity is a resident for the purposes of the law of the foreign jurisdiction relating to foreign income tax (within the meaning of the *Income Tax Assessment Act 1997*).

If Australian Accounting Standards do not require the public company to prepare consolidated financial statements (e.g., the public company does not have subsidiaries, the public company is an 'investment entity' or the public company is eligible to apply the exemption from preparing consolidated financial statements in AASB 10 *Consolidated Financial Statements*), the 'consolidated entity disclosure statement' must include a statement to that effect.



Does the preparation of the 'consolidated entity disclosure statement' impact the wording of the directors' declaration on the financial report?

The directors must declare (as part of their section 295 declaration on the financial report) whether, in the directors' opinion, the 'consolidated entity disclosure statement' is true and correct. In addition, for listed entities, declarations required to be made to the board of directors by the CEO and CFO will need to include a statement that the 'consolidated entity disclosure statement' is true and correct.

Is the 'consolidated entity disclosure statement' subject to audit?

The 'consolidated entity disclosure statement' is subject to audit, because the statement forms part of the annual financial report under subsection 295(1) of the Corporations Act.

Illustrative examples

For a public company that is required to prepare consolidated financial statements:

Consolidated Entity Disclosure Statement as at 30 June 2025					
Name of entity	Type of entity	Place formed or incorporated	Percentage of share capital held (if applicable)	Australian resident for tax purposes	Foreign jurisdictions in which the entity is a resident for tax purposes (if applicable)
PP Focus Limited	Body corporate	Australia	n/a	Yes	n/a
A Pty Ltd	Body corporate	Australia	100%	Yes	n/a
B Pty Ltd	Body corporate	New Zealand	100%	No	New Zealand
At the end of the financial year, no entity within the consolidated entity was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity.					

For a public company that is not required to prepare consolidated financial statements:

Consolidated Entity Disclosure Statement as at 30 June 2025
PP Focus Limited is not required by Australian Accounting Standards to prepare consolidated financial statements. In accordance with subsection 295(3A) of the <i>Corporations Act 2001</i> , no further information is required to be disclosed in this consolidated entity disclosure statement.

Further information and assistance

Contact Pitcher Partners for further information and assistance on the preparation of the consolidated entity disclosure statement by public companies.



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