



APPENDIX 4E

PRELIMINARY FINAL REPORT

27 August 2014

Name of Entity: **Boral Limited**
 ABN: **13 008 421 761**
 Financial Year ended: **30 June 2014**

Results for announcement to the market

				2014 A\$ Millions	2013 A\$ Millions
Revenue from continuing operations	up	7.0%	to	4,455.1	4,163.4
Revenue from discontinued operations				748.8	1,123.1
Total revenue	down	(1.6%)	to	5,203.9	5,286.5
Profit from continuing operations before net financing costs, income tax and significant items	up	47.6%	to	227.3	154.0
Profit from discontinued operations before net financing costs, income tax and significant items				66.9	73.8
Profit before net financing costs, income tax and significant items	up	29.1%	to	294.2	227.8
Net financing costs from continuing operations before significant items				(80.7)	(92.7)
Net financing costs from discontinued operations before significant items				(2.4)	(4.7)
Profit before income tax and significant items	up	61.9%	to	211.1	130.4
Income tax from continuing operations before significant items				(15.7)	(8.8)
Income tax from discontinued operations before significant items				(21.1)	(10.8)
Non-controlling interest from continuing operations				2.9	1.9
Non-controlling interest from discontinued operations				(5.8)	(8.3)
Net profit before significant items attributable to members	up	64.2%	to	171.4	104.4
Significant items from continuing operations net of tax ¹				(20.8)	(318.3)
Significant items from discontinued operations net of tax ¹				26.5	5.3
Significant items from equity accounted results ¹				(3.8)	(3.5)
Net profit/(loss) attributable to members	up	181.7%	to	173.3	(212.1)

1. Refer note 8 of the attached financial report.

Dividends	Amount per security	Franked amount per security at 30% tax
Current period		
Final - ordinary	8.0 cents	8.0 cents
Interim - ordinary	7.0 cents	7.0 cents
Previous corresponding period		
Final - ordinary	6.0 cents	6.0 cents
Interim - ordinary	5.0 cents	5.0 cents
Record date for determining entitlements to the final dividend	4 September 2014	
Comparative figures: Full year ended 30 June 2013		

Profit before significant items is a Non IFRS measure reported to provide a greater understanding of the underlying business performance of the Group. The disclosures are extracted or derived from the financial report for the year ended 30 June 2014, but have not been subject to audit or review.

Commentary on the results for the period

The commentary on the results of the period is contained in the Results Announcement for the year ended 30 June 2014 - Management Discussion and Analysis dated 27 August 2014.

Income Statement

BORAL LIMITED AND CONTROLLED ENTITIES

For the year ended 30 June	Note	CONSOLIDATED	
		2014 \$ millions	2013 \$ millions
Continuing operations			
Revenue	3	4,455.1	4,163.4
Cost of sales		(3,231.3)	(3,044.5)
Selling and distribution expenses		(780.0)	(734.6)
Administrative expenses		(276.1)	(280.5)
		(4,287.4)	(4,059.6)
Other income	4	21.4	53.1
Other expenses	5	(64.7)	(449.8)
Share of equity accounted income	6,13	37.3	7.6
Profit/(loss) before net financing costs and income tax expense		161.7	(285.3)
Financial income	7	20.3	2.8
Financial expenses	7	(84.7)	(95.5)
Net financing costs		(64.4)	(92.7)
Profit/(loss) before income tax expense		97.3	(378.0)
Income tax benefit/(expense)	9	9.0	108.7
Profit/(loss) from continuing operations		106.3	(269.3)
Discontinued operations			
Profit/(loss) from discontinued operations (net of income tax)	10	69.9	63.6
Net profit/(loss)		176.2	(205.7)
Attributable to:			
Members of the parent entity		173.3	(212.1)
Non-controlling interests		2.9	6.4
Net profit/(loss)		176.2	(205.7)
Basic earnings per share	11	22.2c	(27.7c)
Diluted earnings per share	11	22.0c	(27.7c)
Continuing operations			
Basic earnings per share	11	14.0c	(34.9c)
Diluted earnings per share	11	13.9c	(34.9c)

The income statement should be read in conjunction with the accompanying notes which form an integral part of the financial report.

Statement of Comprehensive Income

BORAL LIMITED AND CONTROLLED ENTITIES

For the year ended 30 June	CONSOLIDATED	
	2014 \$ millions	2013 \$ millions
Net profit/(loss)	176.2	(205.7)
Other comprehensive income		
Items that will not be reclassified to Income Statement:		
Actuarial gain/(loss) on defined benefit plans	-	4.5
Income tax on items that will not be reclassified to Income Statement	-	(1.4)
Items that may be reclassified subsequently to Income Statement:		
Net exchange differences from translation of foreign operations taken to equity	10.6	116.3
Foreign currency translation reserve transferred to net profit on disposal of controlled entities	(146.5)	3.1
Fair value adjustment on cash flow hedges	(10.1)	8.3
Income tax on items that may be reclassified subsequently to Income Statement	7.3	56.0
Total comprehensive income/(loss)	37.5	(18.9)
Total comprehensive income is attributable to:		
Members of the parent entity	34.4	(33.6)
Non-controlling interests	3.1	14.7
Total comprehensive income/(loss)	37.5	(18.9)

The statement of comprehensive income should be read in conjunction with the accompanying notes which form an integral part of the financial report.

Balance Sheet

BORAL LIMITED AND CONTROLLED ENTITIES

As at 30 June	Note	CONSOLIDATED	
		2014 \$ millions	2013 \$ millions
CURRENT ASSETS			
Cash and cash equivalents		383.2	149.9
Cash on deposit		-	70.6
Receivables		708.8	887.8
Inventories		528.1	680.0
Other financial assets		8.3	11.6
Other		36.1	31.0
TOTAL CURRENT ASSETS		1,664.5	1,830.9
NON-CURRENT ASSETS			
Receivables		54.5	16.8
Inventories		21.1	19.6
Investments accounted for using the equity method		851.8	34.6
Other financial assets		22.4	23.5
Property, plant and equipment		2,561.9	3,378.1
Intangible assets		196.1	849.9
Deferred tax assets		154.1	133.7
Other		32.7	29.3
TOTAL NON-CURRENT ASSETS		3,894.6	4,485.5
TOTAL ASSETS		5,559.1	6,316.4
CURRENT LIABILITIES			
Payables		648.5	760.1
Loans and borrowings	15	215.4	126.9
Other financial liabilities	16	12.1	56.1
Current tax liabilities		89.8	19.1
Provisions		204.4	212.1
TOTAL CURRENT LIABILITIES		1,170.2	1,174.3
NON-CURRENT LIABILITIES			
Payables		18.1	9.4
Loans and borrowings	15	886.1	1,539.6
Other financial liabilities	16	38.8	25.5
Deferred tax liabilities		-	57.6
Provisions		97.8	116.5
TOTAL NON-CURRENT LIABILITIES		1,040.8	1,748.6
TOTAL LIABILITIES		2,211.0	2,922.9
NET ASSETS		3,348.1	3,393.5
EQUITY			
Issued capital	17	2,477.6	2,433.8
Reserves	18	2.1	74.4
Retained earnings		868.4	796.0
Total parent entity interest		3,348.1	3,304.2
Non-controlling interests		-	89.3
TOTAL EQUITY		3,348.1	3,393.5

The balance sheet should be read in conjunction with the accompanying notes which form an integral part of the financial report.

Statement of Changes in Equity

BORAL LIMITED AND CONTROLLED ENTITIES

For the year ended 30 June 2014	CONSOLIDATED					
	Issued capital \$ millions	Reserves \$ millions	Retained earnings \$ millions	Total parent entity interest \$ millions	Non-controlling interests \$ millions	Total equity \$ millions
Balance at 1 July 2013	2,433.8	74.4	796.0	3,304.2	89.3	3,393.5
Net profit	-	-	173.3	173.3	2.9	176.2
Other comprehensive income						
Translation of net assets of overseas controlled entities	-	24.4	-	24.4	0.2	24.6
Translation of long-term borrowings and foreign currency forward contracts	-	(14.0)	-	(14.0)	-	(14.0)
Foreign currency translation reserve transferred to net profit on disposal of controlled entities	-	(146.5)	-	(146.5)	-	(146.5)
Fair value adjustment on cash flow hedges	-	(10.1)	-	(10.1)	-	(10.1)
Income tax relating to other comprehensive income	-	7.3	-	7.3	-	7.3
Total comprehensive income/(loss)	-	(138.9)	173.3	34.4	3.1	37.5
Transactions with owners in their capacity as owners						
Shares issued under the Dividend Reinvestment Plan	43.8	-	-	43.8	-	43.8
Dividends paid	-	-	(100.9)	(100.9)	(6.9)	(107.8)
Other - Cultured Stone	-	59.4	-	59.4	(59.4)	-
Share-based payments	-	7.2	-	7.2	-	7.2
Non-controlling interests disposed	-	-	-	-	(28.2)	(28.2)
Contributions by non-controlling interests	-	-	-	-	2.1	2.1
Total transactions with owners in their capacity as owners	43.8	66.6	(100.9)	9.5	(92.4)	(82.9)
Balance at 30 June 2014	2,477.6	2.1	868.4	3,348.1	-	3,348.1
	CONSOLIDATED					
	Issued capital \$ millions	Reserves \$ millions	Retained earnings \$ millions	Total parent entity interest \$ millions	Non-controlling interests \$ millions	Total equity \$ millions
For the year ended 30 June 2013						
Balance at 1 July 2012	2,368.4	(109.2)	1,069.9	3,329.1	74.3	3,403.4
Net profit / (loss)	-	-	(212.1)	(212.1)	6.4	(205.7)
Other comprehensive income						
Translation of net assets of overseas controlled entities	-	187.7	-	187.7	8.3	196.0
Translation of long-term borrowings and foreign currency forward contracts	-	(79.7)	-	(79.7)	-	(79.7)
Foreign currency translation reserve transferred to net profit on disposal of controlled entities	-	3.1	-	3.1	-	3.1
Fair value adjustment on cash flow hedges	-	8.3	-	8.3	-	8.3
Actuarial gain/(loss) on defined benefit plans	-	-	4.5	4.5	-	4.5
Income tax relating to other comprehensive income	-	56.0	(1.4)	54.6	-	54.6
Total comprehensive income/(loss)	-	175.4	(209.0)	(33.6)	14.7	(18.9)
Transactions with owners in their capacity as owners						
Shares issued under the Dividend Reinvestment Plan	64.9	-	-	64.9	-	64.9
Shares issued on vesting of rights	0.5	(0.5)	-	-	-	-
Dividends paid	-	-	(64.9)	(64.9)	(6.0)	(70.9)
Share-based payments	-	8.7	-	8.7	-	8.7
Contributions by non-controlling interests	-	-	-	-	6.3	6.3
Total transactions with owners in their capacity as owners	65.4	8.2	(64.9)	8.7	0.3	9.0
Balance at 30 June 2013	2,433.8	74.4	796.0	3,304.2	89.3	3,393.5

The statement of changes in equity should be read in conjunction with the accompanying notes which form an integral part of the financial report.

Statement of Cash Flows

BORAL LIMITED AND CONTROLLED ENTITIES

For the year ended 30 June	Note	CONSOLIDATED	
		2014 \$ millions	2013 \$ millions
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		5,579.8	5,643.9
Payments to suppliers and employees		(4,992.2)	(5,188.3)
		587.6	455.6
Dividends received		18.6	18.6
Interest received		7.1	7.6
Borrowing costs paid		(86.5)	(101.8)
Income taxes (paid)/received		14.0	2.2
Restructure costs paid	21	(33.5)	(73.2)
Net Cash Provided by Operating Activities		507.3	309.0
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(267.1)	(308.4)
Purchase of intangibles		(1.1)	(0.4)
Purchase of non-controlling interest	21	(48.4)	-
Loans to associates		(0.5)	1.8
(Increase)/decrease in cash on deposit		69.9	(63.9)
Proceeds on disposal of non-current assets		37.3	84.9
Proceeds on disposal of controlled entities and businesses (net of transaction costs)	10	556.2	92.1
Cash disposed relating to disposals of controlled entities	10	(79.1)	(4.3)
Net Cash Provided by/(Used in) Investing Activities		267.2	(198.2)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	35.5
Dividends paid (net of dividends reinvested under the Dividend Reinvestment Plan of \$43.8 million (2013: \$29.4 million))		(57.1)	(35.5)
Dividends paid to non-controlling interests		(6.9)	(6.0)
Contributions by non-controlling interests		2.1	6.3
Proceeds from settlement of financial instruments		32.7	-
Proceeds from borrowings		73.1	186.5
Repayment of borrowings		(568.5)	(352.8)
Net Cash Used in Financing Activities		(524.6)	(166.0)
NET CHANGE IN CASH AND CASH EQUIVALENTS		249.9	(55.2)
Cash and cash equivalents at beginning of the year		135.7	181.5
Effects of exchange rate fluctuations on the balances of cash held in foreign currencies		(2.4)	9.4
Cash and cash equivalents at end of the year	21	383.2	135.7

The statement of cash flows should be read in conjunction with the accompanying notes which form an integral part of the financial report.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

1. ACCOUNTING POLICIES

Boral Limited is a company domiciled in Australia. The consolidated full year financial report of the Company as at and for the full year ended 30 June 2014 comprises of Boral Limited and its controlled entities (the "Group").

(a) Basis of Preparation

This report has been prepared in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board and the Corporations Act 2001 for the purpose of fulfilling the Group's obligation under Australian Securities Exchange (ASX) listing rules. The report is presented in Australian dollars.

A full description of the accounting policies adopted by the Group may be found in the Group's full financial statements.

(b) Significant Accounting Policies

The accounting policies have been applied consistently to all periods presented in the consolidated financial report. The financial report has been prepared on the basis of historical cost, except where assets and liabilities are stated at their fair values in accordance with relevant accounting policies.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

(c) Changes in Accounting Policies

The Group has adopted all new and amended Australian Accounting Standards and Australian Accounting Standards Board (AASB) interpretations that are mandatory for the current reporting period and relevant to the Group. Adoption of these standards and interpretations has not resulted in any material changes to the Group's financial report other than as noted below.

AASB Interpretation 20 *Stripping Costs in the Production Phase of a Surface Mine* specifies that the costs associated with the removal of waste during the production phase of a mine (stripping costs) are recognised as a Non-current asset. The stripping activity asset is accounted for as an addition to, or as an enhancement of an existing asset.

The effect of the application of AASB Interpretation 20 was retrospectively applied back to 1 July 2012, being the first comparative period presented. This resulted in an increase of Property, plant and equipment by \$31.0 million, a decrease of Other current assets by \$11.8 million and a decrease of Other non-current assets by \$19.2 million. There was no impact on the reported net result in either the current or prior period, other than an increase in amortisation of \$14.1 million (June 2013: \$15.9 million) and a corresponding decrease in stripping expenses. Capital expenditure increased by \$21.1 million (June 2013: \$15.0 million).

(d) Comparative Figures

Where necessary to facilitate comparison, comparative figures have been adjusted to conform with changes in presentation in the current financial year.

(e) Rounding of Amounts

The Company is an entity of a kind referred to in ASIC Class Order 98/100 and, in accordance with that Class Order, amounts in the financial report have been rounded to the nearest one hundred thousand dollars unless otherwise stated.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS

Operating segments are based on internal reporting to the Chief Executive Officer in assessing performance and determining the allocation of resources.

The following summary describes the operations of the Group's reportable segments:

Construction Materials and Cement	- Quarries, concrete, asphalt, transport, landfill, property, cement and concrete placing.
Building Products	- Australian bricks, roof tiles, masonry and timber products.
Boral Gypsum *	- Australian and Asian plasterboard.
Boral Gypsum Joint Venture	- 50/50 joint venture between USG Corporation and Boral Limited responsible for the manufacture and sale of Plasterboard and associated products.
Boral USA	- Bricks, cultured stone, roof tiles, fly ash, concrete and quarries.
Discontinued Operations	- Windows (2013: Asian Construction Materials and East Coast masonry)
Unallocated	- Non-trading operations and unallocated corporate costs.

* The results of Boral Gypsum operations up to 28 February 2014 being the date of sale are shown as part of "Discontinued Operations" in the Income Statement.

During the period, the Group entered into an agreement with USG Corporation to combine its Australian and Asian Gypsum entities with USG Corporation's Asian and Middle East entities and technology into two 50/50 owned joint ventures.

For the period 1 July 2013 to 28 February 2014, the Group held 100% interest in Boral Gypsum, and the results were consolidated into the Group's financial report and have been shown in the Boral Gypsum segment.

From 1 March 2014, the Group has deconsolidated its existing Australian and Asian subsidiaries, and has recognised an equity accounted investment in respect of its 50% shareholding in the newly formed joint ventures. The newly formed joint ventures consist of Boral's Gypsum division and USG's Asian and Middle Eastern businesses and technology. The results from this date have been equity accounted. Refer to note 13 of the financial report.

The major end use markets for Boral's products include residential and non-residential construction and the engineering and infrastructure markets.

Inter-segment pricing is determined on an arm's-length basis.

The Group has a large number of customers to which it provides products, with no single customer responsible for more than 10% of the Group's revenue.

Segment results, assets and liabilities includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

	CONSOLIDATED	
	2014	2013
Reconciliations of reportable segment revenues and profits	\$ millions	\$ millions
External revenue	5,203.9	5,286.5
Less revenue from discontinued operations	(748.8)	(1,123.1)
Revenue from continuing operations	4,455.1	4,163.4
Profit before tax		
Profit/(loss) before net financing costs and income tax expense from reportable segments	251.3	(205.8)
Profit from discontinued operations *	(66.9)	(73.8)
Significant items applicable to discontinued operations	(22.7)	(5.7)
Profit/(loss) before net financing costs and income tax expense from continuing operations	161.7	(285.3)
Net financing costs from continuing operations	(64.4)	(92.7)
Profit/(loss) before tax from continuing operations	97.3	(378.0)

* Represents segment earnings from the Gypsum and discontinued segment.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS (continued)

	2014 \$ millions	2013 \$ millions	2014 \$ millions	2013 \$ millions	2014 \$ millions	2013 \$ millions
	TOTAL REVENUE		INTERNAL REVENUE		EXTERNAL REVENUE	
Construction Materials and Cement	3,310.4	3,176.0	23.3	33.7	3,287.1	3,142.3
Building Products	488.0	466.6	0.9	0.9	487.1	465.7
Boral Gypsum **	691.3	919.3	-	-	691.3	919.3
Boral Gypsum Joint Venture	-	-	-	-	-	-
Boral USA	681.7	555.4	0.8	-	680.9	555.4
Discontinued Operations	57.5	203.8	-	-	57.5	203.8
	5,228.9	5,321.1	25.0	34.6	5,203.9	5,286.5
	OPERATING PROFIT (EXC EQUITY INCOME)		EQUITY ACCOUNTED INCOME		PROFIT BEFORE NET FINANCING COSTS AND INCOME TAX EXPENSE	
Construction Materials and Cement	245.3	269.0	31.3	11.7	276.6	280.7
Building Products	8.2	(40.1)	-	-	8.2	(40.1)
Boral Gypsum **	61.5	72.6	5.9	10.0	67.4	82.6
Boral Gypsum Joint Venture	-	-	10.1	-	10.1	-
Boral USA	(38.3)	(63.6)	(0.3)	(0.6)	(38.6)	(64.2)
Discontinued Operations	(0.5)	(8.8)	-	-	(0.5)	(8.8)
Unallocated	(29.0)	(22.4)	-	-	(29.0)	(22.4)
	247.2	206.7	47.0	21.1	294.2	227.8
Significant items (refer to note 8)	(39.1)	(430.1)	(3.8)	(3.5)	(42.9)	(433.6)
	208.1	(223.4)	43.2	17.6	251.3	(205.8)
	SEGMENT ASSETS (EXC EQUITY ACCOUNTED INVESTMENTS)		EQUITY ACCOUNTED INVESTMENTS		TOTAL ASSETS	
Construction Materials and Cement	2,762.6	2,752.2	19.0	20.7	2,781.6	2,772.9
Building Products	515.1	529.4	-	-	515.1	529.4
Boral Gypsum **	-	1,707.7	-	13.9	-	1,721.6
Boral Gypsum Joint Venture	-	-	832.8	-	832.8	-
Boral USA	813.3	842.5	-	-	813.3	842.5
Discontinued Operations	-	41.1	-	-	-	41.1
Unallocated	79.0	54.7	-	-	79.0	54.7
	4,170.0	5,927.6	851.8	34.6	5,021.8	5,962.2
Cash and cash equivalents and cash on deposit	383.2	220.5	-	-	383.2	220.5
Tax assets	154.1	133.7	-	-	154.1	133.7
	4,707.3	6,281.8	851.8	34.6	5,559.1	6,316.4

** Boral Gypsum results are shown as part of "Discontinued Operations" in the Income Statement and represent consolidated results for the period July 13 to February 14 in 2014. (2013: 12 months to June 2013)

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

2. SEGMENTS (continued)

	2014 \$ millions	2013 \$ millions	2014 \$ millions	2013 \$ millions	2014 \$ millions	2013 \$ millions
	LIABILITIES		ACQUISITION OF SEGMENT ASSETS*		DEPRECIATION AND AMORTISATION	
Construction Materials and Cement	610.0	533.5	211.9	219.8	168.2	184.8
Building Products	106.2	108.5	13.9	20.2	21.1	35.4
Boral Gypsum **	-	174.6	10.2	46.0	29.1	41.9
Boral Gypsum Joint Venture	-	-	-	-	-	-
Boral USA	149.0	134.9	29.5	19.2	41.7	42.3
Discontinued Operations	-	21.7	0.5	3.5	0.6	1.8
Unallocated	154.5	206.5	2.2	0.1	0.7	0.8
	1,019.7	1,179.7	268.2	308.8	261.4	307.0
Loans and borrowings	1,101.5	1,666.5	-	-	-	-
Tax liabilities	89.8	76.7	-	-	-	-
	2,211.0	2,922.9	268.2	308.8	261.4	307.0

* Excludes amounts attributable to the acquisition of controlled entities and businesses.

** Boral Gypsum is shown as part of "Discontinued Operations" in the Income Statement.

Geographical information

For the year ended 30 June 2014, the Group's trading revenue from external customers in Australia amounted to \$4,010.5 million (2013: \$3,943.3 million), with \$455.0 million (2013: \$584.0 million) from the Plasterboard Asia operations, \$680.9 million (2013: \$555.4 million) relating to operations in the USA and \$57.5 million (2013: \$203.8 million) relating to other operations. The Group's non-current assets (excluding deferred tax assets and other financial assets) in Australia amounted to \$2,602.3 million (2013: \$2,576.1 million), with \$537.9 million (2013: \$1,134.1 million) in Asia and \$577.9 million (2013: \$618.1 million) in the USA.

In presenting information on a geographical basis, segment revenues are based on the geographical location of customers, while segment assets are based on the geographical location of assets.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

	Note	CONSOLIDATED	
		2014 \$ millions	2013 \$ millions
3. REVENUE FROM CONTINUING OPERATIONS			
Sale of goods		4,366.8	4,066.3
Rendering of services		88.3	97.1
Revenue from continuing operations		4,455.1	4,163.4
4. OTHER INCOME FROM CONTINUING OPERATIONS			
Significant items	8	-	13.1
Net profit on sale of assets		14.5	35.3
Other income		6.9	4.7
Other income from continuing operations		21.4	53.1
5. OTHER EXPENSES FROM CONTINUING OPERATIONS			
Significant items	8	61.8	448.9
Net foreign exchange loss		2.9	0.9
Other expenses from continuing operations		64.7	449.8
6. SHARE OF EQUITY ACCOUNTED INCOME			
Share of equity accounted income		47.0	21.1
Impairment of investment disclosed as significant item	8	-	(3.5)
Restructure costs disclosed as significant item	8	(3.8)	-
Less share of equity accounted income relating to discontinued operations	10	(5.9)	(10.0)
	13	37.3	7.6
7. NET FINANCING COSTS FROM CONTINUING OPERATIONS			
Interest income received or receivable from:			
Other parties (cash at bank and bank short-term deposits)		3.1	2.8
Unwinding of discount		0.9	-
Significant item - interest recoveries	8	16.3	-
		20.3	2.8
Interest expense paid or payable to:			
Other parties (bank overdrafts, bank loans and other loans) *		80.6	93.0
Finance charges on capitalised leases		0.8	-
Unwinding of discount		3.3	2.5
		84.7	95.5
Net financing costs from continuing operations		(64.4)	(92.7)

* In addition, interest of \$4.7 million (2013: \$3.6 million) was paid to other parties and capitalised in respect of qualifying assets. The capitalisation rate used was 6.0% (2013: 6.0%).

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

		CONSOLIDATED	
		2014	2013
Note		\$ millions	\$ millions
8. SIGNIFICANT ITEMS			
Net profit/(loss) includes the following items whose disclosure is relevant in explaining the financial performance of the Group:			
Continuing operations			
Impairment of assets, businesses and restructuring costs			
	Goodwill	-	(32.4)
	Property, plant and equipment	(21.3)	(159.6)
	Other assets	(0.9)	-
	Investments accounted for using the equity method	-	(3.5)
	Restructure costs incurred by USG Boral Gypsum Joint Venture	(3.8)	-
	Inventory	(8.9)	(47.6)
	Demolition costs	(5.2)	-
	Restructure and closure costs	(26.8)	(13.9)
	Other	1.3	-
(i)		(65.6)	(257.0)
	Gain on settlement of insurance claims	-	13.1
	Suspension of clinker operations at Waurin Ponds and reassessment of coal supply arrangements	-	(130.3)
	Organisational restructure costs	-	(59.8)
	Loss on sale of Oklahoma assets - USA	-	(5.3)
	Tax related matters		
	Interest recoveries	16.3	-
(iii)			
Summary of significant items from continuing operations			
	Profit/(loss) before interest and tax	(65.6)	(439.3)
	Interest recoveries	16.3	-
	Income tax benefit	24.7	117.5
	Net significant items from continuing operations	(24.6)	(321.8)
Discontinued operations			
	Loss on disposal of Windows business	(3.7)	-
	Gain on disposal of Gypsum shareholding	26.4	-
(ii)			
	Impairment of assets, businesses and restructuring costs		
	Property, plant and equipment	-	(6.3)
	Gain on disposal of Asian Construction Materials businesses	-	12.0
Summary of significant items from discontinued operations			
	Profit/(loss) before interest and tax	22.7	5.7
	Income tax benefit/(expense)	3.8	(0.4)
	Net significant items from discontinued operations	26.5	5.3
Summary of significant items			
	Profit/(loss) before interest and tax	(42.9)	(433.6)
	Interest recoveries	16.3	-
	Income tax benefit	28.5	117.1
	Net significant items	1.9	(316.5)

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

8. SIGNIFICANT ITEMS (continued)

2014 Significant items

(i) Impairment of assets, businesses and restructuring costs

In June, the Group announced the closure of its Maldon Cement manufacturing operations, which resulted in recognition of impairment charges of \$6.9 million and redundancy and restructure costs of \$6.9 million.

In the USA, a reassessment of the manufacturing footprint was undertaken, resulting in the impairment of assets of \$22.0 million associated with the lone roof tile plant in California and Augusta paver plant. In addition, redundancies of \$8.2 million were made to further reshape the business.

As part of the overall reshaping of the Group, further redundancy and restructure activities were undertaken in the Australian Construction Materials businesses in Queensland and in Asphalt Victoria. In addition, due to the significant portfolio changes within the Group over the last few years, the Group has reviewed the level of centralised services required to support the more streamlined organisation which resulted in redundancies and restructure charges of \$14.9 million and an asset impairment charge of \$2.2 million. Costs associated with the proposed East Coast Bricks Joint Venture of \$2.0 million were also incurred.

Following formation of the Boral Gypsum Joint Venture, the joint venture incurred restructuring and redundancy costs of \$3.8 million to strengthen its low cost position and ensure a focused organisation that is well placed to deliver long term performance.

A gain of \$1.3 million was recorded in respect of the opening impact of the application of *AASB 13 Fair Value Measurement* relating to the inclusion of credit and debit value adjustments in the fair value of financial instruments.

(ii) Gain on disposal of Gypsum shareholding

During the period, the Group entered into an agreement with USG Corporation to combine its Australian and Asian Gypsum entities with USG Corporation's Asian and Middle East entities and technology into two 50/50 owned joint ventures. On disposal of its interest, Boral deconsolidated its existing Australian and Asia subsidiaries; and recognised an equity accounted investment in respect of its remaining 50% shareholding in each of the Australian and Asian entities. This resulted in a net gain of \$26.4 million. (Refer to note 10)

(iii) Interest recoveries

Interest received on resolution of outstanding taxation matters.

2013 Significant items

Suspension of clinker operations at Waurin Ponds and reassessment of Berrima coal supply

Impairment and exit costs associated with the cessation of clinker manufacture at the Victorian Waurin Ponds operations together with impairments and costs associated with reassessment of coal supply arrangements in Cement NSW resulted in asset write-downs of \$96.9 million and other charges and costs of \$33.4 million.

Organisational restructure costs

During financial year ended June 2013, the Group incurred costs and redundancies associated with a coordinated Group wide organisation restructure program to simplify business structures and improve operational efficiency together with implementation costs of outsourcing the Group's Australian IT operations. This resulted in costs of \$58.7 million and asset write-downs of \$1.1 million.

Impairment of assets, businesses and restructuring costs

A structural decline in the Australian Bricks, Timber and Windows markets together with increased competition in Western Australia resulted in impairments of Building Products' assets (including \$32.4 million of goodwill). The Bricks' businesses were impaired by \$132.5 million, Timber impaired by \$36.3 million and Windows by \$6.3 million. Exit from the Engineered Flooring, Woodchips and Queensland distribution businesses resulted in a further \$33.6 million of restructuring costs and inventory write-downs.

In Construction Materials and Cement, land development costs of \$30.2 million associated with land development in NSW were written off.

In the USA, the recovery has progressed slower than expected, resulting in the impairments of \$24.4 million in respect of excess tile production capacity in Mexico, Trinidad and Lone, California.

With the exception of the Windows business, which has been assessed on a fair value less costs to sell basis, the impairments have been based on value in use calculations.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

8. SIGNIFICANT ITEMS (continued)

	CONSOLIDATED	
	2014	2013
	\$ millions	\$ millions
Summary of significant items before interest and tax		
Construction Materials and Cement	(30.9)	(157.0)
Building Products	-	(192.8)
Boral Gypsum	26.4	-
Boral Gypsum Joint Venture	(3.8)	-
Boral USA	(30.2)	(29.7)
Discontinued Operations	(3.7)	5.7
Unallocated	(0.7)	(59.8)
	(42.9)	(433.6)

9. INCOME TAX EXPENSE/(BENEFIT)

Reconciliation of income tax expense/(benefit) to prima facie tax payable

Income tax expense/(benefit) on profit/(loss) at Australian tax rates 30% (2013: 30%)	55.3	(91.0)
Variation between Australian and overseas tax rates	(10.6)	(12.6)
Share of associates' net income and franked dividend income	(13.3)	(6.2)
Capital gains/(losses) brought to account	(2.2)	(8.7)
Non-deductible asset impairments and write-downs	-	15.5
Non assessable gains relating to significant items	(13.9)	-
Other items	(7.0)	5.5
	8.3	(97.5)
Tax expense/(benefit) relating to continuing operations	(9.0)	(108.7)
Tax expense/(benefit) relating to discontinued operations	17.3	11.2
	8.3	(97.5)

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

10. DISCONTINUED OPERATIONS, ASSETS HELD FOR SALE AND BUSINESS DISPOSALS

During the year, the Group completed a number of divestments including:

- the sale of its Windows businesses as at 30 November 2013; and
- the divestment of a 50% interest in its Asian and Australian plasterboard operations as at 28 February 2014.

As a result, the earnings for the current and comparative period have been reclassified to "Discontinued Operations" in the Income Statement.

Prior year comparatives also include the discontinued operations relating to former Asian Construction Materials and East Coast Masonry businesses, which were disposed of during financial year ended 30 June 2013.

	Note	CONSOLIDATED	
		2014 \$ millions	2013 \$ millions
Results of discontinued operations			
Revenue		748.8	1,123.1
Expenses		(687.8)	(1,059.3)
Share of equity accounted income		5.9	10.0
Trading profit before significant items, net financing costs and income tax expense *			
		66.9	73.8
Impairment of assets, businesses and restructuring costs	8	-	(6.3)
Net gain on sale of discontinued operations	8	22.7	12.0
Profit before net financing costs and income tax expense			
		89.6	79.5
Net financing costs		(2.4)	(4.7)
Profit before income tax expense			
		87.2	74.8
Income tax (expense)/benefit		(17.3)	(11.2)
Net profit			
		69.9	63.6
Attributable to:			
Members of the parent entity		64.1	55.3
Non-controlling interest		5.8	8.3
Net profit			
		69.9	63.6
* represents segment earnings from the Gypsum and discontinued segment.			
Basic and diluted earnings per share		8.2c	7.2c
Cash flows from discontinued operations			
Net cash from operating activities		51.3	111.2
Net cash from investing activities		468.6	24.1
Net cash used in financing activities		(6.9)	(6.0)
Net cash from discontinued operations			
		513.0	129.3

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

10. DISCONTINUED OPERATIONS, ASSETS HELD FOR SALE AND BUSINESS DISPOSALS

(continued)

(i) Boral Limited and USG Corporation Gypsum Joint Venture

During October 2013, the Group entered into an agreement with USG Corporation to combine its Australian and Asian Gypsum entities with USG Corporation's Asian and Middle East entities and technology into two 50/50 owned joint ventures. This transaction was completed on 28 February 2014. These joint ventures are responsible for the manufacture and sale of plasterboard and associated products throughout Australasia and Middle East, and position Boral with access to advanced technologies in Asia and Australasia's plasterboard markets.

For the period 1 July 2013 to 28 February 2014, the Group held 100% interest in the Gypsum division, and the results were consolidated into the Group's financial report. On disposal, Boral:

- deconsolidated its existing Australian and Asia subsidiaries; and
- recognised an equity accounted investment in respect of its remaining 50% shareholding in each of the Australian and Asian entities.

Under the terms of the agreement, Boral disposed of a 50% interest in its Gypsum division and is entitled to receive:

- US\$500 million cash payment on completion;
- US\$25 million in 3 years if earnings targets are achieved; and
- US\$50 million in 5 years if earnings targets are achieved.

The transaction completed on the 28 February 2014, resulting in the following disposal entries.

	\$ millions
Proceeds received on completion	
Cash proceeds	561.9
Contingent consideration	43.5
Fair value of 50% interest in new Joint Ventures	846.7
Consideration	1,452.1
Net assets disposed	(1,578.2)
Foreign currency translation reserve transferred to net profit on disposal of controlled entities	146.5
Non-controlling interest disposed	28.2
Transaction and establishment costs	(22.2)
Gain on disposal before income tax expense	26.4
Reconciliation of cash consideration	
Consideration	561.9
Less: Transaction and establishment costs	(22.2)
	539.7
Less: Cash and cash equivalents disposed	(77.0)
Consideration (net of transaction and establishment costs)	462.7

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

10. DISCONTINUED OPERATIONS, ASSETS HELD FOR SALE AND BUSINESS DISPOSALS

(continued)

(i) Boral Limited and USG Corporation Gypsum Joint Venture (continued)

Assets and liabilities disposed are as follows:

	Carrying amount \$ millions
CURRENT ASSETS	
Cash and cash equivalents	(100.6)
Receivables	(176.2)
Inventories	(78.2)
Other assets	(4.2)
NON-CURRENT ASSETS	
Receivables	(15.5)
Investments accounted for using the equity method	(14.7)
Property, plant and equipment	(785.8)
Intangible assets	(668.8)
Deferred tax assets	(5.7)
CURRENT LIABILITIES	
Bank overdraft	23.6
Payables	126.6
Loans and borrowings	31.8
Current tax liabilities	2.6
Provisions	21.0
NON-CURRENT LIABILITIES	
Loans and borrowings	23.2
Deferred tax liabilities	28.7
Provisions	14.0
Net assets disposed	(1,578.2)

(ii) Potential Australian East Coast Brick Operations Joint Venture

On 4 April 2014, Boral announced that it has entered into an agreement with CSR Limited to combine their East Coast and South Australian bricks operations, subject to certain completion conditions.

At 30 June 2014, the East Coast bricks business has not been classified as held for sale in the financial statements, as the transaction remains subject to a number of conditions precedent including clearance by the Australian Competition and Consumer Commission.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

10. DISCONTINUED OPERATIONS, ASSETS HELD FOR SALE AND BUSINESS DISPOSALS (continued)

	CONSOLIDATED	
	2014 \$ millions	2013 \$ millions
(iii) Disposal of discontinued businesses (excluding Boral Gypsum)		
During the year, the Group disposed of its Windows business.		
Prior year comparatives also include the discontinued operations relating to former Asian Construction Materials and East Coast Masonry businesses, which were disposed of during financial year ended 30 June 2013.		
Consideration	16.5	76.5
Cash	(2.1)	(4.3)
Trade and other receivables	(21.3)	(50.1)
Inventories	(13.2)	(13.1)
Property, plant and equipment	(6.7)	(4.0)
Intangible assets	-	(0.9)
Other assets	(0.2)	(3.0)
Payables	17.4	13.8
Provisions	5.9	0.2
Net assets disposed	(20.2)	(61.4)
Foreign currency translation reserve transferred to net profit on disposal of controlled entities	-	(3.1)
Gain/(loss) on disposal of discontinued operations before income tax expense	(3.7)	12.0
Consideration	19.2	76.5
Less: Transaction costs	(2.7)	-
Less: Cash and cash equivalents disposed	(2.1)	(4.3)
Consideration (net of transaction costs)	14.4	72.2
Disposal of Oklahoma Concrete		
In June 2013, the Group sold its Oklahoma Concrete business for net cash proceeds of \$15.6 million and generated a loss before tax of \$5.3 million.		
The disposal of the Oklahoma Concrete business was not recorded as a discontinued operation as it was not considered as a material business of the Group.		
Summary of consideration (after transaction costs)		
Boral Limited and USG Corporation Gypsum Joint Venture	539.7	-
Discontinued businesses (excluding Boral Gypsum)	16.5	76.5
Oklahoma Concrete	-	15.6
	556.2	92.1
Less: Cash and cash equivalents disposed	(79.1)	(4.3)
Total	477.1	87.8

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

11. EARNINGS PER SHARE

Classification of securities as ordinary shares

Only ordinary shares have been included in basic earnings per share (EPS).

Classification of securities as potential ordinary shares

Options outstanding under the Executive Share Option Plan and Share Performance Rights have been classified as potential ordinary shares and are included in diluted earnings per share only.

	CONSOLIDATED	
	2014	2013
	\$ millions	\$ millions
Earnings reconciliation		
Net profit before significant items and non-controlling interests	174.3	110.8
Profit attributable to non-controlling interests	(2.9)	(6.4)
Net profit excluding significant items	171.4	104.4
Net significant items	1.9	(316.5)
Net profit/(loss) attributable to members of the parent entity	173.3	(212.1)
Earnings reconciliation - continuing operations		
Net profit before significant items and non-controlling interests	130.9	52.5
Loss attributable to non-controlling interests	2.9	1.9
Net profit excluding significant items	133.8	54.4
Net significant items	(24.6)	(321.8)
Net profit/(loss) attributable to members of the parent entity - continuing operations	109.2	(267.4)

	CONSOLIDATED	
	2014	2013
Weighted average number of ordinary shares used as the denominator		
Number for basic earnings per share	778,940,970	766,598,996
Effect of potential ordinary shares	7,225,673	6,437,744
Number for diluted earnings per share	786,166,643	773,036,740
Basic earnings per share	22.2c	(27.7c)
Diluted earnings per share	22.0c	(27.7c)
Basic earnings per share (excluding significant items)	22.0c	13.6c
Diluted earnings per share (excluding significant items)	21.8c	13.5c
Basic earnings per share (continuing operations)	14.0c	(34.9c)
Diluted earnings per share (continuing operations)	13.9c	(34.9c)

The average market value of the Company's shares for the purpose of calculating the dilutive effect of share options was based on quoted market prices for the period that the options were outstanding.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

12. DIVIDENDS

Dividends recognised by the Group are:

	Amount per share	Total amount \$ millions	Franked amount per share	Date of payment
2014				
2013 final - ordinary	6.0 cents	46.4	6.0 cents	27 September 2013
2014 interim - ordinary	7.0 cents	54.5	7.0 cents	24 March 2014
Total		100.9		
2013				
2012 final - ordinary	3.5 cents	26.6	3.5 cents	28 September 2012
2013 interim - ordinary	5.0 cents	38.3	5.0 cents	25 March 2013
Total		64.9		

Subsequent event

Since the end of the financial year, the Directors declared the following dividend:

	Amount per share	Total amount \$ millions	Franked amount per share	Date of payment
2014 final - ordinary	8.0 cents	62.6	8.0 cents	26 September 2014

The financial effect of the final dividend for the year ended 30 June 2014 has not been brought to account in the financial statements for the year but will be recognised in subsequent financial reports.

Dividend Reinvestment Plan

The Group's Dividend Reinvestment Plan, which was suspended following the interim dividend paid on 24 March 2014, will remain suspended until further notice.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

OWNERSHIP INTEREST

Name	Principal activity	Country of incorporation	Balance date	OWNERSHIP INTEREST	
				2014 %	2013 %
Details of equity accounted investments					
Bitumen Importers Australia Pty Ltd	Bitumen importer	Australia	30-Jun	50	50
Caribbean Roof Tile Company Limited	Roof tiles	Trinidad	31-Dec	50	50
Flyash Australia Pty Ltd	Fly ash collection	Australia	31-Dec	50	50
Gypsum Resources Australia Pty Ltd ¹	Gypsum mining	Australia	30-Jun	-	50
Highland Pine Products Pty Ltd	Timber	Australia	30-Jun	50	50
Penrith Lakes Development Corporation Ltd	Quarrying	Australia	30-Jun	40	40
Rondo Building Services Pty Ltd ¹	Rollform systems	Australia	30-Jun	-	50
South East Asphalt Pty Ltd	Asphalt	Australia	30-Jun	50	50
Sunstate Cement Ltd	Cement manufacturer	Australia	30-Jun	50	50
USG Boral Building Products Pty Ltd ²	Plasterboard	Australia	30-Jun	50	-
USG Boral Building Products Pte Ltd ²	Plasterboard	Singapore	30-Jun	50	-
US Tile LLC	Roof tiles	USA	31-Dec	50	50

¹ On the 28 February 2014, Boral divested its interests in Rondo Building Services and Gypsum Resources Australia as part of the formation of the Gypsum joint ventures with USG Corporation.

² In return for contribution of its Australian and Asian operations, the Group received a 50% interest in the new joint ventures in Australia and Asia. The results were equity accounted from 1 March 2014 when the joint ventures were formed.

RESULTS OF EQUITY ACCOUNTED INVESTMENTS	Note	Gypsum Operations *		Total	
		2014 \$ millions	2013 \$ millions	2014 \$ millions	2013 \$ millions
Profit before income tax expense		33.7	-	136.1	32.2
Income tax expense		(11.5)	-	(42.2)	(9.1)
Non-controlling interest		(2.0)	-	(2.0)	-
Net profit before significant items		20.2	-	91.9	23.1
Impairment of investment disclosed as significant item		-	-	-	(7.0)
Restructure costs disclosed as significant item net of tax		(7.6)	-	(7.6)	-
Net profit - equity accounted relating to continuing operations		12.6	-	84.3	16.1

The Group's share based on % ownership:

Net profit before significant items		10.1	-	41.1	11.1
Impairment of investment disclosed as significant item	8	-	-	-	(3.5)
Restructure costs disclosed as significant item	8	(3.8)	-	(3.8)	-
Net profit - equity accounted relating to continuing operations		6.3	-	37.3	7.6

Results include the following equity accounted share of net profit:

Continuing operations

Sunstate Cement Ltd	8.2	6.4
Penrith Lakes Development Corporation Ltd	19.4	1.6
USG Boral Building Products *	10.1	-

Discontinued operations

Rondo Building Services Pty Ltd	5.9	10.0
---------------------------------	-----	------

* Gypsum operations include results from USG Boral Building Products, which were equity accounted from 1 March 2014 when the joint venture was formed. In addition, \$3.8 million has been recorded as an expense in significant items.

CONSOLIDATED

	2014	2013
14. NET TANGIBLE ASSET BACKING		
Net tangible asset backing per ordinary security	\$4.03	\$3.17

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

	CONSOLIDATED	
	2014 \$ millions	2013 \$ millions
15. LOANS AND BORROWINGS		
Current		
Bank overdrafts - unsecured	-	14.2
Bank loans - unsecured	-	54.4
Other loans - unsecured	214.1	56.9
Finance lease liabilities	1.3	1.4
	215.4	126.9
Non-current		
Bank loans - unsecured	-	432.2
Other loans - unsecured	881.3	1,101.0
Finance lease liabilities	4.8	6.4
	886.1	1,539.6
Total	1,101.5	1,666.5

Terms and conditions of outstanding loans were as follows:

	CONSOLIDATED				
	Currency	Effective interest rate	Year of maturity	2014 Carrying amount \$ millions	2013 Carrying amount \$ millions
Current					
Bank overdrafts - unsecured	Multi	-	-	-	14.2
Bank loans - unsecured	Multi	-	-	-	54.4
US senior notes - unsecured	USD	5.42%	2015	213.7	56.2
Other loans - unsecured	AUD	8.23%	2014-2015	0.4	0.7
Finance lease liabilities	AUD	6.05%	2014-2015	1.3	1.4
				215.4	126.9
Non-current					
Syndicated term credit facility - unsecured	USD	-	-	-	75.6
Syndicated loan facility - unsecured	AUD	-	-	-	300.0
Bank loans - unsecured	Multi	-	-	-	56.6
US senior notes - unsecured	USD	6.59%	2017-2020	699.7	930.4
CHF notes - unsecured	CHF	2.25%	2020	178.1	166.8
Other loans - unsecured	AUD	8.79%	2015-2022	3.5	3.8
Finance lease liabilities	Multi	6.00%	2015-2018	4.8	6.4
				886.1	1,539.6
Total				1,101.5	1,666.5

	CONSOLIDATED	
	2014 \$ millions	2013 \$ millions
16. OTHER FINANCIAL LIABILITIES		
Current		
Derivative financial liabilities	12.1	8.0
Future purchase liability - Cultured Stone *	-	48.1
	12.1	56.1
Non-current		
Derivative financial liabilities	38.8	25.5

* During the year, the Group paid \$48.4 million in respect of the outstanding liability relating to the acquisition of the Cultured Stone business in the USA. (refer to note 21(iv))

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

	CONSOLIDATED	
	2014	2013
	\$ millions	\$ millions

17. ISSUED CAPITAL

Issued and paid up capital

782,736,249 (2013: 774,000,641) ordinary shares, fully paid	2,477.6	2,433.8
---	----------------	---------

Movements in ordinary issued capital

Balance at the beginning of year	2,433.8	2,368.4
8,735,608 (2013: 6,973,870) shares issued under the Dividend Reinvestment Plan	43.8	29.4
Nil (2013: 8,319,496) shares issued under the Dividend Reinvestment Plan underwriting agreement	-	35.5
Nil (2013: 135,135) shares issued on vesting of rights	-	0.5
Balance at the end of the year	2,477.6	2,433.8

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings.

In the event of a winding up of Boral Limited, ordinary shareholders rank after creditors and are fully entitled to any proceeds of liquidation.

18. RESERVES

Foreign currency translation reserve	(50.0)	81.9
Hedging reserve - cash flow hedges	(4.6)	2.4
Other reserve	(6.9)	(66.3)
Share-based payments reserve	63.6	56.4
	2.1	74.4

19. CONTINGENT LIABILITIES

The Company has given to its bankers letters of responsibility in respect of accommodation provided from time to time by the banks to controlled entities.

A number of sites within the Group and its associates have been identified as contaminated, generally as a result of prior activities conducted at the sites, and review and appropriate implementation of clean-up requirements for these is ongoing. For sites where the requirements can be assessed, estimated clean-up costs have been expensed or provided for. For some sites, the requirements cannot be reliably assessed at this stage.

Certain entities within the Group are subject to various lawsuits and claims in the ordinary course of business.

Consistent with other companies of the size and diversity of Boral, the Group is the subject of periodic information requests, investigations and audit activity by the Australian Taxation Office (ATO) and taxation authorities in other jurisdictions in which Boral operates.

The Group has considered all of the above claims and, where appropriate, sought independent advice and believes it holds appropriate provisions.

Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

20. ACQUISITIONS

There were no acquisitions during the year ended 30 June 2014.

CONSOLIDATED

	2014	2013
	\$ millions	\$ millions

21. NOTES TO STATEMENT OF CASH FLOWS

(i) Reconciliation of cash and cash equivalents:

Cash includes cash on hand, at bank and short term deposits, net of outstanding bank overdrafts. Cash as at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash and cash equivalents	383.2	149.9
Bank overdrafts	-	(14.2)
	383.2	135.7

At 30 June 2013, the Group also held \$70.6 million of bank deposits maturing in less than 180 days.

(ii) The following non-cash financing and investing activities have not been included in the statement of cash flows:

Dividends reinvested under the Dividend Reinvestment Plan	43.8	29.4
---	------	------

(iii) Restructure costs

During the year, the Group incurred costs associated with:

Restructure and business closure costs	(33.5)	(73.2)
--	--------	--------

(iv) During the year the Group made the final payment of \$48.4 million in respect of the acquisition of the remaining 50% membership interest in Owens Corning Masonry Products LLC ("Cultured Stone"). This resulted in the Group's shareholding increasing to 100%. The Group previously assumed Board control and management control of operations, and consolidated the results and recognised a non-controlling interest in the financial statements.

Annual General Meeting

The Annual General Meeting will be held as follows:

Place:	City Recital Hall, Angel Place, Sydney
Date:	Thursday, 6 November 2014
Time:	10.30 am
Approximate date the annual report will be available:	17 September 2014

Compliance Statement

- 1 This preliminary final report for the year ended 30 June 2014 has been prepared in accordance with the ASX listing rules. It should be read in conjunction with any announcements to the market made by the Group during the year.

This report is based on accounts which have been audited. The audit report, which is unmodified, will be made available with the Boral Limited Annual Report on 17 September 2014. The Annual Report is currently being finalised in publishable form.

- 2 The entity has a formally constituted audit committee.