

Case study

Corporate finance

The then current development pipeline of contracted projects was valued in excess of \$2 billion.

Independent accountant's report for new \$50 million hybrid security of property group

Sebastian Stevens, Partner, BDO Kendalls

Highlights

Over the past six years a stapled property development, funds management and investment group had delivered property developments valued at approximately \$600 million. The then current development pipeline of contracted projects was valued in excess of \$2 billion.

The Challenge

The client offered a hybrid security of up to \$50 million that was to be ASX quoted.

The hybrid security provides investors an opportunity to potentially convert to stapled securities in the event there is an IPO of the client.

How we helped

BDO Kendalls Corporate Finance was engaged by the property group to act as independent accountant as well as a member of the due diligence committee, providing a report for inclusion in the Offer Document.

BDO Kendalls has also helped with the resolution of disclosure and accounting issues regarding AIFRS.

This involved a detailed review of the historical financial performance and cash flows for the three years ended 30 June 2005 and the pro-forma balance sheet as at 30 June 2005.

These were prepared under AIFRS to ensure the financial information had been independently reviewed and any material issues had been highlighted.

BDO Kendalls has also helped with the resolution of disclosure and accounting issues regarding AIFRS.

For the future

The Offer Document was successfully lodged with ASIC on 29 November 2005 and the offer will open on 7 December 2005.

Our client became the first listed Hybrid security on the ASX that did not have a listed parent entity.

Related links

[BDO Kendalls Corporate finance](#)

For more information

Phone 1300 138 991 or visit www.bdo.com.au

BDO Kendalls is a national association of separate partnerships and entities. *Liability limited by a scheme approved under Professional Standards Legislation. Disclaimer: This publication is issued exclusively for the general information of clients and staff of BDO Kendalls. The contents are not a substitute for specific advice and should not be relied upon as such. Accordingly, whilst every care has been taken in the presentation of the publication, no responsibility is accepted for persons acting on this information.

© 2007