|  |  |  |  |
| --- | --- | --- | --- |
| FRD 30 |  |  | Standard requirements for the publication of annual reports (April 2022) |
|  |  |  |  |
| Purpose |  | 1.1 | To prescribe the:  design and print specifications, and  specification of monetary amounts to be expressed (for rounding purposes)  for annual reports to ensure consistency, cost minimisation and low environmental impact. |
| Application |  | **2.1** | Applies to all entities defined as either a public body or a department under section 3 of the *Financial Management Act 1994* (FMA). Public entities as defined by section 5 of the *Public Administration Act 2004* are encouraged to apply this FRD. |
| Operative date |  | **3.1** | **Reporting periods commencing on or after 1 July 2016.** |
|  |  | **3.2** | **FRD 30D *Standard requirements for the publication of annual reports* is renamed to FRD 30 *Standard requirements for the publication of annual reports* effective 1 April 2022*.*** |
| Requirements |  | **4.1** | Annual reports are to be produced in accordance with the design and print specifications detailed in this direction. |
|  |  | **4.2** | Government entities are expected to obtain value for money in procuring services to design and print publications. Excessive or unnecessarily expensive design and print is not appropriate for annual reports. |
|  |  | **4.3** | Annual reports are reports of the financial and business operations of an entity, produced to comply with legislation and financial reporting directions. They are not marketing documents. Where entities require corporate marketing publications, such documents should be produced in recognition of that primary objective. |
|  |  | **4.4** | The content of annual reports should meet the minimum reporting requirements, as prescribed by relevant legislation and Australian accounting standards. |
|  |  | **4.5** | **The financial statements of the entity must be expressed to the nearest dollar except where the total assets, or revenue, or expenses of the entity are greater than:**   * **$10 000 000, when the amounts shown in the financial statements may be expressed by reference to the nearest $1 000; or** * **$1 000 000 000, when the amounts shown in the financial statements may be expressed by referencing to the nearest $100 000.** |
| Procedure |  | 5.1 | General  Annual reports are to be developed in line with the design, content development, photography and print specifications below, to ensure costs of producing these reports are reasonable and where possible, reduced.  These guidelines have also been developed to ensure greater consistency in the quality of annual reports across public bodies and departments. |
|  |  | 5.2 | Photography  Use of photographs is to be kept to a **minimum**. Large format, full page photographs are not to be included.  Photographs of senior management are not necessary in an annual report. It is costly and time consuming to keep these photos up to date. Entities may include approved photos of their Minister(s) and Secretary/CEO/organisation head.  Photography is not to be commissioned each year for annual reports. If it is necessary to illustrate a narrative in an annual report, existing, approved photographs should be used.  Where photos are necessary, they are to be printed in black and white on internal pages and may be produced in full colour on the cover of an annual report.  The standard approval process for the use of photos applies to those used in annual reports. They must be approved for the specific use, talent release forms signed and appropriate to the content (i.e. not a non‑Victorian stock image). |
|  |  | 5.3 | **Design**  High end design is strongly discouraged as it is not appropriate for annual reports.  Covers may be designed in full colour, however internals should be kept to 1 colour (black) or colours may be used where it is essential to enable the readability and legibility of complex charts, graphs, maps or diagrams.  Whole of government branding guidelines should be applied. |
|  |  | 5.4 | **Content development**  The contents of annual reports should be easy to read and easy to find, through the use of headings, a table of contents and the disclosure index.  Jargon and complex language should be avoided.  Case studies or examples can be used to illustrate achievement of outputs, however the detail provided in these examples should be kept to a minimum. If an entity wants to promote an achievement by its organisation an alternative channel such as a website should be used.  Where possible, content should be developed, written and edited in house, to reduce the costs of engaging external writers and/or editors. If content is kept to a minimum, to meet basic reporting requirements, the need for an external writer or editor can also be reduced. |
|  |  | 5.5 | **Print**  ***Use of colour***  Report covers may be printed in **full colour on both sides**.  Internals should be kept to **one colour only**, however additional colour may be used if it facilitates the proper understanding of information such as charts, graphs, maps or diagrams. The use of black plus one other colour should be sufficient for text in most instances. |
|  |  |  | ***Standard sizes***  Annual reports must be produced with a finished size of **A4** (297mm x 210mm), in **portrait** format. Individual pages may have a landscape orientation if it facilitates the proper understanding of information such as tables, charts, graphs, maps or diagrams that would otherwise be difficult to read. Non‑standard sizes are not permitted.  A4 size is the required size for tabling in Parliament and it also results in the most economic use of standard size sheets used by printers, which reduces cost and waste. |
|  |  |  | ***Number of pages and copies***  The **number of pages** in annual reports should be kept to a minimum, within the context of supplying all information required to meet financial reporting legislative requirements. This requirement should also be balanced with maintaining good design principles of readability and clean, clear layout.  The **number of copies** printed should be kept to a minimum. Hard copies should be produced only for tabling in Parliament and to provide to stakeholders who are not able to access the report online.  If you have a mailing list of recipients of the annual report, this should be reviewed annually and stakeholders should be encouraged to opt in for an online version, rather than a hard copy.  Stakeholders should be directed to electronic versions on websites. The Victorian Government’s accessibility communications guidelines should also be considered to ensure equal access to print or suitable online versions. |
|  |  |  | ***Stock selection***  Uncoated stocks are **preferable** and **highly encouraged**, for covers and internal pages of annual reports. An Uncoated stock of **110gsm** **to 140gsm** is preferable for internal pages of an annual report.  An Uncoated stock of **250gsm to 300gsm** is preferable for covers of an annual report.  Environmentally suitable paper stocks must be selected for covers and internal pages. |
|  |  |  | ***Finishing***  Perfect or PUR binding is required for annual reports.  Coatings such as cellosheens or varnishes are not to be applied to cover or internal stocks, as this adds to the cost of production.  Finishing elements that contribute to excess costs such as Spot varnish, Die cutting or Embossing must not be used.  Additional packaging, such as plastic folders or boxes is also not to be used, as this adds to the cost and bulk of annual reports. |
| Definitions |  | 6.1 | **Bleeds** –printing that extends to the edge of a sheet or page after trimming. |
|  |  | 6.2 | **Coated stock** – has a coating, usually of china clay, giving the paper or card a smooth surface, which can be gloss or silk in finish (gloss being shiny and silk offering more of a matt finish). Coated stocks tend to be used for high quality, high finish publications with full colour images, where image reproduction is at a premium. |
|  |  | 6.3 | **Die cutting** – process of cutting irregular shapes in paper using a die, or shaped cutting tool. Whenever you see a brochure, card or poster that is not a rectangle or square, it is most likely to be die cut. |
|  |  | 6.4 | **Embossing** – process of creating raised images and designs in paper and other materials. |
|  |  | 6.5 | **Environmentally sustainable paper stocks –** paper stocks that are either certified by the Forest Stewardship Council (FSC) or Program for the Endorsement of Forest Certification (PEFC). |
|  |  | 6.6 | **Grams per square metre (gsm)** – A method of indicating the substance of paper or board (whatever the size of the paper/board or number of sheets in the package) on the basis of weight in grams per square metre. |
|  |  | 6.7 | **Perfect binding** – the application of an ethylene vinyl acetate (EVA) adhesive to the spine gathered pages which, when dry, keeps them securely bound. The drying process is quick and is completed within a few hours. |
|  |  | 6.8 | **Portrait** – a vertical orientation of the paper in which the page is taller than it is wide. |
|  |  | 6.9 | **PUR binding** – the same process as perfect binding, but with the use of polyurethane reactive (PUR) adhesive, which offers a stronger binding quality and flexibility. The drying process is longer and requires a minimum of 24-36 hours after the job has been completed. |
|  |  | 6.10 | **Spot varnish** – varnish applied to particular sections of a page to highlight a particular image, graphic or word. |
|  |  | 6.11 | **Uncoated stock** – does not have a coating and is absorbent and soft in appearance. Most of the high percentage recycled papers are uncoated. Standard Uncoated stocks tend to absorb a greater amount of ink than coated papers, and are used for publications where image reproduction is not as critical as perhaps price, or environmental considerations. |
|  |  | 6.12 | **Varnishing** – to apply oil, synthetic, spirit, cellulose or water varnish to printed matter by hand or machine to enhance its appearance or increase its durability |
| Relevant pronouncements |  | 7.1 | All financial reporting directions relating to the content of annual reports (e.g. FRD 22 and FRD 29) are impacted by this FRD as FRD 30 pronounces how the contents will be presented. |
|  |  | 7.2 | Reference to this FRD is made in the *Model Report for Victorian Government Departments*, in both the introductory chapter and the model Report of Operations. |
| Background |  | 8.1 | Victorian government entities produce annual reports that are presented to Parliament each year. The Government has a desire to ensure that these reports are consistent, appropriate and adhere to reporting directions and legislation. |
|  |  | 8.2 | This FRD was first issued in March 2010. It was revised in:   * March 2011 to amend the print specifications in relation to the preferred paper stock. * April 2015 to update the print specifications in relation to the use of colour, reflecting that digital printing now uses four colours as a standard. There is no expected change in the cost or process whether one or four colours are used. The revised FRD also reflects the relocation of requirements from Standing Direction 4.2(d) to this FRD in relation to rounding when presenting financial statements.   January 2016 to update the print specifications to allow entities to present individual pages in the annual report in a landscape format, to improve the readability and understanding of information, such as tables, charts and graphs. The definitions for embossing and portrait have also been updated.  May 2017 to update the design specifications to refer to whole of Victorian Government branding, and update the print specifications to include PUR binding as an option under finishing. The definitions for PUR and perfect binding have been included, and updated for environmentally sustainable paper stocks. Appendix 1 design and print specifications has been removed to ensure only mandatory requirements are reflected in the FRD and to remove any duplication of information.  September 2019 to provide clarification of the recyclability of coated stock. |