

Change in accounting policy

Retained profits in prior year included the adjustment for commission relating to long-term deferred revenue for US\$290,000 (refer to Note 3 AASB15).

Note 21. Equity - dividends

Dividends paid during the financial year were as follows:

	Consolidated	
	2019 US\$'000	2018 US\$'000
Final dividend for the year ended 30 June 2018 of AU 14 cents (2017: AU 12 cents)	13,327	12,534
Interim dividend for the half year ended 31 December 2018 of AU 16 cents (2017: AU 13 cents)	14,801	13,099
	28,128	25,633

The Directors have declared a final dividend of AU 18 cents per share for the year ended 30 June 2019. The dividend will be paid on 25 September 2019 based on a record date of 4 September 2019. This amounts to a total dividend of US\$15.9 million based on the number of shares outstanding.

Accounting policy for dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

Note 22. Financial risk management

Financial risk management objectives

The Group activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance'). Risk management includes identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group operating units. Finance reports to the Board on a quarterly basis.

Market risk

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

Foreign currency revenues are partially hedged by foreign currency denominated expenses. The Group does not have additional hedges against this risk.