



# TORC

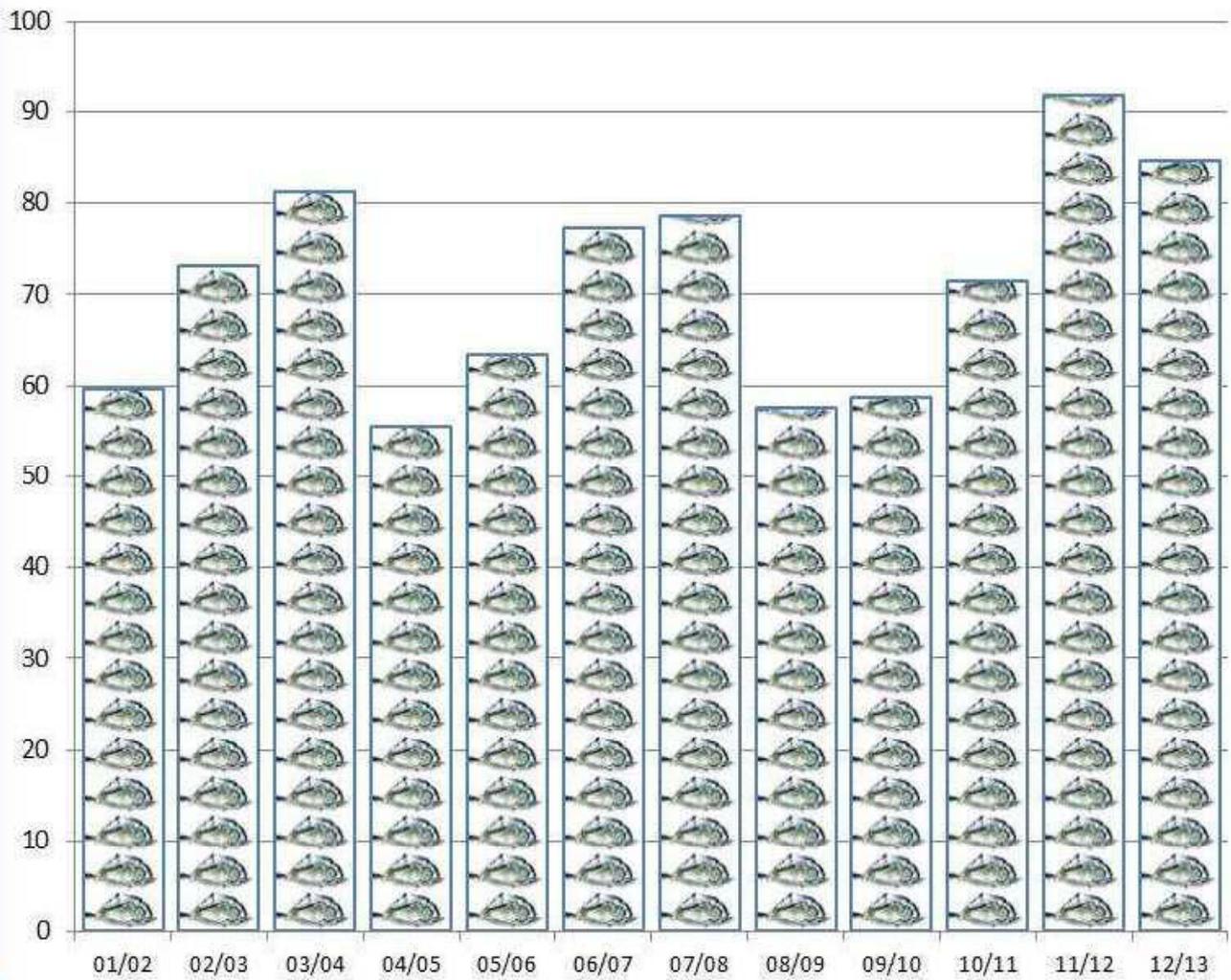
TASMANIAN OYSTER RESEARCH COUNCIL LIMITED

**ACN 050 205 297**

## **Annual Financial Report For The Year Ended 30 June 2013**

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## Tasmanian Annual Spat Purchases (millions)



**TASMANIAN OYSTER RESEARCH COUNCIL LIMITED**  
**ACN 050 205 297**  
**DIRECTORS' REPORT**

Your directors present their report on the company for the financial year ended 30 June 2013.

The names of directors in office at any time during or since the end of the year are:

Scott Brooks  
Ben Cameron  
Ian Duthie  
Hayden Dyke  
Giles Fisher  
Thomas Kennedy  
Scott Parkinson  
Sebastian Rainer

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

### **Company Secretary**

The following person held the position of company secretary at the end of the financial year:

Robert Cox Bbus (Acctg & Cmptg) ,FCA, FTIA, FAICD (Dip) - Mr Cox was appointed Company Secretary on 1 December 2000

### **Principal Activities**

The principal activities of the entity during the financial year were:

- commissioning or otherwise facilitating research activities designed to advance the knowledge of, and where possible provide information to actually advance, Pacific Oyster farming, production and market uptake;
- sponsoring of the Pacific Oyster Health Program and liaison with the relevant State and Federal Government departments and agencies concerned;
- provision of information services to members on relevant matters; and
- liaise with other industry bodies, academic institutions and government departments and agencies on matters perceived to be of interest or concern to the Tasmanian Pacific Oyster industry for which research activity may be warranted.

There has been no significant changes in the nature of the principal activities during the financial year.

### **Operating Results**

The loss of the entity amounted to \$6,566 (2012: loss \$27,014).

### **Dividends Paid or Recommended, Options**

No dividends were paid or declared for payment nor is any recommendation made in respect of dividends as the company is precluded by its Constitution from doing so. No options exist.

### **Review of Operations**

#### **Research Activity**

1. TORC is a significant shareholder in Australian Seafood Industries P/L (ASI), an industry owned company commissioned to research, develop and commercialise breeding technology. During the year TORC has continued to provide advice and financial support to ASI.

2. TORC has joined forces with other industry participants to be part of the Australian Seafood CRC Limited through an Oyster Consortium which initially included the NSW, South Australian and Tasmanian industries and which has grown with the entry of Queensland in 2009. There is a partial matching of TORC's contribution by the State Government and the effective contributions of all Consortium participants was:

**TASMANIAN OYSTER RESEARCH COUNCIL LIMITED**  
**ACN 050 205 297**  
**DIRECTORS' REPORT**

	2012/13	2011/12
TORC	\$53,500	\$53,500
Australian Seafood Industries Pty Ltd	\$500	\$500
Queensland Oyster Growers Association	\$1,000	\$1,000
Select Oyster Company Pty Ltd (NSW)	\$85,500	\$85,500
Shellfish Culture Limited	\$10,000	\$10,000
South Australian Oyster Research Council	\$52,500	\$52,500

The combined contributions of the Oyster Consortium members is contributed through the Fisheries Research and Development Corporation and attracts a 92% "matching" pursuant to the PIERD Act (Cwlth) and when that money is received by the Australian Seafood CRC Limited (CRC) there is a further Commonwealth matching of 75% as part of the funding of the CRC.

**Tasmanian Pacific Oyster Health Surveillance Program (TPOHSP)**

1. In cooperation with the Tasmanian Department of Primary Industry, Parks, Water and Environment (DPIPWE) TORC has continued to fund a major part of the cost of this program which is essential for Federal and State export certification of oyster products.

2. TORC has consulted vigorously with DPIPWE in an effort to update TPOHSP policies and to secure extension of the program to include provision of field diagnostic services. This consultation is ongoing.

**Industry, Academia and Government Liaison**

Liaison both direct and through ASI has been extensively undertaken with a number of bodies including:

- NSW and South Australian oyster industries participants
- South Australian Oyster Research Council
- Select Oyster Company (including NSW Oyster Farmers Association and NSW Farmers (Oyster Div))
- CSIRO Marine Reserach
- Department of Primary Industries, Parks, Water and Environment (Tasmania)
- Fisheries Research & Development Corporation
- Institute of Marine and Antarctic Studies
- Macquarie University
- South Australian Marine Research & Development Institute
- University of Sydney
- University of Tasmania

**Financial Position**

The net assets of the company increased during the year by \$6,566 (being the net profit for the year) (2012: decrease \$27,014) which arose from revenues from the purchase of oyster spat by members, an increase of \$1,417 (2012: increase \$18,300), while administrative costs were contained and net project costs decreased by \$76,000 (2012: increase of \$52,468).

During the previous eight financial years the company has increased funds advanced to Australian Seafood Industries (ASI) which currently stands at \$223,000 (2012: \$203,000). These advances are targeted to secure, for the company's members, improved oyster spat by ASI continuing its success in developing improved broodstock via selective breeding. An unintended but very welcome by-product of the selective breeding is the headstart this provides industry as it tackles the advent of the Pacific Oyster Mortality Syndrome (POMS) in Australian waters.

While further support to ASI is anticipated as being required, ASI is approaching self sufficiency and direct returns to the company are anticipated in the future along with continuing tangible benefits to the company's members through access to improved oyster seed. Nonetheless, in the 2010/11 year an impairment loss on the loan had been provided for of \$100,000 in accordance with the International Financial Reporting Standards and in the current year the \$20,000 (2012: \$40,000) contribution has been treated as a project expense rather than an addition to the ASI loan.

The directors believe the company is in a strong and stable financial position to expand and grow its current operations.

**TASMANIAN OYSTER RESEARCH COUNCIL LIMITED**  
**ACN 050 205 297**  
**DIRECTORS' REPORT**

### **Significant Changes in State of Affairs**

There has been no significant changes in the state of affairs of the company which occurred during the financial year or to the date of this report.

### **After Balance Date Events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

### **Future Developments, Prospects and Business Strategies**

In accord with the Strategic Plan approved by the membership the company continues in a "steady as she goes" phase with the continuation of existing activities, in respect of both breadth and depth, being the focus for the immediate future.

### **Environmental Issues**

The company's operations are not directly subject to any environmental regulation under the law of the Commonwealth and State; however, research and liaison activity to better equip the company's members in respect of their environmental obligations remains a high priority and is being actively pursued through project activity such as the Environmental Management Systems, Pacific Oyster Health Program and contribution to the Fisheries Research Development Corporation (CwIth).

### **Information on Directors**

#### **Scott Brooks**

— Director  
Qualifications — Australian Institute Company Directors- GAICD and current member, Cert 4 Aquaculture, Diploma of Management  
Experience — Board member since 2012  
Interest in Shares and Options — Nil  
Special Responsibilities — Director appointed as a grower nominee  
Meetings of Directors — Attended 3 of 3 meetings eligible to attend in the period 1 July 11 to 30 June 12  
Directorships held in listed entities — Nil  
Remuneration — Nil

#### **Ben Cameron**

— Director  
Qualifications — National NSLIP graduate 2010, Bachelor Economics (Economic Policy), Bachelor Arts (Public Policy/Political Science)  
Experience — Board member since 2012  
Interest in Shares and Options — Nil direct interest but it is disclosed that Cameron of Tasmania Pty Ltd and the company have entered into a contract in respect of the payment across of TORC levies collected by Cameron of Tasmania on behalf of TORC and the verification of those amounts.  
Special Responsibilities — Director appointed as a hatchery nominee  
Meetings of Directors — Attended 3 of 3 meetings eligible to attend in the period 1 July 12 to 30 June 13  
Directorships held in listed entities — Nil  
Remuneration — Nil

#### **Ian Duthie**

— Director and Chairman  
Qualifications — Diploma of Applied Science (University of Tasmania) 1994  
Experience — Board member since 2002  
Interest in Shares and Options — Nil  
Special Responsibilities — Director appointed as a hatchery nominee  
Meetings of Directors — Attended 2 of 3 meetings eligible to attend in the period 1 July 12 to 30 June 13  
Directorships held in listed entities — Nil  
Remuneration — Nil

**TASMANIAN OYSTER RESEARCH COUNCIL LIMITED**  
**ACN 050 205 297**  
**DIRECTORS' REPORT**

<b>Hayden Dyke</b>	— Director
Experience	— Board member since 2003
Interest in Shares and Options	— Nil
Special Responsibilities	— Director appointed as a grower nominee
Meetings of Directors	— Attended 3 of 3 meetings eligible to attend in the period 1 July 12 to 30 June 13
Directorships held in listed entities	— Nil
Remuneration	— Nil
<b>Giles Fisher</b>	— Director
Qualifications	— B.App.Sci ( aqua) 1999 UTAS
Experience	— Owner Freycient Marine Farm. Former Regional Manager West Coast Tassal
Interest in Shares and Options	— Nil
Special Responsibilities	— Director appointed as a grower nominee
Meetings of Directors	— Attended 3 of 3 meetings eligible to attend in the period 1 July 12 to 30 June 13
Directorships held in listed entities	— Nil
Remuneration	— Nil
<b>Thomas Kennedy</b>	— Director
Qualifications	— B.Aqua (UTAS 2002)
Experience	— Board member since 2005, Director; Tas Wilderness Oysters Pty Ltd, Shipwreck Aquaculture, Seafood Training Tasmania, TSEC, CHOGA. Vice President/ Treasurer TFIC. Former Director Shipwreck Point Oysters Pty Ltd
Interest in Shares and Options	— Nil direct interest but it is disclosed that entities with which Mr Kennedy is associated and the company have entered into a contract in respect of the payment across of TORC levies collected on behalf of TORC and the verification of those amounts.
Special Responsibilities	— Director appointed as a hatchery nominee
Meetings of Directors	— Attended 2 of 3 meetings eligible to attend in the period 1 July 12 to 30 June 13
Directorships held in listed entities	— Nil
Remuneration	— Nil
<b>Scott Parkinson</b>	— Director
Qualifications	— Grad Dip in Aquaculture (Deakin 1996)
Experience	— Board member since 2012, 23 years' experience in Aquaculture including commercial pearl oyster production, environmental management projects, selective breeding and commercial hatchery production of pacific oysters
Interest in Shares and Options	— Nil direct interest but it is disclosed that Shellfish Culture Ltd and the company have entered into a contract in respect of the payment across of TORC levies collected by Shellfish Culture on behalf of TORC and the verification of those amounts.
Special Responsibilities	— Director appointed as a hatchery nominee
Meetings of Directors	— Attended 2 of 3 meetings eligible to attend in the period 1 July 12 to 30 June 13
Directorships held in listed entities	— Nil
Remuneration	— Nil
<b>Sebastian Rainer</b>	— Director and Deputy Chairman
Qualifications	— B.Sc.(1961)(University of NZ); M.Sc.(1963)(University of Aukland); Ph.D (1968)(University of Otago)
Experience	— Board member since 2001
Interest in Shares and Options	— Nil
Special Responsibilities	— Director appointed as a grower nominee
Meetings of Directors	— Attended 1 of 3 meetings eligible to attend in the period 1 July 12 to 30 June 13
Directorships held in listed entities	— Nil
Remuneration	— Nil

**Remuneration Report**

Details the nature and amount of remuneration received by directors is included in the Information on Directors.

**TASMANIAN OYSTER RESEARCH COUNCIL LIMITED**  
**ACN 050 205 297**  
**DIRECTORS' REPORT**

**Indemnifying Officers or Auditor**

During or since the end of the financial year the company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

The company has paid premiums to insure current and past directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company and as the company's nominee to the board of Australian Seafood Industries Pty Ltd and any other representative appointments, other than conduct involving a wilful breach of duty in relation to the company. The policy covers all directors and the amount of the premium was \$2,248 (2012: \$2,208); and

The company has given indemnities to its nominees appointed to the board of Australian Seafood Industries Pty Ltd, other than in respect of conduct involving a wilful breach of duty.

**Proceedings on Behalf of Company**

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

**Non-audit Services**

Wise Lord & Ferguson has provided the "Independent Person" service re Hatchery Returns. There were no other non-audit services were undertaken during the year.

**Auditor's Independence Declaration**

The auditor's independence declaration for the year ended 30 June 2013 has been received and can be found on the following page.

Signed in accordance with a resolution of the Board of Directors.

Company Secretary

  
*Robert E Cox*

Dated this 27<sup>th</sup> day of September 2013



**Wise Lord & Ferguson**  
Chartered Accountants  
*advice to advantage*

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF TASMANIAN OYSTER RESEARCH COUNCIL LIMITED  
ACN 050 205 297**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2013 there have been no contraventions of the auditor independence requirements of the *Corporation Act 2001* or any applicable code of professional conduct in relation to the audit.

**J DOYLE  
PARTNER  
WISE LORD & FERGUSON**

*25<sup>th</sup> September 2013*



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**Partners:** Harvey Gibson, Danny McCarthy, Douglas Thomson, Joanne Doyle, Stuart Clutterbuck,  
Ian Wheeler, Dean Johnson, Marg Marshall, Paul Lyons, Alicia Leis, Nick Carter  
**Managers:** Melanie Richardson, Simon Jones, Trent Queen, Rachel Burns,  
Nathan Brereton, Melissa Johnson, Donna Powell  
**Consultant:** Peter Beven

**TASMANIAN OYSTER RESEARCH COUNCIL LIMITED**  
**ACN 050 205 297**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	Note	2013 \$	2012 \$
Levy Revenue	2	110,201	108,784
Project Grants	2	-	42,940
Interest Income	2	1,243	2,170
Project Expenses	2	(77,276)	(153,276)
Administration and Governance Expenses	2	(27,602)	(27,632)
Net Profit/(Loss)		<u>6,566</u>	<u>(27,014)</u>
Other Comprehensive Income/(Expense)		-	-
Total Comprehensive Income/(Deficiency)		<u><u>6,566</u></u>	<u><u>(27,014)</u></u>

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2013**

	Note	2013 \$	2012 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	5	50,172	55,334
Accrued Levy Income	6	20,625	16,875
<b>TOTAL CURRENT ASSETS</b>		<u><u>70,797</u></u>	<u><u>72,209</u></u>
<b>NON-CURRENT ASSETS</b>			
Trade and Other Receivables	6	62,930	62,930
Financial Assets	7	70	70
Plant and Equipment	8	-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<u><u>63,000</u></u>	<u><u>63,000</u></u>
<b>TOTAL ASSETS</b>		<u><u><u>133,797</u></u></u>	<u><u><u>135,209</u></u></u>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	9	13,964	8,205
Accrued Expenses		320	14,058
<b>TOTAL CURRENT LIABILITIES</b>		<u><u>14,284</u></u>	<u><u>22,263</u></u>
<b>NON-CURRENT LIABILITIES</b>			
<b>TOTAL NON-CURRENT LIABILITIES</b>		-	-
<b>TOTAL LIABILITIES</b>		<u><u>14,284</u></u>	<u><u>22,263</u></u>
<b>NET ASSETS</b>		<u><u><u>119,512</u></u></u>	<u><u><u>112,946</u></u></u>
<b>EQUITY</b>			
Retained Earnings		<u><u>119,512</u></u>	<u><u>112,946</u></u>
<b>TOTAL EQUITY</b>		<u><u><u>119,512</u></u></u>	<u><u><u>112,946</u></u></u>

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	Retained Earnings	Total
<b>Balance at 30 June 2011</b>	<u><u>139,960</u></u>	<u><u>139,960</u></u>
Profit/(Loss) attributable to members of entity - prior year	<u><u>(27,014)</u></u>	<u><u>(27,014)</u></u>
<b>Balance at 30 June 2012</b>	<u><u>112,946</u></u>	<u><u>112,946</u></u>
Profit/(Loss) attributable to members of entity - current year	<u><u>6,566</u></u>	<u><u>6,566</u></u>
<b>Balance at 30 June 2013</b>	<u><u><u>119,512</u></u></u>	<u><u><u>119,512</u></u></u>

**TASMANIAN OYSTER RESEARCH COUNCIL LIMITED**  
**ACN 050 205 297**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	Note	2013 \$	2012 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers		106,451	108,907
Grant Income Received		-	42,940
Payments to Suppliers and Employees		(112,856)	(200,874)
Interest Received		1,243	2,170
Net cash provided by (used in) operating activities	10	(5,162)	(46,857)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net cash provided by (used in) financing activities		-	-
Net increase in cash held		(5,162)	(46,857)
Cash at beginning of financial year		55,334	102,191
Cash at end of financial year	5	50,172	55,334

**TASMANIAN OYSTER RESEARCH COUNCIL LIMITED**  
**ACN 050 205 297**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

**Note 1 Statement of Significant Accounting Policies**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers Tasmanian Oyster Research Council Limited. Tasmanian Oyster Research Council Limited is a non listed public company, incorporated and domiciled in Australia.

The financial report of Tasmanian Oyster Research Council Limited complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**Basis of Preparation**

*Reporting Basis and Conventions*

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

**Accounting Policies**

**(a) Income Tax**

The company is exempt from taxation under the provisions of section 23(h) of the Income Tax Assessment Act.

**(b) Plant and Equipment**

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

**Depreciation**

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

**(c) Financial Instruments**

**Recognition**

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

**TASMANIAN OYSTER RESEARCH COUNCIL LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

**Note 1 Statement of Significant Accounting Policies (continued)**

**Available-for-sale financial assets**

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value with any remeasurements, other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income, on sale or derecognition any accumulated gains and losses are reclassified to profit and loss.

**(d) Impairment of Assets**

At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement unless the asset relates to an equity instrument not held for trading in which case the gain or loss is recognised in other comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**(e) Investments in Associates**

Investments in associate companies are recognised in the financial statements at cost less any assessed impairment loss.

**(f) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

**(g) Revenue**

Revenue from levies on hatcheries sales of spat is recognised upon the delivery of spat to hatcheries customers or, where a hatchery has its own grow-out operations, transfer to those grow-out facilities. In cases where a hatchery experiences a bad debt or other non-collectability for spat sales or associated levies, levy revenue is adjusted upon the determination of the bad debt/non-collectability.

Dividend revenue is recognised when the right to receive a dividend has been established.

All revenue is stated net of the amount of goods and services tax (GST).

**(h) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(i) Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**TASMANIAN OYSTER RESEARCH COUNCIL LIMITED**  
**ACN 050 205 297**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

**Note 1 Statement of Significant Accounting Policies (continued)**

**Financial Risk Management**

The entity holds no securities and has no price risk in this area.

A credit risk exists in respect of trade and other receivables which arises from potential default of the counter party with a maximum exposure equivalent to the carrying amount of those instruments. Exposure at balance day is addressed in each applicable note. The entity does not hold any credit derivatives to offset its credit exposure. The entity trades only with recognised, creditworthy third parties, and, as such, collateral is not requested nor is it the entity's policy to securitise its trade and other receivables.

Liquidity risk is managed by maintaining a balance between continuity of funding and flexibility in the timing of major disbursements where the entity is able to determine the timing of payments.

**Critical accounting estimates and judgments**

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the entity.

*Key estimates — Impairment*

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. The Directors have assessed the long term receivable from ASI as recoverable to the extent disclosed.

**Note 2 Revenue & Expenses**

	2013	2012
	\$	\$
Operating activities		
— Levies	110,201	108,784
— Project Grant (Seafood CRC re Cold Shock Treatment)	-	42,940
— Interest Received	<u>1,243</u>	<u>2,170</u>
Total Revenue	<u>111,444</u>	<u>153,894</u>
Project Expenses		
— POMS Investigations	1,254	6,667
— Seafood CRC Contributions	37,500	37,500
— Cold Shock Treatment	-	42,940
— Tasmanian Pacific Oyster Health Surveillance Program (TPOHSP)	17,922	21,169
— ASI Contribution	20,000	40,000
— Research Providers Scholarship	<u>600</u>	<u>5,000</u>
Total Project Expenses	<u>77,276</u>	<u>153,276</u>
Administration and Governance Expenses		
— Executive Officer Contribution	20,000	20,000
— Bank Service Charges	3	2
— Insurances	3,290	3,231
— Postages, Photocopying and Printing	98	49
— ASIC Fees	43	42
— Audit Fees	2,500	2,650
— Independent Person Fee (for Hatchery Returns)	468	458
— Secretarial and Accounting Fees	<u>1,200</u>	<u>1,200</u>
Total Administration and Governance Expenses	<u>27,602</u>	<u>27,632</u>

**TASMANIAN OYSTER RESEARCH COUNCIL LIMITED**

ACN 050 205 297

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2013**

**Note 3 Key Management Personnel Compensation**

(a) Names and positions held of economic and parent entity key management personnel in office at any time during the financial year are:

<b>Key Management Person</b>	<b>Position</b>
Scott Brooks	Director
Ben Cameron	Director
Robert Cox	Secretary
Ian Duthie	Director and Chairman
Hayden Dyke	Director
Giles Fisher	Director
Thomas Kennedy	Director
Scott Parkinson	Director
Sebastian Rainer	Director

(b) Compensation

	Short-term benefits			Post Employment Benefits	Other long term benefits	Share-based payment	Total	Performance related
	Cash, salary & commissions	Cash profit share	Non-cash benefit	Super-annuation	Options			
	\$	\$	\$	\$	\$	\$	\$	%
<b>2013</b>								
Robert Cox	1,200	-	-	-	-	-	1,200	0.00%
	<u>1,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,200</u>	
<b>2012</b>								
Robert Cox	1,200	-	-	-	-	-	1,200	0.00%
	<u>1,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,200</u>	

2013  
\$

2012  
\$

**Note 4 Auditors' Remuneration**

Remuneration of the auditor of the entity for:

— Auditing or Reviewing the Financial Report	2,500	2,650
— Independent Person Service re Hatchery Returns	468	458
	<u>2,968</u>	<u>3,108</u>

**Note 5 Cash and Cash Equivalents**

Cash at Bank and In Hand	50,172	55,334
	<u>50,172</u>	<u>55,334</u>

The effective interest rate on short-term bank deposits was 4.5% (2011: 4.5%); these deposits are on call.

Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	50,172	55,334
	<u>50,172</u>	<u>55,334</u>

**TASMANIAN OYSTER RESEARCH COUNCIL LIMITED**

ACN 050 205 297

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2013**

<b>Note 6</b>	<b>Trade and Other Receivables</b>	2013	2012
		\$	\$
	CURRENT		
	Trade Receivables - Accrued Levy Income	20,625	16,875
		<u>20,625</u>	<u>16,875</u>

All current receivables are expected to be collected within normal trading terms and certainly within six months of balance date.

**NON CURRENT**

Amounts receivable from:

— Associated Companies - Australian Seafood Industries Pty Ltd		162,930	162,930
Impairment Provision		<u>(100,000)</u>	<u>(100,000)</u>
		<u>62,930</u>	<u>62,930</u>

**Note 7 Associated Companies**

Interests are held in the following associated companies

Name	Principal Activities	Country of Incorporation	Shares	Ownership Interest		Carrying Amount of Investment	
				2013 %	2012 %	2013 %	2012 %
Unlisted:							
Australian Seafood Industries Pty Ltd	oyster breeding program	Australia	Ord Shares	50%	50%	70	70

<b>Note 8</b>	<b>Plant and Equipment</b>	2013	2012
		\$	\$
	Plant and Equipment		
	At cost	1,755	1,755
	Accumulated Depreciation	<u>(1,755)</u>	<u>(1,755)</u>
		<u>-</u>	<u>-</u>

**Note 9 Trade and Other Payables**

**CURRENT**

Unsecured Liabilities			
Trade Payables		13,964	8,205
		<u>13,964</u>	<u>8,205</u>

**Note 10 Cash Flow Information**

**Reconciliation of Cash Flow from Operations with Profit after Income Tax**

Profit/(loss) after Income Tax	6,566	(27,014)
Non-cash flows in profit/(loss)		
Changes in assets and liabilities		
(Increase)/decrease in Trade and Term Receivables	(3,750)	123
(Increase)/decrease in Prepayments	-	20,000
Increase/(decrease) in Trade Payables and Accruals	(7,979)	(39,966)
Cash Flow from Operations	<u>(5,163)</u>	<u>(46,857)</u>

**Note 11 Events After the Balance Sheet Date**

Since the end of the financial year no matters or circumstances have arisen which significantly affect or may significantly effect the operations of the company, the results of those operations, or the state of affairs of the company in the subsequent financial year.

**Note 12 Company Details**

The registered office of the  
Tasmanian Oyster Research Council  
Offices of RDS Partners Pty Ltd, Level 4, 29 Elizabeth St, Hobart

**TASMANIAN OYSTER RESEARCH COUNCIL LIMITED**  
**ACN 050 205 297**  
**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 7 to 13 are in accordance with the Corporations Act 2001 and:
  - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
  - (b) give a true and fair view of the financial position as at 30 June 2013 and of the performance for the year ended on that date of the company;
  
2. the Chairman and Secretary have each declared that:
  - (a) the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
  - (b) the financial statements and notes for the financial year comply with the Accounting Standards; and
  - (c) the financial statements and notes for the financial year give a true and fair view.
  
3. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Company Secretary



*Robert E Cox*

Dated this 27<sup>th</sup> day of September 2013



**Wise Lord & Ferguson**  
Chartered Accountants  
*advice to advantage*

## **Independent auditor's report to the members of the Tasmanian Oyster Research Council Limited**

### **Report on the financial report**

We have audited the accompanying financial report of the Tasmanian Oyster Research Council Limited, which comprises the balance sheet as at 30 June 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

### **Directors' responsibility for the financial report**

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



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**Partners:** Harvey Gibson, Danny McCarthy, Douglas Thomson, Joanne Doyle, Stuart Clutterbuck,  
Ian Wheeler, Dean Johnson, Marg Marshall, Paul Lyons, Alicia Leis, Nick Carter

**Managers:** Melanie Richardson, Simon Jones, Trent Queen, Rachel Burns,

Nathan Brereton, Melissa Johnson, Donna Powell

**Consultant:** Peter Beven

## Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report. We confirm that the Auditor's Independence Declaration would be in the same terms if given to the directors as at the time of this auditor's report.

## Opinion

In our opinion:

- a. the financial report of the Tasmanian Oyster Research Council Limited is in accordance with the *Corporations Act 2001*, including:
  - i giving a true and fair view of the company's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
  - ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*.



**J DOYLE**  
PARTNER  
WISE LORD & FERGUSON

Date: 27<sup>th</sup> September 2013