



Southern Rocklobster Limited



Annual Report

For the Year 2015 – 2016



Australian Southern Rock Lobster

'The Finest In the World'

Chair's Report

I am pleased to present the Annual Report for the 2015/16 financial year.

The past year has once again been a time of significant change for our organisation. It began with the departure of the Chair, Dr Gary Morgan, who retired after 5 years at the helm.

Earlier this year we saw the retirement of Rodney Treloggen who had been an inaugural Director when SRL was first formed in 2004 and who has served as Deputy Chair for most of that time. Rodney's name has been synonymous with the rock lobster industry, amongst his many achievements being recognised as a Seafood Industry Icon for his work for the industry. With Rodney's departure we welcomed Clive Perryman as a new Board member representing the Tasmanian sector. We also welcomed the return of the Victorian sector with Marcus Nolle joining the Board.

The year ends with yet another significant change and the retirement of our Executive Officer, Ross Hodge, who joined SRL at the same time as Gary in 2011. Together they made a formidable team, taking on their roles when SRL was very much at the crossroads. They reconnected and built a strong relationship with industry and brought focus and vision to the organisation. Ross brought a wealth of experience, knowledge and efficiency to the organisation and has been a tremendous support to me. He will be sorely missed and I am sure that I speak on behalf of us all in wishing him a happy retirement.

And as doors close others open, and so we welcome Justin Phillips as the new Executive Officer. Justin is well known to our industry and I'm sure will hit the ground running.

One of the more significant tasks completed this year has been the renewal of our Industry Partnership Agreement with the FRDC. This relationship is fundamental to SRL as it brings certainty to the funding and administration of our Research, Development and Extension work which in turn aims to increase the economic, environmental and social benefits of the fishery to our members and society. The IPA is supported by the SRL Planning and Management Project (FRDC 2016-410) which was also renewed this year.

Our Strategic Plan has undergone a major review and rewrite with the help and support of Ewan Colquhoun of Ridge Partners. The plan focuses on five strategic goals which relate to achieving our vision of Southern Rock Lobster being the world's finest lobster ... from sustainable fisheries, highly regarded by discerning consumers, endorsed by communities, trusted by stakeholders and chain partners, and proudly harvested, branded and promoted by professional fishermen.

SRL financial statements for the year ending 30 June 2016 show that the organisation remains on a sound financial footing, although recording a net deficit during the year as a consequence of the lag effects of project expenditures. The statement of cash flow shows a net increase in cash at the end of the financial year.

The Clean Green program has had a big year with over 100 participants in the training program and over 200 vessels now audited. This program is financially self-sufficient and not reliant on support from other funded projects.

On the research front we continue to manage a diverse portfolio of projects that span the value chain, from puerulus monitoring to understanding market positioning in China. More recent additions include the Sense-T project which will look at traceability systems in lobsters, and a project looking at unexplained mortality in holding systems. Southern Rock Lobster continues to hold the position as the most significant wild caught fishery in each of its jurisdictions. GVP has trended upwards over the past three years with the 2015/16 estimate being \$283,521 million, up 8% on last

year. Yet despite this we continue to face significant challenges such as the incidence of Harmful Algal Blooms on the east coast of Tasmania and the unexplained mortalities in holding facilities. These challenges emphasise the strategic importance of our research programs.

In closing I would like to thank our member organisations, South Australian Rock Lobster Advisory Council (SARLAC), the Tasmanian Rock Lobster Fishermen's Association (TRLFA) and the Victorian Rock Lobster Association (VRLA) for their support during the year. My thanks also go to the state representatives on the RD&E Committee and to FRDC for their support. Finally I would again thank Ross for his support and wish him well for the future.

A handwritten signature in black ink, appearing to read 'Colin Buxton', written in a cursive style.

Colin Buxton
October 2016.

The Year 2015-16 in Review

SRL BOARD OF DIRECTORS

Representation on the SRL Board across the 2015-16 year was made up of the following Directors:

Mr Justin Phillips (SARLAC – Member Association)

Mr Roger Rowe (SARLAC – Member Organisation)

Mr John Sansom (TRLFA – Member Organisation)

Mr Rodney Trelloggen (TRLFA – Member Organisation)

Mr Caleb Gardner (Independent Director Research & Development Expertise – IMAS)

Mr Nick Ruello (Independent Director Marketing Expertise – (Ruello and Associates)

Mr Clive Perryman (TRLFA – Member Organisation)

Mr Markus Nolle (VRLA – Member Organisation)

Following several years of little change on SRL's Board the past year has seen Mr Rodney Trelloggen retire and be replaced by TRLFA President Mr Clive Perryman and with VRLA re-joining SRL the appointment of Mr Markus Nolle to the Board.

There was also a change in the role of Independent Chair with Dr Gary Morgan finishing his 5-year term on 30 November 2015 and Professor Colin Buxton commencing in the role from 1 December 2015. Colin Buxton brings a wealth of experience to the position of Independent Chair having over thirty years of association with the fishing industry in key leadership roles at academic institutions where he has been responsible for the administration of large and diverse R&D programs.

At the AGM and Board meeting held on 21 October 2016 presentations were made to Rodney Trelloggen and Gary Morgan to recognise the significant contribution each has made to SRL. Rodney Trelloggen had been a Director on the SRL Board since the organisation was first formed in 2004 and also had been Deputy Chair for most of that time.

Mr Ross Hodge has continued in the role of SRL's Executive Officer and having announced his intention to step down from the position the SRL Board towards the end of this reporting period commenced a process for appointing replacement.

In addition to Board meeting held in conjunction with the 2015 AGM held on 21 October, the Directors met on 26 February. Normally the Board meets face-to-face three times a year however the usual July meeting in 2015 was held several weeks earlier in late June.

RESEARCH, DEVELOPMENT & EXTENSION (RD&E) COMMITTEE

In the past year the representation on the RD&E Committee has been:

Professor Caleb Gardner (Independent Director RD & E Expertise)

Justin Phillips (SARLAC)

Dr Annabel Jones (SARDI)

Hilary Revill (DPIPWE-TAS).

Professor Colin Buxton took up the Chair role of the RD&E Committee from 1 November in 2015 and SRL's Executive Officer Mr Ross Hodge provided administrative support. Mr Joshua Fielding FRDC Projects Manager – Research, became SRL main contact and provided valued input and support over the past year.

There was only one face-to-face meeting of the RD&E committee in the reporting period as the normal July meeting in 2015 was also held several weeks earlier in June. The 2016-17 year will move back into the normal three face-to-face meetings that have been held in previous years.

RD&E proposals were slow in forthcoming across the year and towards the end of the reporting period a number of concepts for papers were identified and documented for the RD&E committee to consider and prioritise. Moving forward the SRL RD&E process will see more proactive approach to the initiation of applications through identifying concepts for projects and calling for expressions of interest from R&D providers.

Projects that have been approved in the last year are:

Applicant: U-TAS – SENSE-T

- Traceability Systems for Wild Caught Lobster (Phase 1)

Applicant: U-TAS - IMAS

- Waste to Profit in Urchin Fisheries

Applicant: SRL

- Southern Rock Lobster Planning and Management for a National Research Development & Extension (RD&E) Program

Applicant UTas- IMAS

Mortality project

The Southern Rock Lobster Planning and Management for a National Research Development & Extension (RD&E) Program is SRL's core program. This will be SRL's third consecutive project (first in 2005) for the planning and management of RD&E in the Southern Rock Lobster fishery and will commence early in the 2016-17 year reporting period.

SRL STRATEGIC PLANNING

At the SRL Board meeting on 21 October 2015 following the AGM there was discussion regarding the process for updating the current 2011-2016 RD&E Strategic Plan. The discussion evolved into the need for an industry that has an annual GVP of over 200 \$million and capital investment of over 2 \$billion to have Southern Rock Lobster industry strategic plan supported by an RD&E Plan. FRDC also committed to providing an extension in time and financially to SRL for its current RD&E Planning and Management Project (2010-402) to undertake the strategic planning process. This would enable the strategic framework to be completed for when SRL enters into the new RD&E planning and management project (2016-410) agreement with FRDC.

SRL engaged Ridge Partners (Ewan Colquhoun) to facilitate the strategic planning process and commenced with a workshop of key industry people in Melbourne on 26 February 2016. Several draft versions of a strategic document have been document have been provided for feedback. The five strategic goals of the strategic framework are:

1. Secure access to a sustainable Australian Southern Rocklobster resource, harvested efficiently
2. Community acceptance for SRL fisheries and policies
3. Discerning seafood consumers prefer SRL's offer, in Australia and overseas
4. An SRL that is engaged and influential in industry, communities and regulation
5. Professional people and strong governance.

The RD&E priorities and actions, i.e. the details to deliver the strategic plan, are still being finalised and a final documents should be available the SRL 2016 AGM scheduled for late October. It will provide an important roadmap for the future of the industry, and importantly provide SRL and its

state members organisations with a strategic focus to lead the industry and establish priorities for RD&E planning and other key activities.

INDUSTRY PARTNERSHIP AGREEMENT (IPA)

Following a lengthy development process FRDC, SRL and its member organisations (SARLAC, TRLFA & VRLA) have signed off on a new Industry Partnership Agreement.

Some key points in the new IPA are:

- Establishes an agreed relationship between FRDC and SRL regarding the funding and management of industry and matching Government funds for southern rock lobster R&D
- Is an agreement directly between SRL and FRDC. In the past, State Government fisheries management agencies were also signatories to the IPA. However, the important link between these State Government agencies and SRL will now be through the continued involvement of Government members on SRL's RD&E Committee
- Recognises that the IPA formalises the arrangements for one part, albeit an important part, of SRL's activities and is not the only activity that SRL will be involved in.
- Puts SRL's 5 year RD&E strategy more clearly within an overall industry development strategy. This is done through the requirement of SRL to work with its industry partners and other stakeholders to develop an Industry Development and Management Plan which the RD&E Strategy then supports. This will result in RD&E activities explicitly targeting industry development priorities, including issues such as resource sustainability, resource access and property rights, productivity and profitability, community relations, market development access and research, safety and training requirements and people development across the entire supply chain.
- Provides for industry's 0.25% FRDC levy payments to be used only for projects that support the industry's RD&E Strategy which, as noted above, in turn supports the Industry Development and Management Plan.
- Provides for SRL's RD&E Committee to be responsible for technical monitoring of projects undertaken, including review of project Milestone Reports and making recommendations to FRDC as to their acceptance or not.

CLEAN GREEN PROGRAM

The past Year has seen more activity in the Clean Green program than in one year for the past decade.

Training was held in The SA Southern Zone at Port MacDonnell 1-2 September 2015 where 36 participants attended making it one of the largest attendances at a single course. The 36 attending the training was made up of 18 new skippers 12 Deckhands and 6 undertaking the training as a refresher to re-join the program.

From 13-16 October training was being held in the SA Northern Zone at Port Adelaide and at Port Lincoln. The training day included the first day (Port Adelaide) of the program for new trainees and on the 2nd day in Port Adelaide and the day in Port Lincoln was attended by trainees who had done their first day last year and we doing the second day to finish off their training. In all there were 45 attendees at the two training sessions.

A two day Clean Green training workshop was held in Hobart on the 3rd and 4th of May which was attended by 22 skippers and 8 crew. The training was held at the Royal Yacht Club of Tasmania which was a very suitable venue and enabled access to a fishing vessel for the practical demonstration components of the course.

Income to deliver Clean Green training over the past twelve months was strongly supported in receiving \$42,000 from successfully applying for grant funding from several programs. These funds were used to offset the costs for training participants were received from the Dept Agriculture Water Resources (\$12,000) to support the training in Tasmanian and PIRSA's Premium Wine and Food Program (\$29,750) to support the training in South Australia. The Australian maritime and Safety Authority (AMSA) also paid for the venue and catering costs in Hobart approx \$3,500. Pre Audits in both the South Australian Southern and Northern Zones have been undertaken on the vessels with the skippers that attended Clean Green training last year. Overall the quality of vessel operations and the enthusiasm for and commitment to the Clean Green program has been positive. The pre-audits are still to be conducted with the skippers on the Tasmanian vessels from the training workshop held in May.

The combined existing participants those re-joining and the newly trained participants joining Clean Green will push the total active participation in the program in the 2016-17 year past 200 vessels for the first time in the history of the program.

COMMUNICATIONS AND EXTENSION

With the wrap of the communications and extension project in the previous reporting period SRL communications activities have been very limited this year with only one edition of the SRL News produced in December 2015. The new SRL RD&E Planning and Management project (2016-410) will produce 2 editions of the SRL News publication per year.

A number of the facts sheets produced in the communications and extension project have been distributed in the past year to be displayed to the public at various events and in businesses that sell seafood.

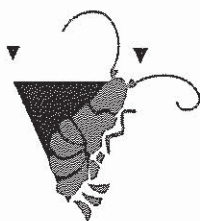
INDUSTRY PARTNERS AND STAKEHOLDERS

SRL is pleased to acknowledge the financial support The Southern Rock Lobster industry receives for research, development and extension activities from the Australian Government through the Fisheries Research & Development Corporation. The signing of a new IPA and a RD&E project agreement between SRL and FRDC has resulted through much constructive dialogue between both organisations and their representatives.

SRL would also like to acknowledge the input and support received in the past year from key member organisations, South Australian Rock Lobster Advisory Council (SARLAC), the Tasmanian Rock Lobster Fishermen's Association (TRLFA) and the Victorian Rock Lobster association (VRLA). To PIRSA and DPIPWE (TAS) SRL express its sincere appreciation for supporting SRL's RD&E Committee and thank the representatives they have nominated for the excellent contribution they have made.

To all the organisations that have communicated their project proposals and/or submitted applications for consideration SRL would like to thank them for their efforts and cooperation.

Southern Rocklobster Limited Would Like To Acknowledge Their Key Partners in 2015-2016:



SOUTHERN ROCKLOBSTER LIMITED
A.B.N. 66 108 116 847

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2016

SOUTHERN ROCKLOBSTER LIMITED
A.B.N. 66 108 116 847

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2016

CONTENTS

Directors' Report	1
Auditors' Independence Declaration	7
Statement of Profit or Loss And Other Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Notes to the Financial Statements	12
Directors' Declaration	20
Auditors' Report	21

SOUTHERN ROCKLOBSTER LIMITED

A.B.N. 66 108 116 847

DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2016.

Directors

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

Mr John Musgrove Sansom
Mr Rodney Kevin Trelloggen retired 21 October 2015
Dr Gary Raymond Morgan retired 30 November 2015
Mr Roger John Rowe
Mr Justin Trevor Phillips
Dr Caleb Gardner
Mr Nick Vincent Ruello
Prof Colin David Buxton appointed 1 December 2015
Mr Clive Balmond Perryman appointed 21 October 2015
Mr Markus Nolle appointed 21 October 2015

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

The loss of the company for the financial year amounted to \$8,162.

Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

Principal Activities

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

- Meeting the milestone reporting requirements of current projects as detailed in the year in review.
- Focussing on the key areas of the strategic plan as outlined in the year in review.
- Clean Green program.

Short-term and Long-term Objectives

The company's short-term and long-term objectives are to:

- Improve the supply chain to add value.
- Optimise fisheries production.
- Promote and support people development across all sectors of the southern rocklobster industry.

Strategies

To achieve its stated objectives, the company has adopted the following strategies:

The objectives are clearly defined within the Southern Rocklobster RD&E strategic plan. Each objective is achieved through documented and prioritised activities.

Key Performance Measures

Key performance measures (indicators) are outlined within each objective in the Southern Rocklobster Strategic Plan 2011-2016. These are discussed in more detail in the year in review in the Annual Report.

SOUTHERN ROCKLOBSTER LIMITED

A.B.N. 66 108 116 847

DIRECTORS' REPORT

Events Subsequent to the End of the Reporting Period

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.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

Environmental Regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Information on Directors

John Musgrove Sansom

Experience Mr Sansom is a lobster fisherman with over 35 years experience based in Hobart. He is an owner operator. He is also the President of the Tasmanian Rock Lobster Fisherman's Association.

Rodney Kevin Treløggen

Experience Mr Treløggen commenced his career in the rocklobster industry over 27 years ago as an owner operator in the Tasmanian industry. This followed positions in the timber industry and police force. Mr Treløggen sold his licence to pursue a career as the industry executive officer for the Tasmanian Rock Lobster Fishermen's Association, a position he has held for 17 years. Mr Treløggen was a member of the Fisheries Research and Development Corporation Rock Lobster Post Harvest Subprogram Steering Committee.

Gary Raymond Morgan

Qualifications Dr Morgan has a PhD in Natural Resources' Management, a Diploma in Senior Executive Management and a Master of Arts Degree.

Experience Dr Morgan has over 30 years Australian and international experience in fisheries management and development. His previous experience includes Fisheries Technical adviser to the UN Food and Agriculture Organisation (1989 - 1995), Director of Fisheries in South Australia (1997 - 2001) and Chairman of the SA commercial fishing industry's peak body, Wildcatch Fisheries SA (2008 - 2010). He currently operates his own international consultancy business.

Roger John Rowe

SOUTHERN ROCKLOBSTER LIMITED

A.B.N. 66 108 116 847

DIRECTORS' REPORT

Experience Roger Rowe's family company operates two rock lobster licenses/vessels out of Port Lincoln in the South Australian Northern Zone. Through family agriculture company interests, Mr Rowe also has 35 years of experience in irrigation intensive farming and has served on a number of local Boards for Grower and Irrigation industries including the Grape Industry and Phylloxera Board Central Area Committee. He has also served as Chairman, Vice Chairman and Public Officer of various grower organisations and incorporated bodies.

Justin Trevor Phillips

Qualifications Mr Phillips has a Bachelor of Technology and further qualifications in training & assessment and aquaculture.

Experience Mr Phillips is based in South Australia and is self employed in his own consulting business. He undertakes the roles of Executive Officer for both the South Australian Rock Lobster Advisory Council (SARLAC) and South East Professional Fishermen's Association (SEPFA) and represents the industry on several state based research & development and management advisory committees.

Caleb Gardner

Qualifications Dr Gardner holds a Doctor of Philosophy, Applied Science and further Degrees and a Masters Sciences and Economics and has published numerous marine science papers, particularly in the field of southern rocklobster.

Experience Dr Caleb Gardner is Associate Professor and the leader of the Fisheries Program at the Institute of Marine and Antarctic Studies, UTAS in South East Australia. He also leads the Australian national research activities on wild harvest fisheries at the Australian Seafood Cooperative Research Centre.

Nick Vincent Ruello

Qualifications Mr Ruello has a Master of Science and other qualifications in management and marketing.

Experience Mr Ruello is the principal of Ruello & Associates P/L, a Cairns based consultancy business that provides advisory, training, research & development services in seafood processing and marketing. He has more than 40 years experience in the seafood industry having worked in various industry sectors and with government agencies in all Australian states and in more than 25 other countries around the world.

Colin David Buxton

Qualifications Professor Buxton has a PhD, a Degree and a Masters in Sciences and has completed the AICD Company Directors Course. He has had numerous papers published in peer reviewed journals and peer reviewed conference articles.

Experience Professor Buxton is currently a principal consultant of Colin Buxton and Associates and adjunct professor to the Institute of Marine Antarctic Studies (IMAS), Fisheries, Aquaculture & Coasts Centre (FAC) and the University of Tasmania (UTAS). Professor Buxton was also Director and Professor at IMAS, FAC and UTAS and has over thirty years experience at a senior leadership level responsible for the administration of large and diverse R&D programs.

SOUTHERN ROCKLOBSTER LIMITED

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DIRECTORS' REPORT

Clive Balmond Perryman

Experience

Mr Clive Perryman is an active quota owner and vessel operator in the Tasmanian Rock Lobster Fishery. He has been a member of the TRLFA since 1997, joining the Board in 2011 and then taking on the role of President in 2014. Clive is also a Graduate of the National Seafood Leadership Program.

Markus Nolle

Qualifications

Mr Markus Nolle has a science degree with a double major in computer science.

Experience

After a 20 years in business and IT services including working in the United Kingdom Markus moved to coastal Victoria and in 2007 purchased a commercial rock lobster vessel, licence and quota in the state's Western Zone fishery. He is still an active fisher and is also the President of VRLA, Director and Deputy Chair of SI and actively participates on many fishery committees.

SOUTHERN ROCKLOBSTER LIMITED

A.B.N. 66 108 116 847

DIRECTORS' REPORT

Meetings of Directors

During the financial year, 2 meetings of directors (including committees of directors) were held. Attendances by each directors during the year were:

	Number Eligible to Attend	Number Attended
John Musgrove Sansom	2	2
Rodney Kevin Trelloggen	1	1
Gary Raymond Morgan	1	1
Roger John Rowe	2	2
Justin Trevor Phillips	2	2
Caleb Gardner	2	1
Nick Vincent Ruello	2	2
Colin David Buxton	1	1
Clive Balmond Perryman	2	1
Markus Nolle	2	2

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations for the entity. At 30/06/2016, the total amount that members of the company are liable to contribute if the company is wound up is \$20 (2015:\$20).

SOUTHERN ROCKLOBSTER LIMITED

A.B.N. 66 108 116 847

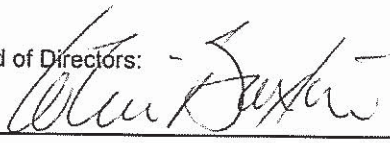
DIRECTORS' REPORT

Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 7.

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

Director:



Prof Colin David Buxton

Dated this 21st day of October 2016

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

To the Directors of Southern Rocklobster Limited:

As lead auditor for the audit of Southern Rocklobster Limited for the year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been:

- + no contraventions of the independence requirements of the Corporations Act 2001 in relation to the audit; and
- + no contraventions of any applicable code of professional conduct in relation to the audit.

Accru Harris Orchard
ACCRU⁺ HARRIS ORCHARD

Luke Bollmeyer

**LUKE BOLLMEYER
DIRECTOR**

Signed at Dulwich this 21st day of October 2016.

SOUTHERN ROCKLOBSTER LIMITED
A.B.N. 66 108 116 847

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Revenue	3	282,296	270,605
Accountancy expenses		(7,880)	(7,180)
Auditors' remuneration	4	(5,200)	(5,400)
Other expenses		<u>(277,378)</u>	<u>(248,699)</u>
(Deficit) Surplus for the year	5	<u>(8,162)</u>	<u>9,326</u>
Total comprehensive surplus/(deficit) for the year		<u><u>(8,162)</u></u>	<u><u>9,326</u></u>
Total comprehensive surplus/(deficit) attributable to members of the entity		(8,162)	9,326

The accompanying notes form part of these financial statements.

SOUTHERN ROCKLOBSTER LIMITED
A.B.N. 66 108 116 847

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	125,679	114,086
Trade and other receivables	7	4,158	13,832
Other current assets	8	10,469	19,229
TOTAL CURRENT ASSETS		<u>140,306</u>	<u>147,147</u>
TOTAL ASSETS		<u>140,306</u>	<u>147,147</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	9	30,438	29,117
TOTAL CURRENT LIABILITIES		<u>30,438</u>	<u>29,117</u>
TOTAL LIABILITIES		<u>30,438</u>	<u>29,117</u>
NET ASSETS		<u>109,868</u>	<u>118,030</u>
FUNDS			
General Funds	10	109,868	118,030
TOTAL FUNDS		<u>109,868</u>	<u>118,030</u>

The accompanying notes form part of these financial statements.

SOUTHERN ROCKLOBSTER LIMITED
A.B.N. 66 108 116 847

STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30 JUNE 2016

Note	General Funds	Total
	\$	\$
Balance at 1 July 2014	108,704	108,704
Net Surplus	9,326	9,326
Balance at 30 June 2015	118,030	118,030
Net Deficit	(8,162)	(8,162)
Balance at 30 June 2016	<u>109,868</u>	<u>109,868</u>

The accompanying notes form part of these financial statements.

SOUTHERN ROCKLOBSTER LIMITED
A.B.N. 66 108 116 847

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

		2016	2015
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		110,690	107,966
Payments to suppliers and employees		(284,799)	(265,996)
Interest received		1,181	2,181
Receipts from Government Grants		184,520	170,754
Net cash provided by operating activities	13	11,593	14,905
Net increase in cash held		11,593	14,905
Cash at beginning of financial year		114,086	99,181
Cash at end of financial year	6	125,679	114,086

The accompanying notes form part of these financial statements.

SOUTHERN ROCKLOBSTER LIMITED
A.B.N. 66 108 116 847

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

The financial reports cover Southern Rocklobster Limited as an individual entity. Southern Rocklobster Limited is a company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Southern Rocklobster Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 21 October 2016.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

The significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

SOUTHERN ROCKLOBSTER LIMITED
A.B.N. 66 108 116 847

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Accounts Receivable and Other Receivables

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from the Fisheries Research & Development Corporation. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in statement of comprehensive income.

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Non-reciprocal grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow from to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Interest revenue is recognised using the effective interest rate method which for floating rate financial assets is the rate inherent in the instrument.

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

SOUTHERN ROCKLOBSTER LIMITED
A.B.N. 66 108 116 847

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Accounts and Other Payables

Account payable represent the liabilities at the end of the reporting period for goods and services received by the company that remain unpaid.

Account payables are recognised at their transaction price. Account payables are obligations on the basis of normal credit terms.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

SOUTHERN ROCKLOBSTER LIMITED
A.B.N. 66 108 116 847

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
3 Revenue and Other Income		
Revenue		
Other revenue:		
Interest received	1,181	2,181
Other revenue	<u>281,115</u>	<u>268,424</u>
	<u>282,296</u>	<u>270,605</u>
Total revenue	<u><u>282,296</u></u>	<u><u>270,605</u></u>
Interest revenue from:		
Interest Received	<u>1,181</u>	<u>2,181</u>
Total interest revenue on financial assets	<u>1,181</u>	<u>2,181</u>
Other revenue from:		
Advertising Income	1,200	2,400
FRDC - Project 2010/402	135,390	162,108
Seafood CRC Project 2012-511	-	14,242
CRC - Project 2014/741	-	1,835
Clean Green Management	50,880	50,255
Clean Green Training	85,065	20,200
Clean Green Training 2	<u>8,580</u>	<u>17,384</u>
Total other revenue	<u>281,115</u>	<u>268,424</u>
4 Auditors' Remuneration		
Auditors Remuneration	<u><u>5,200</u></u>	<u><u>5,400</u></u>
5 Surplus for the year		

SOUTHERN ROCKLOBSTER LIMITED
A.B.N. 66 108 116 847

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
Significant Revenue and Other Income and Expenses		
The following significant revenue and expense items are relevant in explaining the financial performance:		
Administration Expenses	(15,736)	(975)
Bank Charges	(271)	(262)
Bookkeeping & Data Processing	(2,713)	(4,355)
Chairman Expenses	(17,850)	(20,313)
Communications	(5,667)	(525)
Executive Officer Fees	(7,000)	(4,400)
Insurance	(4,604)	(4,491)
Investigator Other	(9,338)	(10,292)
Marketing	-	(1,532)
Materials and Manuals	(15,694)	(17,185)
Meeting Expenses	(1,932)	(3,153)
Newsletter	(975)	(2,880)
Principle Investigator	(49,500)	(73,725)
Postage	(834)	(5,291)
Printing & Stationary	(3,708)	(7,536)
Project Audit	(27,500)	(25,240)
Project Development	(37,377)	(16,839)
Storage	(1,617)	(1,547)
Sundry Expenses	(1,740)	(1,295)
Telephone	(3,213)	(3,913)
Travelling Expenses	(39,176)	(33,877)
Trainer Fees	(25,525)	(6,320)
Venue and Catering	(4,926)	(1,435)
Website Expenses	(482)	(1,317)
	(277,378)	(248,698)
6 Cash and Cash Equivalents		
Cash in Hand	(29)	7
Westpac Cheque Acc: 17-7766	17,217	2,708
Westpac Cash Reserve Acc: 6971	108,441	111,321
Westpac Cheque Acc: 30-5419	50	50
	125,679	114,086

SOUTHERN ROCKLOBSTER LIMITED
A.B.N. 66 108 116 847

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
Reconciliation of cash		
Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:		
Cash and cash equivalents	<u>125,679</u>	<u>114,086</u>
	<u>125,679</u>	<u>114,086</u>
7 Trade and Other Receivables		
Current		
Trade Debtors	4,158	11,254
GST Refund Due	-	2,578
	<u>4,158</u>	<u>13,832</u>
8 Other Non-Financial Assets		
Current		
Prepayments	<u>10,469</u>	<u>19,229</u>
9 Accounts and Other Payables		
Current		
Trade Creditors	23,124	29,117
Income In Advance	7,000	-
GST Liability	314	-
	<u>30,438</u>	<u>29,117</u>
10 Total Funds		
(a) General Funds at the beginning of the financial year	118,030	108,704
(Deficit) Surplus attributable to members of the company	<u>(8,162)</u>	<u>9,326</u>
General Funds at the end of the financial year	<u>109,868</u>	<u>118,030</u>
(b) General Funds		
The general funds represents the funds of the company that are not designated for particular		

SOUTHERN ROCKLOBSTER LIMITED
A.B.N. 66 108 116 847

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
11 Key Management Personnel		
Key Management Personnel Remuneration		
	110,468	119,536
Total compensation	110,468	119,536
12 Economic Dependence		
<p>Southern Rocklobster Limited is dependent on the Fisheries Research & Development Corporation for the majority of its revenue to operate the business. At the date of this report the Board of Directors has no reason to believe that the Fisheries Research & Development Corporation will not continue to support Southern Rocklobster Limited.</p>		
13 Cash Flow Information		
Reconciliation of Cash Flow from Operations with Surplus after Income Tax		
Surplus (Deficit) after income tax	(8,162)	9,326
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries		
(Increase)/decrease in receivables	9,674	10,297
(Increase)/decrease in other assets	8,760	(15,322)
Increase/(decrease) in payables	(5,679)	10,605
Increase/(decrease) in funds received in advance	7,000	-
	11,593	14,906

14 Members Guarantee

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2016 the number of members was two.

SOUTHERN ROCKLOBSTER LIMITED
A.B.N. 66 108 116 847

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

2016
\$

2015
\$

15 Company Details

The registered office of the company is:

Southern Rocklobster Limited

255 Port Road
HINDMARSH SA 5007

The principal place of business is:

17 Grout Street
HAMPTON VIC 3188

SOUTHERN ROCKLOBSTER LIMITED

A.B.N. 66 108 116 847


DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 19, for the year ended 30 June 2016 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards - Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position and performance of the company.
2. 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.

Director:



Prof Colin David Buxton

Dated this 21st day of October 2016

**INDEPENDENT AUDITOR'S REPORT
TO THE DIRECTORS OF SOUTHERN ROCKLOBSTER LIMITED**

Report on the Financial Report

We have audited the accompanying financial report of Southern Rocklobster Limited, which comprises the statement of financial position as at 30 June 2016, 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 control as the directors determine is 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 judgement, 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 control 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 control. 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 qualified audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Southern Rocklobster Limited, would be in the same terms if given to the directors as at the time of the auditor's report.

Opinion

In our opinion the financial report of Southern Rocklobster Limited is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

Accru Harris Orchard

ACCRU⁺ HARRIS ORCHARD

Luke Bollmeyer

**LUKE BOLLMEYER
DIRECTOR**

Signed at Dulwich this ^{25th} day of October 2016.