

# SOUTHERN Rocklobster Limited

2017 | 2018 ANNUAL REPORT



## Chairman's Report

I am pleased to present the Annual Report for the 2017/18 financial year.

The year under review once again saw significant personnel changes at SRL with the resignation of our Executive Officer Justin Phillips. In his short time in the role Justin made a significant contribution to our strategic agenda and it is fitting to thank him and wish him well in his future endeavours. Justin's departure saw the arrival of Tom Cosentino who joined SRL in April. Tom is well known in fisheries circles especially in South Australia where he recently completed the Fair Fish Project, an innovative seafood marketing platform. My thanks go to both for their hard work and contributions to SRL.

February saw the appointment of John Brady from the Ballande Group as the second member from the Australian Southern Rock Lobster Exporters Association (ARLEA).

Although over a year out of date, the most recent fisheries and aquaculture statistics published in December 2017 by ABARES show that Southern Rock Lobster held its position as the most significant wild caught fishery in each of our key jurisdictions. Tonnage and value increased slightly in South Australia (1,592t; \$137,680) and Tasmania (1,138t; \$92,946), over the previous year while Victoria (288t; \$24,516) remained essentially the same. Preliminary and forecast estimates suggest, however, that the GVP in both South Australia and Tasmania is set to decrease.

Changes in the marketplace have been rapid under the new free trade arrangements, with almost all of the product now going direct to China. Australian consumption remains strong with an increasing demand linked to tourism and local Asian consumers.

Through ARLEA, SRL continues to work with our New Zealand counterpart, Lobster Exporters New Zealand (LENZ), sharing market intelligence with a view to maintaining our premium position in the marketplace, despite strong competition from other lobster species.

At a national level, SRL continues to work with the industry peak body, Seafood Industry Australia (SIA) keeping abreast of issues such as access, mental health and workplace safety. The implementation of the Commonwealth Marine Parks and associated management plans, while further reducing access to parts of the fishery, has been welcomed by the sector as it sees a greater level of security for industry after many years of uncertainty.

Under our Industry Partnership Agreement with the Fisheries Research and Development Corporation (FRDC), our research portfolio continues to expand. The envy of our West Australian counterparts and held up as a benchmark in terms of performance, it is a credit to our research partners at the South Australian Research and Development Institute (SARDI) and the Institute for Marine and Antarctic Studies (IMAS).

Recent changes to legislation will see the FRDC now able to collect marketing levies and assist industry marketing initiatives. SRL will keep a close eye on this development as it further progresses its marketing agenda.

SRL financial statements for the year ending 30 June 2017 show that the organisation remains on a sound financial footing, recording a surplus of \$24,686. The statement of cash flow shows a net increase in cash at the end of the financial year.

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 the FRDC for their support.

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

Prof Colin Buxton

September 2018

## **Executive Officer's Report - The Year in Review**

I began my appointment with Southern Rocklobster Limited on the 1st of April 2018. I was formerly engaged by Wildcatch Fisheries SA Inc to project manage the 'Fair Fish' initiative. I still maintain close ties with the inshore fishers and members of South Australia's peak industry body.

As a newly appointed Executive Officer I have dedicated much of my time to learning about this company's role and history. I have been warmly welcomed by the company's board of directors and by the fishers that I have been fortunate enough to meet so far.

### **The Industry Partnership Agreement**

Currently, our industry partnership agreement is facilitating 12 projects, which largely focus on biotoxin research management. These projects, and their primary investigators are:

- 2013-713: Understanding and reducing the risk of paralytic toxins in Southern Rock Lobster - Alison Turnbull (SARDI)
- 2015-212: SafeFish - Natalie Dowsett (SARDI)
- 2016-208: Waste to profit in Urchin Fisheries - John Keane (UTAS)
- 2016-235: Improving post-harvest survival of live held Southern Rock Lobster - Quinn Fitzgibbon (UTAS)
- 2016-257 Implementing and evaluating the Australian Seafood Trade Agenda - Jayne Gallagher (Honey & Fox)
- 2016-258: Assessing the efficiency of alternative pot designs for the Southern Rock Lobster (*Jasus edwardsii*) Fishery. - Lachlan McLeay (SARDI)
- 2016-410: SRL Industry Partnership Agreement (IPA) - Thomas Cosentino (SRL)
- 2017-013: Rebuilding Southern Rock Lobster stocks on the east coast of Tasmania: informing options for management - Jeremy Lyle (UTAS)
- 2017-051: Extending biotoxin capability and research in Australia through development of an experimental biotoxin contamination facility to target industry relevant issues. - Alison Turnbull (SARDI)
- 2017-086: Improved risk management of paralytic shellfish toxins in Southern Rock Lobster - Gustaaf Hallegraeff (UTAS)
- 2017-177: Traceability Systems for Wild Caught Lobster, via Sense-T and Pathways to Market - Phase 2 - Laurie Bonney (UTAS)
- 2017-224 - Clean Green program, revision, digitisation & extension across the supply chain. Ross Hodge (SRL).

### **Clean Green Program**

The program has moved into an exciting phase with the digitisation of the Clean Green Program Standard. This project will see the paper based manual be accessible on-board vessels via a smart tablet. The benefits that this has to its efficiency are remarkable. With the transfer to a

digital platform, we have the ability to send real time alerts and updates to the fleet as well as expedite audits by using simple smartphone technology.

The Clean Green program has 181 current registrants. It continues to be financially self-sufficient and not reliant on support from other funded projects as well as being highly regarded amongst the wider domestic industry, and with Ross's recent trip to Canada internationally.

Clean Green audits were carried out again in October and November of 2017. The audits included a number of boats that were new to the program, particularly in Tasmania and the Northern Zone of South Australia.

### **Research, Development and Extension (RD&E) Committee**

The committee met on one occasion this financial year, with two other meetings held on 26 June 2017 and on 16 July 2018 to achieve the target of three meetings per annum. The Committee noted one change to its composition this year, as Melissa Schubert from the Victorian Department of Economic Development was succeeded by Toby Jeavons from the Victorian Fisheries Authority. SRL thanked Melissa for her valuable contributions to the committee during her term.

From the meetings, it is expected that new research and development concepts in regards to the following areas will take shape:

- Seismic – monitor effects in an area where seismic testing is being done.
- Food Tourism – market opportunities in Australia
- Incorporating catchability into harvest strategy evaluation
- Bioeconomic modelling of harvest strategies
- Training of scientists and managers on 'change management'
- Centrostephanus control especially in deeper water
- On-board electronic monitoring of catch to better enhance marketing opportunities and overcome single zone fishing
- Processing sector research into improving cold chain in rock lobster supply
- Close-kin genetics
- Corporatisation in fishing industry

I encourage all of the fishers in the industry to propose new issues for our industry partnership agreement to investigate. It is from the grassroots of our industry that we derive most of the research and development benefit.

### **Communications and Extension**

SRL launched a new website this year, which is to become a hub for completed project reports and a base from which to re-launch the SRL Newsletter.

A newly formed joint committee with our counterparts in New Zealand will utilise this platform to focus a digital strategy to maintain the premium market identity of *Jasus edwardsii*.

In addition to its research and development capabilities, the company is continuing to be engaged and influential within the wider Australian seafood community. SRL is a member of Seafood Industry Australia and a representative of the company has attended national workshops throughout the year focusing on key fisheries R&D prioritisation, big data collection, animal welfare.

### **Industry Partners and Stakeholders**

SRL acknowledges the financial support that the Southern Rock Lobster industry receives for research, development and extension activities from the Australian Government through the Fisheries Research & Development Corporation.

SRL expresses its sincere gratitude to PIRSA, the VFA and DPIPWE (TAS) SRL for supporting the Company'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 submitted applications for consideration SRL would like to thank them for their efforts and cooperation.

### **The year ahead**

Early in the new financial year, the Company's Board welcomed Matt Taylor and Kim Colero from Western Rock Lobster to its meeting. SRL and WRL are committed to collaborating on future projects, including the renewal of the Trans-Tasman Congress to discuss issues that impact on rock lobsters Australia and New Zealand wide.

In closing, I would like to thank the company's Chair, Colin Buxton. Colin and I have spent a great deal of time conversing on the phone each week about the direction of the fishery and the company's strategy. The work that Colin does behind the scenes, especially in regards to marine parks and access, is immense. He has the best interests of the fishery at heart and his efforts have brought the industry a large win in the Commonwealth Senate in August 2018 with the defeat of the marine park disallowance motions.

Finally, I would like to address the Southern rock lobster fishers - thank you for braving the seas for another year. It is because of you, and for you, that this company's Board gather several times a year to catalyse progress and maintain access to our sustainable marine resource. I assure you that your affairs are in very good hands. I am excited to continue my career in the commercial fishing industry and am proud to call you colleagues. Your endless hard work and resilience inspires me to carry out my best work and you deserve the accolades that our research and communication have brought, and will continue to bring. We are amongst the world's best fisheries, in product and in management. And, in my humble opinion, in personnel.

My promise to you is that I will continue to strive to make the most of my time as the secretary of this company. I intend to stay as long as you'll have me and look forward to tackling the issues we face together, and celebrating the triumphs.

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

Tom Cosentino  
Executive Officer  
Southern Rocklobster Limited (SRL)  
September 2018

# **Southern Rocklobster Limited**

**A.B.N. 66 108 116 847**

## **FINANCIAL REPORT**

**For the Year Ended**

**30 June 2018**



**SOUTHERN ROCKLOBSTER LIMITED**

**A.B.N. 66 108 116 847**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30 JUNE 2018**

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# **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 2018.

### **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 Roger John Rowe

Prof Caleb Gardner

Prof Colin David Buxton

Mr Clive Balmond Perryman

Mr Markus Nolle

Mr Joel Robert Redman

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

The surplus of the Company for the financial year amounted to \$24,686.

### **Significant changes in 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 Company's strategic plan, *SRL Strategy 2022*.
- Clean Green program.

### **Strategies**

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

- Assist the Southern Rock Lobster Fisheries in South Australia, Victoria and Tasmania to value-add and market Southern Rock Lobster in such a way that members' practices and products are recognised as the best in the world;
- Maximise economic and social rewards for members, communities and Australia;
- Cooperatively identify and achieve objectives of mutual benefits to its members.

The goals of the company, as stated in *SRL Strategy 2022*, are:

- Secure access to sustainable resources, harvested efficiently.
- Valued by the community.
- Premium market position.
- An engaged and influential SRL
- Professional people and strong governance.

# **SOUTHERN ROCKLOBSTER LIMITED**

**A.B.N. 66 108 116 847**

## **DIRECTORS' REPORT**

To achieve these objectives, the Company has adopted the following strategies:

1. Ensure Ongoing Resource Sustainability
2. Security of Access to the Resource
3. Increase the Profitability of the Harvest
4. Efficient Management of Competition for Harvest
5. Harmonise Fishery Regulations, Management and Science
6. Demonstrate our Sustainability Credentials
7. Promote industry Best Practice (Clean Green)
8. Build positive community perceptions of our fishery
9. Brand Products and promote Clean Green
10. Develop Markets and Products – local and international
11. Support and Collaborate with our Chain Partners
12. Engage with the whole Southern Rock Lobster Supply Chain
13. Engage with stakeholders
14. Build SRL's Political Recognition and Influence
15. Invest in and Develop SRL People
16. Ensure a well-run SRL Organisation

### **Key Performance Measures**

SRL operates in accordance with an Annual Operating Plan which includes a range of performance measures.

### **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 regulations under a law of the Commonwealth or of a state or territory of Australia.

# SOUTHERN ROCKLOBSTER LIMITED

A.B.N. 66 108 116 847

## DIRECTORS' REPORT

### Information on directors

#### Mr John Musgrove Sansom

##### Experience

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

#### Mr Roger John Rowe

##### Experience

Mr 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 of 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.

#### Prof Caleb Gardner

##### Qualifications

Professor Gardner hold 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 rock lobster.

##### Experience

Professor Caleb Gardner is an 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.

#### Prof 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 held 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 University of Tasmanian (UTAS). Professor Buxton was also Director and Professor at IMAS, FAC and UTAS and has over thirty year experience at a senior leadership level responsible for the administration of large and diverse R&D programs.

#### Mr 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.

#### Mr Markus Nolle

##### Qualifications

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

##### Experience

After 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

#### Mr Joel Robert Redman

##### Qualifications

MED II  
Master V  
Industry Leadership Training Qualifications

##### Experience

Mr Joel Redman is a licence holder and quota owner in the SA Southern Zone Southern Rock Lobster Fishery. He is also a vessel owner and operator. Joel has been involved in SA with South Eastern Professional Fishermans Associations (SEPFA) as President and has also served as a Director on the SA Rock Lobster Advisory Council Inc. (SARLAC). Joel has served on both Fishery Management Committees (FMCs) and the now Rock Lobster Fishery Management Advisory Committee. Joel is a Director of the family fishing business, Redman Fisheries, and also Fiordland Lobster Company in New Zealand.

#### Meetings of Directors

During the financial year, two meetings of directors (including committees of directors) were held.

Attendance by each director during the year was:

	Number Eligible to Attend	Number Attended
John Musgrove Sansom	2	1
Roger John Rowe	2	1
Caleb Gardner	2	2
Colin David Buxton	2	2
Clive Balmond Perryman	2	2
Markus Nolle	2	2
Joel Robert Redman	2	1

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 30/06/2018, the total amount that members of the company are liable to contribute if the company is wound up is \$30 (2017 \$20).

**SOUTHERN ROCKLOBSTER LIMITED**

**A.B.N. 66 108 116 847**

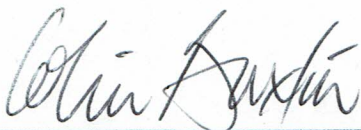
**DIRECTORS' REPORT**

**Auditors' Independence Declaration**

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001*, is set out in page 8.

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

Director:



Prof Colin David Buxton

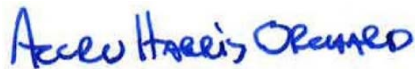
Dated this 13<sup>th</sup> day of SEPTEMBER 2018

**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 2018, 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**



**LUKE BOLLMEYER  
DIRECTOR**

Dulwich, 13 September 2018

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

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
Revenue	3	248,063	353,447
Accountancy Expenses		(8,000)	(9,260)
Auditor's Remuneration	4	(5,000)	(5,200)
Employee benefits expenses		(3,325)	(22,470)
Other Expenses		(207,052)	(224,855)
<b>Surplus (Deficit) for the year</b>	5	<b>24,686</b>	<b>91,662</b>
<b>Total comprehensive surplus/(deficit) for the year</b>		<b>24,686</b>	<b>91,662</b>
<b>Other comprehensive income, net of income tax</b>			
Total comprehensive surplus/(deficit) attributable to members of the entity.		24,686	91,662



**SOUTHERN ROCKLOBSTER LIMITED**

**A.B.N.66 108 116 847**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	246,475	205,487
Trade and other receivables	7	-	6,430
Other current assets	8	7,082	6,411
<b>TOTAL CURRENT ASSETS</b>		<u>253,557</u>	<u>218,328</u>
<b>TOTAL ASSETS</b>		<u>253,557</u>	<u>218,328</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and Other payables	9	27,341	16,798
<b>TOTAL CURRENT LIABILITIES</b>		<u>27,341</u>	<u>16,798</u>
<b>TOTAL LIABILITIES</b>		<u>27,341</u>	<u>16,798</u>
<b>NET ASSETS</b>		<u>226,216</u>	<u>201,530</u>
<b>FUNDS</b>			
General Funds	10	226,216	201,530
<b>TOTAL FUNDS</b>		<u>226,216</u>	<u>201,530</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 2018**

	Note	General Funds \$	Total \$
<b>Balance at 1 July 2016</b>		109,868	109,868
Net Surplus		91,662	91,662
<b>Balance at 30 June 2017</b>		<b>201,530</b>	<b>201,530</b>
Net Surplus		24,686	24,686
<b>Balance at 30 June 2018</b>		<b>226,216</b>	<b>226,216</b>

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The accompanying notes form part of these financial statements.

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

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers		90,382	70,204
Payments to suppliers and employees		(233,729)	(270,660)
Interest Received		1,127	1,379
Receipts from Government Grants		183,208	278,885
Net cash provided by operating activities	13	40,988	79,808
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Net increase/(decrease) in cash and cash equivalents held		40,988	79,808
Cash and cash equivalents at beginning of year		205,487	125,679
Cash and cash equivalents at end of financial year	6	246,475	205,487

The accompanying notes form part of these financial statements.

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

**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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 *(To be advised)*

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 less, where applicable, any accumulated depreciation and impairment.

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

**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**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 comprise of 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 consideration 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 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 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 STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**Accounts and Other Payables**

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

Accounts payable are recognised at their transactional price. Accounts payables are obligations on the basis of normal credit terms.

**Goods and services tax (GST)**

Revenue, 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 payable 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 component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

**Comparative Amounts**

Comparative 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 STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<hr/>		
<b>3. Revenue and Other Income</b>		
<b>Revenue</b>		
<b>Other revenue</b>		
Interest received	1,127	1,379
Other revenue	<u>246,936</u>	352,068
<b>Total Revenue</b>	<u><b>248,063</b></u>	<u>353,447</u>
 <b>Interest revenue from:</b>		
Interest received	<u>1,127</u>	1,379
Total interest revenue on financial assets	<u><b>1,127</b></u>	<u><b>1,379</b></u>
 <b>Other revenue from:</b>		
FRDC – Project 2010/402	-	6,485
Clean Green Management	<b>63,728</b>	65,083
Clean Green Training	-	7,020
Clean Green Training 2	-	1,080
FRDC – Project 2016/402	<u>183,208</u>	272,400
<b>Total other revenue</b>	<u><b>246,936</b></u>	<u>352,068</u>
 <b>4. Auditors' Remuneration</b>		
Auditors Remuneration	<u><b>5,000</b></u>	<u>5,200</u>
 <b>5. Surplus for the Year</b>		
<b>Expenses</b>		
<b>Employee benefits expense</b>		
Contributions to superannuation funds	<u><b>3,325</b></u>	<u>22,470</u>

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

**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b>Significant Revenue and Other Income and Expenses:</b>		
The following significant revenue and expense items are relevant in explaining the financial performance:		
Administrative Expenses	-	(15,000)
Advertising	(330)	-
Bank Charges	(270)	(179)
Bookkeeping & Data Processing	(2,451)	(2,735)
Chairman Expenses	(35,000)	(16,669)
Communications	-	(2,400)
Executive Officer Fees	(19,375)	-
Insurance	(1,859)	(3,895)
Investigator Other	-	(8,331)
Materials and Manuals	(3,897)	(4,517)
Meeting Expenses	(1,036)	(3,578)
Principle Investigator	(72,083)	(70,190)
Postage	(625)	(1,339)
Printing & Stationery	(1,233)	(2,456)
Project Audit	(30,610)	(39,944)
Project Development	-	(17,482)
Storage	(1,626)	(1,660)
Sundry Expenses	(4,381)	(595)
Telephone	(122)	(712)
Travelling Expenses	(24,701)	(24,249)
Trainer Fees	(2,942)	-
Venue and Catering	-	-
Website Expenses	(4,510)	(700)
Logistic & Management	-	(776)
Memberships	-	(7500)
	<b>207,052</b>	<b>(224,907)</b>

**6. Cash and Cash Equivalents**

Westpac Cheque Account: 17-7766	10,806	1,020
Westpac Cash Reserve Account: 29-6971	235,619	204,417
Westpac Cheque Account: 30-5419	50	50
	<b>246,475</b>	<b>205,487</b>



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**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<hr/>		
<b>Reconciliation of cash</b>		
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	<b>246,475</b>	205,487
	<b>246,475</b>	205,487
	<hr/>	
<b>7 Trade and Other Receivables</b>		
<b>CURRENT</b>		
Trade receivables	-	137
GST receivable	-	6,293
	<hr/>	
<b>Total current trade and other receivables</b>	-	6,430
	<hr/>	
<b>8 Other Assets</b>		
<b>CURRENT</b>		
Prepayments	<b>7,082</b>	6,411
	<hr/>	
<b>9 Trade and Other Payables</b>		
<b>CURRENT</b>		
Unsecured liabilities		
VISA	<b>500</b>	3,993
Trade Creditors	<b>24,248</b>	12,805
GST payable	<b>2,593</b>	-
	<hr/>	
	<b>27,341</b>	16,798
	<hr/>	
<b>10 Total Funds</b>		
(a) General Funds at the beginning of the financial year	<b>201,530</b>	109,868
Surplus (Deficit) attributable to members of the company	<b>24,686</b>	91,662
	<hr/>	
<b>General Funds at the end of the financial year</b>	<b>226,216</b>	201,530
	<hr/>	

**SOUTHERN ROCKLOBSTER LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$

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**(b) General Funds**

The general funds represents the funds of the company that are not designated for particular purposes

**11 Key Management Personnel**

**Key Management Personnel Remuneration**

Total compensation

<b>110,408</b>	109,330
<b>110,408</b>	109,330

**12 Economic Dependence**

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.

**13 Cash Flow Information**

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

Surplus (Deficit) after income tax

<b>24,686</b>	91,661
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**Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:**

(Increase)/decrease in receivables

<b>6,430</b>	(2,272)
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(Increase)/decrease in other assets

-	-
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Increase/(decrease) in payables

<b>10,543</b>	(6,639)
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Increase/(decrease) in funds received in advance

-	(7,000)
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(Increase)/decrease in prepayments

<b>(671)</b>	4,058
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<b>40,988</b>	79,808
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**SOUTHERN ROCKLOBSTER LIMITED**  
**A.B.N. 66 108 116 847**

**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**2018**                      **2017**

**\$**                              **\$**

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**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 2018, the number of members was three.

**15 Company Details**

The registered office of the company is:

Southern Rocklobster Limited  
Level 9, 81 Flinders Street  
ADELAIDE SA 5000

The principal place of business is:

33 Fullarton Road  
KENT TOWN SA 5067

**SOUTHERN ROCKLOBSTER LIMITED**

**A.B.N. 66 108 116 847**

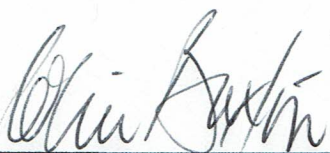
**DIRECTORS' REPORT**

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 20, for the year ended 30 June 2018 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 director's 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.

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

Director:

  
Prof Colin David Buxton

Dated this ..... 13<sup>th</sup> day of September 2018

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

**Opinion**

We have audited the financial report of Southern Rocklobster Limited (the Company), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- + giving a true and fair view of the company's financial position as at 30 June 2018 and of its performance for the year then ended; and
- + complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

**Responsibilities of the Directors 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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- + Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- + Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- + Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- + Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- + Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- + We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Accru Harris Orchard*

**ACCRU+ HARRIS ORCHARD**

*Luke Bollmeyer*

**LUKE BOLLMEYER  
DIRECTOR**

Dulwich, 13 September 2018