

**Independent Auditor's Report**

**To Members of the Tasmanian Parliament**

**Tasmanian Beef Industry (Research and Development) Trust**

**Financial Report for the Year Ended 30 June 2015**

**Report on the Financial Report**

I have audited the accompanying financial report of Tasmanian Beef Industry (Research and Development) Trust (the Trust), which comprises the statement of financial position as at 30 June 2015 and the statements of comprehensive income, changes in equity and cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by the members of the Trust.

**Auditor's Opinion**

In my opinion the Trusts financial report:

- (a) presents fairly, in all material respects, its financial position as at 30 June 2015, and its financial performance, cash flows and changes in equity for the year then ended
- (b) Is in accordance with the *Tasmanian Beef Industry (Research and Development) Trust Act 1990* and applicable Australian Accounting Standards.

*The Responsibility of the Members for the Financial Report*

The members are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Section 11 of the *Tasmanian Beef Industry (research and Development) Trust Act 1990*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's Responsibility*

My responsibility is to express an opinion on the financial report based upon my audit. My audit was conducted in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan

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and perform the audit to obtain reasonable assurance as to whether the financial report is free of 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 my judgement, including the assessment of risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, I considered internal control relevant to the members' preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members, as well as evaluating the overall presentation of the financial report.


I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Independence**

In conducting this audit, I have complied with the independence requirements of Australian Auditing Standards and other relevant ethical requirements. The *Audit Act 2008* further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of State Entities but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Tasmanian Audit Office are not compromised in their role by the possibility of losing clients or income.

### **Tasmanian Audit Office**



Rob Luciani  
Manager Financial Audit  
**Delegate of the Auditor-General**

Launceston  
24 September 2015

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**TASMANIAN BEEF INDUSTRY  
(RESEARCH AND DEVELOPMENT) TRUST**

**ANNUAL REPORT  
AND  
FINANCIAL STATEMENTS**

**2014 - 2015**

**TASMANIAN BEEF INDUSTRY (RESEARCH AND DEVELOPMENT) TRUST**  
**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015**

	<u>Note</u>	2015 \$	2014 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	2	95	539
Other Financial Assets	3	606,688	596,863
		<u>606,783</u>	<u>597,402</u>
<b>NON-CURRENT ASSETS</b>			
Plant & Equipment	4	0	0
		<u>606,783</u>	<u>597,402</u>
<b>Total Assets</b>		<b>606,783</b>	<b>597,402</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	5	2,900	1,312
		<u>2,900</u>	<u>1,312</u>
<b>Total Liabilities</b>		<b>2,900</b>	<b>1,312</b>
<b>Net Assets</b>		<b><u>603,883</u></b>	<b><u>596,090</u></b>
<b>MEMBERS FUNDS</b>			
Capital Contributed		295,863	295,863
Retained Funds		308,020	300,227
		<u>603,883</u>	<u>596,090</u>
<b>Total Members Funds</b>		<b><u>603,883</u></b>	<b><u>596,090</u></b>

The accompanying notes form part of these financial statements.

**TASMANIAN BEEF INDUSTRY (RESEARCH AND DEVELOPMENT) TRUST**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	2015	2014
	\$	\$
<b>INCOME</b>		
Interest - Tasmanian Perpetual Trustees - Fixed Term Fund	12,493	13,453
- Tasmanian Perpetual Trustees - Long Term Fund	8,707	9,350
- Commonwealth Bank Cheque Account	1	9
	<hr/>	<hr/>
<b>Total income</b>	<b>21,201</b>	<b>22,812</b>
	<hr/>	<hr/>
<b>EXPENDITURE</b>		
Advertising	0	234
Audit	1,100	1,078
Bank Charges	91	93
Postage and Stationery	120	107
Project Funding & Sponsorships	12,097	3,400
	<hr/>	<hr/>
<b>Total expenditure</b>	<b>13,408</b>	<b>4,912</b>
	<hr/>	<hr/>
<b>Comprehensive Result</b>	<b>7,793</b>	<b>17,900</b>
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The accompanying notes form part of these financial statements.

**TASMANIAN BEEF INDUSTRY (RESEARCH AND DEVELOPMENT) TRUST**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2015**

<b>2015</b>	<b>Contributed Equity \$</b>	<b>Retained Earnings \$</b>	<b>Total 2015 \$</b>
Balance as at the beginning of the year	295,863	300,227	596,090
Comprehensive Result		7,793	7,793
Balance as at the end of the year	<u>295,863</u>	<u>308,020</u>	<u>603,883</u>
<b>2014</b>	<b>Contributed Equity \$</b>	<b>Retained Earnings \$</b>	<b>Total 2014 \$</b>
Balance as at the beginning of the year	295,863	282,327	578,190
Comprehensive Result		17,900	17,900
Balance as at the end of the year	<u>295,863</u>	<u>300,227</u>	<u>596,090</u>

The accompanying notes form part of these financial statements.

**TASMANIAN BEEF INDUSTRY (RESEARCH AND DEVELOPMENT) TRUST**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	<u>Note</u>	Inflows (Outflows) 2015 \$	Inflows (Outflows) 2014 \$
<b>Cash Flows From Operating Activities</b>			
Payments to suppliers		(1,523)	(2,234)
Payment of Scholarships/Projects		(10,297)	(3,400)
Interest received		21,201	22,812
<b>Net cash provided by/(used in) operating activities</b>	<b>8(b)</b>	<b>9,381</b>	<b>17,178</b>
<b>Cash Flows From Investing Activities</b>			
Payment for property plant & equipment		0	0
<b>Net cash provided by/(used in) investing activities</b>		<b>0</b>	<b>0</b>
<b>Cash Flows From Financing Activities</b>			
Payments from investments		(9,825)	(22,804)
Cash transferred from investments		0	4,000
<b>Net cash provided by/(used in) financing activities</b>		<b>(9,825)</b>	<b>(18,804)</b>
<b>Net increase in cash held</b>		<b>(444)</b>	<b>(1,625)</b>
Cash at Beginning of the Year		539	2,164
<b>Cash at End of Year</b>	<b>8(a)</b>	<b>95</b>	<b>539</b>

The accompanying notes form part of these financial statements.

**TASMANIAN BEEF INDUSTRY (RESEARCH AND DEVELOPMENT) TRUST**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

**1 Summary of Significant Accounting Policies**

**(a) Basis of Preparation**

The financial report has been prepared on an accruals basis and is based on historical costs.

**(b) Statement of Compliance**

This general purpose financial report has been prepared in accordance with Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board and the *Tasmanian Beef Industry (Research and Development) Trust Act 1990*.

Compliance with the AAS may not result in compliance with International Financial Reporting Standards (IFRS), as the AAS include requirements and options available to not-for-profit organisations that are inconsistent with IFRS. The Trust is considered to be not-for-profit and has adopted some accounting policies under the AAS that do not comply with IFRS.

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

The accounting policies set out below have been consistently applied to all years presented.

**(c) Depreciation**

Depreciation is calculated on the straight line method so as to write off the net cost of fixed assets over their expected useful lives

**(d) Cash and Cash Equivalents**

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand and other highly liquid investments with original maturities of three months or less.

**(e) Receivables**

Receivables are recorded at amounts due.

**(f) Other Financial Assets**

The Trust has classified its other financial assets as *Financial Assets at Fair Value through Profit or Loss*. These financial assets are stated at fair value, with any resultant gain or loss recognised in profit or loss.

**(g) Plant and equipment**

Plant and equipment is recorded at cost.

**(h) Accounts Payable**

Accounts payable are recognised when the Trust becomes obliged to make future payments resulting from the purchase of goods and services.

**(i) Comparative Figures**

Comparative figures are, where appropriate, reclassified so as to be comparable with the figures presented for the current financial year.

**(j) Income Tax**

The Trust has not adopted the principles of tax effect accounting as it is exempt from income tax under the Australian Income Tax Assessment Act.



**TASMANIAN BEEF INDUSTRY (RESEARCH AND DEVELOPMENT) TRUST**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>2 Cash and Cash Equivalents</b>		
Commonwealth Bank Cheque Account	<u>95</u>	<u>539</u>
<b>3 Other Financial Assets</b>		
Investments	<u>606,688</u>	<u>596,863</u>
Investments are long-term and fixed term funds held with Tasmanian Perpetual Trustees.		
<b>4 Plant and Equipment</b>		
Furniture and Equipment (at cost)	5,314	5,314
Less Provision for Depreciation	<u>5,314</u>	<u>5,314</u>
	<u>0</u>	<u>0</u>
<b>5 Accounts Payable</b>		
Creditors	<u>2,900</u>	<u>1,312</u>
<b>6 Members Liability</b>		
The Tasmanian Beef Industry (Research and Development) Trust was formed under the <i>Tasmanian Beef Industry (Research and Development) Trust Act 1990</i> .		
A member of the Trust shall not incur any personal liability in respect of any act done or omitted to be done by the member in good faith in the exercise, or purported exercise, of any power under or in the administration or execution, or purported administration or execution of the <i>Tasmanian Beef Industry (Research and Development) Trust Act 1990</i> .		
No remuneration was paid to Members.		
<b>7 Auditor's Remuneration</b>		
Auditing the accounts	<u>1,100</u>	<u>1,078</u>

**TASMANIAN BEEF INDUSTRY (RESEARCH AND DEVELOPMENT) TRUST**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>8 Notes To The Statement Of Cash Flows</b>		
<b>(a) Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash	95	539
	95	539
<b>(b) Reconciliation of operating surplus/deficit to net cash flows from operating activities</b>		
Operating Surplus/(deficit)	7,793	17,900
Depreciation of non-current assets	0	0
Increase/(decrease) in accounts payable	1,588	(722)
Net cash from operating activities	9,381	17,178

**TASMANIAN BEEF INDUSTRY (RESEARCH AND DEVELOPMENT) TRUST**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

**9 Financial Instruments**

- (a) The trust does not consider that any of the financial assets or liabilities have any significant terms or conditions which would require disclosure, other than the items noted below:
- (b) **Credit Risk** - the risk to the Trust if a customer or counter-party fails to meet its contractual obligations.  
The carrying amount of financial assets represents the Board's maximum exposure to credit risk in relation to those assets.
- (c) **Liquidity Risk** - the risk the Trust will not be able to meet its financial obligations as they fall due.  
The Trust has sufficient cash balances to meet its present financial obligations relating to accounts payable, which are payable in the 2014-15 financial period.
- (d) **Market Risk** - that the fair value of future cash flows will fluctuate because of changes in market prices.

The primary risk relates to an exposure to interest rate risk.  
The following table details the exposure to interest rate risk as at 30th June 2015

	Average Interest rate %	Variable Interest rate \$	Fixed Interest Rate			Non-Interest Bearing \$	Total \$
			Less than 1 year \$	1 to 5 years \$	More than 5 years \$		
<b>Financial Assets</b>							
Cash	0.39%	95					95
Investments	3.52%	606,688					606,688
<b>Total 2015</b>		606,783	0	0	0	0	606,783
<b>Financial Liabilities</b>							
Accounts Payable		0				2,900	2,900
<b>Total 2015</b>		0	0	0	0	2,900	2,900
<b>Financial Assets</b>							
Cash	0.67%	539					539
Investments	3.88%	596,863					596,863
<b>Total 2014</b>		597,402	0	0	0	0	597,402
<b>Financial Liabilities</b>							
Accounts Payable		0				1,312	1,312
<b>Total 2014</b>		0	0	0	0	1,312	1,312

- (e) **Net Fair Value** - The carrying amount of financial assets and liabilities approximate net fair value.

**10 Subsequent Events**

There were no events occurring after the reporting date that would materially effect any of the amounts or disclosures in these accounts.

**TASMANIAN BEEF INDUSTRY (RESEARCH AND DEVELOPMENT) TRUST  
STATEMENT BY MEMBERS**

The members of the trust declare that:

- (a) The financial statements and notes set out on pages 1 to 8 present fairly the Trust's financial position at 30 June 2015 and its financial performance for the year ended on that date in accordance with Australian Accounting Standards and other mandatory professional reporting requirements;
- (b) In the members' opinion there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable; and
- (c) The financial statements have been prepared in accordance with the requirements of the *Tasmanian Beef Industry (Research and Development) Act 1990*.

This declaration is made in accordance with a resolution of the Members of the Trust.

A handwritten signature in black ink, appearing to read 'W.A. Johnston'. The signature is written in a cursive style with a large, looping initial 'W'.

Dated 31/07/2015  
Launceston, Tasmania