

Grains Research Foundation Limited ABN 62 123 027 234

Financial Statements

For the year ended 30 June 2014

Hooper Accountants

PO Box 3252

Suite 22 Clifford House

120 Russell Street Toowoomba 4350

Phone: 07 46 379 363 Fax: 07 46 387 617

Email: hooper@hooperaccountants.com.au

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Directors' Report

Your director presents this report on the company for the financial year ended 30 June 2014.

Director

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

Damien SCANLAN

Wayne NEWTON

Kaye BASFORD

Ben COLEMAN

Margaret KUMMEROW (appointed 11 December 2013)

Brendan TAYLOR (appointed 11 December 2013)

John OBST (resigned 11 December 2013)

John MOLONEY (resigned 11 December 2013)

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

Company Secretary

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

Lyn Schneider.

Operating Result

The profit of the company for the financial year after providing for income tax amounted to:

Year ended	Year ended
30 June 2014	30 June 2013
\$	\$
53,499.34	(3,901.39)

Principal Activities

The company's principal activities are:

- To conduct or encourage and assist in the conducting of scientific and economic research in connection with or that is likely to benefit the grain industries;
- To train or encourage and assist in the training of persons for the purposes of carrying out of research as referred to above
- To disseminate information and advice relating to technical matters in connection with the grain industries;
- To publish technical reports, periodicals, books and papers in connection with the grain industries;
- To conduct, according to law, public appeals for funds to assist it in the carrying out of its functions;
- To make donations or gift or allocate funds to other bodies or persons for the purpose of otherwise furthering any of the functions referred to in this section;
- To do and perform such incidental or consequential acts and things as may be necessary or expedient for the promotion of research in the grain industries or otherwise for the performance of its functions.

No significant change in the nature of these activities occurred during the year.

Significant Changes in the State of Affairs

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

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Directors' Report

After Balance Date Events

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

Future Developments

The company expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

Environmental Issues

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

Dividends

The Company is a non-profit organisation and does not carry on business for the purpose of profit or gain to its individual Members and no portion of its income, property, profits and financial surplus may be paid, distributed to or transferred, directly, indirectly, by way of dividend, property, bonus or otherwise by way of profit, to the Members, or the Board, or their relatives.

Directors Benefits

No director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the company or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

Indemnifying Officer or Auditor

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial period, to any person who is or has been an officer or auditor of the company, with the exception of the following:

- Directors and Officers Insurance paid in respect of Directors of the company.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the director:

Dated:

Grains Research Foundation Limited ABN 62 123 027 234

Detailed Profit and Loss Statement

For the year ended 30 June 2014

	2014 \$	2013 \$
Income		
Royalties for Wheat Varieties	30,272.04	11,580.38
Grants & Sponsorship	36,000.00	36,000.00
Books & Publications	-	2,272.73
Investment Income	13,889.53	10,690.50
Interest received	91.02	219.06
Realised Net Capital Loss	(15.13)	(10,028.92)
Financial Instrument Market Value Change	59,182.66	66,156.53
Total income	139,420.12	116,890.28
Expenses		
Accountancy	5,072.20	4,437.50
Administration Fees	7,681.86	11,192.03
Advertising and promotion	704.55	-
Debt forgiven	-	11,055.00
Bank Fees And Charges	122.90	120.60
Board Expenses	22,112.75	26,615.39
Computer Expenses	1,101.74	922.81
Depreciation - plant	1,199.00	1,624.64
Insurance	3,889.66	4,855.44
Investment Management Fees	4,663.59	4,719.48
Legal fees	116.00	335.00
Motor Vehicle Expenses	4,127.47	650.19
Postage	153.59	545.54
Printing & stationery	104.54	1,415.73
Professional Fees	24,807.78	38,666.74
RAC Expenses	6,076.86	5,688.18
Superannuation	-	276.92
Telephone	1,367.28	1,436.21
Travel, accommodation & conference	2,431.77	2,825.90

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.

Grains Research Foundation Limited ABN 62 123 027 234

Detailed Profit and Loss Statement

For the year ended 30 June 2014

	2014 \$	2013 \$
Wages	-	3,076.92
Workcover	187.24	331.45
Total expenses	85,920.78	120,791.67
Profit from Ordinary Activities	53,499.34	(3,901.39)

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Grains Research Foundation Limited ABN 62 123 027 234
Detailed Balance Sheet as at 30 June 2014

	Note	2014 \$	2013 \$
Current Assets			
Cash Assets			
NAB Cheque Account		18,537.38	19,097.50
BT Cash Management		1,008.89	1,880.82
		19,546.27	20,978.32
Receivables			
Distribution receivable		9,184.15	4,790.43
		9,184.15	4,790.43
Other			
Prepaid Expenses		1,523.39	1,705.89
Load and Go Card		234.20	-
Sundry debtors		6,509.89	2,740.19
		8,267.48	4,446.08
Total Current Assets		36,997.90	30,214.83
Non-Current Assets			
Other Financial Assets			
Aust Unit Wholesale Mortgage Income		14,489.77	24,641.93
Dimensional Emerging Markets Trust		15,887.87	14,412.57
Mosaic Strategic Aust Equity Trust		212,237.63	188,697.61
Mosaic Strat International Equity		165,936.10	134,287.39
Mosaic Strategic Global Property		23,775.25	21,535.29
Mosaic Strategic Fixed Interest Trust		15,976.73	15,631.55
		448,303.35	399,206.34
Property, Plant and Equipment			
Plant & equipment - at cost		4,114.23	4,114.23
Less: Accumulated depreciation		(3,449.00)	(3,188.00)
Software		790.00	790.00
Less: Accumulated amortisation		(790.00)	(790.00)

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Grains Research Foundation Limited ABN 62 123 027 234
Detailed Balance Sheet as at 30 June 2014

	Note	2014 \$	2013 \$
Motor vehicles - at cost		13,766.41	13,766.41
Less: Accumulated depreciation		(10,951.00)	(10,013.00)
		3,480.64	4,679.64
Total Non-Current Assets		451,783.99	403,885.98
Total Assets		488,781.89	434,100.81
Current Liabilities			
Current Tax Liabilities			
GST clearing		1,058.00	(123.74)
		1,058.00	(123.74)
Total Current Liabilities		1,058.00	(123.74)
Total Liabilities		1,058.00	(123.74)
Net Assets		487,723.89	434,224.55
Equity			
Retained profits / (accumulated losses)		487,723.89	434,224.55
Total Equity		487,723.89	434,224.55

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Statement of Changes in Equity for the year ended 30 June 2014

	Retained Earnings	Grain Research Foundation Transfer Reserve	Total
	\$	\$	\$
Balance at 30 June 2012	(698,689.99)	1,133,357.21	434,667.22
Deficit attributable to the entity	(3,901.39)		(3,901.39)
Other appropriations	3,458.72		3,458.72
Balance at 30 June 2013	(699,132.66)	1,133,357.21	434,224.55
Profit attributable to the entity	53,499.34	-	53,499.34
Balance at 30 June 2014	(645,633.32)	1,133,357.21	487,723.89

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Statement of Cash Flows For the year ended 30 June 2014

Cash Flows from operating activities	2014	2013
		\$
Receipts from ordinary activities	30,272.04	13,853.11
Receipt from grants	36,000.00	46,459.81
Payments from ordinary activities	-78,928.15	-103,770.19
Net cash provided by/(used in) operating activities	-12,656.11	-43,457.27
Cash Flows from investing activities		
Movement Sale of Investments	6,300.82	43,274.83
Purchase of property, plant and equipment	-	0
Interest received	91.02	219.06
Investment Income	9,495.81	12,993.14
Investment management costs	-4,663.59	-4,719.48
Net cash used in investing activities	11,224.06	51,767.55
Net increase (decrease) in cash held	(1,432.05)	8,310.28
Cash at the beginning of the financial year	20,978.32	12,668.04
Cash at the end of the financial year	\$19,546.27	\$20,978.32

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Grains Research Foundation Limited ABN 62 123 027 234

Notes to the Financial Statements

For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies

The director has prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependant on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of the members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the director has determined are appropriate to meet the needs of the members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

(a) Property, Plant and Equipment (PPE)

Property, plant and equipment are carried at cost, independent or director's valuation. All assets, excluding freehold land and buildings, are depreciated over their useful lives to the company. Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the assets charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

The carrying amount of plant and equipment is reviewed annually by the director to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amounts.

(b) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reasonably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

(c) Cash and Cash Equivalents

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

(d) Revenue and Other Income

Revenue is measured at the 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.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue recognised related to the provision of services is determined with reference to the stage of completion of the transaction at the reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

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Notes to the Financial Statements

For the year ended 30 June 2014

(e) Goods and Services Tax (GST)

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

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

(f) Investments

Investments held are originally recognised at cost, which includes transaction costs. They are subsequently measured at fair value which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

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Directors' Declaration

The director has determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies prescribed in Note 1 to the financial statements.

The director of the company declares that:

1. the financial statements and notes, present fairly the company's financial position as at 30 June 2014 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
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.

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

Dated:

Grains Research Foundation Limited ABN 62 123 027 234
Compilation Report to Grains Research Foundation Limited

We have compiled the accompanying special purpose financial statements of Grains Research Foundation Limited, which comprise the balance sheet as at 30 June 2014, the profit and loss statement for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1 to the financial statements.

The Responsibility of the Director of Grains Research Foundation Limited

The director of Grains Research Foundation Limited is solely responsible for the information contained in the special purpose financial statements and has determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet the director's needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of the information provided by the director of Grains Research Foundation Limited, we have compiled the accompanying special purpose financial statements in accordance with the significant accounting policies adopted as set out in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the director provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were compiled exclusively for the benefit of the director of Grains Research Foundation Limited. We do not accept responsibility to any other person for the contents of the special purpose financial statements.



Hooper Accountants

Suite 22 Clifford House

120 Russell Street Toowoomba

7 November 2014