Seafood CRC Company Ltd

ABN 51 126 074 048

Financial Report
For the year ended 30 June 2009

AUSTRALIAN
SEAFOOD
COOPERATIVE
RESEARCH CENTRE

Pitcher Partners
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Telephone (08) 81792800

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ABN 51 126 074 048

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DIRECTORS' REPORT

The directors present their report together with the financial report of Seafood CRC Company Ltd for the year ended 30 June 2009 and auditors report thereon. This financial report has been prepared in accordance with Australian Equivalents of International Financial Reporting Standards.

Directors Names

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

Mr P Dundas-Smith
Prof. C Buxton
Mr R Cotton
Mr R Cox
Mr C Elder
Dr P Hone
Mr N Moore
Ms E Starling
Dr L Stephens

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

Company Secretary

Mr J Wilson (resigned 30 September 2008)
Qualifications - BEc(hons), DipEd, CPA, FAICD, JP

Mrs R Wilson (commenced 1 October 2008)
Qualifications - LLB/LP, BA

Results

The profit of the company for the year after providing for income tax amounted to $NIL.

Review of Operations

A review of the operations of the company during the financial year and the results of those operations found that:

The Company has performed in line with the expectations of the directors, and has commenced the pursuit of the key objectives of the Company as outlined in the principal activities.

Significant Changes in State of Affairs

There were no significant changes in the company's state of affairs that occurred during the financial year, other than those referred to elsewhere in this report.

Principal Activities

The principal activities of the company during the year were:

(a) the continuing of the establishment and operation of a Cooperative Research Centre (CRC) to pursue research to:
(i) substantially increase profitability and industry value through production innovation and efficient delivery of Australian seafood to the consumer; and
(ii) substantially increase access to premium markets through fulfilment of consumer demands for safe, high-quality, nutritious Australian seafood; and
(iii) develop the skills of persons working in, and in support of, the Australian seafood industry

(b) promote the objective of the Australian Government's CRC program;

(c) commercialise intellectual property in such a manner as to ensure that the maximum benefit accrues to Australia, including Australian industry and the Australian economy generally;

(d) act as a trustee of commercialisation income in accordance with the Participants Agreement and as trustee of project intellectual property in accordance with any project agreements; and

(e) manage the financial affairs of the Company in accordance with the Participants Agreement.

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

After Balance Date Events

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

Likely Developments

Likely developments in the operations of the company and the expected results of those operations have not been included in this report as the directors believe, on reasonable grounds, that the inclusion of such information would be likely to result in unreasonable prejudice to the company.

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 Paid, Recommended, and Declared

No dividends were paid or declared since the start of the year. No recommendation for payment of dividends has been made.

Information on Directors

Mr P Dundas-Smith	-	Chair
Qualifications	-	psc, Management Studies (Grad Dip), FAICD (Dip).
Experience	-	Director, OceanWatch Australia Ltd. Former Fisheries Research and Development Corporation's Executive Director, Former Chairman of the CRC for the Sustainable Aquaculture of Finfish. Extensive knowledge of the operations and interests of the commercial and non-commercial components of the fishing industry, and of the research sector. Until October 2004 he was a director of Seafood Services Australia Ltd (a not-for-profit company dedicated to sustainable development of the seafood industry), and until 2001 he was vice-president of the Australian Fisheries Academy. He has also been a member of advisory bodies related to the fishing industry and the science community.
Special Responsibilities	-	Chair of Appointments and Remuneration Committee
Prof. C Buxton	-	Director
Qualifications	-	BSc (Hons), MSc (cum laude), PhD, MAICD.
Experience	-	Director of the Tasmanian Aquaculture and Fisheries Institute and Former Director of the CRC for the Sustainable Aquaculture of Finfish and CRC Aquaculture.
Special Responsibilities	-	Member of Commercialisation and Utilisation Committee
Mr R Cotton	-	Director
Qualifications	-	JP, FPNA, FAICD, FAIM, AATF.
Experience	-	Expertise in corporate business development, brand stewardship and market positioning. Former CEO of the National Institute of Accountants, Chairman of Southern Rock Lobster Limited
Special Responsibilities	-	Member of Finance, Audit and Risk Management Committee
Mr R Cox	-	Director
Qualifications	-	BBus (Acctg/Computing), FCA, FAICD (dip), FTIA.
Experience	-	Principal of a chartered accounting practice. Director of Marine Culture and a stakeholder in his own right. Extensively involved in industry activities and holds appointments to the boards of the Tasmanian Oyster Research Council and Australian Seafood Industries Ltd. Has worked with the South Australian Oyster Research Council and the NSW Selective Oyster Company in the pursuit of product enhancement. Has held senior positions in a number of Australian Government departments and in Price Waterhouse.
Special Responsibilities	-	Chair of Finance, Audit and Risk Management Committee

INFORMATION ON DIRECTORS (Continued)

Mr C Elder	-	Director
Qualifications	-	BSc (Microbiology and Human Biology)
Experience	-	Technologist, Executive General Manager, Quality and Innovation Simplot Australia. Member of the Board of Management of the major vertically integrated food company, Simplot Australia. Graduate of the Management Development Program (Graduate School of Management) University of Adelaide.
Special Responsibilities	-	Member of Appointments and Remuneration Committee and Chair of Commercialisation and Utilisation Committee
Dr P Hone	-	Director
Qualifications	-	BSc (Hons), PhD.
Experience	-	Executive Director of the Fisheries Research and Development Corporation. Former Director of the CRC for the Sustainable Aquaculture of Finfish.
Special Responsibilities	-	Member of Finance, Audit and Risk Management Committee
Mr N Moore	-	Director
Experience	-	General Manager of Gold Coast Marine Aquaculture. Former General Manager, Seafarm Pty Ltd, President of the Australian Prawn Farmers Association
Special Responsibilities	-	Member of Commercialisation and Utilisation Committee
Ms E Starling	-	Director
Qualifications	-	MAICD, MBA (Distinction).
Experience	-	Managing Director of Indian Ocean Fresh Australia Pty Ltd. Actively involved in seafood processing and marketing since 1994. Awarded the RIRDC Rural Women's Award in 2003. Member of WINSC.
Special Responsibilities	-	Member of Commercialisation and Utilisation Committee
Dr L Stephens	-	Managing Director
Qualifications	-	Dip Agr Sci, BVSc, MSc, PhD, FAICD(Dip).
Experience	-	Director Dairy Australia Ltd. Former positions include CEO of Australian Wool Innovation Limited, General Manager, Livestock Innovation with Meat and Livestock Australia Ltd, senior executive with Agriculture Victoria, founding Director of the Victorian Institute of Animal Science.
Special Responsibilities	-	Managing Director

DIRECTORS' REPORT (cont'd)

Meetings of Directors

DIRECTORS	DIRECTORS' MEETINGS		COMMITTEE MEETINGS: FINANCE, AUDIT AND RISK MANAGEMENT COMMITTEE		COMMITTEE MEETINGS: APPOINTMENT AND REMUNERATION COMMITTEE	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Mr P Dundas-Smith	7	7	-	-	1	1
Prof. C Buxton	7	6	-	-	-	-
Mr R Cotton	7	7	4	4	-	-
Mr R Cox	7	7	4	4	-	-
Mr C Elder	7	6	-	-	1	1
Dr P Hone	7	6	4	4	-	-
Mr N Moore	7	6	-	-	1	1
Ms E Starling	7	6	-	-	-	-
Dr L Stephens	7	7	4	4	-	-

Options

No options over unissued shares or interests in the company were granted during or since the end of the year and there were no options outstanding at the end of the year.

Indemnification of Officer

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

During the reporting period, the Company paid a premium in respect of a contract insuring the directors of the Company (as named above), the Company Secretary, and all executive officers of the Company against any liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001.

Further disclosure required under section 300(9) of the Corporations Act is prohibited under the terms of the contract.

Auditor's Independence Declaration

A copy of the auditor's declaration under section 307C in relation to the audit for the financial year is provided with this report.

Proceedings on Behalf of the 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 Board of Directors:

Director
Mr P Dundas-Smith

Director
Mr R Cotton

Dated this 28th day of September 2009

RSM Bird Cameron Partners
Chartered Accountants

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Seafood CRC Company Limited for the year ended 30 June 2009, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) The auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) Any applicable code of professional conduct in relation to the audit.

RSM Bird Cameron Partners

RSM Bird Cameron Partners
Chartered Accountants

G M STENHOUSE
Partner

Canberra, Australian Capital Territory
Dated: 28 September 2009

SEAFOOD CRC COMPANY LTD
ABN 51 126 074 048

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Notes	2009	2008
		$	$
Contributions	3	8,922,442	4,153,193
Other income	3	142,128	81,417
		9,064,570	4,234,610
Employee benefits expense		(607,230)	(529,407)
Depreciation and amortisation expenses	5	(12,525)	(5,905)
Program Expenditure	5	(8,031,852)	(2,988,493)
External service providers	5	(165,763)	(421,843)
Other expenses		(247,200)	(288,962)
		(9,064,570)	(4,234,610)
Profit before income tax expense (income tax benefit)		-	-
Income tax benefit (income tax expense)	6	-	-
Profit from continuing operations		-	-

The accompanying notes form part of these financial statements.

SEAFOOD CRC COMPANY LTD
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BALANCE SHEET
AS AT 30 JUNE 2009

	Notes	2009	2008
		$	$
CURRENT ASSETS			
Cash and cash equivalents	8	4,742,838	2,405,822
Trade receivables	9	1,988,158	309,438
Other		830	-
TOTAL CURRENT ASSETS		6,731,826	2,715,260
NON-CURRENT ASSETS			
Property, plant and equipment	10	55,249	55,819
TOTAL NON-CURRENT ASSETS		55,249	55,819
TOTAL ASSETS		6,787,075	2,771,079
CURRENT LIABILITIES			
Trade and other payables	11	1,168,095	292,465
Other payables	12	5,582,750	2,452,430
Provisions	13	24,624	21,624
TOTAL CURRENT LIABILITIES		6,775,469	2,766,519
NON-CURRENT LIABILITIES			
Provisions	13	11,606	4,560
TOTAL NON-CURRENT LIABILITIES		11,606	4,560
TOTAL LIABILITIES		6,787,075	2,771,079

SEAFOOD CRC COMPANY LTD
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2009

	Notes	2009	2008
		$	$
Total equity at the beginning of the financial year		-	-
Total equity at the end of the financial year		-	-

The accompanying notes form part of these financial statements.

SEAFOOD CRC COMPANY LTD
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CASH FLOW STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	Notes	2009	2008
		$	$
CASH FLOW FROM OPERATING ACTIVITIES			
CRC Program funding received from Commonwealth Government		5,758,788	4,933,500
Contributions received from participants		5,404,579	2,174,639
Other cash received		134	1,283
Payments to suppliers		(265,019)	(1,038,727)
Payments to employees		(597,184)	(503,223)
Net GST received/(paid)		(301,865)	(437,350)
Interest received		142,128	80,134
Program expenditure		(7,792,590)	(2,742,710)
Net cash provided by operating activities	17 (b)	2,348,971	2,467,546
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(11,955)	(61,724)
Net cash used in investing activities		(11,955)	(61,724)
Net increase in cash held		2,337,016	2,405,822
Cash at beginning of financial year		2,405,822	-
Cash at end of financial year	17 (a)	4,742,838	2,405,822

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial report was approved by the directors as at the date of the directors' report.

The financial report is for the entity Seafood CRC Company Ltd as an individual entity. Seafood CRC Company Ltd is a company limited by guarantee, incorporated and domiciled in Australia.

The Company was incorporated on 20 June 2007 and the 2008 comparative figures cover the period 20 June 2007 through to 30 June 2008.

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

(a) Basis of preparation of the financial report

Compliance with IFRS

Australian Accounting Standards include Australian Equivalents to International Financial Reporting Standards (AIFRSs). Compliance with AIFRS ensures compliance with International Financial Reporting Standards (IFRSs).

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Revenue

Revenue from sale of goods is recognised when:

- the risks and rewards of ownership have been transferred to the buyer;
- the Company retains no managerial involvement nor effective control over the goods;
- the revenue and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the Company.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- the probable economic benefits with the transaction will flow to the Company.

The stage of completion of contracts at the reporting date is determined by reference to the preparation that costs incurred to date bear to the estimated total costs of the transaction.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any provision for bad and doubtful debts. Collectability of debts is reviewed at balance date. Provisions are made when collectability of the debt is no longer probable.

Government grants are assistance by the government in the form of transfers of resources to the Company in return for past or future compliance with certain conditions relating to the operating activities of the Company. Government grants include government assistance where there are no conditions specifically relating to the operating activities of the Company other than the requirement to operate in certain regions or industry sectors.

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and the grants will be received.

Government grants whose primary condition is that the Company should purchase, construct, or otherwise acquire non-current assets are recognised as deferred income in the Balance Sheet and recognised as income on a systematic and rational basis over the useful lives of the related assets.

Other government grants are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

Interest revenue is recognised when it becomes receivable on a proportional basis taking in to account the interest rates applicable to the financial assets.

Revenue from the disposal of non-current assets is recognised when control of the asset has passed to the buyer.

Refunds from research organisations are taken to account when received.

Revenue from contributions are recognised when the Company becomes legally entitled to call on participants contributions under the participants Agreement.

Cash contributions from government and participants on account of future costs to be incurred by the Company are treated as liabilities, until the associated costs are incurred.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other revenue is recognised when the right to receive the revenue has been established.

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

(c) Construction Contracts and Work in Progress

Construction work in progress is valued at cost, plus profit recognised to date less any provision for anticipated future losses. Cost includes both variable and fixed costs relating to specific contracts, and those costs that are attributable to the contract activity in general and that can be allocated on a reasonable basis.

Construction profits are recognised on the percentage of completion basis measured using the proportion of costs incurred to date as compared to expected total costs. Where losses are anticipated they are provided for in full.

Construction revenue has been recognised on the basis of the terms of the contract adjusted for any variations or claims allowable under the contract.

(d) 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.

Plant and equipment

Plant and equipment is measured on the cost basis, except for purchases costing less than $500, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to present values in determining recoverable amounts.

Depreciation

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

The useful lives used for each class of assets are:

Class of fixed asset	Useful lives	Depreciation basis
Leasehold improvements	Lease years	Straight Line
Plant and equipment	3-5 years	Straight Line

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Finance Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the company are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset, or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Operating leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives received under operating leases are recognised as a liability. Lease payments received reduced the liability.

(f) Income Tax

Current income tax expense or revenue is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, to unused tax losses.

A balance sheet approach is adopted under which deferred tax assets and liabilities are recognised for temporary differences at the applicable tax rates when the assets are recovered or liabilities are settled. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Employee Benefits

Liabilities arising in respect of wages and salaries, annual leave, sick leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date.

Contributions are made by the company to an employee superannuation fund are recognised in the balance sheet as a liability, after deducting any contributions already paid and in the income statement as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

(h) Research and Development Expenditure

Expenditure on research activities is recognised as an expense when incurred.

Expenditure on development activities is capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably. Capitalised development expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over the estimated useful life of the project.
Other development expenditure is recognised as an expense when incurred.

Software

The Company’s intangibles may comprise internally developed software for internal use. These assets will be carried at cost.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of company's software is 3 years.

(i) Finance Costs

Finance costs can include interest, amortisation of discounts or premiums relating to borrowings, ancillary costs incurred in connection with arrangement of borrowings, foreign exchange losses net of hedged amounts on borrowings, including trade creditors and lease finance charges.

Finance costs are expensed as incurred, except for finance costs incurred as part of the cost of a qualifying asset, which are capitalised. The capitalisation rate is the weighted average of the finance costs applicable to the borrowings of the entity that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

(j) Impairment of assets

Assets with an indefinite useful life are not amortised but are tested annually for impairment in accordance with AASB 136. Assets subject to annual depreciation or amortisation are reviewed for impairment whenever events or circumstances arise that indicate that the carrying amount of the asset may be impaired. An impairment loss is recognised where the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and value in use.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Comparative Figures

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

(l) Financial Instruments

Financial assets at fair value through profit or loss

Financial instruments, including investments in listed securities and derivatives (except for derivatives designated as hedges at inception) are carried at fair value through profit and loss. They are measured at their fair value at each reporting date. Any increment or decrement in fair value from the prior period is recognised in the profit and loss of the current period, and is also included in deferred income tax calculations.

Non-listed investments of which the fair value cannot be reliably measured are carried at cost and tested for impairment.

Held-to-maturity investments

Fixed term investments with an intention to be held to maturity are classified as held-to-maturity investments. They are measured at amortised cost using the effective interest rate method.

Loans and receivables

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

Non-interest bearing loans and receivables are designated as receivable 'at call' and are therefore recognised at their face value at inception.

Available-for-sale

Available-for-sale financial assets include any financial assets not included in the above categories. Financial instruments previously classified as held-for-maturity but not possible to be held to maturity due to changes in circumstances must be re-designated as available-for-sale.
Available-for-sale financial assets are measured at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity. The cumulative gain or loss is held in equity until the financial asset is de-recognised, at which time the cumulative gain or loss held in equity is recognised in profit or loss. An impairment loss arising in relation to an available-for-sale instrument is recognised directly in profit and loss for the period.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities

Financial liabilities include trade payables, other creditors and loans from third parties including inter-company balances and loans from or other amounts due to director-related entities.
Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.
Non-interest bearing loans and payables are payable on demand and are therefore recognised at their face value at inception.

Hedge accounting

Certain derivatives are designated as hedging instruments. By nature, they are further classified as either fair value hedges or cash flow hedges.
The company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair value or cash flows of hedged items.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Cash flow hedge

To qualify as a cash flow hedge the underlying transactions generating the cash flows must be highly probable. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in the hedging reserve. This gain or loss is released to profit or loss in the same period as the forecast transactions occur, thereby mitigating any adverse result that would have transpired in the absence of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

(m) Participant in-kind contributions

The Company is the recipient of participant in-kind contributions primarily in relation to program activities. In-kind contributions represent goods and/or services provided to the Company for nil or nominal consideration. Minor in-kind corporate secretarial services are also provided to the Company. On an annual or more regular basis Participants provide formal declarations for the value of in-kind contributions provided to the Company during the reporting period. The value of participant in-kind contributions are not recognised in the accounts.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(o) Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

(p) Contingent liabilities and contingent assets

Contingent Liabilities and Contingent Assets are not recognised in the Balance Sheet but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset, or represent an existing liability or asset in respect of which settlement is not probable or the amount cannot be reliably measured. Contingent assets are reported when settlement is probable, and contingent liabilities are recognised when settlement is greater than remote.

(q) Projects

The Company recognises project liabilities as project agreements that require the research provider to perform services or provide facilities, or to meet eligibility criteria. In these cases, liabilities are recognised to the extent that the services required have been performed or the eligibility criteria have been satisfied by the research provider.

(r) Company limited by guarantee

The Company is incorporated in Australia as a company limited by guarantee. Every member of the Company undertakes to contribute to the property of the Company, in the event of it being wound up while they are a member or within one year after ceasing to be a member, for payment of the debts and liabilities of the Company contracted before they cease to be a member and of the costs, charges and expenses of winding up and for adjustment of the rights of contributories among themselves, such amount as may be required, not exceeding $10.00.

(s) Segment reporting

The Company operates in the research and development field within the seafood industry and all company activities are performed within Australia.

NOTE 2: NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

A number of accounting standards and interpretations have been issued at the reporting date but are not yet effective the company has decided not to early adopt. A discussion of those future requirements and their impact on the company is as follows:

- AASB 3: Business Combinations, AASB 127: Consolidated and Separate Financial Statements, AASB 2008–3: Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASB Standards 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138 and 139 and Interpretations 9 and 107] (applicable for annual reporting periods commencing from 1 July 2009) and AASB 2008–7: Amendments to Australian Accounting Standards — Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate [AASB 1, AASB 118, AASB 121, AASB 127 and AASB 136] (applicable for annual reporting periods commencing from 1 January 2009). These Standards are applicable prospectively and so will only affect relevant transactions and consolidations occurring from the date of application. In this regard, impact on the company is not able to be determined. Changes to accounting requirements include:
  - — acquisition costs incurred in a business combination will no longer be booked to goodwill but will be expensed unless the cost relates to issuing debt or equity securities;
  - — contingent consideration will be measured at fair value at the acquisition date and may only be provisionally accounted for during a period of 12 months after acquisition;
  - — a gain or loss of control will require the previous ownership interests to be remeasured to their fair value;
  - — there shall be no gain or loss from transactions affecting a parent's ownership interest of a subsidiary with all transactions required to be accounted for through equity (this will not represent a change to the company's policy);
  - — dividends declared out of pre-acquisition profits will not be deducted from the cost of an investment but will be recognised as income;
  - — impairment of investments in subsidiaries, joint ventures and associates shall be considered when a dividend is paid by the respective investee; and
  - — where there is in substance no change to company interests, parent entities inserted above existing companies shall measure the cost of its investments at the carrying amount of its share of the equity items shown in the balance sheet of the original parent at the date of reorganisation.

  The company will need to determine whether to maintain its present accounting policy of calculating goodwill acquired based on the parent's share of net assets acquired or to change so that goodwill recognised will also reflect that of the non-controlling interest.
- AASB 8: Operating Segments and AASB 2007–3: Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 and AASB 1038] (applicable for annual reporting periods commencing from 1 January 2009). This Standard replaces AASB 114 and requires identification of operating segments on the basis of internal reports that are regularly reviewed by the company's Board for the purposes of decision making.
- AASB 101: Presentation of Financial Statements, AASB 2007–8: Amendments to Australian Accounting Standards arising from AASB 101, and AASB 2007–10: Further Amendments to Australian Accounting Standards arising from AASB 101 (all applicable to annual reporting periods commencing from 1 January 2009). The revised AASB 101 and amendments supersede the previous AASB 101 and redefine the composition of financial statements including the inclusion of a statement of comprehensive income. There will be no measurement or recognition impact on the company. If an entity has made a prior period adjustment or reclassification, a third balance sheet as at the beginning of the comparative period will be required.

- AASB 123: Borrowing Costs and AASB 2007–6: Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 and AASB 138 and Interpretations 1 and 12] (applicable for annual reporting periods commencing from 1 January 2009). The revised AASB 123 has removed the option to expense all borrowing costs and will therefore require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. Management has determined that there will be no effect on the company as a policy of capitalising qualifying borrowing costs has been maintained by the company.
- AASB 2008–1: Amendments to Australian Accounting Standard — Share-based Payments: Vesting Conditions and Cancellations [AASB 2] (applicable for annual reporting periods commencing from 1 January 2009). This amendment to AASB 2 clarifies that vesting conditions consist of service and performance conditions only. Other elements of a share-based payment transaction should therefore be considered for the purposes of determining fair value. Cancellations are also required to be treated in the same manner whether cancelled by the entity or by another party.
- AASB 2008–2: Amendments to Australian Accounting Standards — Puttable Financial Instruments and Obligations arising on Liquidation [AASB 7, AASB 101, AASB 132 and AASB 139 and Interpretation 2] (applicable for annual reporting periods commencing from 1 January 2009). These amendments introduce an exception to the definition of a financial liability to classify as equity instruments certain puttable financial instruments and certain other financial instruments that impose an obligation to deliver a pro rata share of net assets only upon liquidation.
- AASB 2008–5: Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) and AASB 2008–6: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) detail numerous non-urgent but necessary changes to Accounting Standards arising from the IASB's annual improvements project. No changes are expected to materially affect the company.
- AASB 2008–8: Amendments to Australian Accounting Standards — Eligible Hedged Items [AASB 139] (applicable for annual reporting periods commencing from 1 July 2009). This amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation as a hedged item should be applied in particular situations and is not expected to materially affect the company.
- AASB 2008–13: Amendments to Australian Accounting Standards arising from AASB Interpretation 17 — Distributions of Non-cash Assets to Owners [AASB 5 and AASB 110] (applicable for annual reporting periods commencing from 1 July 2009). This amendment requires that non-current assets held for distribution to owners be measured at the lower of carrying value and fair value less costs to distribute.
- AASB Interpretation 15: Agreements for the Construction of Real Estate (applicable for annual reporting periods commencing from 1 January 2009). Under the Interpretation, agreements for the construction of real estate shall be accounted for in accordance with AASB 111 where the agreement meets the definition of 'construction contract' per AASB 111 and when the significant risks and rewards of ownership of the work in progress transfer to the buyer continuously as construction progresses. Where the recognition requirements in relation to construction are satisfied but the agreement does not meet the definition of 'construction contract', revenue is to be accounted for in accordance with AASB 118. Management does not believe that this will represent a change of policy to the company.
- AASB Interpretation 16: Hedges of a Net Investment in a Foreign Operation (applicable for annual reporting periods commencing from 1 October 2008). Interpretation 16 applies to entities that hedge foreign currency risk arising from net investments in foreign operations and that want to adopt hedge accounting. The Interpretation provides clarifying guidance on several issues in accounting for the hedge of a net investment in a foreign operation and is not expected to impact the company.

- AASB Interpretation 17: Distributions of Non-cash Assets to Owners (applicable for annual reporting periods commencing from 1 July 2009). This guidance applies prospectively only and clarifies that non-cash dividends payable should be measured at the fair value of the net assets to be distributed where the difference between the fair value and carrying value of the assets is recognised in profit or loss.

  The company does not anticipate early adoption of any of the above reporting requirements and does not expect them to have any material effect on the company's financial statements.

	Note	2009 $	2008 $
NOTE 3: REVENUE			
Operating activities			
- DIISR program funding received		3,037,208	3,477,570
- Participant contributions received		5,885,100	675,623
- interest	3(a)	142,128	80,134
- other income		134	1,283
Total revenue		9,064,570	4,234,610
(a) Interest from:			
- bank interest		142,128	80,134
		142,128	80,134

NOTE 4 FINANCIAL RISK MANAGEMENT

The company's activities expose it to normal commercial financial risk. As a result of the nature of the company's business dealing with the management of financial risk, the company's exposure to market, credit, liquidity and cash flow and fair value interest rate risk is considered to be low.

Credit risk exposure

The Company's maximum exposure to credit risk at the reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Balance Sheet.

The Company has no significant exposure to any concentrations of credit risk.

All figures for credit risk referred to do not take into account the value of any collateral or other security.

	Note	2009 $	2008 $
NOTE 5: PROFIT FROM CONTINUING ACTIVITIES			
Profit / (losses) before income tax has been determined after:			
Expenses:			
Depreciation of non-current assets			
- Plant and equipment		12,525	5,905
Remuneration of the auditors for:			
- audit services		16,175	25,000
Employee benefits:			
Other		607,230	529,407
Program Expenses			
Production Innovation - Program 1		3,418,043	1,759,261
Product and Market Development - Program 2		2,056,403	842,086
Education & Training - Program 3		439,368	197,841
Commercialisation, utilisation & Communication - Program 4		645,465	189,305
General Program Expenses		1,472,573	-
		8,031,852	2,988,493

NOTE 6: INCOME TAX

Income tax payable

	Note	2009 $	2008 $
The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:			
Prima facie income tax payable on profit before income tax at 30% (2008 - 30%)		-	-
Income tax expense attributable to profit		-	-
Deferred tax assets:			
Future income tax benefits not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in the accounting policies note occur.			
Timing differences - Employee Provisions		10,869	7,855

	Note	2009 $	2008 $

NOTE 7: KEY MANAGEMENT PERSONNEL COMPENSATION

Compensation received by key management personnel of the company			
- short-term employee benefits		341,402	357,527
- other long-term benefits		10,851	2,942
		352,253	360,469

The names of directors who have held office during the year are:

Mr P Dundas-Smith

Prof. C Buxton

Mr R Cotton

Mr R Cox

Mr C Elder

Dr P Hone

Mr N Moore

Ms E Starling

Dr L Stephens

DIRECTORS REMUNERATION BANDS

	No.	No.
$Nil - $ 14,999	1	3
$ 15,000 - $ 29,999	6	4
$ 30,000 - $ 44,999	1	1
$ 190,000 - $204,999	1	1
Total number of directors of the company	9	9

The number of directors of the company included in the Key Management Personnel Compensation figures above are shown in the expected annual remuneration bands above.

	Note	2009 $	2008 $

NOTE 8: CASH AND CASH EQUIVALENTS

Cash on hand	300	300
Cash at bank	4,742,538	2,405,522
	4,742,838	2,405,822

NOTE 9: RECEIVABLES

CURRENT		
Trade debtors	967,302	181,966
Other debtors	89,415	127,472
Amounts due from participants	931,441	-
	1,988,158	309,438

NOTE 10: PLANT AND EQUIPMENT

At cost	73,679	61,724
Less accumulated depreciation	(18,430)	(5,905)
	55,249	55,819

(a) Reconciliation of Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

	Plant & equipment $
2009	
Balance at the beginning of the year	55,819
Additions	11,955
Depreciation expense	(12,525)
Carrying amount at end of year	55,249
2008	
Additions	61,724
Depreciation expense	(5,905)
Carrying amount at the end of the year	55,819

	Note	2009 $	2008 $
NOTE 11: PAYABLES			
CURRENT			
Unsecured liabilities			
Trade creditors		181,356	37,381
Sundry creditors and accruals		986,739	255,084
		1,168,095	292,465
NOTE 12: OTHER PAYABLES			
CURRENT			
Unsecured liabilities			
Grants received in advance		5,582,750	2,452,430
NOTE 13: PROVISIONS			
CURRENT			
Employee benefits	(a)	24,624	21,624
		24,624	21,624
NON-CURRENT			
Employee benefits	(a)	11,606	4,560
		11,606	4,560
(a) Aggregate employee benefits liability		36,230	26,184
(b) Average number of employees during the reporting period	(b)	4	3

NOTE 14: LEASING AND PROJECT COMMITMENTS

	Note	2009 $	2008 $
(a) Operating lease commitments			
Non-cancellable operating leases contracted for but not capitalised in the financial statements:			
Payable			
- not later than one year		11,000	11,000
- later than one year and not later than five years		68,183	44,000
- later than five years		22,406	12,833
		101,589	67,833

General description of leasing arrangement:

Lease for office accommodation on premises at Mark Oliphant Building (North Wing 3B), Science Park Adelaide, Laffer Drive, Bedford Park SA, which expires 12 August 2014. Lease payments are not subject to an annual increase in accordance with upwards movements in the Consumer Price Index. The initial period of office accommodation lease is seven years, with an expiry of 12 August 2014. Further office accommodation has been acquired adjacent to current premises effective 1 February 2009, also expiring 12 August 2014.

(b) Project Commitments comprise:

Project expenditure the Company expects to expend based on Commonwealth Agreements, Participant Agreements and Project Agreements.

		2009 $	2008 $
Payable			
- not later than one year		10,610,476	8,358,007
- later than one year and not later than five years		6,074,318	8,011,649
		16,684,794	16,369,656

NOTE 15: CONTINGENT LIABILITIES

The company has no contingent liabilities.

NOTE 16: SEGMENT REPORTING

The Company operates in the research and development field within the seafood industry and all company activities are performed within Australia.

	Note	2009 $	2008 $

NOTE 17: CASH FLOW INFORMATION

(a) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months and net of bank overdrafts.

Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the balance sheet as follows:

	Note	2009 $	2008 $
Cash on hand		300	300
Cash at bank		4,742,538	671,575
At call deposits with financial institutions		-	1,733,947
		4,742,838	2,405,822

(b) Reconciliation of cash flow from operations with profit after income tax

	Note	2009 $	2008 $
Non-cash flows in profit from ordinary activities:			
Depreciation		12,525	5,905
Changes in assets and liabilities:			
Increase in receivables		(1,678,720)	(309,438)
(Increase)/decrease in prepayments		(830)	-
Increase/(decrease) in supplier payables		148,774	46,682
Increase/(decrease) in project payables		726,856	245,783
Increase in payables		3,130,320	2,452,430
Increase in provisions		10,046	26,184
Cash flows from operations		2,348,971	2,467,546

NOTE 18: RELATED PARTY TRANSACTIONS

(a) Transactions with director-related parties during the 2009 financial year is as follows;

Director	Organisation and Position held	Nature of interest	Income received from entity $	Expenditure paid to entity $
Prof C Buxton	University of Tasmania Director	Research projects or work undertaken by the organisation	137,500	978,299
Mr R Cotton	Southern Rock Lobster Chair	Research projects or work undertaken by the organisation	-	831,135
Mr R Cox	Australian Seafood Industries Pty Ltd Company Secretary	Research projects or work undertaken by the organisation	-	102,808
	Pierce Edward Cox Service Pty Ltd Principal	Research projects or work undertaken by the organisation	-	21,487
Mr C Elder	Simplot Australia Pty Ltd - Board of Management	Research projects or work undertaken by the organisation	110,000	44,518
	Clean Seas Tuna Ltd Shares and convertible notes	Research projects or work undertaken by the organisation	27,500	876,253
Dr P Hone	Fisheries Research and Development Corporation Executive Director	Research projects or work undertaken by the organisation	4,104,126	120,081
Mr N Moore	Australian Prawn Farmers Association Executive Committee	Research projects or work undertaken by the organisation	-	88,612
Ms E Starling	Indian Ocean Fresh Australia Pty Ltd	Research projects or work undertaken by the organisation	-	875

All Transactions were conducted under normal terms and conditions and include GST

NOTE 18: RELATED PARTY TRANSACTIONS (Continued)

(b) Contributions received in-kind from members during the 2009 financial year are not recognised in the accounts of the entity, but have been disclosed below;

Core Participants	**Non-staff In-kind/other**	**Total FTE**
	$	
Abalone Council Australia Ltd	-	0.06
Australian Barramundi Farmers Association	-	0.10
Australian Prawn Farmers Association	-	0.49
Australian Seafood Industries Pty Ltd	92,204	0.32
Clean Seas Tuna Ltd	1,987,593	5.10
Curtin University of Technology	-	2.14
South Australian Research and Development Institute	275,135	9.22
Department of Fisheries, Western Australia	10,500	1.33
Fisheries Research and Development Corporation	478,425	2.30
Seafood Services Australia Ltd	-	1.20
Select Oyster Company Pty Ltd	20,000	-
Shellfish Culture Limited	-	0.39
Simplot Australia Pty Ltd	876	0.76
South Australian Oyster Research Council Pty Ltd	19,012	0.87
Southern Rocklobster Ltd	75,000	0.28
Sydney Fish Market Pty Ltd	63,000	1.89
Tasmanian Oyster Research Council Ltd	38,460	0.45
Flinders University	128,000	6.32
Tasmanian Salmonid Growers Association Ltd	48,700	1.09
University of South Australia	68,391	0.67
University of Tasmania	376,639	2.84
Western Australian Fishing Industry Council	136,000	2.18
NSW Department of Primary Industries	267,000	2.40
Dept of Primary Industries and Fisheries QLD	-	0.82
University of the Sunshine Coast	125,000	1.79
TOTAL	4,209,935	45.01

NOTE 19: FINANCIAL INSTRUMENTS

(a) Interest rate risk

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

2009 Financial Instruments	Floating interest rate	Non-interest bearing	Total carrying amount as per the balance sheet	Weighted average effective interest rate
	$	$	$	%
(i) Financial assets				
Cash	4,742,538	300	4,742,838	2.9
Trade and other receivables	-	1,988,988	1,988,988	-
Total financial assets	4,742,538	1,989,288	6,731,826	

2009 Financial Instruments	Floating interest rate	Non-interest bearing	Total carrying amount as per the balance sheet	Weighted average effective interest rate
	$	$	$	%
(ii) Financial liabilities				
Trade creditors	-	181,356	181,356	-
Other creditors	-	1,022,969	1,022,969	-
Unearned revenue	-	5,582,750	5,582,750	-
Total financial liabilities	-	6,787,075	6,787,075	

2008 Financial Instruments	Floating interest rate	Non-interest bearing	Total carrying amount as per the balance sheet	Weighted average effective interest rate
	$	$	$	%
(iii) Financial assets				
Cash	2,405,522	300	2,405,822	3.6
Trade and other receivables	-	309,438	309,438	-
Total financial assets	2,405,522	309,738	2,715,260	

NOTE 19: FINANCIAL INSTRUMENTS (Continued)

2008 Financial Instruments	Floating interest rate	Non-interest bearing	Total carrying amount as per the balance sheet	Weighted average effective interest rate
	$	$	$	%
(iv) Financial liabilities				
Trade creditors	-	37,381	37,381	-
Other creditors	-	281,268	281,268	-
Unearned revenue	-	2,452,430	2,452,430	-
Total financial liabilities	-	2,771,079	2,771,079	

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial statements.

The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the company.

(c) Net Fair Values

The net fair value of financial assets and financial liabilities approximates their carrying values as disclosed in the balance sheet and notes to the financial statements.

NOTE 20: COMPANY DETAILS

The registered office of the company is:

Seafood CRC Company Ltd

Mark Oliphant Building (North Wing 3B)

Science Park Adelaide

Laffer Drive, BEDFORD PARK SA 5042

SEAFOOD CRC COMPANY LTD
ABN 51 126 074 048

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 to 33, are in accordance with the *Corporations Act 2001*:

   (a) comply with Accounting Standards in Australia and the *Corporations Regulations 2001*; and

   (b) give a true and fair view of the financial position as at 30 June 2009 and performance for the year ended on that date 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

Mr P Dundas-Smith

Director

Mr R Cotton

Managing Director

Dr L Stephens

Dated this 28th day of September 2009

RSM! Bird Cameron Partners
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

SEAFOOD CRC COMPANY LIMITED

We have audited the accompanying financial report of Seafood CRC Company Limited ("the company"), which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control 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. In Note 1(a), the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 and fair presentation of the financial report 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 audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's Opinion

In our opinion:

(a) The financial report of Seafood CRC Company Limited is in accordance with the *Corporations Act 2001*, including:

  (i) Giving a true and fair view of the company's financial position as at 30 June 2009 and of its performance for the year ended on that date; and

  (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

(b) The financial report also complies with International Financial Reporting Standards as disclosed in Note 1(a).

RSM Bird Cameron Partners

RSM Bird Cameron Partners
Chartered Accountants

G M STENHOUSE
Partner

Canberra, Australian Capital Territory
Dated: 28 September 2009