



Annual Financial Statements

Protected Cropping Australia Ltd

ABN 40153372635

For the year ended 30 June 2019

Prepared by 145 Financial



145 financial

ACCOUNTING AND FINANCIAL SOLUTIONS

your goals our advice

Contents

3	Directors Declaration
4	Appropriation Statement
5	Income Statement
7	Balance Sheet
8	Notes to the Financial Statements
10	Compilation Report

Directors Declaration

Protected Cropping Australia Ltd For the year ended 30 June 2019

The directors have 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 outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. the financial statements and notes, present fairly the company's financial position as at 30 June 2019 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
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.

Board of Directors - Chair:

Nicky Mann _____

Sign date:

Board of Directors - Deputy Chair and Chair of PCA's Finance, Audit & Risk Sub-Committee:

Tony Bundock _____

Sign date:

Appropriation Statement

Protected Cropping Australia Ltd For the year ended 30 June 2019

	NOTES	2019	2018
Retained Earnings for Appropriation			
Retained Earnings at Start of Year		120,907.55	36,307.70
Profit / (loss) Before Taxation		34,312.16	84,599.85
Retained Earnings After Appropriation		155,219.71	120,907.55

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Income Statement

Protected Cropping Australia Ltd For the year ended 30 June 2019

	NOTES	2019	2018
Income			
Conference Income		200.00	208,617.12
Event Income		1,626.82	11,020.53
Farm Tour Income		14,413.61	(72.73)
Memberships		64,170.85	33,016.91
Publications		67,464.64	62,699.06
Interest Income		465.77	527.43
Other Income		374.49	1,154.67
Total Income		148,716.18	316,962.99
Cost of Goods Sold			
Opening stock		750.00	750.00
Closing stock		-	(750.00)
Total Cost of Goods Sold		750.00	-
Total Income		147,966.18	316,962.99
Expenses			
Accounting Fees		3,002.72	4,372.73
Advertising / Mkg / Website		3,182.14	5,567.35
Advocacy		142.73	-
Bank Charges & Fees		33.95	18.06
Berry Quest 2018		-	983.64
Computer & Software Expenses		4,192.32	1,825.05
Conference Expenses		1,241.55	28,167.73
Conference		(29,437.35)	29,437.35
Consultancy Expenses		8,625.90	2,600.00
Corporate Filing Fees		307.00	48.00
Donations		500.00	-
Dues & Subscriptions		211.91	114.09
Event Costs		-	7,811.84
Farm Tour Costs		15,409.99	-
Governance		-	2,600.00
Insurance		4,537.94	4,282.35
Internet Expenses		23.90	317.87
Merchant Fees		582.46	606.45
Motor Vehicle Expenses		606.67	-
Operational Expenses		1,075.08	-
PCO Management Fees		-	5,525.45
Postage Expenses		5,782.97	8,387.59
Printing Expenses		8,556.73	13,923.05
Publication Expenses		2,011.54	-
Secretarial Fees		74,056.86	72,560.51

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

Income Statement

	NOTES	2019	2018
Stationery Expenses		1,104.86	2,479.91
Strategic Planning		-	10,408.99
Telephone Expenses		2,509.30	2,983.67
Trade Show Expenses		2,959.45	-
Travel - Board Meetings		863.27	27,341.46
Travel Expenses		1,570.13	-
Total Expenses		113,654.02	232,363.14
Profit/(Loss) before Taxation		34,312.16	84,599.85

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

Balance Sheet

Protected Cropping Australia Ltd As at 30 June 2019

	NOTES	30 JUN 2019	30 JUN 2018
Assets			
Current Assets			
Cash & cash equivalents			
Cheque Account/Association Acc		28,586.63	8,377.93
Online Saver Cheque		103,293.41	95,327.64
Total Cash & cash equivalents		131,880.04	103,705.57
Trade Debtors		23,953.75	9,156.70
Equipment Accum Dep'nc		-	(449.00)
Equipment at Cost		-	449.00
Inventory		-	750.00
Total Current Assets		155,833.79	113,612.27
Total Assets		155,833.79	113,612.27
Liabilities			
Current Liabilities			
GST		614.08	(7,292.22)
Rounding		-	(3.06)
Total Current Liabilities		614.08	(7,295.28)
Total Liabilities		614.08	(7,295.28)
Net Assets		155,219.71	120,907.55
Equity			
Retained Earnings		120,907.55	36,307.70
Current Year Earnings		34,312.16	84,599.85
Total Equity		155,219.71	120,907.55

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

Notes to the Financial Statements

Protected Cropping Australia Ltd For the year ended 30 June 2019

1. Statement of Significant Accounting Policies

The directors have determined that the company is not a reporting entity and accordingly, this financial report is a special purpose report prepared for the sole purpose of distributing a financial report to members and must not be used for any other purpose. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members.

The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards:

AASB 1031: Materiality

No other Accounting Standards or mandatory professional reporting requirements have been applied.

The financial report has been prepared on an accrual basis and under the historical cost convention, except for certain assets, which, as noted, have been written down to fair value as a result of impairment. Unless otherwise stated, the accounting policies adopted are consistent with those of the prior year.

These notes should be read in conjunction with the attached Compilation Report.

Inventories

Inventories are carried at the lower of cost or net realisable value. Cost is based on the first-in, first out method and includes expenditure incurred in acquiring the inventories and bringing them to the existing condition and location.

Property, Plant and Equipment

Property, plant and equipment is initially recorded at the cost of acquisition or fair value less, if applicable, any accumulated depreciation and impairment losses. Plant and equipment that has been contributed at no cost, or for nominal cost, is valued and recognised at the fair value of the asset at the date it is acquired. The plant and equipment is reviewed annually by directors to ensure that the carrying amount 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 utilisation of the assets and the subsequent disposal. The expected net cash flows have been discounted to their present values in estimating recoverable amounts.

Freehold land and buildings are measured at their fair value, based on periodic, but at least triennial, valuations by independent external valuers, less subsequent depreciation for buildings.

Increases in the carrying amount of land and buildings arising on revaluation are credited in equity to a revaluation surplus. Decreases against previous increases of the same asset are charged against fair value reserves in equity. All other decreases are charged to profit or loss.

Any accumulated depreciation at the date of revaluation is offset against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Trade and Other Receivables

Trade receivables and other receivables, including distributions receivable, are recognised at the nominal transaction value without taking into account the time value of money. If required a provision for doubtful debt has been created.

Financial Assets

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.

Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at 30 June 2019. Trade payables are recognised at their transaction price. They are subject to normal credit terms and do not bear interest.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Revenue Recognition

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Revenue from the rendering of services is recognised upon the delivery of the services to customers.

Revenue from commissions is recognised upon delivery of services to customers.

Revenue from interest is recognised using the effective interest rate method.

Revenue from dividends is recognised when the entity has a right to receive the dividend.

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

Goods and Services Tax

Transactions are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

Compilation Report

Protected Cropping Australia Ltd For the year ended 30 June 2019

Compilation report to Protected Cropping Australia Ltd.

We have compiled the accompanying special purpose financial statements of Protected Cropping Australia Ltd, which comprise the income statement, balance sheet and statement of cash flows for the period ended 30 June 2019, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is to provide information relating to the performance and financial position of the company that satisfies the needs of the members.

The Responsibility of the Directors

You are solely responsible for the information contained in the special purpose financial statements and have determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet your needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by you, 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 directors of the trustee company 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. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants.

The special purpose financial statements were compiled exclusively for the benefit of the members of Organisation legal / trading name. We do not accept responsibility to any other person for the contents of the special purpose financial statements.



145 Financial Pty Ltd

145 Hobart Road

Kings Meadows TAS 7249

Dated: 25 October 2019

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

Independent Auditor's Report

To the Members of Protected Cropping Australia Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report, being a special purpose financial report of Protected Cropping Australia Ltd (the Company), which comprises the balance sheet as at 30 June 2019, the income statement of for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Protected Cropping Australia Ltd is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2019 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.

Basis for Opinion

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

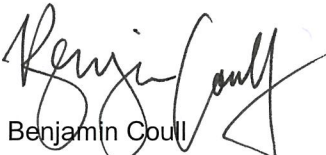
However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The Synectic logo, consisting of a stylized blue and green square icon followed by the word "Synectic" in a blue sans-serif font.
Synectic Audit & Assurance Pty Ltd

A handwritten signature in black ink that reads "Benjamin Coull".
Benjamin Coull
Director

Date: 28 October 2019

Protected Cropping Australia Ltd

ABN: 40 153 372 635

PO Box 3

PERTH TAS 7300

The Audit Partner
Synectic Audit & Assurance Pty Ltd
49 Best Street
DEVONPORT TAS 7310

Dear Sir,

This representation letter is provided in connection with your audit of the financial report of Protected Cropping Australia Ltd for the year ended 30 June 2019, for the purpose of you expressing an opinion as to whether the financial report is presented fairly in all material respects, in accordance with the accounting policies described in Note 1 to the financial statements and the Corporations Act 2001.

We confirm that to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Report

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, for the preparation of the financial report in accordance with the accounting policies described in Note 1 to the financial statements and the Corporations Act 2001; in particular the financial report gives a true and fair view.
2. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
3. Related party relationships and transactions have been appropriately accounted for and disclosed.
4. All events subsequent to the date of the financial report which require adjustment or disclosure have been adjusted or disclosed.
5. All material liabilities or contingent liabilities or assets have been properly disclosed in the financial report;
6. The entity has satisfactory title to all assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral. Allowances for depreciation have been adjusted for all important items of property, plant and equipment that have been abandoned or are otherwise unusable.
7. The entity has complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of non-compliance.
8. There were no material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets, such as investments or intangibles, other than those disclosed in the financial report.
9. Adequate provision has been made in respect to impairment of receivables, and that all receivables without such a provision are considered to be collectible in full.
10. We confirm that inventory in the financial report is recorded at the lower of its cost or net realisable value and we have assessed the need to raise a provision for obsolete or damaged

inventory. We confirm that we have made any adjustments considered necessary to reflect effects of the above.

11. We are of the opinion that Protected Cropping Australia Ltd is a going concern and that we have reasonable grounds to form this opinion.
12. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial report as a whole.

Information Provided

1. We have provided you with:
 - a. Access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;
 - b. Additional information that you have requested from us for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. All transactions have been recorded in the accounting records and are reflected in the financial report.
3. We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.
4. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity.
5. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial report.
6. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report.
7. We have provided you with all requested information, explanations and assistance for the purposes of the audit.
8. We acknowledge our responsibility for the design and implementation of internal control to prevent and detect error. We have established and maintained adequate internal control to facilitate the preparation of a reliable financial report, and adequate financial records have been maintained.
9. We have provided you with all information required by the Corporations Act 2001.

We understand that your audit was undertaken in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the entity taken as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours faithfully,



Nicky Mann, Chair

Protected Cropping Australia Ltd

Date: 30th October 2019