

BURDEKIN PRODUCTIVITY SERVICES LTD

ABN 18 107 846 060

FINANCIAL REPORT

FOR THE YEAR ENDED 31 MARCH 2016

BURDEKIN PRODUCTIVITY SERVICES LTD
ABN 18 107 846 060

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Burdekin Productivity Services Limited

ABN 18 107 846 060

DIRECTORS REPORT

Your directors present this report on the entity for the financial year ended 31 March 2016

Directors

The names of each person who has been a director during the year and to the date of this report are:

Mr Christopher J Hesp (Chairman)
Mr Ian R Davies
Mr Peter L Larsen
Mr Lee W Danello
Mr Peter A McDonnell
Mr Bryce G Davies

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

Company Secretary

The role of company secretary remained unchanged during the year, the following person held the position at the end of the financial year:

Mr Mark E Rickards

Principal Activities

The principal activities of the company during the year were to:

- Enhance the productivity of the sugar industry by increasing the quantity and improving the quality of the cane produced by crops grown in the Burdekin area.
- Cooperate, partner with or help, in any way, any other body involved in the enhancement of productivity within the sugar industry;
- Provide advice and information to members about any matter relevant to the enhancement of productivity in the sugar industry;

No significant change in the nature of the company's activities occurred during the financial year.

Operating Results

The year ending 31 March 2016 resulted in a profit of \$582,290 (2015:\$ 508,136).

After Balance Date Events

No other matter or circumstance has arisen since the end of the financial year to the date of this report which has significantly affected or may significantly affect the activities of the economic entity, the results of those activities or the state of affairs of the economic entity in the ensuing or any subsequent financial year.

Future Developments

The company expects to increase the level of seed cane propagation and distribution in coming years to reflect a change in planting practices. Also, due to sugar industry reform relating to Research, Development and Extension (RD&E) the company will continue to employ extension agronomists to assist government and other industry bodies with special project work as well as assist growers with technical advice and support. The company will continue to work towards improving the productivity of the Burdekin sugar industry during the next financial year.

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DIRECTORS REPORT

Information on Directors

Mr Christopher J Hesp - Chairman of Directors

- Experience
- Appointed to the board in 2006, cane grower in the Invicta area for 24 years.
 - Chairman of Blackheath and Thornburgh College Board

Mr Ian R Davies

Qualifications

- Director
- Dip in App Sc (RT), Degree in App Sc (RT - Ag Mechanisation and Soil Conservation), GAICD.

Experience

- Over 22 years' experience in the sugar industry holding various commercial and managerial roles. Is currently a Director of Aust Molasses Trading, Herbert Cane Productivity Services Ltd, , Plane Creek Productivity Services Ltd, Sugar Services Ltd Proserpine and an ex Director of BSES Ltd, Mourilyan Molasses Terminal Company Pty Ltd and Herbert River Information Centre

Mr Peter L Larsen

Qualifications

Experience

- Director
- AD RT (WRWS), B AgSc, PhD, GAICD
- Appointed to the board in 2008 as a Miller director, director of various companies since 1998.

Mr Lee W Danello

Qualifications

Experience

- Director
- BComm
- Appointed to the board in 2009 as a Miller director

Mr. Peter A McDonnell - Director

Experience

- Appointed to the board on 27th August, 2013. Expertise in precision agriculture. Director of Farmacist.

Mr Bryce G Davies

Qualifications

Experience

- Director
- Bachelor of Agricultural Science (HONS)1989
- Extensive experience in the sugar industry having worked in RD&E with DPI, Mackay Productivity Services and BSES. Former sales agronomist with Elders & Sygenta. Has also managed sugar cane plantation in Papua New Guinea. Cane grower in Inkerman area since 2007.

Meetings of Directors

During the financial year, 6 regular meetings and one special meetings of directors were held, in addition to this other meetings were held as required and directors also met with industry stakeholders on various occasions. Attendances by each director were as follows:

	Board Meetings	
	Eligible to attend	Attended
Christopher J Hesp	7	7
Ian R Davies	7	6
Peter L Larsen	7	6
Lee W Danello	7	6
Peter A McDonnell	7	4
Bryce G Davies	7	7

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$2.00

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DIRECTORS REPORT

each towards meeting any outstanding obligations of the entity. At the 31st March 2016, the total amount that members of the company are liable to contribute if the company is wound up is \$1,134.00 (2015:\$1,130.00)

Auditors Independence Declaration

The lead auditor's independence declaration for the year ended 31 March 2016 has been received and can be found on the next page following this directors' report.

The directors' report is signed in accordance with a resolution of the Board of Directors.


.....
Christopher J Hesp (Chairman)

Dated 02/08/16

AUDITOR'S INDEPENDENCE DECLARATION UNDER
SECTION 307C OF THE CORPORATIONS ACT 2001

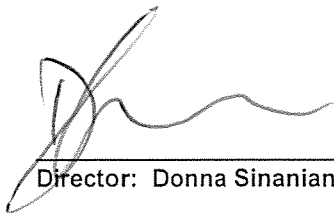
TO THE DIRECTORS OF
BURDEKIN PRODUCTIVITY SERVICES LTD

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2016 there have been no contraventions of:

- i. the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.

Moore Stephens

Moore Stephens
Chartered Accountant



Director: Donna Sinanian CA

Townsville

Dated: *2 August 2016*

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STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 \$	2015 \$
Revenue	2	2,268,084	2,215,592
Other income	2	6,627	2,719
Employee benefits expense		(790,549)	(665,175)
Depreciation and amortisation expenses		(105,821)	(79,027)
Other expenses		<u>(796,051)</u>	<u>(965,973)</u>
Profit before income tax		582,290	508,136
Tax expense		<u>-</u>	<u>-</u>
Profit for the year		<u><u>582,290</u></u>	<u><u>508,136</u></u>
Profit attributable to members of the company		<u><u>582,290</u></u>	<u><u>508,136</u></u>

The accompanying notes form part of these financial statements.

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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 \$	2015 \$
Profit for the year		582,290	508,135
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Fair value gain on available for sale financial assets, net of tax	11	<u>208</u>	<u>10,545</u>
Total other comprehensive income for the year		<u>208</u>	<u>10,545</u>
Total comprehensive income for the year		<u><u>582,498</u></u>	<u><u>518,680</u></u>
Total comprehensive income attributable to members of the company		<u><u>582,498</u></u>	<u><u>518,680</u></u>

The accompanying notes form part of these financial statements.

BURDEKIN PRODUCTIVITY SERVICES LTD
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STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,939,503	1,680,567
Trade and other receivables	5	180,441	35,637
Financial assets	6	15,591	15,384
Other assets	7	21,945	13,412
TOTAL CURRENT ASSETS		<u>2,157,480</u>	<u>1,745,000</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	<u>845,887</u>	<u>767,390</u>
TOTAL NON-CURRENT ASSETS		<u>845,887</u>	<u>767,390</u>
TOTAL ASSETS		<u><u>3,003,367</u></u>	<u><u>2,512,390</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	53,988	155,358
Provisions	10	<u>113,628</u>	<u>103,780</u>
TOTAL CURRENT LIABILITIES		<u>167,616</u>	<u>259,138</u>
TOTAL LIABILITIES		<u><u>167,616</u></u>	<u><u>259,138</u></u>
NET ASSETS		<u><u>2,835,751</u></u>	<u><u>2,253,252</u></u>
EQUITY			
Reserves	11	10,753	10,544
Retained earnings		<u>2,824,998</u>	<u>2,242,708</u>
TOTAL EQUITY		<u><u>2,835,751</u></u>	<u><u>2,253,252</u></u>

The accompanying notes form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016

		Retained Earnings \$	Financial assets reserve \$	Total \$
Balance at 1 April 2014		1,734,572	-	1,734,572
Comprehensive income				
Profit for the year		508,136	-	508,136
Other comprehensive income for the year	11	-	10,544	10,544
Total comprehensive income for the year attributable to members of the company		508,136	10,544	518,680
Balance at 31 March 2015		2,242,708	10,544	2,253,252
Balance at 1 April 2015		2,242,708	10,545	2,253,253
Comprehensive income				
Profit for the year		582,290	-	582,290
Other comprehensive income for the year	11	-	208	208
Total comprehensive income for the year attributable to members of the company		582,290	208	582,498
Balance at 31 March 2016		2,824,998	10,753	2,835,751

The accompanying notes form part of these financial statements.

BURDEKIN PRODUCTIVITY SERVICES LTD
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Receipts from Customers		2,073,201	2,134,954
Payments to Suppliers and Employees		(1,686,654)	(1,485,835)
Interest Received		50,078	46,139
Net cash provided by operating activities	17	<u>436,625</u>	<u>695,258</u>
Cash flows from investing activities			
Proceeds from Sale of Property, Plant & Equipment		16,364	24,180
Purchase of Property, Plant & Equipment		<u>(194,054)</u>	<u>(207,648)</u>
Net cash provided by (used in) investing activities		<u>(177,690)</u>	<u>(183,468)</u>
Net cash provided by financing activities		<u>-</u>	<u>-</u>
Net increase in cash held		258,935	511,790
Cash and cash equivalents at beginning of financial year		<u>1,680,567</u>	<u>1,168,776</u>
Cash and cash equivalents at end of financial year	17	<u><u>1,939,502</u></u>	<u><u>1,680,566</u></u>

The accompanying notes form part of these financial statements.

BURDEKIN PRODUCTIVITY SERVICES LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

The financial statements cover Burdekin Productivity Services Ltd as an individual entity. Burdekin Productivity Services Ltd is a company limited by guarantee, incorporated and domiciled in Australia.

The financial statements were authorised for issue on the date of signing the directors report of the company.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

Burdekin Productivity Services Ltd applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in the AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB). The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on the date the directors signed the directors' report.

(a) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the Income Tax Assessment Act (1997).

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost, less, where applicable accumulated depreciation and any impairment losses.

Freehold land and buildings are shown at cost, less subsequent depreciation for buildings

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present, refer to note 1(d) for details of impairment.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the statement of profit or loss in the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, including buildings but excluding freehold land, is depreciated on a diminishing value method over the asset's useful life 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 depreciation rates used for each class of depreciable asset are:

Class of Fixed Asset:	Depreciation Rate
Leasehold improvements	5 - 20%
Buildings	5 - 10%
Plant and equipment	10 - 100%
Electricity Infrastructure	20%
Communications & Computer Equipment	33 - 66%
Motor vehicles	22.5%
Office & Kitchen equipment	10 - 22.5%
Furniture and fittings	10 %

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in the Statement of Profit and Loss in the period they arise.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

(c) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes party to the contractual provisions to the instrument. For financial assets, this is the equivalent to the date that the company commits itself to either purchase or sell the asset. Financial instruments are measured at cost.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Available-for-sale investments

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any re-measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

(d) Impairment of assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(e) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(f) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the nominal amounts expected to be paid when the liability is settled, plus any related on-costs. Both annual leave and long service leave are recognised within the provisions liability.

Short-term employee benefits

Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, and salaries are recognised as a part of current trade and other payables in the statement of financial position.

(g) 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 six months or less, and bank overdrafts.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

(h) Revenue and Other Income

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 from rendering of a service is recognised upon delivery of the service to the customers.

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

(i) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount 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 receivable or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST component of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(k) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are set out below.

Estimation of useful lives of assets (Note 1(b))

Employee benefits provision (Note 1(f))

Valuation of Available for Sale Financial Assets (Note 1(c))

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

	2016 \$	2015 \$
2. REVENUE AND OTHER INCOME		
Rendering of services	1,677,760	1,684,606
Interest received	50,078	46,139
Reimbursement of training fees	-	4,212
Itch Grass Contributions	6,215	6,537
Extension Activities	519,183	284,816
Miscellaneous revenue	14,848	4,076
Contract Revenue	-	185,206
Total revenue	<u>2,268,084</u>	<u>2,215,592</u>
Other Income		
Gain on disposal of investments	<u>6,628</u>	<u>2,719</u>
Total other income	<u>6,628</u>	<u>2,719</u>
3. AUDITOR'S REMUNERATION		
Auditors' remuneration	<u>3,100</u>	<u>3,000</u>
4. CASH AND CASH EQUIVALENTS		
Cash at bank - General account~Cash at bank - General account	(34,531)	30,635
Cash on hand	150	150
Westpac Investment account	173,884	249,782
Westpac Term Deposit	1,800,000	-
Term Deposit 211787	-	1,400,000
	<u>1,939,503</u>	<u>1,680,567</u>
5. TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade receivables	144,977	22,137
GGIP Receivables	13,500	13,500
Accrued Interest Term Deposit	21,964	-
	<u>180,441</u>	<u>35,637</u>
6. FINANCIAL ASSETS		
CURRENT		
Available-for-sale financial assets	(a) <u>15,591</u>	<u>15,384</u>

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NOTES TO THE FINANCIAL STATEMENTS
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	2016 \$	2015 \$
(a) Available-for-sale financial assets:		
Shares in listed companies	15,591	15,384
Total available-for-sale financial assets	<u>15,591</u>	<u>15,384</u>
7. OTHER ASSETS		
CURRENT		
Prepayments	<u>21,945</u>	<u>13,412</u>
8. PROPERTY, PLANT AND EQUIPMENT		
Land	<u>25,632</u>	<u>25,632</u>
Leasehold improvements	36,601	36,601
Less accumulated depreciation	<u>(10,322)</u>	<u>(7,912)</u>
	<u>26,279</u>	<u>28,689</u>
Buildings	661,432	554,773
Less accumulated depreciation	<u>(204,043)</u>	<u>(181,100)</u>
	<u>457,389</u>	<u>373,673</u>
Total land and buildings	<u>509,300</u>	<u>427,994</u>
Plant and equipment	269,924	246,346
Less accumulated depreciation	<u>(119,707)</u>	<u>(89,104)</u>
	<u>150,217</u>	<u>157,242</u>
Electricity Infrastructure	7,681	7,681
Less accumulated depreciation	<u>(6,020)</u>	<u>(5,603)</u>
	<u>1,661</u>	<u>2,078</u>
Communications & Computer Equipment	56,397	33,406
Less accumulated depreciation	<u>(34,231)</u>	<u>(26,570)</u>
	<u>22,166</u>	<u>6,836</u>
Motor vehicles	294,148	298,249
Less accumulated depreciation	<u>(149,641)</u>	<u>(137,406)</u>
	<u>144,507</u>	<u>160,843</u>
Office & Kitchen equipment	3,285	3,285
Less accumulated depreciation	<u>(3,285)</u>	<u>(3,285)</u>
	<u>-</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

	2016 \$	2015 \$
Furniture and fittings	32,366	24,574
Less accumulated depreciation	<u>(14,330)</u>	<u>(12,177)</u>
	18,036	12,397
Total plant and equipment	<u>336,587</u>	<u>339,396</u>
 Total property, plant and equipment	 <u>845,887</u>	 <u>767,390</u>

- (a) Movements in carrying amounts
For disclosure on movement in carrying amounts please refer to note 18(a) at the end of this financial report.

9. TRADE AND OTHER PAYABLES

CURRENT

Accrued Expenses	29,419	21,826
Trade creditors	<u>24,569</u>	<u>133,532</u>
	<u>53,988</u>	<u>155,358</u>

10. PROVISIONS

CURRENT

Provisions for Annual Leave	60,833	55,333
Provisions for Long Service Leave	<u>52,795</u>	<u>48,447</u>
	<u>113,628</u>	<u>103,780</u>

11. RESERVES

(a) Financial Assets Reserve

The financial assets reserve records revaluation increments and decrements (that do not represent impairment write-downs) that relate to financial assets that are classified as available-for-sale.

(b) Analysis of Items of Other Comprehensive

Income by Each Class of Reserve:

Financial assets reserve

Fair value gain on available for sale financial assets	<u>208</u>	<u>10,545</u>
Movement in financial assets reserve	<u>208</u>	<u>10,545</u>
Total other comprehensive income for the year	<u>208</u>	<u>10,545</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

	2016 \$	2015 \$
12. LEASING COMMITMENTS		
(a) Operating Lease Commitments		
Non-cancellable operating leases contracted for but not recognised in the financial statements		
Payable:		
not later than 12 months	<u>-</u>	<u>7,797</u>
13. RELATED PARTY TRANSACTIONS		
Related Parties		
Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.		
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other person unless otherwise stated.		
There were no related party transactions during the year ended 31 March 2016.		
Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.		
14. ECONOMIC DEPENDENCE		
Burdekin Productivity Services Limited is dependent on sugar cane growers and Wilmar International for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe that sugar cane growers and Wilmar International will not continue to support Burdekin Productivity Services Limited.		
15. FINANCIAL RISK MANAGEMENT		
The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.		

BURDEKIN PRODUCTIVITY SERVICES LTD
ABN 18 107 846 060

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

2016
\$

2015
\$

The totals for each category of financial instruments, measured in accordance with AASB 139 Financial Instruments Recognition and Measurement as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets

Cash and cash equivalents	4	1,939,503	1,680,567
Available for sale financial assets	6	15,591	15,384
Trade and Other Receivables	5	180,441	35,637
Total Financial Assets		<u>2,135,535</u>	<u>1,731,588</u>

Financial Liabilities

Trade and Other Payables	9	53,988	155,358
Total Financial Liabilities		<u>53,988</u>	<u>155,358</u>

16. COMPANY DETAILS

The registered office and principal place of business of the company is:
 Burdekin Productivity Services Ltd
 210 Old Clare Road
 Ayr QLD 4807

17. CASH FLOW INFORMATION

(a) Reconciliation of Cash

Cash at the end of financial year as included in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash	149	149
Cash at Bank	<u>1,939,353</u>	<u>1,680,417</u>
	<u>1,939,502</u>	<u>1,680,566</u>

BURDEKIN PRODUCTIVITY SERVICES LTD
ABN 18 107 846 060

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

	2016 \$	2015 \$
(b) Reconciliation of cash flow from operations with profit after income tax		
Profit after income tax	582,290	508,136
Non-cash flows in profit:		
Depreciation	105,822	79,027
Net gain on disposal of Property, Plant & Equipment	(6,628)	(2,719)
Changes in assets and liabilities:		
(Increase)/Decrease in Trade and Sundry Debtors	(144,805)	(34,499)
(Increase)/Decrease in Prepayments	(8,533)	6,029
Increase/(Decrease) in Trade Creditors and Accruals	(101,370)	119,672
Increase/(Decrease) in Provisions	9,849	19,612
Net cash provided by operating activities	<u>436,625</u>	<u>695,258</u>

BURDEKIN PRODUCTIVITY SERVICES LTD
ABN 18 107 846 060

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

18. (a) MOVEMENT IN CARRYING AMOUNTS

Movements in carrying amounts for each class of property, plant and equipment.

	Land \$	Leasehold improvements \$	Buildings \$	Plant and equipment \$	Motor vehicles \$	Office & Kitchen equipment \$	Furniture and fittings \$	Total \$
Balance at 1 April 2014	25,632	24,788	367,497	73,433	143,166	666	14,504	649,686
Additions	-	6,578	24,730	108,585	67,755	-	-	207,648
Disposals	-	-	-	-	(10,914)	-	-	(10,914)
Depreciation expense	-	(2,677)	(18,554)	(15,863)	(39,162)	(666)	(2,107)	(79,029)
Carrying amount at 31 March 2015	25,632	28,689	373,673	166,155	160,845	-	12,397	767,391
Additions	-	-	106,659	46,569	39,661	-	7,792	200,681
Disposals	-	-	-	(1,473)	(16,364)	-	(419)	(18,256)
Depreciation expense	-	(2,410)	(22,943)	(37,207)	(39,635)	-	(1,734)	(103,929)
Carrying amount at 31 March 2016	25,632	26,279	457,389	174,044	144,507	-	18,036	845,887


BURDEKIN PRODUCTIVITY SERVICES LTD
ABN 18 107 846 060

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Burdekin Productivity Services Ltd, the directors of the company declare that:

1. The financial statements and notes, as set out on pages to are in accordance with the Corporations Act 2001: and
 - a. comply with accounting standards; and
 - b. give a true and fair view of the company's financial position as at 31 March 2016 and of its performance for the ended on that date in accordance with the accounting policies described in Note to the financial statements.
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.

Director


Mr Christopher J Hesp

Dated:

2 August 2016.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BURDEKIN PRODUCTIVITY SERVICES LTD**

Report on the Financial Report

We have audited the accompanying financial report of Burdekin Productivity Services Ltd (the company) which comprises the statement of financial position as at 31 March 2016, the statement of profit and loss, statement of comprehensive income, changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility 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 - Reduced Disclosure Requirements 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.

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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 judgment, 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 company's preparation 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.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BURDEKIN PRODUCTIVITY SERVICES LTD

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declarations required by the *Corporations Act 2001*, which has been given to the Directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

Auditor's Opinion

In our opinion: The financial report of Burdekin Productivity Services Ltd is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 31 March 2016 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*

Moore Stephens

Moore Stephens
Chartered Accountant



Donna Sinanian CA
Director

Townsville

Dated: 2 August 2016.

BURDEKIN PRODUCTIVITY SERVICES LTD

ABN 18 107 846 060

**The accompanying schedules do not form
part of the audited financial statements**

FOR THE YEAR ENDED 31 MARCH 2016

BURDEKIN PRODUCTIVITY SERVICES LTD
ABN 18 107 846 060

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016

	2016 \$	2015 \$
INCOME		
Membership Fees (grower)	563,266	552,348
Membership fees (miller)	579,463	564,288
Seedcane Revenue	321,362	228,718
Fee for Service	30,547	24,690
Project Revenue	702,304	314,562
Interest received	50,078	46,139
Reimbursement of training fees	-	4,212
Itch Grass Contributions	6,215	6,537
Extension Activities	-	284,816
Miscellaneous revenue	14,848	4,076
Gain on disposal of PPE	6,628	2,719
Contract Revenue	-	185,206
	2,274,711	2,218,311
LESS EXPENDITURE		
Administration expenses	68,784	70,509
Project Costs	24,426	28,008
Auditors' remuneration	3,100	3,000
Bank charges	417	846
Cleaning	522	639
Extension Activities	68,864	80,151
De-Watering Component Expense	7,466	29,390
Depreciation	105,821	79,027
Electricity	5,762	5,858
Fringe benefits tax	2,968	592
Gifts & Donations	828	103
General Field expense	1,100	4,608
Legal Fees	-	250
Consultancy Expenses	38,010	40,620
Website design & maintenance	270	99
Vehicle Hire	-	166
Fee for service	19,316	14,450
Miscellaneous	1,478	1,150
Meeting Expenses	9,655	9,496
Occupational Health & Safety	6,947	6,439
Trials	1,169	955
Pests and disease	18,465	8,122
Plot Expenses	3,507	4,551
Leave expense	81,641	86,764
Seedcane Expenses	354,938	503,129
Repairs and maintenance	67,449	61,340
Salaries and wages	787,582	664,583

BURDEKIN PRODUCTIVITY SERVICES LTD
ABN 18 107 846 060

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016

	2016 \$	2015 \$
Subscriptions	11,936	5,330
	<u>1,692,421</u>	<u>1,710,175</u>
NET OPERATING PROFIT	582,290	508,136
Retained Profits at the beginning of the financial year	<u>2,242,708</u>	<u>1,734,572</u>
TOTAL AVAILABLE FOR APPROPRIATION	<u>2,824,998</u>	<u>2,242,708</u>
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR	<u><u>2,824,998</u></u>	<u><u>2,242,708</u></u>