

CRAWFORD FUND LIMITED

ABN 86 141 714 490

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2017

CRAWFORD FUND LIMITED

ABN 86 141 714 490

DIRECTORS' REPORT

Your directors present this report on the company for the financial year ended 30 June 2017

Directors

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

The Hon John D Anderson
Professor Kaye Basford
Dr Denis G Blight
Mr Terrence J Enright
Professor Helen M Garnett
Dr Tony K Gregson
Dr Margaret L Hartley (retired August 2016)
The Hon John C Kerin (retired December 2016)
The Hon Bob McMullan (from January 2017)
Dr John C Radcliffe
Dr Timothy Reeves (from August 2016)
The Hon Margaret Reid
Dr Richard Sheldrake (from January 2017)
Mr Michael J Taylor
Mr Richard Warner

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

Principal Activities

The principal activities of the company were:

- the conduct of 28 specialist training courses in Australia and developing countries for approximately 700 developing country scientists;
- 2 Master Classes on key topics in international agricultural research with 45 participants in total;

The Annual Crawford Fund Parliamentary Conference conducted in Parliament House on 29 and 30 August 2016. The Conference, which was attended by approximately 300 people, was titled: Waste Not, Want Not; The circular Economy to Food Security. The event attracted media attention and provided opportunities for additional stakeholder meetings;

A series of other public awareness activities including events, media interviews and promotions on the contribution and benefits of research to the developing world and Australia. Notable amongst these were journalist visits, which attracted extensive media coverage; media attention for Master Classes and other Crawford Fund training; partnering for media assistance with key agriculture and agronomy conferences: and ad hoc media outreach on food security issues.

The company conducts assessments of the impact of its activities to measure their contributions to the achievement of its objectives. The directors are satisfied that all of its activities are contributing satisfactorily either directly or indirectly to the promotion and application of science and technology to ecologically sustainable agriculture.

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DIRECTORS' REPORT

Objectives

The principal objective of the company is to promote the application of science and technology to the practical purpose of ecologically sustainable agriculture development and the effective management of natural resources, in the developing world and in Australia.

Further objectives of the company are to: make more widely known the benefits that accrue from international agricultural research; encourage greater support for, and participation in this research by Australian governmental and non-governmental organisations and in particular the industrial and scientific communities of Australia; work together and in conjunction with the community in the developing countries; undertake cooperative activities and develop relationships with existing organisations to provide support for the communities; and do such other things as are incidental or ancillary to the attainment of the objects of the company.

Member's Liabilities

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 each towards meeting any outstanding obligations of the company. At 30 June 2017 the total amount that the member of the company is liable to contribute if the company is wound up is \$24 (2016: \$20).

Information on Directors

The Hon John C Kerin

Qualifications

Experience

Special Responsibilities

- Past Chair (retired December 2016)

- AM, FTSE

- Former Minister for Primary Industries and Minister for Overseas Trade and Development

- Chairman

The Hon John D Anderson

Qualifications

Experience

Special Responsibilities

- Chairman (from January 2017)

- AO

- Former Deputy Prime Minister and Leader of the National Party

- Chair of New South Wales Committee

Dr Denis G Blight

Qualifications

Experience

Special Responsibilities

- Director

- AO, FRSA

- Former Director-General of CAB International

- Chief Executive Officer

Mr Terence J Enright

Qualifications

Experience

Special Responsibilities

- Director

- DSc (Hon) University of Western Australia

- Former Chairman of the Grains Research and Development Corporation, Farmer

- Chair of Western Australia Committee

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Dr Timothy Reeves	- Director
Qualifications	- Professor
Experience	- Chair, Primary Industries Climate Challenges Centre, Chair of the ATSE Agriculture Forum Leadership Group
Special Responsibilities	- ATSE Representative
Professor Helen M Garnett	- Director
Qualifications	- PSM, FTSE, FAICD
Experience	- Chair of the Australian Biosecurity Intelligence Network
Special Responsibilities	- Chair of Northern Territory Committee
Dr Tony K Gregson	- Director
Qualifications	- AM, FRACI, FTSE
Experience	- Chairman of Plant Health Australia and former Chair of the Board of Trustees of Bioversity International, Farmer
Special Responsibilities	- Chair of Victoria Committee
Dr Margaret L Hartley	- Director (Retired August 2016)
Qualifications	-FTSE
Experience	- Chief Executive Officer of the Australian Academy of Technological Sciences and Engineering
Special Responsibilities	- None
Dr Richard Sheldrake	- Director (From January 2017)
Qualifications	- AM FTSE
Experience	- Former Director General of several NSW Government Departments
Special Responsibilities	-Chair, NSW Committee
Dr John C Radcliffe	- Director
Qualifications	- AM, FTSE
Experience	- Former Deputy Chief Executive, CSIRO, and Director-General of Agriculture, South Australia
Special Responsibilities	- Chair of South Australia Committee
The Hon Margaret Reid	- Director
Qualifications	- AO
Experience	- Former President of the Senate and Liberal Whip
Special Responsibilities	- Chair of ACT Committee
Mr Michael J Taylor	- Director
Qualifications	- AO, FTSE
Experience	- Former Permanent Secretary Federal Government Departments and Chair Murray Darling Basin Authority
Special Responsibilities	- None
Professor Kaye Basford	- Director
Qualifications	- FTSE
Experience	- President, Academic Board The University of Queensland
Special Responsibilities	- Chair of Queensland Committee
Hon Bob McMullan	- Director
Qualifications	
Experience	Former Federal Labor Minister
Special Responsibilities	None
Mr Richard Warner	- Director
Qualifications	
Experience	Chair and Board member of several agricultural companies
Special responsibilities	Chair, Tasmania Committee

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DIRECTORS' REPORT

Meetings of Directors

During the financial year, two meetings of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
The Hon John C Kerin AM	1	1
The Hon John D Anderson AO	2	1
Professor Kaye Basford	2	1
Dr Denis G Blight AO	2	2
Dr Terence J Enright	2	1
Professor Helen M Garnett	2	2
Dr Tony K Gregson	2	2
Dr Margaret L Hartley	1	1
Mr Bob McMullan	1	0
Dr John C Radcliffe	2	2
The Hon Margaret Reid AO	2	2
Dr Tim Reeves	1	1
Dr Richard Sheldrake AM	1	0
Mr Michael J Taylor	2	2
Mr Richard Warner	2	1

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2017 has been received and can be found on page 5 of the financial report.

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

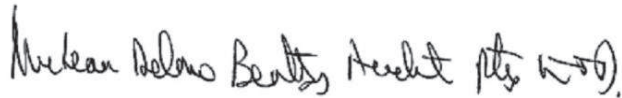
Director: 
Dr Colin Chartres

Dated this 9th day of August 2017

**Auditor's Independence Declaration
Under Section 307C of The Corporations Act 2001
To The Directors of Crawford Fund Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



McLean Delmo Bentleys Audit Pty Ltd



**Martin Fensome
Partner**

Hawthorn
Date: 9 August 2017

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Revenue from government and other grants	2	1,067,181	1,131,465
Other income	2	472,113	366,622
		<u>1,539,294</u>	<u>1,498,087</u>
Employee benefits expense		(240,836)	(221,700)
Depreciation expense		(4,803)	(6,447)
Rental expense		(21,784)	(49,658)
Audit, legal and consultancy expenses		(8,750)	(9,254)
Program expenses		(1,072,033)	(1,163,923)
Other expenses		(83,314)	(68,134)
		<u>(1,431,520)</u>	<u>(1,519,116)</u>
Surplus / (Deficit) for the year		107,774	(21,029)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		107,774	(21,029)

The accompanying notes form part of these financial statements.

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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	763,423	536,050
Trade and other receivables	4	86,031	123,850
Other financial assets	5	398,866	387,733
Other assets	6	62,346	48,121
TOTAL CURRENT ASSETS		1,310,666	1,095,754
NON-CURRENT ASSETS			
Plant and equipment	7	12,174	15,043
TOTAL NON-CURRENT ASSETS		12,174	15,043
TOTAL ASSETS		1,322,840	1,110,797
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	380,730	292,431
Provisions	9	50,918	28,011
TOTAL CURRENT LIABILITIES		431,648	320,442
NON-CURRENT LIABILITIES			
Provisions		26,984	33,921
TOTAL NON-CURRENT LIABILITIES		26,984	33,921
TOTAL LIABILITIES		458,632	354,363
NET ASSETS		864,208	756,434
EQUITY			
Managed closure reserves		350,002	-
Innovation and Investment Reserve		406,432	-
Accumulated surplus		107,774	756,434
TOTAL EQUITY		864,208	756,434

The accompanying notes form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

	Managed closure reserves	Innovation and Investment Reserve	Accumulated Surplus	Total
	\$	\$	\$	\$
Balance at 1 July 2015	-	-	777,463	777,463
Total comprehensive income for the year	-	-	(21,029)	(21,029)
Balance at 30 June 2016	-	-	756,434	756,434
Total comprehensive income for the year	-	-	107,774	107,774
Transferred to reseves during the year	350,002	406,432	(756,434)	-
Balance at 30 June 2017	350,002	406,432	107,774	864,208

The accompanying notes form part of these financial statements.

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipt of grants		1,067,181	1,131,465
Other receipts		634,477	426,201
Payments to employees and suppliers		(1,490,894)	(1,569,100)
Interest received		29,676	31,167
		<u>240,440</u>	<u>19,733</u>
Net cash provided by operating activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of (payment for) other financial assets		(11,133)	(347,389)
Payment for plant and equipment		(1,934)	-
		<u>(13,067)</u>	<u>(347,389)</u>
Net cash provided by / (used in) investing activities			
Net increase / (decrease) in cash held			
		227,373	(327,656)
Cash and cash equivalents at the beginning of the financial year		<u>536,050</u>	<u>863,706</u>
Cash and cash equivalents at the end of the financial year	3	<u><u>763,423</u></u>	<u><u>536,050</u></u>

The accompanying notes form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

Crawford Fund Limited applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in 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 Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. 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 the 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 9th August 2017 by the directors of the company.

Accounting Policies

(a) Revenue

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations and sponsorships are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

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

(b) Plant and Equipment

Plant and equipment are carried at cost less, where applicable, 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 are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Plant and Equipment (Cont'd)

Depreciation

The depreciable amount of plant and equipment is depreciated on a diminishing balance method over the asset's useful life to the entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	30%

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 profit or loss in the period in which they arise.

(c) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs.

Classification and subsequent measurement

Financial instruments are subsequently measured at amortised cost using the effective interest method or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest* method.

The *effective interest* method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense in profit or loss.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Financial Instruments (Cont'd)

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss or through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial instrument has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where 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 where the related obligations are discharged or cancelled, or have expired. The difference between the carrying value of the financial liability, which is 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.

(e) Impairment of Assets

At the end of each reporting period, the entity 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.

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Employee Benefits

Provision is made for the company's obligation for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

(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 three months or less.

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the 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 statement of financial position.

(i) Income Tax

No provision for income tax has been raised as the company is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

(j) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(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) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments 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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
NOTE 2: REVENUE AND OTHER INCOME		
Revenue from government and other grants		
- Commonwealth government grants	939,819	934,000
- State government grants	52,362	140,515
- Special projects	75,000	56,950
	<u>1,067,181</u>	<u>1,131,465</u>
Other income		
- Donations and contributions	67,720	66,789
- Sponsorships	123,513	79,081
- Interest received	29,779	29,524
- Other	251,101	191,228
	<u>472,113</u>	<u>366,622</u>
	<u>1,539,294</u>	<u>1,498,087</u>
NOTE 3: CASH AND CASH EQUIVALENTS		
CURRENT		
Cash on hand	198	152
Cash at bank	202,478	285,898
Term deposits (with an original maturity of 3 months or less)	560,747	250,000
	<u>763,423</u>	<u>536,050</u>
NOTE 4: TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade receivables	79,405	117,361
GST receivables	5,918	5,882
Other receivables	708	607
	<u>86,031</u>	<u>123,850</u>
NOTE 5: OTHER FINANCIAL ASSETS		
CURRENT		
Term deposits and fixed interest securities	<u>398,866</u>	<u>387,733</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
NOTE 6: OTHER ASSETS		
CURRENT		
Rental bond	6,050	16,971
Prepayments	<u>56,296</u>	<u>31,150</u>
	<u>62,346</u>	<u>48,121</u>
NOTE 7: PLANT AND EQUIPMENT		
Plant and equipment		
At cost	54,387	52,453
Less accumulated depreciation	<u>(42,213)</u>	<u>(37,410)</u>
	<u>12,174</u>	<u>15,043</u>
Movements in Carrying Amounts		
Movement in the carrying amounts for plant and equipment between the beginning and the end of the current financial year:		
Balance at the beginning of the year	15,043	21,490
Additions at cost	1,934	-
Depreciation expense	<u>(4,803)</u>	<u>(6,447)</u>
Carrying amount at the end of the year	<u>12,174</u>	<u>15,043</u>
NOTE 8: TRADE AND OTHER PAYABLES		
CURRENT		
Trade payables	675	82,296
Deferred income	324,230	170,008
PAYG payables	4,397	5,992
Other payables	<u>51,428</u>	<u>34,135</u>
	<u>380,730</u>	<u>292,431</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
NOTE 9: PROVISIONS		
CURRENT		
Long service leave	15,188	-
Annual leave	35,730	28,011
	<u>50,918</u>	<u>28,011</u>
NON-CURRENT		
Long service leave	26,984	33,921

NOTE 10: OPERATING LEASE COMMITMENTS

Non-cancellable operating leases contracted for but not recognised in the financial statements:

Payable - minimum lease payments:

- not later than 12 months	22,000	22,000
- later than 12 months but not later than 5 years	22,000	44,000
	<u>44,000</u>	<u>66,000</u>

The property lease commitments are non-cancellable operating leases contracted for but not capitalised in the financial statements due for expiry in June 2019.

NOTE 11: KEY MANAGEMENT PERSONNEL COMPENSATION

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

The total of remuneration paid to key management personnel of the company during the year is as follows:

Key management personnel compensation	<u>73,827</u>	<u>72,380</u>
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CRAWFORD FUND LIMITED


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DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Crawford Fund Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 6 to 16, are in accordance with the Corporations Act 2001 and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position of the company as at 30 June 2017 and of its performance for the year ended on that date.
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:



Dr Colin Chartres

Dated this 9th day of August 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CRAWFORD FUND LIMITED

Opinion

We have audited the financial report of Crawford Fund Limited, which comprises the statement of financial position as at 30 June 2017, the statement comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the financial report of Crawford Fund Limited is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Entity's financial position as at 30 June 2017 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements, and the *Corporations Regulations 2001*.

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 Entity in accordance with 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.

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*, which has been given to the directors as at the time of this auditor's report.

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 Entity 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 a 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 Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CRAWFORD FUND LIMITED (Continued)**

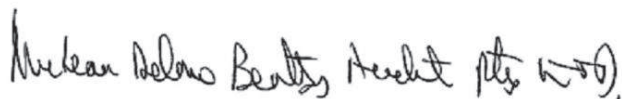
Auditor's Responsibilities for the Audit of the Financial Report

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 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 the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Entity'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 Entity 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 those charged with governance 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.



McLean Delmo Bentleys Audit Pty Ltd



**Martin Fensome
Partner**

Hawthorn
11 August 2017