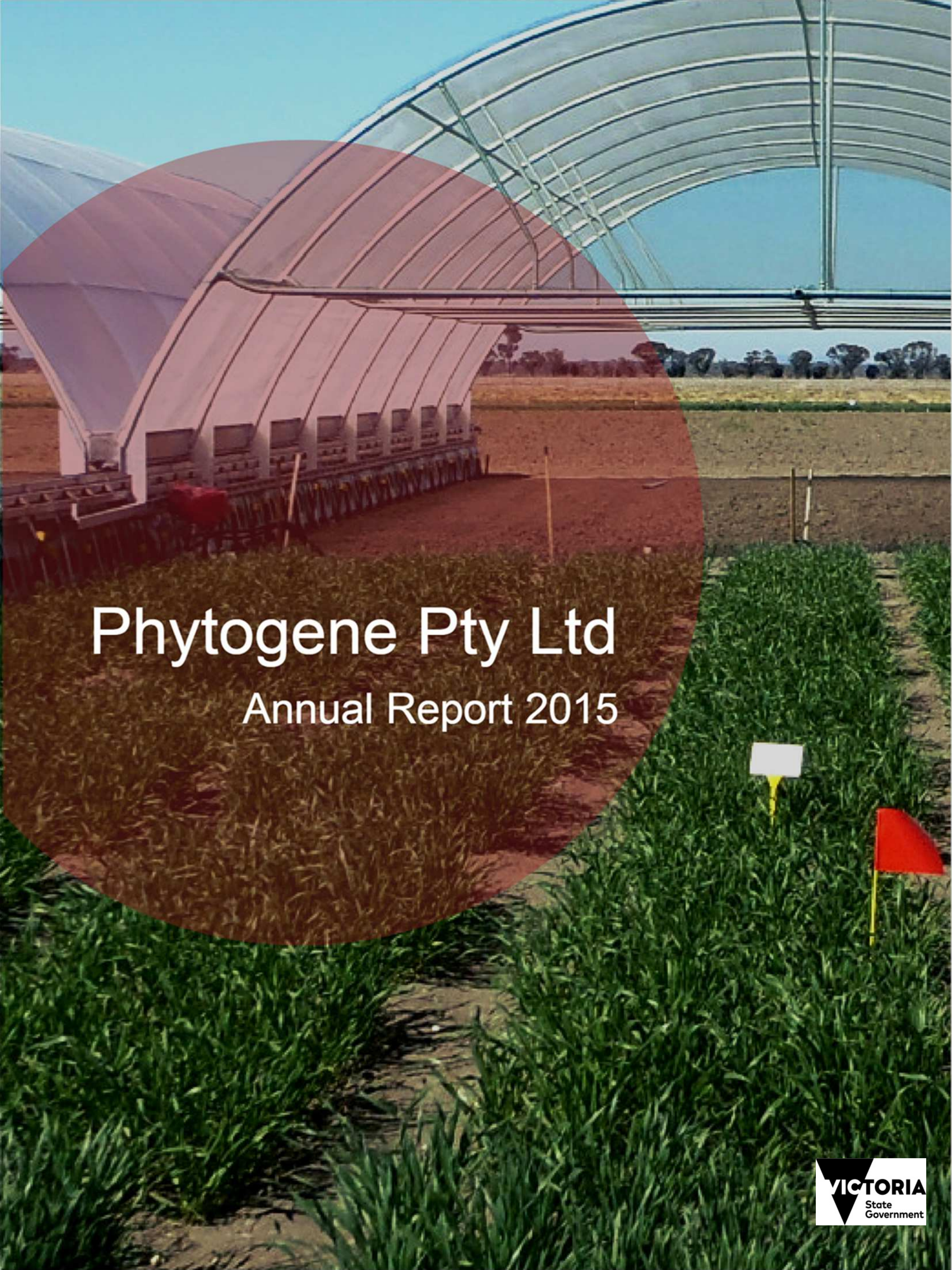

Phytogene Pty Ltd

Annual Report 2015

VICTORIA State Government

CONTENTS

GLOSSARY OF TERMS

AVS	Agriculture Victoria Services Pty Ltd.
Company ('the Company')	Phytogene Pty Ltd.
Department ('the Department')	Victorian Department of Economic Development, Jobs, Transport and Resources
Phytogene	Phytogene Pty Ltd is a wholly owned subsidiary of AVS.

COMPANY INFORMATION

Directors	Dr JM Slocombe (Chairman) Dr CL Noble Professor GC Spangenberg
Chief Scientific Officer	Professor GC Spangenberg
Company Secretary	Mr BG Lang
Registered Office	475 - 485 Mickleham Road Attwood, VIC 3049 Telephone (03) 9217 4134 Facsimile (03) 9217 4161
Auditors	Auditor General of Victoria Level 24, 35 Collins Street Melbourne, VIC 3000
Bankers	Commonwealth Bank Aust. 499 St Kilda Road Melbourne, VIC 3004
	Treasury Corporation of Victoria Level 12, 1 Collins Street Melbourne, VIC 3000
	A.C.N 098 823 235 A.B.N 45 098 823 235

Review of Business

Phytogene Pty Ltd is a wholly owned subsidiary company of Agriculture Victoria Services Pty Ltd (AVS).

The purpose of Phytogene is to commercialise a proprietary and patented delayed plant leaf senescence technology with the trade mark, LXR®. The technology has a wide range of potential applications for major plant crops by increasing dry matter production, seed yield and drought tolerance.

The Company also holds exclusive world-wide commercialisation rights to another yield enhancing technology which is complementary to LXR®. Known as BET (biomass enhancement technology), this trait technology was developed by AVS and the former Molecular Plant Breeding CRC.

Following early seed funding from AVS, Phytogene has been financially self-sufficient since 2008 with payments received from licensees providing sufficient funding to support the company's operations. Phytogene continues to maintain a low cost structure while it builds value in the technology and secures further commercial opportunities. As a result, Phytogene has been able to meet the operating loss of $92,390 incurred in 2014-15 from its own internal cash resources.

Fees and milestone payments due from licensees are projected to ensure Phytogene remains cash flow positive in the period prior to the launch of the first plant variety incorporating the LXR® technology.

Glasshouse and field trial results to date have provided evidence of proof of concept for LXR® in the dicot plant species: canola, white clover and alfalfa.

Proof of concept in a monocot plant species has been a recent priority for Phytogene, particularly in wheat given the crop's strategic importance to Victoria. To this end, on behalf of Phytogene, the Department's Biosciences Research (with approval of the Office of the Gene Technology Regulator) completed an extensive field trial of LXR® and BET wheat in 2015.

Of note, Phytogene's wheat field trial results in 2014-15 showed substantial yield benefits for LXR®, particularly under water-stressed conditions where statistically significant gains of between 40% and 60% were achieved. Yield gains in BET wheat were also achieved.

During 2014-15 the Company also received positive reports from a Phytogene licensee for LXR alfalfa following its completion of successful field trials. This has led to a company decision to advance to product development by commencing a crossing programme to incorporate the LXR® trait into its commercial lucerne germplasm.

During 2015-16, Phytogene will target communications of its strong technical and field-trial data now gathered that clearly demonstrates the efficacy of the LXR and BET yield enhancement technologies, in both dicot and monocot species, with a view to entering commercial evaluation and licensing arrangements with suitable private sector companies.

Dr Judith Slocombe
CHAIRMAN

PROTECTED DISCLOSURE ACT 2012

The Protected Disclosure Act was part of a package of integrity reforms introduced by the Victorian Government, which also established the Independent Broad-based Anti-corruption Commission.

The Protected Disclosure Act enables people to make disclosures about improper conduct within the public sector without fear of reprisal. It aims to ensure openness and accountability by encouraging people to make disclosures and protecting them when they do.

What is a 'protected disclosure'?
A protected disclosure is a complaint of corrupt or improper conduct by a public officer or a public body.
Phytogene is a “public body” for the purposes of the Act.

What is ‘improper or corrupt conduct’?
Improper or corrupt conduct involves substantial:
- mismanagement of public resources; or
- risk to public health or safety or the environment; or
- corruption.

The conduct must be criminal in nature or a matter for which an officer could be dismissed.

How do I make a 'Protected Disclosure'?
You can make a protected disclosure about Phytogene or its board members, officers or employees by contacting the Department or the Independent Broad-based Anti-corruption Commission on the contact details provided below. Please note that Phytogene is not able to receive protected disclosures.

How Can I access Phytogene’s procedures for the protection of persons from detrimental action?
Phytogene has established procedures for the protection of persons from detrimental action in reprisal for making a protected disclosure about Phytogene or its employees. You can access Phytogene’s procedures on the AVS website at: www.agvic.com.au

Contacts

Independent Broad-Based Anti-Corruption Commission Victoria
Address: Level 1, North Tower, 459 Collins Street, Melbourne Victoria 3001.
Mail: IBAC, GPO Box 24234, Melbourne Victoria 3000
Internet: www.ibac.vic.gov.au
Phone: 1300 735 135
Email: see the website above for the secure email disclosure process, which also provides for anonymous disclosures.

DIRECTOR'S REPORT

The Board of Directors present their report together with the financial report for Phytogene Pty Ltd ("the Company") for the year ended 30 June 2015, and the auditors' report thereon.

Directors

The names of the directors of the Company at any time during or since the end of the financial year are:

Dr. JM Slocombe Dr. CL Noble Prof. GC Spangenberg

All directors were in office from the beginning of the financial year until the date of this report.

Principal Activity & State of Affairs

The principal activity of the Company during the financial year was to further develop and commercialise technologies associated with delayed plant senescence and biomass enhancement.

There was no significant change in the nature of the activities or state affairs of the Company during the financial year.

Results and Dividends

The comprehensive result for the Company for the financial year was a loss of $92,390 (2014: loss of $73,339).

The directors do not recommend payment of a final dividend and no dividend has been paid during the year ended 30 June 2015 (2014:Nil).

Likely Developments

The Company will continue to develop its technologies over the coming year and seek commercial opportunities related thereto. No significant changes are expected to the principal activities of the Company during the next financial year.

Events Subsequent to Balance Date

No matters or circumstances have arisen since the end of the financial year and the date of this report which significantly affected or may significantly affect the operations of the Company, the results of the operations, or the state of affairs of the Company in subsequent financial years.

Environment Regulation

The Company is not significantly affected by any environmental legislation.

DIRECTORS' REPORT (continued)

Directors Meetings

The following persons were directors of the company during the year. Their respective attendances at directors' meetings are as listed:

	No. Meetings Attended	No. Meetings Eligible
Dr. JM Slocombe	3	3
Dr. CL Noble	3	3
Prof. GC Spangenberg	3	3

Indemnification and Insurance of Officers and Auditors

The Company has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the Company or of a related body corporate:

- indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings.

For and on behalf of the Board in accordance with a resolution of the directors.

Dr Judith Slocombe
Director
12 August 2015

Dr Clive Noble
Director
12 August 2015

VAGO
Victorian Auditor-General's Office

Level 24, 35 Collins Street
Melbourne VIC 3000
Telephone 61 3 8601 7000
Facsimile 61 3 8601 7010
Email comments@audit.vic.gov.au
Website www.audit.vic.gov.au

AUDITOR-GENERAL'S INDEPENDENCE DECLARATION

To the Directors, Phytogene Pty Ltd

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General, an independent officer of parliament, is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised.

Under the *Audit Act 1994*, the Auditor-General is the auditor of each public body and for the purposes of conducting an audit has access to all documents and property, and may report to parliament matters which the Auditor-General considers appropriate.

Independence Declaration

As auditor for Phytogene Pty Ltd for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- no contraventions of any applicable code of professional conduct in relation to the audit.

T McQuild

for John Doyle
Auditor-General

MELBOURNE
8 September 2015

COMPREHENSIVE OPERATING STATEMENT
FOR YEAR ENDED 30 JUNE 2015

	Notes	2015 $	2014 $
Income from transactions			
Revenue from activities		9,953	83,791
Total Income from transactions	2	**9,953**	**83,791**
Expenses from transactions			
Expenses from activities		102,343	157,130
Total Expenses from transactions	3	**102,343**	**157,130**
Comprehensive Result		**(92,390)**	**(73,339)**

The Comprehensive Operating Statement should be read in conjunction with the accompanying notes.

BALANCE SHEET
AS AT 30 JUNE 2015

	Notes	2015 $	2014 $
Assets			
Financial Assets			
Cash and deposits	11a	388,450	478,609
Receivables	4	491	1,311
TOTAL FINANCIAL ASSETS		**388,941**	**479,920**
Liabilities			
Payables	5	13,774	12,363
TOTAL LIABILITIES		**13,774**	**12,363**
NET ASSETS		**375,167**	**467,557**
Equity			
Share capital		855,002	855,002
Accumulated deficit		(479,835)	(387,445)
NET WORTH		**375,167**	**467,557**

The Balance Sheet should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 30 JUNE 2015

	Notes	Equity at 1 July 2014	Net result	Other comprehensive income	Equity at 30 June 2015
Share Capital		855,002	-	-	855,002
Accumulated Surplus/(Deficit)		(387,445)	(92,390)	-	(479,835)
Total equity at end of financial year		467,557	(92,390)	-	375,167

	Notes	Equity at 1 July 2013	Net result	Other comprehensive income	Equity at 30 June 2014
Share Capital		855,002	-	-	855,002
Accumulated Surplus/(Deficit)		(314,106)	(73,339)	-	(387,445)
Total equity at end of financial year		540,896	(73,339)	-	467,557

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT
FOR YEAR ENDED 30 JUNE 2015

	Notes	2015 $	2014 $
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts			
Receipts from customers		3,049	79,868
Grants received		-	31,379
Interest received		10,664	13,650
Payments			
Cash paid to suppliers		(100,932)	(256,071)
GST paid to ATO		(2,940)	(10,626)
Net cash provided by operating activities	**11b**	**(90,159)**	**(141,800)**
Net increase in cash and cash equivalents		(90,159)	(141,800)
Cash and cash equivalents at beginning of financial year		478,609	620,409
Cash and cash equivalents at 30 June	**11a**	**388,450**	**478,609**

The Cash Flow Statement should be read in conjunction with the accompanying notes.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2015**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The financial statements cover Phytogene Pty Ltd (the Company) as an individual reporting entity. The Company is a private company, established on 13 November 2001. Its principal address is:

475 Mickleham Road, Attwood, Victoria 3049.

The significant accounting policies adopted in the preparation of the financial statements are as follows:

(b) Statement of Compliance

These general-purpose financial statements for the year ending 30 June 2015, have been prepared in accordance with Australian Accounting Standards, including interpretations (AASs) and the Corporations Act 2001.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

To gain a better understanding of the terminology used in this report, a glossary of terms and style conventions can be found in Note 13.

These annual financial statements were authorised for issue by the Directors of the Company on 12 August 2015.

(c) Basis of Preparation and Measurement

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

These financial statements are presented in Australian dollars, and prepared in accordance with the historical cost convention

The accounting policies set out below have been consistently applied by the Company throughout the reporting period.

(d) Scope and Presentation of Financial Statements

Comprehensive Operating Statement

The comprehensive operating statement comprises three components, being 'net result from transactions' (or termed as 'net operating balance'), 'other economic flows included in net result', as well as 'other economic flows – other comprehensive income'. The sum of the former two, together with the net result from discontinued operations, represents the net result.

'Other economic flows' are changes arising from market re-measurements. They include gains and losses from impairments of non-current physical and intangible assets; and fair value changes of financial instruments.

This classification is consistent with the whole of government reporting format and is allowed under AASB 101 Presentation of Financial Statements.

Balance Sheet

Items of assets and liabilities in the balance sheet are presented in liquidity order and aggregated into financial and non-financial assets. Current versus non-current assets and liabilities are disclosed in the notes where relevant.

Statement of Changes in Equity

The statement of changes in equity presents reconciliations of each non-owner and owner equity opening balance at the beginning of the year to the closing balance at the end of the year, showing separately movements due to amounts recognised in the comprehensive result and amounts recognised in equity related to transactions with owners in their capacity as owners.

Cash Flow Statement

Cash flows are classified according to whether or not they arise from operating activities, investing activities, or financing activities. This classification is consistent with requirements under AASB 107 Statement of Cash Flows.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2015

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Rounding
Amounts in the financial statements (including the notes) have been rounded to the nearest one dollar ($1), unless otherwise stated. Figures in the financial statements may not equate due to rounding. Please refer to the end of Note 13 for a style convention for explanations of minor discrepancies resulting from rounding.

(e) Changes in Accounting Policies

Subsequent to the 2013-14 reporting period, the following new and revised Standards have been adopted for the first time in the current period with their financial impacts disclosed.

AASB 10 Consolidated Financial Statements
AASB 10 provides a new approach to determine whether an entity has control over an entity, and therefore must present consolidated financial statements. The new approach requires the satisfaction of all three criteria for control to exist over an entity for financial reporting purposes:

(a) The investor has power over the investee;
(b) The investor has exposure, or rights to variable returns from its involvement with the investee; and
(c) The investor has the ability to use its power over the investee to affect the amount of investor's returns.

Based on the new criteria prescribed in AASB 10, the Company has reviewed the existing arrangements and there are no entities that need to be consolidated into the group.

AASB 11 Joint Arrangements
In accordance with AASB 11, there are two types of joint arrangements, i.e. joint operations and joint ventures. Joint operations arise where the investors have rights to the assets and obligations for the liabilities of an arrangement. A joint operator accounts for its share of the assets, liabilities, revenue and expenses. Joint ventures arise where the investors have rights to the net assets of the arrangement; joint ventures are accounted for under the equity method. Proportionate consolidation of joint ventures is no longer permitted.

The Company has reviewed its existing contractual arrangements with other entities and has concluded that no entity has met the joint arrangement criteria.

AASB 12 Disclosure of Interests in Other Entities
AASB 12 Disclosure of Interests in Other Entities prescribes the disclosure requirements for an entity's interests in subsidiaries, associates, joint arrangements and extends to the entity's association with unconsolidated structured entities.

The Company has reviewed its current contractual arrangements and has not identified any unconsolidated structured entities during the assessment.

(f) Accounting for Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(g) Income Tax

Phytogene Pty Ltd is a wholly owned subsidiary of Agriculture Victoria Services Pty Ltd, a company whose shares are owned by the State Government of Victoria. The Company is exempt from income tax under Sec 24AO I.T.A.A. and as such does not adopt tax effect accounting.

(h) Income from Transactions

Amounts disclosed as income from transactions are recognised to the extent that it is probable that the economic benefits will flow to the Company, can be measured reliably and where applicable, net of returns, allowances and duties and taxes. Income is recognised for each of the Company's activities as follows:

- Grant monies are recognised at the point cash is received from the grant authority.

- Income from the sale of services is recognised upon delivery of the services to the customer.
- Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

(i) Expenses from Transactions

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

(j) Other Economic Flows Included in Net Result

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions.

Net gain/(loss) on Financial Instruments
Net gain/(loss) on financial instruments includes realised and unrealised gains and losses from revaluations of financial instruments that are designated at fair value through profit or loss or held-for-trading, impairment and reversal of impairment for financial instruments at amortised cost, and disposal of financial assets.

Financial Instruments
Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The following refers to financial instruments unless otherwise stated.

Loans and Receivables
Loans and receivables are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Loans and receivables category includes cash and deposits, term deposits with maturity greater than three months, trade receivables, loans and other receivables, but not statutory receivables

Financial Liabilities at Amortised Cost
Financial instrument liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method (refer to Note 13).

Financial instrument liabilities measured at amortised cost include all of the Company's contractual payables, deposits held and advances received, and interest-bearing arrangements other than those designated at fair value through profit or loss.

(k) Financial Assets

Cash and Deposits
Cash and cash equivalents comprises cash on hand, cash in banks and deposits subject to an insignificant risk of changes in value and that are held for less than 90 days.

Receivables
Receivables consist of:

- Contractual receivables, which include mainly debtors in relation to goods and services and accrued income. Trade debtors are recognised at the amounts receivable, as they are due for settlement no more than thirty days from the date of recognition, and
- Statutory receivables, which include predominately GST input tax credits recoverable.

Receivables that are contractual are classified as financial instruments. Statutory receivables are not classified as financial instruments. Receivables are subject to impairment testing as described below. A provision for doubtful receivables is recognised when there is objective evidence that the debts may not be collected, and bad debts are written off when identified.

Impairment of Financial Assets
At the end of each reporting period, the Company assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Receivables are assessed for bad and doubtful debts on a regular basis. Those bad debts considered as written off by mutual consent are classified as a transaction expense. Bad debts not written off by mutual consent and the allowance for doubtful receivables are classified as other economic flows in the net result.

The amount of the allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

1. STATEMENT OF ACCOUNTING POLICIES (continued)

(k) Financial Assets (cont.)

Impairment of financial assets

In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 *Impairment of Assets*.

(l) Non-Financial Assets

Intangibles

Intangible assets are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated depreciation/amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the Company.

When the recognition criteria in AASB 138 Intangible Assets are met, internally generated intangible assets are recognised and measured at cost less accumulated depreciation/amortisation and impairment.

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

An internally generated intangible asset arising from development expenditure is recognised as an asset in the balance sheet if, and only if, all of the following are demonstrated:

(d) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
(e) the intention to complete the intangible asset and use or sell it;
(f) the intangible asset will generate probable future economic benefit;
(g) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
(h) the ability to measure reliably the expenditure attributable to the intangible asset during its development

(m) Liabilities

Payables

Trade payables and other accounts payable are recognised when the Company becomes obliged to make future payments resulting from the purchase of goods and services. Trade payables are normally settled within 30 days.

(n) Foreign Currency Transactions

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign monetary items at reporting date are translated at the exchange rate existing at reporting date. Exchange differences are recognised in profit or loss in the period in which they arise.

(o) New Accounting Standards and Interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2015 reporting period. Phytogene assesses the impact of these new standards and their applicability and early adoption where applicable.

As at 30 June 2015, there are a number of standards and interpretations had been issued but were not mandatory for the financial year ending 30 June 2015. Phytogene has not, and does not intend to, adopt these standards early.

Standard/Interpretation	***Summary***	***Applicable for annual reporting periods beginning on***	***Impact on public sector entity financial statements***
AASB 9 *Financial Instruments*	The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1 Jan 2018	The assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss. While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.
AASB 14 *Regulatory Deferral Accounts #*	AASB 14 permits first-time adopters of Australian Accounting Standards who conduct rate-regulated activities to continue to account for amounts related to rate regulation in accordance with their previous GAAP.	1 Jan 2016	The assessment has indicated that there is no expected impact , as those that conduct rate-regulated activities have already adopted Australian Accounting Standards.
AASB 15 *Revenue from Contracts with Customers*	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1 Jan 2017 (Exposure Draft 263 – potential deferral to 1 Jan 2018)	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications. A potential impact will be the upfront recognition of revenue from licenses that cover multiple reporting periods. Revenue that was deferred and amortised over a period may now need to be recognised immediately as a transitional adjustment against the opening returned earnings if there are no former performance obligations outstanding.
AASB 1056 *Superannuation Entities #*	AASB 1056 replaces AAS 25 *Financial Reporting by Superannuation Plans*. The standard was developed in light of changes in recent years, developments in the superannuation industry and Australia's adoption of IFRS. Some of the key changes in AASB 1056 include: • the level of integration between AASB 1056 and other AASB standards • a revised definition of a superannuation entity • revised and consistent content for the financial statements • use of fair value rather than net market value for measuring assets and liabilities • revised member liability recognition and measurement requirements • revised disclosure principles	1 July 2016	The assessment has indicated that there will be no impact on the entity, as the Accounting Standard only affects superannuation entities' own reporting.

Standard/Interpretation	***Summary***	***Applicable for annual reporting periods beginning on***	***Impact on public sector entity financial statements***
AASB 2014-1 *Amendments to Australian Accounting Standards* [Part E *Financial Instruments*]	Amends various AASs to reflect the AASB's decision to defer the mandatory application date of AASB 9 to annual reporting periods beginning on or after 1 January 2018 as a consequence of Chapter 6 Hedge Accounting, and to amend reduced disclosure requirements.	1 Jan 2018	This amending standard will defer the application period of AASB 9 to the 2018-19 reporting period in accordance with the transition requirements.
AASB 2014-4 *Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation* *[AASB 116 & AASB 138]*	Amends *AASB 116 Property, Plant and Equipment* and *AASB 138 Intangible Assets* to: • establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset; • prohibit the use of revenue-based methods to calculate the depreciation or amortisation of an asset, tangible or intangible, because revenue generally reflects the pattern of economic benefits that are generated from operating the business, rather than the consumption through the use of the asset.	1 Jan 2016	The assessment has indicated that there is no expected impact as the revenue-based method is not used for depreciation and amortisation.
AASB 2014-9 *Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements* *[AASB 1, 127 & 128]*	Amends *AASB 127 Separate Financial Statements* to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements.	1 Jan 2016	The assessment indicates that there is no expected impact as the entity will continue to account for the investments in subsidiaries, joint ventures and associates using the cost method as mandated if separate financial statements are presented in accordance with FRD 113A.
AASB 2014-10 *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 & AASB 128]*	AASB 2014-10 amends *AASB 10 Consolidated Financial Statements* and *AASB 128 Investments in Associates* to ensure consistent treatment in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require that: • a full gain or loss to be recognised by the investor when a transaction involves a business (whether it is housed in a subsidiary or not); and • a partial gain or loss to be recognised by the parent when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.	1 Jan 2016	The assessment has indicated that there is limited impact, as the revisions to AASB 10 and AASB 128 are guidance in nature.
AASB 2015-6 *Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities* *[AASB 10, AASB 124 & AASB 1049]*	The Amendments extend the scope of *AASB 124 Related Party Disclosures* to not-for-profit public sector entities. A guidance has been included to assist the application of the Standard by not-for-profit public sector entities.	1 Jan 2016	The amending standard will result in extended disclosures on the entity's key management personnel (KMP), and the related party transactions.

In addition to the new standards and amendments above, the AASB has issued a list of other amending standards that are not effective for the 2014-15 reporting period (as listed below). In general, these amending standards include editorial and references changes that are expected to have insignificant impacts on public sector reporting.

- AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).
- AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments
- AASB 2014-1 Amendments to Australian Accounting Standards [PART D – Consequential Amendments arising from AASB 14 Regulatory Deferral Accounts only] #
- AASB 2014-3 Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]
- AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15
- AASB 2014-6 Amendments to Australian Accounting Standards – Agriculture: Bearer Plants [AASB 101, AASB 116, AASB 117, AASB 123, AASB 136, AASB 140 & AASB 141]
- AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)
- AASB 2014-8 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) – Application of AASB 9 (December 2009) and AASB 9 (December 2010) [AASB 9 (2009 & 2010)]
- AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, AASB 101, AASB 134 & AASB 1049]
- AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality
- AASB 2015-4 Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent [AASB 127, AASB 128] #
- AASB 2015-5 Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception [AASB 10, AASB 12, AASB 128] #

Note:
This Standard or Amendment may not be relevant to Victorian not-for-profit entities when operative.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2015

			2015	2014
			$	**$**
2	**INCOME FROM TRANSACTIONS**			
		Income from continuing operations		
	(a)	Income from services	-	41,868
	(b)	Interest	9,953	13,397
	(c)	Grants	-	28,526
		Total Income from transactions	**9,953**	**83,791**
3	**EXPENDITURE FROM TRANSACTIONS**			
		Audit services	6,300	6,100
		Project expenses	30,000	100,000
		Patent expenses	65,187	41,955
		Other operating expenses	856	9,075
		Total expenses from transactions	**102,343**	**157,130**
4	**TRADE AND OTHER RECEIVABLES**			
		Current		
		Contractual		
		Sale of goods and services	-	-
		Other receivables	163	874
			163	874
		Statutory		
		GST Input tax credit recoverable	328	437
		Total current receivables	**491**	**1,311**

(a) Ageing analysis of receivables

Please refer to table 12.2 in Note 12 for the aging analysis of receivables.

(b) Nature and extent of risks arising from receivables

Please refer to Note 12 for the nature and extent of risks arising from receivables.

			2015	2014
5	**TRADE AND OTHER PAYABLES**			
		Current		
		Amounts due to parent entity	390	-
		Supplies and services	6,727	-
		Other payables and accrued expenses	6,657	12,363
			13,774	**12,363**

(a) Maturity analysis of trade and other payables

Please refer to table 12.3 in Note 12 for the aging analysis of payables

(b) Nature and extent of risk arising from trade and other payables

Please refer to Note 12 for the nature and extent of risks arising from payables.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2015

6 AUDITORS REMUNERATION

	2015	2014
	$	$
Audit Services		
Victorian Auditor General's Office		
Audit of the financial report	**6,300**	**6,100**

7 DIRECTORS' REMUNERATION

Directors Benefit's

No director of the company has received or become entitled to receive a benefit nor have there have been any transactions with any director of the company.

8 CAPITAL & EXPENDITURE COMMITMENTS & CONTINGENT LIABILITIES

There are no capital or expenditure commitments or contingent liabilities as at 30 June 2015. (2014: Nil)

9 SEGMENT REPORTING

The company operated predominantly in the agricultural and allied industries within Australia

10 RELATED PARTY TRANSACTIONS

The names of each person holding the position of director of the company during the period 1 July 2014 to 30 June 2015 are Prof. GC Spangenberg, Dr. JM Slocombe and Dr. CL Noble.

Details for directors' remuneration and retirement benefits are set out in Note 7.

Other than reported in Note 7, there were no transactions of a financial nature between the Company and its directors during the reporting period.

No director has entered into a contract with the company since the end of the previous financial year and there were no contracts involving directors' interests subsisting at year end. No director holds, or has previously held shares in the Company.

The company is wholly owned by Agriculture Victoria Services Pty Ltd (parent entity), an entity owned by the State Government of Victoria (ultimate parent entity). As such all State Government departments are considered to be related parties to Phytogene Pty Ltd. Prof. GC Spangenberg is employed by the Victorian Government Department of Economic Development, Jobs, Transport and Resources

For the period ended 30 June 2015 the Department was the major supplier of services to the Company. These services were provided on a normal commercial basis. The value of the transactions between the Company and the related parties for the financial period were as follows:

Expenses	**2015**	**2014**
	$	**$**
Expenses paid to the Department	-	79,368
Expenses paid to parent entity	9,414	4,858
	9,414	**84,226**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2015

11 CASH FLOW STATEMENT

(a) For the purposes of the Cash Flow Statement, cash includes cash on hand and in banks and deposits at call, net of outstanding overdraft.

Cash at end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows :

	2015	2014
	$	$
Cash at bank and on hand	23,528	4,327
Deposits at call	29,922	74,282
Deposits < 90 days	335,000	400,000
Cash and cash equivalents	**388,450**	**478,609**

(b) Reconciliation of net cash provided by operating activities to opening profit for the year:

	2015	2014
Operating Profit/(Loss) for the year	(92,390)	(73,339)
Changes to Assets and Liabilities		
(Increase)/decrease in assets		
Receivables	820	26,729
Increase/(decrease) in liabilities		
Payables	1,411	(95,190)
Net cash from operating activities	**(90,159)**	**(141,800)**

12 FINANCIAL INSTRUMENTS

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

Table 12.1 Categorisation of financial instruments

Financial asset	**Note**	**Category**	**Carrying amount**	
			2015	**2014**
			$	**$**
Cash and cash equivalents	11a	Cash	388,450	478,609
Receivables	4	Loans and receivables (at amortised cost)	163	874
Financial liabilities	**Note**	**Category**	**Carrying amount**	
			2015	**2014**
			$	**$**
Payables	5	Financial liabilities (at amortised cost)	13,774	12,363

The carrying amounts disclosed exclude statutory amounts (e.g. GST input tax credit recoverable and GST payables).

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2015**

12 FINANCIAL INSTRUMENTS (continued)

(a) Credit Risk

Credit risk arises from the financial assets of the Company, which comprise cash and cash equivalents and trade and other receivables.

The Company's exposure to credit risk arises from the potential default of counter party on their contractual obligations resulting in financial loss to the Company. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Company's financial assets is minimal because the main debtor is parent entity Agriculture Victoria Services Pty Ltd (AVS). For debtors other than AVS, it is the Company's policy to only deal with entities with high credit ratings and or to obtain sufficient collateral or credit enhancements where appropriate.

The Company does not have any material credit risk exposure to any single debtor or group of debtors. In addition, the Company does not engage in hedging for its financial assets.

Provision of impairment for financial assets is calculated based on past experience, and current and expected changes in client credit ratings.

The Company's maximum exposure to credit risk without taking account of the value of any collateral obtained is the carrying amount of the financial assets as detailed in table 12.1.

Financial assets that are either past due or impaired

Currently the Company does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

As at the reporting date, there is no event to indicate that any of the financial assets were impaired.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated.

The following table discloses the ageing of financial assets that are past due but not impaired:

Table 12.2 Interest rate exposure and aging analysis of financial assets

			Interest rate exposure				Past due but no impaired		
2015	**Weighted average effective interest rate %**	**Carrying amount**	**Fixed interest rate**	**Variable interest rate**	**Non interest bearing**	**Not past due and not impaired**	**1-3 months**	**3 months - 1 year**	**> 1 year**
Cash at bank	0.00	23,528	-	-	23,528	23,528	-	-	-
Deposits at call	2.42	29,922	-	29,922	-	29,922	-	-	-
Deposits < 90 days	2.56	335,000	335,000	-	-	335,000	-	-	-
Trade and other receivables	0.00	163	-	-	163	163	-	-	-
		388,613	335,000	29,922	23,691	388,613	-	-	-
2014									
Cash at bank	0.00	4,327	-	-	4,327	4,327	-	-	-
Deposits at call	2.45	74,282	-	74,282	-	74,282	-	-	-
Deposits < 90 days	2.68	400,000	400,000	-	-	400,000	-	-	-
Trade and other receivables	0.00	874	-	-	874	874	-	-	-
		479,483	400,000	74,282	5,201	479,483	-	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2015

12 FINANCIAL INSTRUMENTS (continued)

(b) Liquidity risk

Liquidity risk arises when the Company is unable to meet its financial obligations as they fall due. The Company operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, make payments within 30 days from the date of resolution. It also continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets and dealing in highly liquid markets.

The Company's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

Maximum exposure to liquidity risk is the carrying amounts of financial liabilities detailed in table 12.1.

The following table discloses the contractual maturity analysis for the Company's financial liabilities

Table 12.3a Interest rate exposure and maturity analysis of financial liabilities

		Interest rate exposure				Maturity Dates				
2015	**Weighted average effective interest rate %**	**Carrying amount**	**Fixed interest rate**	**Variable interest rate**	**Non interest bearing**	**Nominal amount**	**Current**	**1-3 months**	**3 months - 1 year**	**> 1 year**
Amounts due to parent entity	-	390	-	-	390	390	390	-	-	-
Supplies and services	-	6,727	-	-	6,727	6,727	6,727	-	-	-
Other payables and accrued expenses	-	6,657	-	-	6,657	6,657	6,657	-	-	-
		13,774	-		13,774	13,774	13,774	-	-	-
2014										
Other payables and accrued expenses	-	12,363	-	-	12,363	12,363	12,363	-	-	-
	-	12,363	-	-	12,363	12.363	12,363	-	-	-

(c) Market risk

The Company's exposures to market risk are primarily through interest rate risk and exposure to foreign currency. Objectives, policies and processes used to manage each of these risks are disclosed in the paragraphs below. The Company does not have exposure to other price risks.

Foreign currency risk
The Company currently has no foreign currency dealings. The Company manages its risk through continuous monitoring of movements in the exchange rate, together with rigorous cash flow planning and monitoring. In the past it has been deemed unnecessary for the Company to enter into any hedging arrangements to manage foreign currency risk. However given that the entity anticipates an increase in transactions resulting in foreign exchange, this position is being re-evaluated.

Interest rate risk
Exposure to interest rate risk is insignificant as the Company does not have any interest bearing assets and liabilities.

The Company's exposure to interest rate risk is set out in the Table 12.3b.

Sensitivity disclosure analysis
Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Company believes the following movements are 'reasonably possible' over the next 12 months.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2015

12 FINANCIAL INSTRUMENTS (continued)

Table 12.3b Interest rate risk exposure for the Company

		Interest rate risk	
		-1.00%	+1.00%
2015	**Carrying amount**	**Net Result**	**Net Result**
Financial assets			
Cash and cash equivalents	388,450	(3,885)	3,885
Receivables	163	-	-
Financial liabilities			
Payables	13,774	-	-
Total increase/(decrease)		**(3,885)**	**3,885**
2014		**-1.00%**	**+1.00%**
Financial assets			
Cash and cash equivalents	478,609	(4,786)	4,786
Receivables	874	-	-
Financial liabilities			
Payables	12,363	-	-
Total increase/(decrease)		**(4,786)**	**4,786**

The carrying amounts disclosed exclude statutory amounts (e.g. GST input tax credit recoverable and GST payables).

Table 12.3a and 12.3b discloses the impact on net operating result and equity for each category of financial instrument held by the Company at year-end as presented to key management personnel, if the above movements were to occur.

(d) Net Fair Values
The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Balance Sheet and in the Notes to the Financial Statements.

The carrying value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the Company approximates their net fair value. No financial assets and financial liabilities are readily traded on organised markets. There are no financial assets for which the carrying amount exceeds the net fair value.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2015

13. GLOSSARY

Comprehensive result
The net result of all items of income and expense recognised for the period. It is the aggregate of operating result and other comprehensive income.

Commitments
Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Financial asset
A financial asset is any asset that is:
(a) cash;
(b) an equity instrument of another entity;
(c) a contractual or statutory right:
- to receive cash or another financial asset from another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or

(d) a contract that will or may be settled in the entity's own equity instruments and is:
- a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial instrument
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

Financial liability
A financial liability is any liability that is:
(a) a contractual obligation:
- to deliver cash or another financial asset to another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or

(b) a contract that will or may be settled in the entity's own equity instruments and is:
- a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Financial statements
A complete set of financial statements in the Model Report comprises:
(a) balance sheet as at the end of the period;
(b) comprehensive operating statement for the period;
(c) a statement of changes in equity for the period;
(d) cash flow statement for the period;
(e) notes, comprising a summary of significant accounting policies and other explanatory information; and
(f) comparative information in respect of the preceding period as specified in paragraphs 38 of AASB 101 *Presentation of Financial Statements*.

Interest income
Interest income includes received on bank term deposits and other investments.

Net result
Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other economic flows – other comprehensive income'.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2015

13. GLOSSARY (cont.)

Net result from transactions/net operating balance
Net result from transactions or net operating balance is a key fiscal aggregate and is income from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Net worth
Assets less liabilities, which is an economic measure of wealth.

Non-financial assets
Non-financial assets are all assets that are not 'financial assets'. It includes, plant and equipment, and intangible assets.

Other economic flows included in net result
Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. It includes:

- gains and losses from disposals, revaluations and impairments of non-financial physical and intangible assets;
- actuarial gains and losses arising from defined benefit superannuation plans;
- fair value changes of financial instruments and agricultural assets; and
- depletion of natural assets (non-produced) from their use or removal.

Other economic flows – other comprehensive income
Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards.
The components of other economic flows other comprehensive income include:
(g) changes in physical asset revaluation surplus;
(h) share of net movement in revaluation surplus of associates and joint ventures; and
(i) gains and losses on remeasuring available for sale financial assets.

Payables
Includes short and long term trade debt and accounts payable and taxes.

Produced assets
Produced assets include plant and equipment and certain intangible assets. Intangible produced assets may include computer software and research and development costs (which does not include the start-up costs associated with capital projects).

Receivables
Includes amounts owing through short and long term trade credit and accounts receivable, accrued income, and interest receivable.

Sales of services
Refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of services, and work done as an agent.

Style conventions
Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.
The notation used in the tables is as follows:

..	zero, or rounded to zero
(xxx.x)	negative numbers
200x	year period
200x 0x	year period

The financial statements and notes are presented based on the illustration for a government department in the 2014-15 Model Report for Victorian Government Departments. The presentation of other disclosures is generally consistent with the other disclosures made in earlier publications of the Company's annual reports.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

(1) The financial statements and notes, have been prepared in accordance with the *Corporations Act 2001* and:

a) Comply with Australian Accounting Standards including Interpretations and other mandatory professional reporting requirements; and

b) Give a true and fair view of the financial position and performance of the Company and Consolidated Entity as at 30 June 2015, as set out in in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes.

(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.

(3) At the time of signing we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

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

Dr Judith Slocombe	Prof. German Spangenberg
Director	Director
1 September 2015	1 September 2015

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INDEPENDENT AUDITOR'S REPORT

To the Directors of Phytogene Pty Ltd

The Financial Report

The accompanying financial report for the year ended 30 June 2015 of Phytogene Pty Ltd which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' declaration has been audited.

The Directors' Responsibility for the Financial Report

The Directors of Phytogene Pty Ltd are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and the financial reporting requirements of 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

As required by the *Corporations Act 2001* and *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed 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 audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the company's preparation of the financial report that gives a true and fair view 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independent Auditor's Report (continued)

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession and the *Corporations Act 2001*. I confirm that I have given to the Directors of the company a written independence declaration, a copy of which is included in the Directors' Report.

Opinion

In my opinion, the financial report of Phytogene Pty 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 2015 and its financial performance for the year ended on that date

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

T McQuild

MELBOURNE
8 September 2015

for John Doyle
Auditor-General

Phytogene Pty Ltd

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Attwood, Victoria 3049

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