



**ADVANTA SEEDS PTY LTD**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 MARCH 2017**

**A.C.N. 010 933 061**

*- identification  
purposes only.*

*[Signature]* 21/4/17  
Wade Hansen

*M. Savage* MATTHEW SAVAGE 21/4/17

**ADVANTA SEEDS PTY LTD  
FINANCIAL REPORT  
YEAR ENDED 31 MARCH 2017**

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## Advanta Seeds Pty Ltd

### DIRECTOR'S REPORT

Your Directors submit their report for the year ended 31 March 2017:

#### Directors

The names of the Directors of the company in office during the financial year and until the date of this report are as follows:

Mr Barry Croker (appointed 8 February 2010)  
Mr Matthew McLoughlin (appointed 25 March 2013)  
Mr Nick Gardner (appointed 25 March 2013)  
Mr Bhupen Dubey (appointed 5 October 2016)  
Mr Claudio Torres (resigned 15 June 2016)  
Mr Manoj Kumar Gupta (resigned 19 January 2017)

#### Principal Activities

The principal activities of the company during the year were the development and marketing of hybrid, proprietary crop, pasture planting seeds and added value products, both domestically and internationally.

There has been no significant change in activities during the period.

#### Result

The net loss after tax of the company for the year ended 31 March 2017 was \$3,279,000 [2016: \$11,470,000 profit after tax]. The operating loss before tax was \$4,582,000 [2016: \$16,404,000 profit before tax].

#### Dividends

Dividends were not paid or declared during the year [2016: \$NIL].

#### Review of Operations

Sorghum sales were lower than expected due to poor commodity prices, seeing growers rotate into pulses as an alternate crop. Canola sales were also lower than expected, driven through supply issues, where flooding in key production areas reduced available seed for sales. This was partially offset by improved sales of corn due to good water supply in key growing areas. Production issues, along with seed field performance, particularly in canola, has driven an unexpected write off of \$5,657,000 (2016:\$1,398,000), which is a significant contributor to the loss for the year.

The company continued to invest heavily into research and development with \$2,849,677 (including employment expenses) being spent during the year [2016: \$5,020,000].

#### Significant Changes In The State of Affairs

There were no significant changes in the state of affairs of the company that occurred during the year ended 31 March 2017 not otherwise disclosed in this report or in the financial report.

#### Events Subsequent to Balance Date

There have been no events that occurred subsequent to balance date which would materially affect the numbers contained in this financial report.

#### Likely Developments and Results

Information on likely developments and future results have been omitted by the Directors as in the opinion of the Directors, on reasonable grounds, disclosure of such information may unreasonably prejudice the interest of the company.

**Advanta Seeds Pty Ltd**

## Advanta Seeds Pty Ltd

### Directors' Benefits

During or since the financial period no Director of the company has received or became entitled to receive a benefit other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors in the accounts, by reason of a contract entered into by the company or an entity that the company controlled or a body corporate that was related to the company when the contract was made or when the Director received or became entitled to receive the benefit with:

- a Director, or
- a firm of which a Director is a member, or
- an entity in which a Director has a substantial financial interest.

### Indemnification and Insurance of Directors and Officers

During the year the company maintained a policy of Directors and Officers liability for Directors and Officers of the company incurred as a result of action taken during the discharge of the Directors' and Officers' duties, other than those precluded by law. Disclosure of the nature of the liability and amount of the premium paid under an insurance contract is prohibited from disclosure in accordance with the contract.

### Rounding of Amounts

The amounts contained in the financial report have been rounded off under the option available to the company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/A1. The company is an entity to which the Class Order applies.

### Corporate Information

Advanta Seeds Pty Ltd is a company limited by shares that is incorporated and domiciled in Australia. The registered office is 268 Anzac Avenue, Toowoomba 4350. The ultimate holding company is United Phosphorus Limited.

The entity employed 86 people as of 31 March 2017 [2016: 103 employees].

### Indemnification of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit. No payment has been made to indemnify Ernst & Young during or since the financial year.

### Auditor's Independence Declaration

The Directors have received an Auditor's Independence Declaration from Ernst & Young, a copy of which is attached to this Directors' Report. The Directors are satisfied that fees for non-audit services paid to Ernst & Young did not impact upon their independence.

Signed in accordance with a resolution of Directors

\_\_\_\_\_  
N.Gardner - Director

\_\_\_\_\_  
M.McLoughlin - Director

Toowoomba  
Date:

Toowoomba  
Date:

## **Advanta Seeds Pty Ltd**

### **Auditor's Independence Declaration to the Directors of Advanta Seeds Pty Ltd**

In relation to our audit of the financial report of Advanta Seeds Pty Ltd for the financial year ended 31 March 2017, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporation Act 2001 or any applicable code of professional conduct.

Ernst & Young

Wade Hansen  
Partner  
Brisbane  
Date:

**Advanta Seeds Pty Ltd**

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## Advanta Seeds Pty Ltd

### STATEMENT OF COMPREHENSIVE INCOME

	Notes	12 months ended Mar-17 \$000	15 months ended Mar-16 \$000
REVENUES FROM CONTINUING OPERATIONS	2	40,744	83,084
Expenses from continuing operations (excluding finance costs)	3(a)	(43,437)	(64,512)
Finance Costs	3(b)	(1,889)	(2,168)
PROFIT/(LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAX EXPENSE		<u>(4,582)</u>	<u>16,404</u>
INCOME TAX BENEFIT/(EXPENSE) RELATING TO PROFIT/(LOSS) FROM CONTINUING OPERATIONS	4	<u>1,303</u>	<u>(4,934)</u>
PROFIT/(LOSS) FROM CONTINUING OPERATIONS AFTER INCOME TAX EXPENSE		<u>(3,279)</u>	<u>11,470</u>
NET PROFIT/(LOSS)		<u>(3,279)</u>	<u>11,470</u>
<b>OTHER COMPREHENSIVE INCOME/(LOSS) NOT TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS</b>			
Revaluation of land and buildings		-	893
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>		<u>(3,279)</u>	<u>12,363</u>

*The accompanying notes form an integral part of the financial statements.*