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Dr Anna Lavelle
(Chief Executive Officer)
AusBiotech Ltd

Ms Julie Phillips
BioDiem

Mr Lawrence Gozlan
Scientia Capital

Ms Serina Cucuzza
Burnett Institute

Mr Barry Thomas
Cook Medical

Ms Michelle Burke
Bristol-Myers Squibb

Mr Serg Duchini
Deloitte Touche Tohmatsu

Dr Andrea Douglas
CSL
With this, my first annual report as Chairman of AusBiotech, I would first like to note that it has been an honour to work with and on behalf of members since my appointment to the Chair at the last annual general meeting (AGM).

The dedicated AusBiotech Board, staff team, and numerous committees have continued to play an extraordinary role in supporting the biotech and medtech industries to thrive. An important focus of the organisation is to position biotechnology innovation as central to jobs, productivity and a thriving economy, as Australia makes a structural shift to diversify from mining and car manufacturing to more sustainable, high-tech industries. A significant amount of work is underway to do this and I am continually impressed by the effectiveness and the volume of work undertaken by the staff of our organisation.

AusBiotech is pushing to raise the profile of our sector as one of the key industries of the future; the industries that will employ our educated young people, create wealth and jobs and deliver products and services to a waiting community. Our industry provides both local and global benefits.

Australia leading the way

Officially launched at BIO International Convention in Philadelphia in June, Australia has retained its rank of fourth in world for the second consecutive year in Scientific American Worldview: A Global Biotechnology Perspective - an annual ranking of nations according to their biotechnology ‘innovation potential’.

This year’s Worldview theme was ‘Biotech: The Many Spheres of Influence’ and in-keeping with a compelling cover story and special report, the Worldview 100, is a round-up celebrating the 100 most influential and visionary people in biotechnology and the life sciences today, as determined through nominations and selections from an international panel of experts and peers.

I am pleased to report that AusBiotech’s CEO of the past decade, Dr Anna Lavelle, was named among the 100 most influential people in global life sciences. It is a great honour for Anna to be recognised in this way, but especially to be the only Australian named in this global group of respected, visionary and eminent people. Also on the list was fellow geneticist Craig Venter, whose work to sequence the human genome is legendary in biotech circles, and both Bill and Melinda Gates, Michael J Fox, Kiran Mazumdar-Shaw, Ganesh Kishore and Paul Stoffels.

It reflects very well on AusBiotech, which has gone from strength-to-strength under Anna’s leadership and delivered to the industry landmark reform, notably the Research and Development (R&D) Tax Incentive.

It is timely to congratulate Anna and AusBiotech’s Chief Operating Officer, Glenn Cross, who this year have each achieved a decade of service to AusBiotech, its members and the industry.

On behalf of the AusBiotech membership, thank you Anna and Glenn for shaping and leading the organisation in the way you have. While you have both made different contributions to the organisation, together you have delivered a strong and influential network of biotech and medtech companies and related organisations and a better policy environment for Australian companies.

1. www.saworldview.com
Highlights

The coming AGM will be the two-year mark of the current AusBiotech strategic plan, which runs from October 2013 – 2016. This Annual Report provides a progress report against the objectives of the strategic work-plan for year two (which is underway at the time of reporting).

Amid the highlights of the strategic plan this year, have been numerous successful major annual events, such as AusBiotech 2014 on the Gold Coast and AusMedtech 2015 in Melbourne, and the investment series has cemented its place as a key hub of partnership and investor interest.

The AusBiotech-led delegation of more than 200 Australians again attended the world’s largest and most influential global biotechnology meeting, the BIO International Convention, held annually in the US.

We are appreciative of the continuing support of the Federal and Victorian State governments in this mission to promote Australia's enormous capability to the world.

This year at BIO we joined Austrade to launch the Australia Industry Capability Report (Clinical Trials), which provides an overview of Australia’s considerable strengths and excellent reputation in conducting clinical trials.

The Report points out the distinct advantages that Australia presents as a place to conduct clinical trials. These are featured in the report, which can be found on the Austrade website. The Report supports the work we have been undertaking with the Federal Government to implement a series of reforms to further harmonise approvals, reduce clinical study start-up times, boost patient recruitment and standardise clinical trial costs – aiming to make Australia an even more attractive place to conduct clinical trials.

Underpinning our on-going work to represent the industry, we have again this year consulted the membership to develop policy positions of relevance, both at a national and state level. The results of the annual CEO survey and related focus groups can be found in this report. The input of the members of our organisation is essential to us being an effective representative organisation.

AusEvents™, a division of AusBiotech that provides professional conference organising services, was developed in acknowledgment of AusBiotech’s changing business model, to provide a revenue stream to sustain AusBiotech’s long-term growth. As part of this work AusBiotech has won the bid to hold the International Biotechnology Symposium (IBS) in Melbourne in 2016. Planning is underway for this landmark event, which will join the AusBiotech 2016 conference and Australia Biotech Invest event to create the ‘International BioFest 2016’.

Board of directors

During the reporting period the Board underwent significant change at the last AGM with Dr Deborah Rathjen stepping down after a very successful six years as our Chairman, along with long-serving and dedicated directors, Peter Turvey and Dr Greg Roger.

We welcomed three new directors: Ms Serina Cucuzza (Burnet Institute), Mr Barry Thomas (Cook Medical) and Mr Serg Duchini (Deloitte Touche Tohmatsu). The new Board line-up has been in place for almost a year and has already made a significant contribution to AusBiotech.

I give my thanks to the support of the Board over the past year in what has been a busy-as-usual time, and importantly to the AusBiotech management and staff whose professionalism, extensive international network and effective advocacy for our sector continues to make me glad I am part of this team.

MS JULIE PHILLIPS CHAIRMAN
Advocacy year in review

The AusBiotech leadership and team are committed to advocacy of benefit to industry, as a core and critical part of its remit. As your representative, we are working on your behalf to realise the AusBiotech strategic plan, to: “Leverage the rapidly changing dynamics of the Australian Industry to raise biotechnology’s profile and support from government.”

We saw a win for common sense and key achievement when the Federal Government launched its Industry, Innovation & Competitiveness Agenda (IICA) in October 2014, which has since delivered the restoration in the tax treatment of employee share schemes (ESS) for start-ups, plus Australian manufacturers of medical devices will be able to register routine medical devices using certification from European bodies. The IICA release also marked the commencement of a significant review of medicines and medical devices regulation and the announcement of the Industry Growth Centres, with one dedicated to ‘Medical Technologies and Pharmaceuticals’ and chaired by former Senior VP at Cochlear, Dr Bronwyn Evans.

This year in policy terms has marked by numerous consultations and reviews and AusBiotech has lodged a record number of submissions in response. Key among them was the above-mentioned regulatory review, which delivered its first discussion paper in June 2015 indicating a positive and welcome direction, and the review of the Australian taxation system. The Senate Inquiry into Australia’s Innovation System continued throughout the period, with AusBiotech submitting both a substantive paper and appearing before the Inquiry to give evidence to the Senate Committee.

So too, continued the campaign to realise a new $20 billion Medical Research Future Fund, announced amongst new programs in the Federal Budget 2014, which would represent the biggest medical research fund of its kind in the world. The fund was welcomed as a great investment for Australia.

AusBiotech joined with a coalition of members from organisations representing all of Australia’s medical researchers, as well as senior business leaders to support the MRFF Action Group, to advocate for the fund. The MRFF Action Group was been in Canberra regularly, meeting with cross-bench Senators and key Ministers and in the media. The campaign, ‘Imagine a Healthier Future’, worked tirelessly to see the legislation passed, despite it failing to pass the Senate in its first attempt due to a raft of unpopular new charges to fund the initiative, notably a new GP co-payment. The campaign was ultimately successful in August 2015 and the MRFF is now a reality and beginning to build toward its $20 billion nest egg. Once it reaches this mark, it is expected to return $1 billion a year in extra research funding to Australian researchers and developers.

AusBiotech has been actively advocating for a portion of the fund to be dedicated to the translation of research to ensure the benefits ultimately reach patients.

Tax reform has remained top-of-mind, both from AusBiotech’s advocacy perspective and from the Government’s. The recently Biotechnology Industry Position Survey 2015 (supported by roundtable discussions) demonstrated that the industry’s CEOs are passionate about the benefit that the industry could add to Australia’s economy and want to keep and grow their companies in Australia, but continued tax reform was a major issue. The Research and Development (R&D) Tax Incentive was repeatedly cited as the key positive policy for biotechs, which was enabling reinvestment into research programs and directly increasing clinical trial activity.

Amidst the Government’s White Paper process, which was launched in March 2015 with the notion that “everything is on the table, no ideas off-limits”, the Government proceeded with its ill-conceived plan to cut the R&D Tax Incentive by 1.5%.

The Bill is, as I write still stalled in the Senate, and we hope that Senators, especially the cross-benchers, hear our arguments not to undermine this important incentive with a reduction in support.

We remain committed to leading the call for further tax reform in Australia, under three pillars, to provide incentives for innovative companies and high-tech manufacturing to support Australia’s future and keep us internationally competitive by attracting and retaining business, and the resulting jobs and exports.

• Retain the Research & Development (R&D) Tax Incentive, which is a top priority for the life sciences industry. AusBiotech will do all in its power to defend this program, which has already returned at least $200 million in cash refunds to the sector.
• Introduce the AIM Incentive, a ‘patent box’-style incentive to keep home-grown intellectual property (IP) once it reaches commercialisation, as well as associated manufacturing, in Australia;
• Introduce fiscal incentives for investors in pre-revenue and start-up companies. AusBiotech has developed a policy position for this pillar and provided it to the Treasurer’s Tax White Paper Unit.

AusBiotech is also active in advocating in many other areas impacting the biotech sector, for example:

• Regulatory reforms
• Clinical trial reform (especially harmonisation across jurisdictions)
• Pathway for reimbursement of biologicals in Australia
• Extended data exclusivity periods to match major trading partners
• Strengthen IP protection

AusBiotech working in China

AusBiotech has undertaken a number of projects this year to support medtech companies interested in engaging with China. Notably we launched the Guide for Australian medical technology companies seeking to engage in China, a 56-page guidebook providing a starting point for Australian companies, which has received excellent reviews and much interest, including an article in Higher View Business, the magazine of China Eastern airlines, backed by the Australia China Business Council and the Chinese Chamber of Commerce in Australia.

AusBiotech also launched the bilingual ‘AusBiotech Directory of Australian medtech companies’ (www.ausmedtechdirectory.org.au). Fifty Australian medtech companies have opted to appear in the Directory, which was developed in Simplified Chinese and English by AusBiotech as part of its industry development work to support Australian medical device and diagnostics companies and promote them in China to potential partners and investors.

Mentoring program

In recognition of the importance of science, technology, engineering and mathematics (STEM) education, a new mentoring program that aims to give PhD students a better understanding of the commercial and industrial world has been launched in Victoria with an industry pilot focused on biotechnology and sponsored by AusBiotech.

The Victorian pilot of the Industry Mentoring Network (IMNIS) was launched in June 2015 by the Victorian Premier, the Hon Daniel Andrews and initially includes La Trobe, Monash, RMIT University and The University of Melbourne and involve 50 students matched to 50 mentors.

IMNIS is a project of the Australian Academy of Technological Sciences and Engineering (ATSE) initiated by Dr Paul Wood, Mrs Ronnie Wood, Dr Tony Radford and Mr John Kirby. With Australia ranked nearly last among OECD nations in collaboration between industry and public researchers, and only 30% of our PhD students going into Industry or Government compared to over 70% in most industrialised countries, IMNIS is seeking to raise Australia’s level of industry-university collaboration.

Member news service

Biotech Dispatch, an improved news service for AusBiotech members, was launched in March 2015, following an agreement with Daily Dispatch to independently produce a twice-weekly news service for the life sciences industry.

The new complimentary service for AusBiotech members includes broadcast emails twice per week, a dedicated website (www.biotechdispatch.com.au), and a new app will be developed ready for launch later in 2015.

The content is more proactive in pursuing and breaking relevant news for the sector, while openly backing the Australian life science industry’s policy and political interests.

The managing Editor at Daily Dispatch (since 2012) is Mr Paul Cross, a journalist, former senior ministerial adviser to two Australian health ministers, and senior pharmaceutical industry executive in the US and Australia.

Report on staff and committees

The team as AusBiotech has again performed beyond expectation in delivering member services and programs. The staff size remained steady at 17 positions as at 30 June 2015.

AusBiotech’s work has again been supported by more than 100 volunteers that work around the country on state-based industry development and on advisory groups. During the year the state Branch committees welcomed two new Chairs: Mr Mathew Palmer (INC Research Australia) to South Australia and Dr Phil Kearney (Merck Sharp & Dohme) to New South Wales.

The Board, staff, committees and advisory groups, together contribute to enable AusBiotech to be the dynamic and effective organisation that it is, supporting and growing the biotechnology industry in Australia and representing AusBiotech members.

DR ANNA LAVELLE
CHIEF EXECUTIVE OFFICER
GLOBAL ENGAGEMENT

Objective 1: Ensure global engagement is strong in established markets in North America and Europe:

Manage Australia’s participation in key global industry events

BIO Delegation 2015

AusBiotech managed the Australian delegation to the world’s largest and most influential global biotechnology meeting, the 2015 BIO International Convention, held in Philadelphia, Pennsylvania, from 15-18 June.

AusBiotech has been managing Australian delegations to BIO for over a decade and in 2015, for the second year in a row, Australia was among the top 10 largest international delegations in attendance. The Australian delegation of 250 was mostly comprised of representatives from Australian companies, researchers and research institutes, along with patent lawyers and accounting firms and government representatives.

The four-day convention hosted by the Biotechnology Industry Organization (BIO) drew thousands of organisations including the leading biotech companies, top 25 pharma companies, top 20 CROs and CMOs, more than 300 academic institutions. It included over 1,800 exhibitors and almost 16,000 delegates from 69 countries.

The BIO International Convention demonstrates the global nature of the biotech industry, serving an invaluable networking and partnering opportunity, with countries and regions within countries doing all they can to attract companies and investors.

In 2015 the representation of Australian Governments was headlined by the presence of Queensland Premier Annastacia Palaszczuk, the Victorian Governor, the Honourable Alex Chernov and the Federal Government’s New York-based Consul General, former Howard Government Industry and Finance Minister, Nick Minchin.

AusBiotech collaborated to present events with the UK and Canada, and with the state of Colorado, USA.

In managing the Australian delegation to BIO, AusBiotech worked with the Federal Department of Industry, the Victorian State Government and a committee of other state representatives, to bring a strong collaborative and national approach to the 2015 Australian representation. The ‘One Australia’ approach is a proven successful formula at BIO. Under the recognisable Brand Australia images, it provides Australian companies with prime exhibition space and total support, to maximise their chances of achieving successful outcomes.

Provide a strong investor platform to attract investment and partnership opportunities via AusBiotech Invest

Australia is now one of the great life science hubs in the world and the AusBiotech Investment Event Series is playing a part in the industry’s continuing development. AusBiotech Investment continues to build its offering of national and international investor events as a global platform to showcase Australian life sciences companies to potential partners and investors. Events include presentations, one-on-one meetings and networking activities.

AusBiotech Investment held the following major investor showcases to spotlight and celebrate the achievements and opportunities happening in the Australian biotech sector.

- 3 – 4 December 2014, Australia Biotech Invest 2014, Melbourne Convention Centre, Australia
- 19 – 21 May 2015, Asia Biotech Invest 2015, Sheraton Hong Kong Hotel & Towers, Hong Kong
- 8 - 10 April 2015, Biotech Invest Korea, BioKorea International Convention, Seoul, Korea

Local investment events - ‘Broker Meets Biotech’ - were also conducted as part of AusBiotech’s Investment Event Series, giving local investors the opportunity to hear in-depth presentations from a number of biotechnology companies, including recent developments and highlights.

Special edition of Ahead of the Curve profiles investment case for biotech

The 2014 special edition of Ahead of the Curve, ‘Future Proof: The investment case for biotech’, which highlights the compelling investment thesis of the biotechnology and life sciences sector, was launched during Australia Biotech Invest in December. The edition profiled 15 companies and was released as an insert in The Australian, which reached more than 50,000 readers.

Monitor international policy developments and any potential impact on the Australian industry and develop our already strong relationships with major international industry associations

International Council of Biotechnology Associations

AusBiotech CEO, Dr Anna Lavelle, represented AusBiotech in global talks at the second meeting of the International Council of Biotechnology Associations (ICBA). The ICBA is an international confederation of biotechnology trade associations established at BIO 2014 with AusBiotech as a founding member, to progress global issues.
HARNESS THE ASIAN OPPORTUNITY

Objective 2: Harness the opportunity in rising Asian biotech development demand:

Implement projects under the Austrade ‘Asian Business Engagement’ (ABE) grants

‘Medical diagnostics and devices to China’

AusBiotech’s ‘Medical diagnostics and devices to China’ project (2013 – 16) is an initiative to promote engagement and trade between Australian medtech companies and stakeholders in China. The project received funding from the Australian Trade Commission through the Asian Business Engagement (ABE) Plan. It includes four parts, see the resources and events outlined below, which have been developed to assist Australian medtech companies to understand, engage with and trade with China.

- The ‘Guide for Australian Medical technology companies seeking to engage in China’, a 56-page Guide to engaging in China, was launched at AusMedtech 2015 in April.
- The China business planning workshops, conducted in Brisbane (October 2014), Melbourne and Sydney (May 2015) to assist Australian companies to develop their business plans for China. More than 30 medtech companies attended the workshops to consider and commence development of business plans to work in China.
- A business mission to China, to be led by AusBiotech, is being planned for May 2016.
- The ‘AusBiotech Directory of Australian medtech companies’ (the Directory) was developed to support small to medium-sized Australian medical devices and diagnostics companies that are seeking to engage with and in China.

Fifty Australian medtech companies opted to appear in the Directory, which was developed in Simplified Chinese and English by AusBiotech as part of its industry development work to support Australian medical device and diagnostics companies and promote them in China to potential partners and investors.

The Directory includes companies developing orthopaedic, neurology and cardiology devices as well as oncology and other diagnostics and wound care and hospital suppliers.

www.ausmedtechdirectory.org.au

Continue with major investment events in Asia

Asia Biotech Invest, Hong Kong, 19 - 21 May 2015

AusBiotech and Hong Kong-based Beacon Events presented the third annual Asia Biotech Invest, at the Sheraton Hong Kong Hotel & Towers, from 19 – 21 May 2015.

Asia Biotech Invest is Hong Kong’s biggest biotech showcase and partnering event. The two-day Asia Biotech Invest 2015 was another great success, attracting over 200 senior level delegates representing 160 companies to discuss financing, capital raising and partnership opportunities.

Delegates were impressed with the high-level panel discussions about China’s healthcare investment landscape, biotech partnering and collaboration models in Asia, as well as a keynote investor panel discussing the latest biotech investment trends.

Twenty-two pioneering biotech companies from across the globe presented their pipelines and investment cases in spotlight presentations to the attentive investor audience. With over 200 confirmed one-on-one meetings, the BioInvest Partnering system again proved to be a valuable networking tool.

Biotech Invest Korea at the BioKorea International Convention, Seoul Korea, 8 - 10 April 2015

For the first time, KHIDI and AusBiotech co-hosted Biotech Invest Korea during BioKorea 2015. The event included a program of investment sessions focusing on early-stage funding for start-ups, company presentations and partnering opportunities. AusBiotech and Austrade co-organised the Australia Pavilion at the BioKorea exhibition to showcase Australia’s biotechnology sector and facilitate business and research collaboration.
RAISE PROFILE OF AUSTRALIAN BIOTECHNOLOGY

Objective 3: Leverage the rapidly changing dynamics of Australian industry to raise biotechnology’s profile and support from governments

Advocacy remains focused on the changing dynamics of the Australian economy and looking to leverage the opportunities provided by the end of the mining boom and the decline of traditional manufacturing to raise biotechnology’s profile and support at a policy level. This will enable Australia to leverage its competitive advantage in its bio-pharmaceutical and medical technology industries to develop its rightful place as a significant economic contributor.

AusBiotech engaged with member CEOs and senior executives in a range of ways to ensure regular, up-to-date information on industry sentiment, issues of concern, trends in the sector and to brief members on developments in public policy of interest or concern.

Continue the annual Industry Position Survey and Federal Government forums

The annual Biotechnology Industry Position Survey 2015 built the foundation for advocacy work for the year ahead. This industry snapshot guided and supported AusBiotech’s advocacy work pro-actively and allows the organisation to speak with conviction on the issues of concern to the industry’s leaders. The key findings of the 2015 survey were:

- Improved policy is all about tax reform
  In an open question about what public policy issue most concerns companies at a Federal level, un-prompted, 19 out of 49 companies said tax. For the most part companies were concerned about possible tampering with the much-loved R&D Tax Incentive. Other responses were concerned that Australia was falling behind as it does not have a patient box tax incentive and restoration of the Employee Share Scheme provisions.

- Cash is the life-blood of the industry
  The percentage of companies with less than one year of cash increased significantly to 34% from 18.8% in 2014 to reach a level just below that of 2013 (37.5%). With the prior year being a particularly strong period for capital raisings it is not surprising given the typical raising is for funding of 12 to 24 months that this result has weakened, and returned to levels similar to 2012 (34%). Companies with more than two years’ cash dropped from 29.3% to 18%.

- Employment indicators strong for high-skilled jobs
  While there was a slight drop in the percentage of companies planning to hire staff (64% down from 69% last year), the majority of companies are hiring, with 36 companies provide 239 new jobs in 2015.

- A tough and unsupportive environment
  The number of companies identifying the Australian operating environment (economic conditions and public policy) as conducive to growing a biotechnology company fell dramatically to 16%, reversing the gains noted in the previous survey when 35% called the environment conducive. A hard-to-ignore 39% of respondents felt the operating environment was working against the growth of biotech businesses, up from 27% last year. The key and most repeated issues are tax, regulation, red tape and access to “patient” investors.

- Sentiment strong despite business environment
  Respondents to the annual biotech survey were the most positive they have been regarding how their companies were tracking with 69% reporting a good or excellent year. This is our second highest result since data collection began in 2011 and 10% above the prior year. In the year ahead 84% expect to grow, up from 79% last year.

Member forums to determine policy priorities of the membership, to underpin and inform advocacy

While the survey provides a valuable snapshot of views, sentiment and metrics, AusBiotech again supplemented the survey with three round-table focus groups in Melbourne, Sydney and Brisbane. The interactive conversation added value to the survey by teasing out the finer details of policy issues and gauged views about AusBiotech’s policy positions. It also provided a forum to update member CEOs and senior managers about AusBiotech preparation on a number of issues.
DIALOGUE WITH GOVERNMENTS

On-going high level dialogue with federal and state governments, including face-to-face meetings and working groups

Working groups and submissions

The reporting period was characterised by an unusually high number of consultations and AusBiotech made a record number of submissions, as well as participating in many ad hoc roundtables, one-on-one consultation meetings and working groups, such as the consultations for the Medical Technologies and Pharmaceutical Industry Growth Centre.

AusBiotech was again represented on the Clinical Trials Advisory Committee (CTAC), by AusBiotech Chairman Julie Phillips, to provide advice to co-convenors, the Department of Health and the Department of Industry and Science on various measures under the clinical trials reform initiative. AusBiotech also participated in committees including the Clinical Trials Costing Study Steering Committee and the Communications Working Group.

AusBiotech sat on the Therapeutics Industry Consultative Committee (TICC) convened by the TGA and Health Industry Forum, convened by the Minister for Industry and Science and the Minister for Health with relevant industry stakeholders to discuss cross portfolio issues.

Substantive submissions were made by AusBiotech regarding the Review of Medicines and Medical Devices Regulation, the Senate Inquiry in Australian innovation system and the Tax White Paper process.

AusBiotech made at least 21 submissions during the period, including:

- 2015/06/22 Two submissions to the Development of a Table of Standard Costs for Conducting Clinical Trials in Australia
- 2015/06/01 Federal Government’s Tax Discussion Paper
- 2015/05/27 TGA: IMDRF Software as a Medical Device document on the application of QMS
- 2015/05/25 OGTR application form, re: commercial release of GM plants
- 2015/05/05 Response to the TGA discussion paper: Classification of IVDs to detect pathogens on NNDSS
- 2015/04/24 AusMedtech response to TGA Consultation on updating the Uniform Recall Procedure for Therapeutic Goods
- 2015/03/28 TGA key performance indicators
- 2015/03/26 Response to IP Australia’s public consultation
- 2015/02/20 Response on the draft IP Toolkit for research collaboration
- 2015/02/06 Pre-Budget Submission to the Federal Government
- 2015/02/06 Taxation of employee share schemes
- 2015/01/28 Performance requirements for HIV tests
- 2015/01/05 Two submissions re investment framework for Significant Investor Visa and Premium Investor Visa
- 2015/01/05 Review of Medicines and Medical Devices Regulation
- 2014/12/12 Agricultural Competitiveness Green Paper
- 2014/12/02 Stoma Appliance Scheme - Group 9 Review
- 2014/11/28 Boosting the commercial returns from research
- 2014/10/13 Senate Inquiry to “Tax and Superannuation Laws Amendment Bill 2014”
- 2014/07/31 Senate Inquiry into the Australian innovation system

To access the full submissions, see www.ausbiotech.org/reports
FOSTER INDUSTRY SECTOR ENGAGEMENT

Foster industry sector engagement via specific advisory groups

AusBiotech continued to foster industry sector engagement with active advisory groups in medical technology through AusMedtech and in agricultural biotechnology, through AusAg & Foodtech, as well as active participation in the Agricultural Biotechnology Council of Australia (ABCA). The achievements of the special interest advisory groups are below:

**AusMedtech**

AusMedtech continued its work dedicated to the development, growth and prosperity of the Australian medical technology (device and diagnostics) industry, by providing the following initiatives to facilitate success in product development, manufacturing and commercialisation, and encouraging links between industry, research and governments. The AusMedtech National Advisory Committee is chaired by Mr Warren Bingham and supported by two state-based AusMedtech groups in New South Wales and Victoria. The AusBiotech Stoma Industry Group continued, as did two special interest expert panels that were active in industry and stakeholder engagement under the AusMedtech National Advisory Committee:

- The Health Economics Expert Panel, chaired by Mr Warren Bingham; and
- The Regulatory Affairs Expert Panel chaired by Mr Grant Bennett.

Key highlights 2014/15:

- A new expert panel was launched - the Intellectual Property Expert Panel – and chaired by Dr Brett Lunn.

- Over 390 delegates attended the 8th annual AusMedtech 2015 conference and digital health forum held in Melbourne on 29-30 April 2015 with delegates from most states and eight countries represented.

- AusBiotech industry members and staff from the AusMedtech Regulatory Affairs Expert Panel were actively involved in the TGA’s RegTech Forums and IVD Working Groups. The RegTech & IVD Forums offered members a valuable opportunity to provide industry involvement in TGA operational activity.

- AusMedtech made submissions to governments on policy issues affecting the medtech industry:
  - TGA’s consultation regarding the International Medical Device Regulators Forum (IMDRF) paper Software as a Medical Device (SaMD): Application of Quality Management System. AusBiotech supported TGA’s involvement with the IMDRF and its efforts to establish a harmonised international regulatory approach to SaMD.
  - TGA’s consultation paper Classification of IVDs to detect pathogens included in the Australian National Notifiable Diseases Surveillance System (NNDSS).

AusBiotech gave qualified support for the case-by-case approach being taken by the TGA. The submission recommended that the TGA use a panel of disease-specific clinical and pathology specialists in their classification and review processes.

- TGA consultation paper: Updating of the Uniform Recall Procedure for Therapeutic Goods. A response to the consultation paper was given supporting the TGA recommendations but cautioned the TGA to ensure that it retains the right to handle sensitive information appropriately.

- TGA Review of regulation of medicines and medical devices. AusBiotech made a number of suggestions to the review panel supporting the streamlining of TGA approvals for products listing on the ARTG and in international efforts to seek harmonisation of premarket assessments. AusBiotech suggested that the TGA seek ways to shift the emphasis on medical device assessment from pre-market assessment to a greater emphasis on post-market surveillance.

- TGA consultation paper: Proposed performance requirements and risk mitigation strategies for HIV tests – Conditional support was given to the consultation paper. AusBiotech cautioned that the TGA’s proposal has the potential to add additional regulatory burden (particularly through additional reporting) without a clearly defined community benefit.

- TGA Guidance on changes to ARTG inclusions. AusBiotech responded to the TGA in support of the Guidance to Changes to ARTG Inclusion documentation and nominated three members of the Regulatory Affairs Expert Panel to participate in the Australian Regulatory Guidelines for Medical Devices (ARGMD) Working Group.

- Department of Health Review of the Stoma Appliance Scheme Group 9 accessory products. AusBiotech supported the implementation of a clinical authorisation process and made a number of recommendations to the review committee.
AusAg & Foodtech and the Agricultural Biotechnology Council of Australia

The AusAg & Foodtech committee, chaired by Mr David (Rock) Hudson, continued its work dedicated to providing a voice for organisations working within the sector and facilitating awareness of the key commercial issues at public and governmental forums. The committee supported the development of the Agriculture and Food Biotechnology Symposium 2015, a number of state agriculture biotechnology events, and provided expert advice regarding government and agency advocacy and submissions.

AusBiotech continues to have an active role in the Agricultural Biotechnology Council of Australia (ABCA) alongside the other founding members CropLife, Grains Research and Development Corporation and the National Farmers Federation. ABCA is dedicated to ensuring that the public policy and regulatory environment is guided by scientifically credible and factually correct information regarding the full benefits that agricultural biotechnology offers to Australian farming.

ABCA, through its Chair Mr Ken Matthews AO and member organisations, continues to meet with the relevant state and federal government ministers to discuss agricultural biotechnology and support a number of initiatives to ensure that the Australian agricultural sector can access and adopt biotechnology for the benefit of the nation’s farming sector, and the environment.

Key highlights 2014/15:

- The Agriculture & Food Biotechnology Symposium 2014 (30 – 31 October) was held in conjunction with the AusBiotech national conference.
- The Agricultural Bioscience International Conference 2014 (ABIC 2014) was ‘handed’ over to AusBiotech who will host ABIC 2015 in Melbourne 7-9 September 2015.
- The AusAg & Foodtech committee provided expert advice into two submissions made in response to discussion papers that affect the agricultural biotechnology industry:
  - Submission to the Office of Gene Technology Regulator discussion paper: Invitation to comment on a draft licence application form for commercial release of GM plants into the environment.
  - Submission to the Federal Government’s Agricultural Competitiveness Green Paper.
- The ABCA Council meeting was held at Parliament House and addressed by the Hon Michael McCormack MP. The Member highlighted the importance of materials developed by ABCA to support those who seek to influence public perceptions, and policy development.
- The ABCA Expert Scientific Panel was formed to establish a panel of experts to provide credible science-based responses to false or misleading claims made in the media about ag-biotech. Sixteen leading Australian scientists have accepted invitations to be members of the Panel.
- The second edition of the Official Australian Reference Guide to Agricultural Biotechnology and GM Crops was launched at the ABCA sponsored event at Science Meets Parliament, 25 March 2015. The Guide provides updated factual information designed to be a useful resource for informing policy developers and the general public.
INDUSTRY EVENTS
Strengthen the industry with the provision of networking and information events

AusBiotech national conference

AusBiotech 2014, held at the Gold Coast Convention and Exhibition Centre from 29 – 31 October, brought together experts from across the biotechnology sector for timely discussions about the importance of life sciences innovation to Australia’s current and future prosperity.

The conference attracted 804 participants including 113 international delegates from 21 countries, the largest delegations travelling from China, NZ, the USA, the UK and Singapore.


Speakers discussed the ways biotechnology can help transform the economy toward high-tech, knowledge-based industries, which have the capacity to generate a globally-competitive economy, higher exports and sustainable, high-skilled jobs.

In addition to presenting a stimulating program of speakers, AusBiotech’s Business Matching Program facilitated hundreds of meetings between conference participants.

The Queensland Government provided exceptional support as co-host for the 2013 and 2014 AusBiotech national conferences. The 2014 event at the Gold Coast Convention and Exhibition Centre was the first time the conference had been held in a regional city.

Highlights of the program

An outstanding line-up of industry experts, leaders and professionals delivered the six plenary sessions at AusBiotech 2014.

The conference opened on day one with Dr Sue Dillon, Global Therapeutic Area Head for Immunology, Janssen, delivering the plenary, ‘Accessing innovation around the world’, followed by a Johnson & Johnson panel discussion.

Day two featured the Millis Oration by Professor Frank Gannon, Director and CEO of the QIMR Berghofer Medical Research Institute, who discussed how the time is right for a new coalition to be formed between industries and medical research institutes, which will give rise to benefits for both parties in financial and intellectual terms. Prof Ian Edvalson, Partner, Wilson Sonsini Goodrich Rosati, spoke on ‘The challenges for pharma and biotech in emerging markets’.

Day three featured a plenary by Dr Timothy Dyke, Executive Director, Strategic Policy Group, National Health & Medical Research Council, on the topic of improving the Australian clinical trials environment. Rhenu Bhuller, Senior Vice President, Healthcare, Frost & Sullivan, delivered ‘Benchmarking Biotech: Initiatives for the development of the biotechnology sector in the Asia Pacific and their impact’.

Public Forum

Delegates and members of the Gold Coast community gathered to hear an exceptional panel of experts address the topic, ‘Perspectives on dementia and Alzheimer’s and biotechnology’s role in treatments and prevention’ in a free public forum chaired by internationally-acclaimed pioneer researcher into Alzheimer’s disease, Professor Ralph Martins AO, Director of the Centre of Excellence for Alzheimer’s Disease Research & Care at Edith Cowan University.

Agriculture and Food Biotechnology Symposium

The two-day Agriculture and Food Biotechnology Symposium, a satellite event of AusBiotech 2014, discussed how Australian food and agricultural companies can capitalise on biotechnology innovations and secure their future as niche providers of technology, services and products.

Opening reception and Industry Awards presentation

The prestigious Johnson & Johnson Innovation Industry Excellence Awards were presented at the Opening Reception of AusBiotech 2014, attended by over 350 people. Award recipients were:

- Dr Chris Nave, Managing Director, Brandon Capital Partner – Industry Leadership Award
- Atomo – Emerging Company of the Year
- Uscom – Company of the Year

Closing reception and student award

The winner of the AbbVie Student Poster Award 2014 was announced at the Closing Reception:

- Kieran Cashin, a PhD candidate at the Burnet Institute’s Centre for Biomedical Research in Melbourne, was recognised for the poster presentation of his research, ‘PhenoSeq: A computer algorithm for determining HIV receptor usage’.
Conference dinner
More than 300 people attended the AusBiotech – CSL Conference Dinner, a key networking event of the conference.

Griffith University Tours
On the opening day of the conference, delegates enjoyed tours to two of the Gold Coast and Australia’s most innovative health and life science research and teaching centres, the Griffith Health Centre and the Institute for Glycomics.

AusMedtech 2015
The 8th annual AusMedtech conference, held 29 – 30 April 2015 in Melbourne, attracted almost 400 delegates, the largest AusMedtech event to date.

AusMedtech is Australia’s premier medical technology conference for the medical technology (devices and diagnostics) sector. It provides opportunities for medtech executives to partner, network and learn from a quality conference program featuring international and local speakers.

The 2015 program included plenaries and breakout sessions on topics including: selling internationally, investing in medtech, e-health, reimbursement, IVDs, additive manufacturing, China, regulation, alliances, IP and workforce development.

AusMedtech 2015 was organised in partnership with the State Government of Victoria and AusMedtech (part of AusBiotech), which is the national industry group representing the medical devices and diagnostics industry sector in Australia.

State-based events through the state branch network
AusBiotech state events are designed to bring together the local biotech communities. Each state hosts a diverse range of informative and social networking events for members to engage with one another as well as the industry. Events include:

Bio-briefings are held regularly in each state. They give members the opportunity engage with their local biotechnology community, find out about key policy issues, the latest news and trends and to hear about AusBiotech’s current activities. The briefings are also an occasion to meet the local State Branch Committee and to network with industry representative over breakfast, lunch or an evening of drinks and canapés.

BioBeers and Bubbles networking events are an increasingly popular feature in the states’ events calendars. These informal after-work networking drinks are held regularly throughout the year. They are an opportunity for the State Branch Committee to meet as many members and industry representatives as possible.

Issue-based events
State BioBriefings and policy-related events help keep members up-to-date with key industry issues and AusBiotech’s advocacy efforts. High profile, expert speakers cover a full range of topics across industry sectors including medical devices and diagnostics, human health, food, agricultural, environmental and industrial biotechnology. Presentations focus on relevant, practical information and case studies that offer ‘take aways’ for members to implement in their own operations.
1. AusMedtech 2015: Plenary speaker Robert Laird, Global Vice President of R&D, Ethicon Energy, Johnson & Johnson
2. AusMedtech 2015: Plenary speaker Professor Peter F.M. Choong, Head, University of Melbourne Department of Surgery, St. Vincent’s Hospital Melbourne
3. AusMedtech 2015: Prof John Skerritt, National Manager, Therapeutic Goods Administration (TGA)
4. National AusMedtech Committee members (including sub committees), F – B, L to R: Nadia Odorico, Myriam Battistutta, Warren Bringham (Chair), Dr Anna Lavelle, Milica Talic, David Cain, Anna Lavelle, Dag Boyce, Ian Reilly, Stuart Hazel, Nick Blake, Rob Molinnes, Darren Forrest, Joe Seisdedos, Grant Bennett, Brett Lunn, Stefan Enderling
5. AusBiotech 2015: Emeritus Professor Peter Andrews AO, Chairman, The Magic Pudding Company
6. AusBiotech 2015: Delegates at the welcome reception
7. AusBiotech 2015: Dr Anna Lavelle addressing delegates at the gala dinner event
8. AusBiotech 2015: Delegates networking at the event
Providing crucial information to grow the industry

AusBiotech plays a key role in keeping members up-to-date, providing crucial information to members and broader audiences, to support industry coordination and growth. AusBiotech provides a range of communications and resources, including member alert emails, the extensive AusBiotech website (www.ausbiotech.org), guides, the AusBiotech journal (Australasian Biotechnology), and via social networking sites LinkedIn and Twitter. AusBiotech comments regulatory in the media in support of industry issues or to advocate on the industry’s behalf.

AusBiotech website
The AusBiotech website remains a dynamic forum for news and information in the industry, as well as a resource where AusBiotech events, press releases, reports and submissions can be accessed.

www.ausbiotech.org

Journal and news
Three editions of the AusBiotech Australasian Biotechnology e-journal were released over the 2014 – 15 financial year, publishing issues in July 2014, October 2014 and March 2015, all of which were published online and in hard copy.

AusBiotech established a new partnership with Daily Dispatch, to provide members with a dedicated biotechnology e-news service twice a week under the banner of Biotech Dispatch, each edition carrying an update from AusBiotech as well as industry and life science news.

Social networks
AusBiotech has two active social media groups on LinkedIn – the ‘AusBiotech, Australia’s Biotechnology Organisation’ group and the ‘AusMedtech Australian Medical Technology’ group. The groups share industry information as it comes to hand, and together the groups have in excess of 5,200 members – an increase of 700 new members in the past year. The groups continue to grow steadily and a link is available from the AusBiotech website. AusBiotech also has an active Twitter feed with more than 1,000 followers.

Outreach and response to media
Media engagement remained a priority with a strong and diverse body of coverage providing a ‘voice’ for AusBiotech members on issues of importance to the industry with comments and interviews, resulting in more than 200 articles in national, agenda-setting and high-circulation publications, such as the Australian Financial Review, industry websites and media such as Pharma in Focus, and broadcasts, such as the ABC Radio.

AusBiotech issued numerous media releases in the period and wrote a number of op-ed pieces for industry publications. Copies of media releases can be found on the AusBiotech website in the press room at www.ausbiotech.org/pressmedia
Resources to support biotech and medtech companies and boards

AusBiotech has produced a range of up-to-date resources for Boards and Directors, including The Code of Best Practice for Reporting Life Sciences Companies (the Code), and its companion document the Guide for Life Science Company Directors (the Guide). This year the AusBiotech produced and launched the Guide for Australian medical technology companies seeking to engage in China (the China Guide).

The Code of Best Practice for Reporting Life Sciences Companies and the Guide for Life Science Company Directors

Together the documents aim to support and enhance the performance of boards of directors leading public and private life science companies.

The Code, supported by the ASX, was developed to benefit all life science company directors and assist them to deal with the balance between confidentiality and continuous disclosure to investors. It supports high standards of communication and market disclosure to promote investor confidence, as well as educational support regarding clinical trials and other matters.

AusBiotech continued to promote the Code’s value to the industry and encourage the use of the online endorsement ‘button’ for use on company websites, which indicates to investors that the company’s practices are robust and meet disclosure requirements in accordance with the Code, thus giving investors more assurance.

The Guide, endorsed by the Australian Institute of Company Directors, outlines for less experienced directors or those new to life sciences issues typical to life science companies that are generally not typical in other industry sectors. It also provides information for investors who are new to investing in biotech.

Guide for Australian Medical Technology Companies Seeking to Engage in China

The China Guide, was produced and launched at AusMedtech 2015, provides information about IP management, information on business structures, the business, cultural and regulatory context and other information that a medical technology company may consider when developing their business plan for China. The China Guide does not intend to take the place of professional advice, but it is intended as a starting point for Australian companies interested in China.

Objective 4: Develop a strong long-term pipeline of conferences to organise under the AusEvents banner

AusEvents™ was established as a division of AusBiotech to leverage from existing organisational expertise and provide an alternative source of income to support AusBiotech’s work. The professional conference organising business has, in line with planning, developed a strong long-term pipeline of life sciences and technology events to organise under the AusEvents banner.

During the reporting period, AusEvents™ conducted the:

• Tech Transfer Summit Australia, Adelaide, SA, 2 - 3 September 2014
• Science Meets Parliament, Canberra, ACT, 24 – 25 March 2015

AusEvents™ has won the bid to hold the:

• Tech Transfer Summit Australia, Brisbane, Qld, 24 - 25 September 2015

Major upcoming international events:

• AusEvents™ will host the 15th Agricultural Biotechnology International Conference (ABIC) Conference in Melbourne, 7 – 9 September 2015 (bid won in 2012/2013 financial year).

• In October 2016 AusEvents™ will host IBS 2016, the 17th International Biotechnology Symposium and Exhibition in Melbourne (bid won in 2013/2014 financial year).
Your Directors present this report on the company for the financial year ended 30 June 2015.

Directors

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

- Ms Julie Phillips
- Dr Anna Lavelle
- Ms Michelle Burke
- Mr Lawrence Gozlan
- Ms Andrea Douglas
- Ms Serina Cucuzza – appointed 30/10/14
- Mr Barry Thomas – appointed 30/10/14
- Mr Serg Duchini – appointed 30/10/14
- Dr Deborah Rathjen – retired 30/10/14
- Dr Greg Roger – retired 30/10/14
- Mr Peter Turvey – retired 30/10/14

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

Principal Activities

AusBiotech’s mission is to foster a growing, strong and profitable biotechnology and life science industry in Australia through representation, advocacy and the provision of services and benefits to its members to help the industry realise its nationally important economic potential.

AusBiotech’s vision is to be the leading Australian industry body representing and advocating for organisations doing business in and with the global life sciences economy.

The company’s goals are to:

- Strengthen AusBiotech’s reputation as the voice of biotechnology in Australia.
- Enjoy growing support from members through knowledge of what our members want and the ability to deliver on their expectations.
- Be recognised as Australia’s primary facilitator of investment partnerships and effective government relationships in biotechnology/life sciences.
- Ensure the biotechnology industry is increasingly perceived by government as a key and growing economic and social driver.
- Lead the development of industry policy in Australia.
- Be a sustainable and financially-sound organisation.
- Position AusBiotech for long-term growth, recognising the importance of its people.
Key Performance Measures

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company’s short and long-term objectives are being achieved.

Information on Directors

Ms Julie Phillips
Qualifications - BPharm, MSc, MBA
Experience - More than 25 years’ experience in regulatory, pharmacoconomics and government affairs in the biopharmaceutical industry. For the last 15 years she has had CEO and director roles in Australian start-up companies. Currently CEO and director of BioDerm Ltd.
Special Responsibilities - Member of the Risk & Audit Sub-Committee until 30/10/14

Dr Anna Lavelle
Qualifications - PhD (Genetics), GAICD, FTSE
Experience - Executive Director and Chief Executive Officer
Special Responsibilities - Chair of the Risk & Audit Sub-Committee from 30/10/14

Ms Michelle Burke
Qualifications - BSc (Hons)
Experience - 20 years’ experience in the pharmaceutical industry including clinical research, medical affairs, business development, commercial and public affairs. Currently Director, External Affairs for Bristol-Myers Squibb.
Special Responsibilities - Member of the Risk & Audit Sub-Committee from 30/10/14

Mr Lawrence Gozlan
Qualifications - BSc (Hons)
Experience - Has worked in corporate finance at Deloitte, sell-side biotech analyst at Foster Stockbroking, buy-side biotech analyst at QIC. Currently CEO of Scientia Capital

Dr Andrea Douglas
Qualifications - BSc (Hons), PhD, MHA, GAICD
Experience - Senior manager in the biopharmaceutical and biomedical research industries for over 20 years. She is currently the VP, Strategy, Portfolio and Licensing at CSL.

Ms Serina Cucuzza
Qualifications - BSc (Hons), B Com, GAICD
Experience - Business Development expertise in Medical Research Sector including licensing and partnering; managing spin out companies and consortiums; product development. Currently Manager of Commercial Development and Director of Access Point of Care at Burnet Institute.
Special Responsibilities - Member of the Risk & Audit Sub-Committee from 30/10/14

Mr Barry Thomas
Qualifications - BCom
Experience - Vice President, Cook Incorporated, Director - Asia Pacific, Cook Medical and Managing Director of Cook Australia currently spearheading the world’s fastest growing region for the global company

Mr Serg Duchini
Qualifications - BCom and M Taxation
Experience - Over 25 years’ experience in taxation consulting with an individual specialisation in the R&D tax concession and Industry assistance programs.
Special Responsibilities - Chair of the Risk & Audit Sub-Committee from 30/10/14

Dr Deborah Rathjen
Qualifications - BSc (Hons), PhD, MAICD, FTSE
Experience - Company building and financing, mergers and acquisitions, therapeutic product research and development, business development and licensing and expertise in cell biology, specifically inflammation, infection and cancer.
Special Responsibilities - Chair (non-executive) to 30/10/14

Dr Greg Roger
Qualifications - MB, BS (medical degree) and M Eng (Res)
Experience - Nearly 30 years of medical device development, medical practice and 20 years of corporate entrepreneurship
Special Responsibilities - Member of the Risk & Audit Sub-Committee until 30/10/14

Mr Peter Turvey
Qualifications - BA/LLB, MAICD
Experience - Formerly General Counsel and Company Secretary of CSL. Heavily involved in CSL’s acquisitions and divestments and the protection and licensing of the company’s intellectual property.
Special Responsibilities - Chair of the Risk & Audit Sub-Committee until 30/10/14
Meeting of Directors

During the financial year, seven (7) meetings of directors were held and five (5) meetings of the Risk & Audit Sub-Committee were held. Attendances by each director were as follows:

<table>
<thead>
<tr>
<th>Directors’ Meetings</th>
<th>Eligible to Attend</th>
<th>Attended</th>
<th>Risk &amp; Audit Sub-Committee</th>
<th>Eligible to Attend</th>
<th>Attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ms Julie Phillips</td>
<td>7</td>
<td>7</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Dr Anna Lavelle</td>
<td>7</td>
<td>6</td>
<td>4</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Ms Michelle Burke</td>
<td>7</td>
<td>6</td>
<td>4</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Mr Lawrence Gozlan</td>
<td>7</td>
<td>7</td>
<td>4</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Dr Andrea Douglas</td>
<td>7</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ms Serina Cucuzza</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Mr Barry Thomas</td>
<td>5</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mr Serg Duchini</td>
<td>5</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Dr Deborah Rathjen</td>
<td>2</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dr Greg Roger</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Mr Peter Turvey</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

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 $4 each towards meeting any outstanding obligations of the entity. At June 30 2015, the total amount that members of the company are liable to contribute if the company is wound up is $2,292 (2014: $2,384).

Auditor’s Independence Declaration
The auditor’s independence declaration for the year ended 30 June 2015 has been received and can be found on page 41 of the financial report.

Signed in accordance with a resolution of the Board of Directors.

Ms Julie Phillips
Director

Mr Serg Duchini
Director

Dated this 3rd day of September 2015
<table>
<thead>
<tr>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Revenue from Ordinary Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership Fees</td>
<td>961,279</td>
<td>910,797</td>
</tr>
<tr>
<td>Conferences</td>
<td>1,706,318</td>
<td>1,911,749</td>
</tr>
<tr>
<td>Branch Income</td>
<td>119,238</td>
<td>79,800</td>
</tr>
<tr>
<td>Communications</td>
<td>68,034</td>
<td>73,354</td>
</tr>
<tr>
<td>Federal Government Project - Education, NCRIS</td>
<td>76,248</td>
<td>-</td>
</tr>
<tr>
<td>Federal Government Project - Trade, ACBE</td>
<td>65,000</td>
<td>92,900</td>
</tr>
<tr>
<td>State Government Projects</td>
<td>9,023</td>
<td>5,000</td>
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<tr>
<td>Export Market Development Grants</td>
<td>44,562</td>
<td>59,654</td>
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<tr>
<td>Other Revenue</td>
<td>72,723</td>
<td>45,514</td>
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<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>3,122,425</strong></td>
<td><strong>3,178,768</strong></td>
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<table>
<thead>
<tr>
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<th>2015</th>
<th>2014</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Non-operating Revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Received</td>
<td>27,857</td>
<td>23,823</td>
</tr>
<tr>
<td><strong>Total Non-operating Revenue</strong></td>
<td><strong>3,150,282</strong></td>
<td><strong>3,202,591</strong></td>
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</table>

<table>
<thead>
<tr>
<th><strong>Expenses from Ordinary Activities</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Benefits Expense</td>
<td>553,562</td>
<td>526,989</td>
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<tr>
<td>Depreciation and Amortisation Expenses</td>
<td>29,433</td>
<td>41,021</td>
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<tr>
<td>Conferences</td>
<td>1,755,240</td>
<td>1,810,778</td>
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<tr>
<td>Federal Government Project Expend. - Education, NCRIS</td>
<td>66,166</td>
<td>-</td>
</tr>
<tr>
<td>Federal Government Project - Trade, ACBE</td>
<td>35,427</td>
<td>-</td>
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<tr>
<td>Communications</td>
<td>89,449</td>
<td>80,874</td>
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<tr>
<td>Rent</td>
<td>107,082</td>
<td>101,602</td>
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<tr>
<td>Travelling</td>
<td>150,923</td>
<td>100,769</td>
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<tr>
<td>Professional Fees</td>
<td>143,108</td>
<td>156,790</td>
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<tr>
<td>IT Support</td>
<td>75,277</td>
<td>70,072</td>
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<tr>
<td>Other Expenses</td>
<td>194,405</td>
<td>205,542</td>
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<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>3,200,072</strong></td>
<td><strong>3,094,437</strong></td>
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<table>
<thead>
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<tr>
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<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Current Year Surplus /(Deficit) before Income Tax</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>(49,790)</td>
<td>108,154</td>
</tr>
<tr>
<td><strong>Income Tax Expense</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Current Year Surplus /(Deficit)</strong></td>
<td>(49,790)</td>
<td>108,154</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total Other Comprehensive Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Current Year Surplus /(Deficit) Attributable to Members of the entity</strong></td>
<td>(49,790)</td>
<td>108,154</td>
</tr>
<tr>
<td><strong>Total Comprehensive Income Attributable to Members of the entity</strong></td>
<td>(49,790)</td>
<td>108,154</td>
</tr>
</tbody>
</table>
The accompanying notes form part of these audited financial statements
Statement of Changes in Equity

<table>
<thead>
<tr>
<th>Note</th>
<th>Retained Surplus</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Balance as at 30th June 2013</td>
<td>84,572</td>
<td>84,572</td>
</tr>
<tr>
<td>Surplus attributable to the entity for the year ended 30th June 2014</td>
<td>108,154</td>
<td>108,154</td>
</tr>
<tr>
<td><strong>Balance as at 30th June 2014</strong></td>
<td>192,726</td>
<td>192,726</td>
</tr>
<tr>
<td>Deficit attributable to the entity for the year ended 30th June 2015</td>
<td>(49,790)</td>
<td>(49,790)</td>
</tr>
<tr>
<td><strong>Balance as at 30th June 2015</strong></td>
<td>142,936</td>
<td>142,936</td>
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</tbody>
</table>

Statement of Cash Flows

<table>
<thead>
<tr>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Cash Flows From Operating Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts from Customers</td>
<td>3,532,391</td>
<td>3,058,220</td>
</tr>
<tr>
<td>Payments to Suppliers and Employees</td>
<td>(3,265,197)</td>
<td>(3,051,153)</td>
</tr>
<tr>
<td>Interest Received</td>
<td>16,318</td>
<td>23,823</td>
</tr>
<tr>
<td><strong>Net Cash Inflow (Outflow) from Operating Activities</strong></td>
<td>283,512</td>
<td>30,890</td>
</tr>
<tr>
<td>Cash Flows from Investing Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of Property, Plant and Equipment</td>
<td>(22,555)</td>
<td>(11,906)</td>
</tr>
<tr>
<td><strong>Net Cash Inflow (Outflow) from Investing Activities</strong></td>
<td>(22,555)</td>
<td>(11,906)</td>
</tr>
<tr>
<td>Net increase / (decrease) in cash held</td>
<td>260,957</td>
<td>18,984</td>
</tr>
<tr>
<td>Cash and cash equivalents as at 1 July</td>
<td>795,669</td>
<td>776,685</td>
</tr>
<tr>
<td><strong>Cash and Cash equivalents as at 30 June</strong></td>
<td>1,056,626</td>
<td>795,669</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these audited financial statements.
Notes to the Financial Statements

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

The financial statements were authorised for issue on 3 September 2015 by the directors of the company.

1: SUMMARY OF STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

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

The financial statements, except for the cash flow information, have been prepared on an accrual 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.

Accounting Policies

(a) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. The company has no bank overdrafts.

(b) Provisions

Provisions are recognised when the company 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 recognized represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(c) Employee Provisions

Short-term employee provisions

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

Other long-term employee provisions

Provision is made for employees’ long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Upon the re-measurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The company’s obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

The accompanying notes form part of these audited financial statements
Notes to the Financial Statements

(d) Property, Plant and Equipment

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

The company has no freehold land and buildings.

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets’ employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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

Depreciation

The depreciable amount of all fixed assets, is depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The estimated effective lives used for each class of depreciable assets are:

- Computer Hardware: 1.5 to 3 Years
- Office Furniture and Equipment: 8 to 14 Years

The assets carrying values are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

An asset’s carrying account is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement.

(e) Foreign Currency Transactions and Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction.

(f) Income Tax

The company is exempt from income tax.

These notes should be read in conjunction with the attached Auditor's Report
Notes to the Financial Statements

(g) Impairment of Assets

At the end of each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use, is compared to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

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

(h) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognized 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 (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified “at fair value through profit or loss”, in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and Subsequent Measurement

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

(i) Financial Assets at Fair Value through Profit and Loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Financial Instruments: Recognition and Measurement. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

(ii) 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 stated at amortised cost using the effective interest rate method. The company has no such loans.

(iii) Held to Maturity Investments

These investments have fixed maturities. The company has no held to maturity investments.

(iv) Available-for-sale Financial Assets

Available-for-sale financial assets include any financial assets not included in the above categories.

Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

These notes should be read in conjunction with the attached Auditor’s Report
Notes to the Financial Statements

(v) Financial Liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation. The company has no such financial liabilities.

Impairment

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

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortized costs, 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 into 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 undertaken all possible measures of recovery, if management establishes that the varying amount cannot be recovered by any means, at that point the written-off amount 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 accounts.

When terms of financial assets that would otherwise have been past due to impairment have been renegotiated, the company recognizes 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 derecognized where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability which is extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss. The company has no such transactions.

(i) Research and Development

Expenditure during the research phase of a project is recognised as an expense when incurred.

Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.
(j) Revenue and Other Income
Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.
Membership fees revenue is apportioned over the applicable period.
Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.
Grants and sponsorship revenue are recognised when the entity has control and all conditions satisfied. All revenue is stated net of the amount of goods and services tax (GST).

(k) 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 Tax Office. 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 in the balance sheet are shown inclusive of GST.

(l) Trade and Other Receivables
These represent the principal amounts due at balance date. They are non-interest bearing and collectable on 30-90 day terms.

(m) Trade and Other Payables
These represent the principal amounts outstanding at balance date, non-interest bearing and at cost.

(n) Comparative Figures
When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(o) Impact of New and Revised Accounting Standards not yet effective
The AASB has issued a number of new and amended Accounting Standards and Interpretations which are mandatorily applicable for future reporting periods. The Directors have decided not to early adopt any of the new and amended pronouncements. The Directors have assessed the effect these new and amended pronouncements will have on the company and have determined that none will materially impact on the company’s financial statements.

(p) Critical Accounting Estimates and Judgments
The directors evaluate estimates and judgments incorporated into the financial report 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.

These notes should be read in conjunction with the attached Auditor’s Report
Key Estimates - Impairment

The company assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key Judgements - Employee Benefits

For the purpose of measurement, AASB 119: Employee Benefits (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. The company expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned. But this will not have a material impact on the amounts recognized in respect of obligations for employees’ leave entitlements.

(q) Fair Value of Assets and Liabilities

The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between dependent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one of more valuation techniques. These valuation techniques maximize, to the extent possible, the use of observable market data.

(r) Intangibles

Software

Software is recorded at cost. It has a finite life and is carried cost less accumulated amortisation and any impairment losses. Software has an estimated useful life of between one and three years. It is assessed annually for impairment.
## Notes to the Financial Statements

### 2. Employee Benefits Expense

The total amount of Employee Benefits Expense prior to part re-classification is:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1,488,198</td>
<td>$1,366,323</td>
</tr>
</tbody>
</table>

Re-classification is as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Included under Conferences</td>
<td>833,042</td>
<td>833,334</td>
</tr>
<tr>
<td>Included under Government Funded Project - NCRIS</td>
<td>66,166</td>
<td>-</td>
</tr>
<tr>
<td>Included under Government Funded Project - ACBE</td>
<td>35,427</td>
<td>-</td>
</tr>
<tr>
<td>Remaining under Employee Benefits Expense</td>
<td>553,563</td>
<td>526,989</td>
</tr>
</tbody>
</table>

### 3. Surplus/(Deficit)

Net Surplus/(Deficit) from ordinary activities before income tax expense has been determined after accounting for:

#### Charging as Expense

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Depreciation of Property, Plant and Equipment</td>
<td>29,433</td>
<td>41,021</td>
</tr>
<tr>
<td>Net Expenses Resulting from Movement in Provisions</td>
<td>29,433</td>
<td>41,021</td>
</tr>
<tr>
<td>Remuneration of Auditor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Audit &amp; review of financial reports</td>
<td>17,430</td>
<td>23,100</td>
</tr>
</tbody>
</table>

#### Crediting as Income

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest from:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Other Corporations</td>
<td>16,318</td>
<td>23,823</td>
</tr>
<tr>
<td>Total Interest Revenue</td>
<td>16,318</td>
<td>23,823</td>
</tr>
</tbody>
</table>
Notes to the Financial Statements

4. Cash and Cash Equivalents

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at Bank</td>
<td>1,002,626</td>
<td>550,236</td>
</tr>
<tr>
<td>Bank guarantees (note 19)</td>
<td>54,000</td>
<td>77,480</td>
</tr>
<tr>
<td>Cash at Bank - NCRIS (note 4(a))</td>
<td>-</td>
<td>167,953</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,056,626</strong></td>
<td><strong>795,669</strong></td>
</tr>
</tbody>
</table>

(a) Cash at Bank - National Collaborative Research Infrastructure Strategy funds for the NCRIS project

Funds received - from participants 847,825 627,273
Funds expended - to participants 1,015,778 459,320

Cash Reconciliation

<table>
<thead>
<tr>
<th>Cash and Cash Equivalents</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>1,056,626</td>
<td>795,669</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,056,626</strong></td>
<td><strong>795,669</strong></td>
</tr>
</tbody>
</table>

5. Cash Flow Information

Reconciliation of Cash Flow from Operations with Net Current Year Surplus/(Deficit)

Net Current Year Surplus/(Deficit) (49,790) 108,154

Adjustments for Non-Cash components in Loss:
Depreciation 29,433 41,021

Changes in Assets and Liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>(increase)/decrease in Trade and Other Receivables</td>
<td>23,321</td>
<td>(214,765)</td>
</tr>
<tr>
<td>increase/(decrease) in Trade and Other Payables</td>
<td>232,028</td>
<td>73,548</td>
</tr>
<tr>
<td>increase/(decrease) in Provisions</td>
<td>48,520</td>
<td>22,932</td>
</tr>
<tr>
<td><strong>Net Cash Inflow (Outflow) from Operating Activities</strong></td>
<td><strong>283,512</strong></td>
<td><strong>30,890</strong></td>
</tr>
</tbody>
</table>

The company’s financial instruments consist mainly of deposits with banks and receivables and payables. The carrying amounts for each category of financial instruments, measures in accordance with AASB 139 as detailed in the accounting policies to these financial statements are as follows:

<table>
<thead>
<tr>
<th>Financial Assets</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>1,056,626</td>
<td>795,669</td>
</tr>
<tr>
<td>Accounts receivable and other debtors</td>
<td>474,110</td>
<td>271,513</td>
</tr>
<tr>
<td>Current tax assets</td>
<td>5,632</td>
<td>13,030</td>
</tr>
<tr>
<td><strong>Total Financial Assets</strong></td>
<td><strong>1,536,368</strong></td>
<td><strong>1,080,212</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial Liabilities</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Liabilities at amortised cost:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- accounts payable and other payables</td>
<td>176,194</td>
<td>194,966</td>
</tr>
</tbody>
</table>

**Financial Risk Management Policies**

Management and directors are responsible for monitoring and managing of the company’s compliance with its risk management strategy. The overall risk management strategy is to assist the company in meeting its financial targets while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the directors on a regular basis. These include credit risk policies and future cash flow requirements.

**Specific Financial Risk Exposures and Management**

The main risks the company is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk.

There have been no substantive changes in the types of risks the company is exposed to, how these risks arise, or the board’s objectives, policies and processes for managing or measuring the risks from the previous period.

**[a] Credit Risk**

The company does not have any material credit risk exposure.
b) Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting its financial obligations.

Liquidity risk is monitored to ensure sufficient monies are available to meet the company’s contractual obligations as and when they fall due. This process involves the updating of cash flow forecasts, profit forecasts and regular reviews by management and those in governance.

Financial liability and financial asset maturity analysis

<table>
<thead>
<tr>
<th></th>
<th>Within 1 year</th>
<th>1 or more years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
<td>2015</td>
</tr>
<tr>
<td>Financial liabilities due for payment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Account payables (excluding estimated annual leave and deferred income)</td>
<td>176,194</td>
<td>194,966</td>
<td>-</td>
</tr>
<tr>
<td>Total expected outflows</td>
<td>176,194</td>
<td>194,966</td>
<td>-</td>
</tr>
<tr>
<td>Financial assets - cash flows realisable</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash on hand</td>
<td>1,056,626</td>
<td>795,669</td>
<td></td>
</tr>
<tr>
<td>Account receivables and other debtors</td>
<td>474,110</td>
<td>271,513</td>
<td></td>
</tr>
<tr>
<td>Other financial assets</td>
<td>5,632</td>
<td>13,030</td>
<td></td>
</tr>
<tr>
<td>Total anticipated inflows</td>
<td>1,536,368</td>
<td>1,080,212</td>
<td>-</td>
</tr>
<tr>
<td>Net(outflow)/inflow on financial instruments</td>
<td>1,350,174</td>
<td>885,246</td>
<td>-</td>
</tr>
</tbody>
</table>

(c) Market Risk

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows.

The company manages interest rate risk by ensuring that, whenever possible, payables are paid within any pre-agreed credit terms.
Notes to the Financial Statements

Sensitivity analysis
The following table illustrates sensitivities to the company exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

<table>
<thead>
<tr>
<th></th>
<th>Surplus</th>
<th>Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year ended 30 June 2015</td>
<td>+/- 21,133</td>
<td>+/- 21,133</td>
</tr>
<tr>
<td>+/- 2% in interest rates</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Year ended 30 June 2014
+/- 2% in interest rates

+/-15,913 (+/- 15,913)

No sensitivity analysis has been performed on foreign exchange risk as the company has no material exposure to currency risk. There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

Fair values

Fair value estimation
The fair value of financial assets and financial liabilities approximate their carrying value due to their short-term to maturity and are not held at fixed interest rates.
### 7. Trade and Other Receivables

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Debtors</td>
<td>474,110</td>
<td>271,513</td>
</tr>
<tr>
<td>Other Receivables</td>
<td>0</td>
<td>122,022</td>
</tr>
<tr>
<td><strong>Total Trade and Other Receivables</strong></td>
<td><strong>474,110</strong></td>
<td><strong>393,535</strong></td>
</tr>
</tbody>
</table>

The company does not have any material credit risk exposure to any single receivable or group of receivables.

### 8. Deposits and Prepayments

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits</td>
<td>134,836</td>
<td>193,033</td>
</tr>
<tr>
<td>Prepayments</td>
<td></td>
<td>231,336</td>
</tr>
<tr>
<td><strong>Total Deposits and Prepayments</strong></td>
<td><strong>134,836</strong></td>
<td><strong>231,336</strong></td>
</tr>
</tbody>
</table>

### 9. Property, Plant and Equipment

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer Equipment</td>
<td>80,584</td>
<td>117,061</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td>72,429</td>
<td>102,362</td>
</tr>
<tr>
<td><strong>Total Computer Equipment</strong></td>
<td><strong>8,155</strong></td>
<td><strong>14,699</strong></td>
</tr>
<tr>
<td>Computer Systems &amp; Software</td>
<td>131,418</td>
<td>120,578</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td>123,212</td>
<td>118,373</td>
</tr>
<tr>
<td><strong>Total Computer Systems &amp; Software</strong></td>
<td><strong>8,206</strong></td>
<td><strong>2,205</strong></td>
</tr>
<tr>
<td>Office Equipment</td>
<td>5,482</td>
<td>15,117</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td>3,745</td>
<td>12,057</td>
</tr>
<tr>
<td><strong>Total Office Equipment</strong></td>
<td><strong>1,737</strong></td>
<td><strong>3,050</strong></td>
</tr>
<tr>
<td>Furniture and Fittings</td>
<td>110,397</td>
<td>106,110</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td>30,646</td>
<td>21,339</td>
</tr>
<tr>
<td><strong>Total Furniture and Fittings</strong></td>
<td><strong>79,751</strong></td>
<td><strong>84,771</strong></td>
</tr>
<tr>
<td><strong>Total Plant and Equipment</strong></td>
<td><strong>97,849</strong></td>
<td><strong>104,725</strong></td>
</tr>
</tbody>
</table>

### 10. Trade and Other Payables

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Creditors</td>
<td>37,226</td>
<td>82,152</td>
</tr>
<tr>
<td>Other Creditors</td>
<td>32,575</td>
<td>30,522</td>
</tr>
<tr>
<td>Superannuation Payable</td>
<td>11,457</td>
<td>8,379</td>
</tr>
<tr>
<td><strong>Total Trade and Other Payables</strong></td>
<td><strong>81,258</strong></td>
<td><strong>121,053</strong></td>
</tr>
</tbody>
</table>

These notes should be read in conjunction with the attached Auditor’s Report.
## Notes to the Financial Statements

### 11. Current Tax Liabilities

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>GST Collected</td>
<td>94,936</td>
<td>73,913</td>
</tr>
</tbody>
</table>


- **Current:**
  - Provision for Annual Leave: $125,351, $116,251
  - Provision for Long Service Leave: $51,793, $33,647
  - Total Current Provisions: $177,144, $149,898

- **Non-current:**
  - Provision for Long Service Leave: $54,274, $33,000
  - Total Non-current Provisions: $231,418, $182,898

Provisions represent amounts accrued for annual leave and long service leave.

The current portion for this provision included the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have been vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

### 13. Other

- **Current:**
  - Prepaid Memberships / Grants / Sponsorships / Conferences: $1,218,505, $799,752
  - NCRIS Prepaid Government Funds: $-100,000, $167,953
  - Total Current Other: $1,218,505, $967,705

*These notes should be read in conjunction with the attached Auditor’s Report*
Notes to the Financial Statements

14. Retained Surplus

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained Surplus at the Beginning of the Financial Year</td>
<td>192,726</td>
<td>84,572</td>
</tr>
<tr>
<td>Net Surplus/(Deficit)</td>
<td>(49,790)</td>
<td>108,154</td>
</tr>
<tr>
<td>Retained Surplus at the End of the Financial Year</td>
<td>142,936</td>
<td>192,726</td>
</tr>
</tbody>
</table>

15. 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: 80,257 78,297
- Later than 12 months but not later than five years: 83,467 163,724
- Later than five years: - -

163,724 242,021

The property lease commitments are non-cancellable operating lease contracted for but not recognised in the financial statements with a five year-term. Increase in lease commitments may occur in line with conditions of the lease agreement.

16. Members’ Guarantee

The company is limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of $4 each towards meeting any outstanding obligations of the company. The number of members is 573 (2014: 596).

17. Key Management Personnel

Directors’ remuneration
There is no income and benefits received or due and receivable by directors of the company other than the CEO who must be a director under the Constitution. The income and benefits received or due and receivable by key management of the company (inclusive of CEO), and including insurance premiums to indemnify liabilities are:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short term benefits</td>
<td>572,568</td>
<td>509,508</td>
</tr>
<tr>
<td>Other long term benefits</td>
<td>113,504</td>
<td>100,281</td>
</tr>
<tr>
<td>Total</td>
<td>686,072</td>
<td>609,789</td>
</tr>
</tbody>
</table>

These notes should be read in conjunction with the attached Auditor’s Report
18. Auditor’s Remuneration

MV Anderson is the auditor of AusBiotech Ltd

Audit and review of financial reports 17,430 -

Proctor Major & Co Pty Ltd were the auditors of AusBiotech Ltd

Audit and review of financial reports - 23,100

17,430 23,100

19. Contingent Liabilities

Bank guarantee in favour of third party for future conference - 23,480
Bank guarantee in favour of third party for rental of premises 54,000 54,000

54,000 77,480

20. Events after the Reporting Period

The directors are not aware of any significant events since the end of the reporting period.

21. Capital Management

Management controls the capacity of the entity to ensure that adequate cash flows are generated to fund its operation. The directors ensure that the overall risk management strategy is in line with this objective.

Risk management policies are approved and reviewed by the board on a regular basis. These include credit risk policies and future cash flow requirements.

The entity’s capital consists of financial liabilities, supported by financial assets.

Management effectively manages the entity’s capital by assessing the entity’s financial risks and responding to changes in these risks and in the market. These responses include the consideration of debt levels.

22. Company Details

The registered Office and principal place of business of the company is:

AusBiotech Ltd
Level 4, 627 Chapel St, South Yarra, Victoria, 3141
The Directors of the company declare that:

1. The financial statements and notes, as set out on pages 6 to 24, are in accordance with the Corporations Act 2001:
   a. comply with Australian Accounting Standards; and
   b. give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of the entity.

2. In the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Ms Julie Phillips
Director

Mr Serg Duchini
Director

Dated: 3 September 2015
AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

TO THE DIRECTORS OF AUSBIO TECH LIMITED

I declare that, to the best of my knowledge and belief, during the year ended
30 June 2015 there have been no contraventions of:

(i) the auditor independence requirements as set out in the
Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation
    to the audit.

M V ANDERSON & CO
Chartered Accountants
4th Floor,
313 La Trobe Street,
Melbourne Vic 3000

Graeme S. Day
Partner
Dated: 2 September, 2015
INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS
OF AUSBIOTECH LIMITED

We have audited the accompanying financial report AusBiotech Limited (the company), which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors’ declaration.

Directors’ Responsibility for the Financial Report

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company’s preparation of the financial report 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 entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Opinion

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

- giving a true and fair view of the company’s financial position as at 30 June 2015 and of its performance for the year ended on that date; and
- complying with Australian Accounting Standards and the Corporations Regulations 2001.

M V ANDERSON & CO
Chartered Accountants
4th Floor,
313 La Trobe Street,
Melbourne Vic 3000

GRAEME S. DAY
Partner
Dated: 4 September, 2015
As at 30 June 2015

**AUSBIOTECH STAFF AND OFFICE BEARERS**

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Contact Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer</td>
<td>Dr Anna Lavelle</td>
<td>Tel: (03) 9828 1400; Email: <a href="mailto:alavelle@ausbiotech.org">alavelle@ausbiotech.org</a></td>
</tr>
<tr>
<td>Chief Operating Officer</td>
<td>Mr Glenn Cross</td>
<td>Tel: (03) 9828 1402; Email: <a href="mailto:gcross@ausbiotech.org">gcross@ausbiotech.org</a></td>
</tr>
<tr>
<td>Executive Assistant</td>
<td>Ms Jo Beamsley</td>
<td>Tel: (03) 9828 1404; Email: <a href="mailto:jbeamsley@ausbiotech.org">jbeamsley@ausbiotech.org</a></td>
</tr>
<tr>
<td>Chief Industry Affairs Officer</td>
<td>Ms Lorraine Chiroiu</td>
<td>Tel: (03) 9828 1414; Email: <a href="mailto:lchiroiu@ausbiotech.org">lchiroiu@ausbiotech.org</a></td>
</tr>
<tr>
<td>Maternity leave</td>
<td>Ms Hayley Laing</td>
<td>Tel: (03) 9828 1435; Email: <a href="mailto:hlaing@ausbiotech.org">hlaing@ausbiotech.org</a></td>
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<tr>
<td>Member Services Manager</td>
<td>Ms Tanya Daw</td>
<td>Tel: (03) 9828 1431; Email: <a href="mailto:tdaw@ausbiotech.org">tdaw@ausbiotech.org</a></td>
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<td>National Programs Manager</td>
<td>Dr Mick Blake</td>
<td>Tel: (03) 9828 1425; Email: <a href="mailto:mblake@ausbiotech.org">mblake@ausbiotech.org</a></td>
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<tr>
<td>Events Manager</td>
<td>Ms Kirsty Grimwade</td>
<td>Tel: (03) 9828 1406; Email: <a href="mailto:kgrimwade@ausbiotech.org">kgrimwade@ausbiotech.org</a></td>
</tr>
<tr>
<td>Events Manager</td>
<td>Ms Sharlene GunatiLake</td>
<td>Tel: (03) 9828 1420; Email: <a href="mailto:sgunatilake@ausbiotech.org">sgunatilake@ausbiotech.org</a></td>
</tr>
<tr>
<td>Chief Financial Officer &amp; Company Secretary</td>
<td>Mr Richard Alderson</td>
<td>Tel: (03) 9828 1400; Email: <a href="mailto:raiderson@ausbiotech.org">raiderson@ausbiotech.org</a></td>
</tr>
<tr>
<td>Web and Data Administrator</td>
<td>Ms Harshini Bellana</td>
<td>Tel: (03) 9828 1432; Email: <a href="mailto:hbellana@ausbiotech.org">hbellana@ausbiotech.org</a></td>
</tr>
<tr>
<td>AP/NSW Representative</td>
<td>Mr Stephen Pattillo</td>
<td>Tel: 0412 709 800; Email: <a href="mailto:stephenpattillo@bigpond.com">stephenpattillo@bigpond.com</a></td>
</tr>
<tr>
<td>Program Manager – State Services</td>
<td>Ms Mel Nelson</td>
<td>Tel: (03) 9828 1400; Email: <a href="mailto:mnelson@ausbiotech.org">mnelson@ausbiotech.org</a></td>
</tr>
<tr>
<td>Events Coordinator</td>
<td>Ms Jessica Italiano</td>
<td>Tel: (03) 9828 1456; Email: <a href="mailto:jitaliano@ausbiotech.org">jitaliano@ausbiotech.org</a></td>
</tr>
<tr>
<td>Investment Events Coordinator</td>
<td>Ms Amelia Lundstrom</td>
<td>Tel: (03) 9828 1435; Email: <a href="mailto:alundstrom@ausbiotech.org">alundstrom@ausbiotech.org</a></td>
</tr>
<tr>
<td>Communications Associate</td>
<td>Ms Linda Edgerton</td>
<td>Tel: (03) 9828 1400; Email: <a href="mailto:ledgerton@ausbiotech.org">ledgerton@ausbiotech.org</a></td>
</tr>
<tr>
<td>Finance Officer</td>
<td>(Temp) Ms Kavitha Siva</td>
<td>Tel: (03) 9828 1408; Email: <a href="mailto:ksiva@ausbiotech.org">ksiva@ausbiotech.org</a></td>
</tr>
</tbody>
</table>

**COMMITTEE Chairs**

- **NSW Branch**
  - Dr Phil Kearney (Merck Sharp & Dohme)
    - Tel: (02) 9795 9842
    - Email: phil_kearney@merck.com
- **QLD Branch**
  - Dr Ryan Parlett (Deloitte)
    - Tel: (07) 3308 7358
    - Email: rparlett@deloitte.com.au
- **SA Branch**
  - Dr Matthew Palmer (INC Research Australia)
    - Tel: 0431 479 709
    - Email: matthew.palmer@incresearch.com
- **VIC Branch**
  - Dr Andrea Huggins (CSL Limited)
    - Tel: (03) 9389 1318
    - Email: andrea.huggins@csl.com.au
- **TAS Branch**
  - Dr Anthony Koutoulis (University of Tasmania)
    - Tel: (03) 6226 2737
    - Email: anthony.koutoulis@utas.edu.au
- **WA Branch**
  - Mr Brian Leedman (ResApp Diagnostics Pty Ltd)
    - Tel: 0412 281 780
    - Email: b.leedman@iinet.net.au

**ADVISORY GROUPS**

- **Chair, AusMedtech National Committee**
  - Mr Warren Bingham (Given Imaging)
    - Email: warren.bingham@givenimaging.com
- **Chair, AusAg & Foodtech**
  - Mr David (Rock) Hudson (SGA Solutions)
    - Email: rock@sgasolutions.com.au
- **Chair, NSW AusMedtech**
  - Ms Lis Boyce (Dibbs Barker)
    - Email: lis.boyce@dibbsbarker.com
- **Chair, VIC AusMedtech**
  - Mr Ian Reilly (Altrutec)
    - Email: ian@ianreilly.com.au

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**AusBiotech**

Australia’s Biotechnology Organisation

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