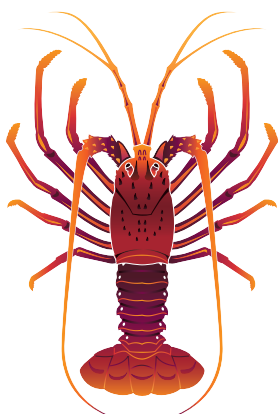


# 2016/2017 Annual Report



Western  
**ROCK  
LOBSTER**

World leading sustainable fishery



# WA Fishery Map





## Our Mission

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THE WESTERN ROCK LOBSTER FISHERY IS AN ICONIC GLOBAL LEADER IN SUSTAINABLE FISHERIES MANAGEMENT.

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# From the Chair

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Firstly, I would like to thank our 635 MFL holders for their continued support and input over the past year. It has been a challenging but productive year for the WRLC Board and staff.

The Western Rock Lobster fishery is a key component of the West Australian economy and the WRLC is here to represent our members and ensure that our member's interests in the industry and the wider Australian economy are maintained and enhanced.

For the WRLC to be successful it must understand and mitigate the risks to our industry and be engaged and inclusive with our communities. With these issues firmly in mind the Council has engaged two new people with Matt Taylor becoming CEO and Clare Robinson being engaged as Executive Officer, focusing on communications and research. I would like to take this opportunity to thank the CEO and the WRLC staff for the great work they have carried out over the past year.

Over this past year, we have invested considerable time and resources into understanding our markets. Of particular value is the formation of the new TACC setting subcommittee, a fantastic step for industry to ensure due diligence and evidence based advice in our TACC recommendation to the Minister going forward.



The 2016/17 WRLC Board has been fantastic and I would like to extend my thanks to each Board member for their increasing professionalism and commitment to our members, Council and industry. We have recognised the valuable input of having an independent Director on our Board and we now look forward to welcoming Karen Brown as our second independent Board Director in October. Karen has a background in communications and will be a valuable asset to our industry and increase our capacity and opportunity for growth.

I look forward to the year ahead and the continuing progress the Council and industry will make as we evolve and adapt to our future challenges and opportunities.

**Kim Colero**  
Chairman



## From the CEO

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It has been a busy year for the Western Rock Lobster Council (WRLC) as we engage with the many challenges and opportunities for our State's most valuable fishery.

The structure and direction offered by our Strategic Plan in the past year has resulted in a much more focused organisation with priority tactics driving our activities for the year.

In addition, our innovative industry risk analysis has demonstrated responsible leadership through the identification and management of all the major risks associated with the sustainability of our valuable fishery. This comprehensive analysis assists the industry to better understand risks that could adversely affect the western rock lobster industry and identify mitigation and management measures that can be undertaken to address them.

One of the WRLC's best methods for mitigating identified risks is through its Industry Partnership Agreement program with the Fisheries Research and Development Corporation. The WRLC's new enthusiasm for research, development and extension has resulted in a three-times larger FRDC Industry Partnership Agreement program that will reduce risks and deliver significant new benefits across the western rock lobster industry including biology, ecology, catching, digital technology, processing, markets and communications.

The WRLC Executive has also evolved over the past year. Katherine Chow builds on her many years of valuable service by now focussing on finance and administration. Clare Robinson joined the organisation in February and provides great coordination and drive in the areas of research and communications. I joined the Council in July and it's an honour to be involved in the leadership of this important and exciting industry. I am proud of the professionalism, productivity and culture of our small Executive team as we strive to represent our industry and implement the directions provided by our excellent Board.

The WRLC's focus for the year ahead will be to increase value and security for the western rock lobster industry through the delivery of the WRLC strategic plan priorities for 2018. We will continue to build and nurture our strong working relationships with members, industry, government and stakeholders so that we can efficiently and effectively overcome challenges and realise opportunities to grow our industry.

**Matt Taylor**  
Chief Executive Officer

# The Board

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**Kim Colero**  
Chair, Zone C



**Terry Lissiman**  
Deputy Chair,  
Zone A



**Peter Cooke**  
Independent  
Director



**Peter Bailey**  
Director, Zone A



**Clay Bass**  
Director, Zone B



**Robbie Glass**  
Director, Zone B



**Nic Sofoulis**  
Director, Zone C



**Peter Stanich**  
Director, Zone C



**Linda Williams**  
Director, Zone C



# Organisational Structure



# Strategic Plan 2017-2021

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The Western Rock Lobster Council (WRLC) Board and key invited industry experts participated in a Strategic Planning Workshop on 22 November 2016 to set the direction and priorities for the Council for the next five years.



WRLC Chairman, Kim Colero, set the challenge for the Workshop Participants to determine where they want the organisation and the industry to be in five years' time, how proactive they want the Council to be over the next five years to best position the industry, and how they want the Council to be perceived by the industry and the community. The workshop captured the consultation which led to the formation of the WRLC Strategic Plan 2017-2021. The workshop was facilitated by Agknowledge® principals Peter Cooke, Nicol Taylor and Julia Ashby.

The WRLC Strategic Plan 2017-2021 communicates our Vision, Mission and Objectives and has set strategic objectives that build on our past achievements and will support fulfilling our vision going forward.

The four key strategies of the plan set the priorities for WRLC's activities for the next five years. Our four strategies give us direction and enable us to deliver on our objectives.

## **1. Securing resource access**

Manage industry advocacy to secure resource access through a strong social licence to operate.

## **2. Research and development for resource security**

Collaborate and invest in targeted research for future resource security.

## **3. Communication and relationships**

Proactively manage internal industry and external community communications and stakeholder relationships.

## **4. Industry leadership**

Manage the WRLC as the peak policy and leadership body for the industry.

The WRLC has set the following priority tactics for 2017:

1. Identify and plan for coordination and collaboration across fishery sectors on common issues like resource access.
2. Collaborate with WAFIC and other sectors to develop a high standard of marine and occupational health and safety.





3. Invest in building human capacity and improving professionalism, to sustain industry advocacy and leadership.
4. Develop and implement an integrated communications strategy to manage the industry's reputation with clarity, consistency and collaboration.
5. Demonstrate the WRL fishery's value to the WA economy and regional communities with evidence-based information.

Consultation was the key in the development of our Strategic Plan 2017-2021 and from this our strategic priorities for the next five years were set. We will continue to consult with all appropriate stakeholders through stakeholder engagement, Management Meetings and surveys, as well as developing key performance indicators for the Council's key objectives.

“

CONSULTATION WAS THE KEY IN THE DEVELOPMENT OF OUR STRATEGIC PLAN 2017-2021 AND FROM THIS OUR STRATEGIC PRIORITIES FOR THE NEXT FIVE YEARS WERE SET.”

# Industry Risk Management

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In 2016 the Western Rock Lobster Council (WRLC) decided to consult widely across the supply chain to develop a Risk Management Framework as good practice for the Western Rock Lobster Industry. The Industry is demonstrating responsible leadership and innovation through identification and management of all risks associated with long-term management of the fishery.

Effective risk management is an integral part of the success of any organisation. The WRLC recognises risk management as a key part of its culture and is seeking to encourage the western rock lobster industry to acknowledge that risks can be embraced, recognised and managed correctly to ensure the strategic objectives of the Industry are met. The optimising of risks will ensure the commercial viability and sustainability of the Industry at all times.

## What is Risk Management?

Risk management involves managing to achieve an appropriate balance between realising opportunities for gains while minimising losses. It is an integral part of good management practice and an essential element of good governance. WRLC as the Industry body is taking a holistic approach to risk management in that the effective identification, communication and treatment of risks are the responsibility of all Industry. Risks must be systematically considered as part of day-to-day decision making.

The WRLC's Risk Management Framework provides the foundations for designing, implementing, monitoring, reviewing and continually improving risk management. The overall objective of the Framework is to instil the appropriate behaviours and processes within the industry to drive consistent and effective application of risk management at an operational and industry level.

WRLC is committed to developing a risk-aware culture, which will form the basis of its holistic, integrated Risk Management Framework. The management and identification of risks will not be isolated to particular personnel, with the key message communicated across the Industry being: "Risk is everyone's business".



Risk should be seen as a key tool in empowering the Industry to make well-informed and commercially sound business decisions. Risk will only have a potentially negative impact if it is mismanaged, misunderstood, poorly controlled or not identified or communicated correctly.

“  
RISK IS  
EVERYONE’S  
BUSINESS.”

### Developing a Risk Management Framework for the Western Rock Lobster Industry

Risk Management needs to be integrated into strategic planning and operational management responsibilities. Every member of the Industry has a role and responsibility in risk management to be vigilant in the identification and treatment of risks and is invited and encouraged to participate in this process. This responsibility extends from the Minister, WRLC and Processors to the Industry individual’s requirements to operate in a safe, healthy and effective workplace.

The Risk Management Framework needs to be adopted in an effective manner throughout the Industry value chain (see diagram below).

The benefits of embedding risk aware behaviours and continuous application and development of the Framework will be:

- Improving stakeholder relationships through proper consultation and communications.
- Improving decision making capability and reliability.
- Improving commercial confidence, business resilience and reputation.
- Protecting the health and safety of all stakeholders.
- Providing the basis for continuous improvement of processes through innovation.
- Achieving greater accountability and industry performance.
- Improving the effectiveness of WRLC’s corporate governance structure.













## Western Rock Lobster Industry Risk Register

Following identification of the Industry risks each has been analysed using Risk Reference Tables. Further investigation into the consequences allows the WRLC to recognise the degree of risk and apply key control management strategies and tactics and develop the Risk Register.

The Risk Register enables the WRLC to document, manage, monitor, review and update strategic, corporate and project risk information in alignment with the strategic plan. The Risk Register is reviewed and updated by the WRLC bi-annually (March and September), with a summary presented as the Risk Dashboard (as seen below).

### RISK DASHBOARD

as at April 2017

#	Risk	Likelihood	Consequence	Level of Risk	Highest Consequence	Key Controls	Bi-annual change
1. 	China as the sole outlet for Western Rock Lobster.	5	4	20	Industry Performance	I	GFC investment in in-country facilities taking shape. Beach price <\$50 kg. International competition.
2. 	Loss of the right to fish.	3	4	12	Access resources	A	Strategic Plan in place. Significant gap with conservation movement.
3. 	Breakdown in the Chain of Custody.	3	4	12	Stewardship of resource	E	MSC renewal imminent. Solid relationship with DoF. Industry cohesion required.
4. 	Lack of political support at State and Federal levels.	3	3	9	Access resources	A	Good relationship with WA Minister's office, but be aware of 2017 election. Federal sphere not clear.
5. 	A significant OH&S event occurs.	3	3	9	OH&S Incidents	A	Priority 2 - Strategic Plan with investment.
6. 	Capital costs for Quota and Pot leases escalate and drive a number of fishers from the industry.	3	3	9	Stewardship of resource	I	Raised as a significant risk and issue across the industry. Countered by the increase in asset value a positive. Needs attention.
7. 	Significant year to year reduction in puerulus monitoring.	2	4	8	Stewardship of resource	E	Significantly improved DoF rigour and input. Weight of Evidence modelling strengthening. Strong outlook. Rogers Review.
8. 	Insufficient funding to run the Industry. Both the Industry body and DoF.	2	3	6	Industry performance	A	Current position is sound for the DoF. New levy provides > security.
9. 	Reduced confidence in the WRLC.	2	3	6	Industry performance	A	Relationship with WAFIC improving. Unexpected CEO departure. Communications investment imminent.
10. 	Aquaculture production of lobster takes off. e.g. abalone.	1	3	3	Industry performance	A	Not a relevant risk at this time – watching brief, or managed investment?

# Research and Development

Industry Partnership Agreements are an agreement between the Fisheries Research and Development Commission (FRDC) and a sector body to manage a suite of sectoral projects over a specified time period against an agreed industry strategic plan. The priorities and projects selected are generally identified by the industry body and are specific to its needs.

There has been significant growth and improved operation of our Industry Partnership Agreement (IPA). Our IPA provides a valuable source of funds from the FRDC for industry research, development and extension projects.

Within our IPA existing and new research across a diverse portfolio continues to mitigate risks and create opportunities for the fishery, and in doing so provides a robust foundation for growth and sustainability of the fishery.

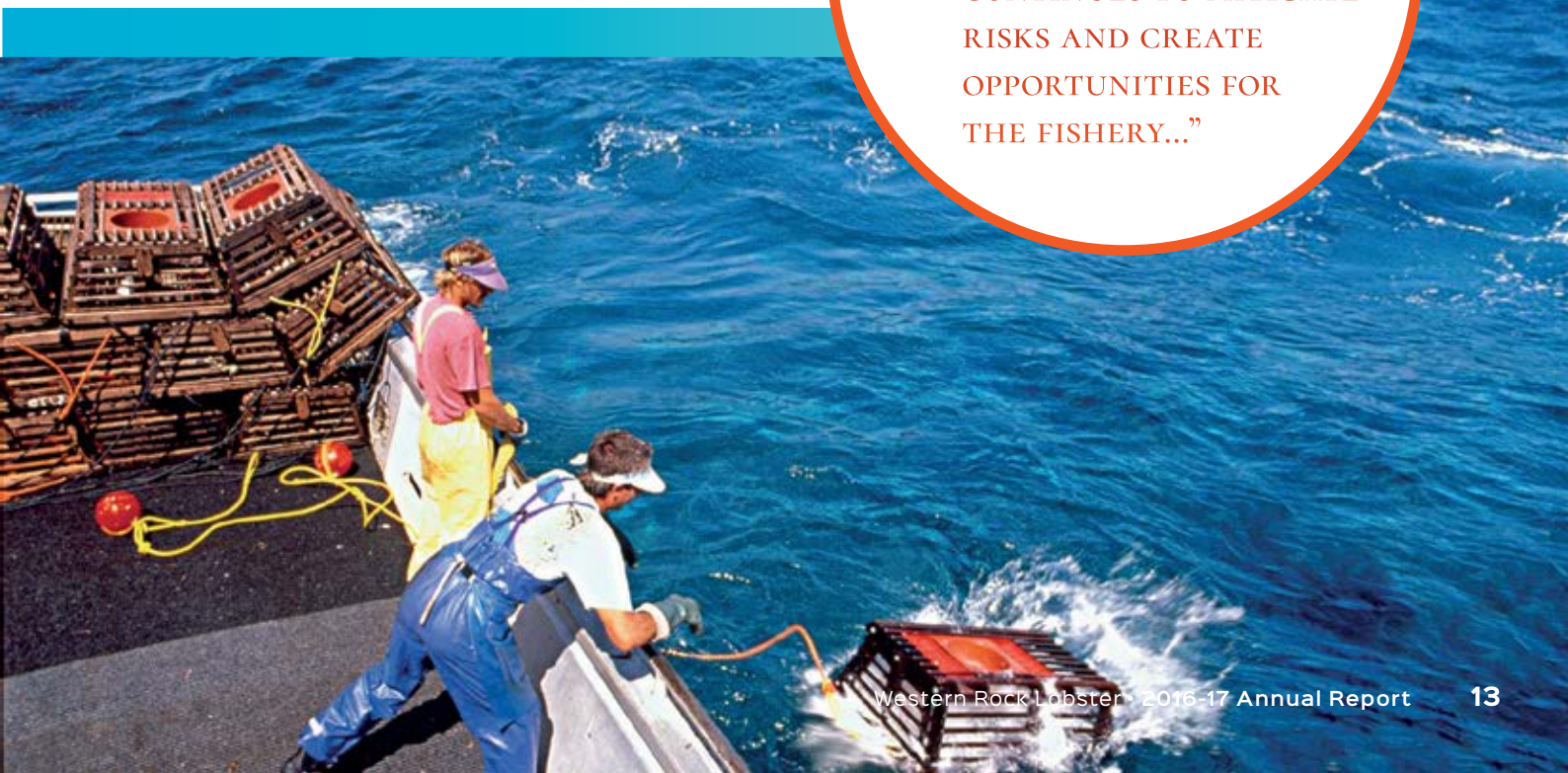
## Economic Benefit Analysis project

The WRLC Board has initiated a project to determine the economic and social value of the western rock lobster industry to Western Australia. The project is in line with

the Western Rock Lobster Council's strategy and specifically, it is in the top five priorities for 2017: *Demonstrate the WRL fishery's value to the economy and regional communities with evidence based information.* The output from this study will be used to more effectively promote the industry's value to our stakeholders, government and communities.

“

...EXISTING AND NEW RESEARCH ACROSS A DIVERSE PORTFOLIO CONTINUES TO MITIGATE RISKS AND CREATE OPPORTUNITIES FOR THE FISHERY...”





### **International Centre of Excellence for Spiny Lobster – scoping study**

Funding has been approved to determine the scope for the establishment of an international Spiny Lobster Centre of Excellence in Western Australia. This links to the WRLC Strategic Plan priority 2.8: *By 2020 aspire to establish WA as an international Centre of Excellence for Spiny Lobster research.*

The output will be a detailed report and recommendation on the feasibility of establishing a worldwide Centre of Excellence for spiny lobster in Western Australia. The results of the scoping study will be presented to the Board of the WRLC and the FRDC to determine if the vision should be fulfilled and proceed to Phase II of the project.

### **Inshore Depletion Project**

Research will look at low catches of Western Rock Lobsters in waters from Cliff Head to Leeman. The project aims to quantify whether a decline in lobsters has occurred in this region and if so to investigate what could be the cause.

### **Industry Risk Analysis**

A review and analysis of the risks associated with the sustainable development of the WA rock lobster industry has been completed. The WRLC decided in 2016 to consult widely

across the supply chain to develop a Risk Management Framework as good practice for the Western Rock Lobster Industry. The unanimous approval by the WRLC Board to undertake a comprehensive industry risk analysis project has helped the industry better understand the risks that may adversely affect the rock lobster industry and the mitigation and management measures that can be undertaken.

### **Professional Development – Directors and Office Bearers**

In 2016 the WRLC Board successfully undertook a corporate governance program to improve the functioning and effectiveness of the WRLC which will also provide future opportunities for participation by PFA's and members. This will provide flow on benefits to the many members and small business stakeholders in the industry.

### **Professional Development – Industry Bursaries**

Through this project the WRLC and FRDC are providing an opportunity for younger industry leaders from the Western Rock Lobster Industry to attend conferences and industry events. Bursaries are aimed at future leaders of the Western Rock Lobster Industry and are targeted to (but not limited to) those actively engaged in fishing operations i.e. skippers/crew. Keep an eye out for our next round of Industry Bursary applications.

### **International Conference and Workshop on Lobster Biology and Management (ICWL)**

Funding was approved to investigate bringing the 12th ICWL to Perth in 2020. In early June 2017 the WRLC Chairman Kim Colero and Board Director Nic Sofoulis attended the 11th ICWL in Portland, Maine to successfully secure our bid to host the 12th ICWL in 2020. For more on the ICWL see page 21.



## Industry Levy

During 2015 the Western Rock Lobster Council (WRLC) engaged in discussions with members about the need for an industry levy to provide funds to undertake MSC re-certification in 2017 and other non-representational activities that cannot be funded from GVP monies.

At the WRLC Board meeting on 12 January 2016 the Board unanimously supported the implementation of a levy based on \$300 per Managed Fisheries Licence (MFL) holder. Successful discussions and agreement with industry members have resulted in the implementation of an industry levy with effect from the commencement of the 2017 fishing season.

The monies raised from this levy will be used for matters such as MSC re-certification and annual surveillance audits, market development, promotional activities and other non-representational activities. The use of the Industry Levy will ensure the ability of the western rock lobster industry to act independently and autonomously and action

our primary objectives, as determined by the WRLC Strategic Plan 2017-2021.

Industry Levy monies will be spent in accordance with the Act and invested in areas such as:

1. Promotion, Media and Communications;
2. MSC Accreditation and Expenses;
3. Centre of Excellence; and
4. Management.

The WRLC has already allocated funds from current resources to Priorities 1-5 of the Strategic Plan 2017-2021. Levy funds allocated to the remaining priority tactics have allowed us to take our Strategic Plan further, faster and in a streamlined fashion.

“

LEVY FUNDS HAVE ALLOWED US TO TAKE OUR STRATEGIC PLAN FURTHER, FASTER AND IN A STREAMLINED FASHION.”



## 2017 Management Meetings

The WRLC Management Meetings were held in Fremantle and Geraldton between the 13th and 15th June 2017. Both meetings were productive and allowed for participation in discussions on a number of important issues.

The meetings highlighted that industry is in an excellent position with great dialogue between the catching sector, the Minister's office and the Department's research and management teams.

Fisheries Minister, the Honourable Dave Kelly opened the event in Fremantle and stated the West Coast Rock Lobster managed fishery has many achievements to be proud of, such as being the first fishery in the world to attain MSC certification and the subsequent re-certifications since 2000.

The Minister also noted his support for the continuation of the Local Access to Lobster Trial to assist in addressing the industry's social licence to operate and current difficulty for West Australian consumers to access affordable western rock lobster.

At the meeting the Minister announced that the Council was successful in their bid to host the 12th International Conference and Workshop on Lobster Biology and Management in Perth in 2020, noting it was a great opportunity for preminent lobster personnel to discuss the growth of the industry. The Minister

commended the work the Council has done to ensure such an important event is held in WA.

Amongst other presentations, Dr Simon de Lestang and Dr Jason How provided a research report on the West Coast Rock Lobster Managed Fishery, showcasing our world-leading science. In addition, the Department provided a management report which included an explanation of the structure of potential management pathways including the potential transition to use of an Aquatic Resource Management Strategy (ARMS) and Aquatic Resource Use Plan(s) (ARUPs). Industry will be consulted during transition to ARMS and ARUPs.

The industry session in the afternoon was equally informative with presentations on our Industry Partnership Agreement (IPA) projects, Strategic Plan and Risk Analysis and the lengthy discussion on the 2017/18 setting of the Total Allowable Commercial Catch (TACC).

We look forward to our Management Meetings growing over the coming years and the continued discussions and engagement with our Members and stakeholders.



# Total Allowable Commercial Catch (TACC) Subcommittee

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The Western Rock Lobster Council (WRLC) has determined to implement an on-going strategic approach to the future setting of TACC's for the commercial Western Rock Lobster Fishery by providing professional evidence-based advice and on-going leadership in managing the broader issues, risks and opportunities for a better industry future. This led to the formation of the TACC Subcommittee in July 2017.

Following the Rogers Review in 2016, the WRLC formed a TACC Subcommittee to obtain and consider the due diligence necessary to underpin sound advice on future TACC settings for the western rock lobster commercial sector fishery. In a major step forward for the industry, the TACC Subcommittee brings together representatives from the whole WRL value chain including fishers, processors, international marketers, scientists, managers and Peter Rogers as the author of the TACC review report.

The functions of the Subcommittee are as follows:

- A constituted Subcommittee of the WRLC to provide evidence-based advice on future TACC settings for the rock lobster commercial sector fishery.
- To gather appropriate independent information to understand the impact on TACC settings through science, economic, and fishers' views, as resources allow.
- Sound consultation and deliberation by the Subcommittee to arrive at a reasoned and coherent recommendation(s).
- The Subcommittee will seek to facilitate the assembly and analysis of a range of industry data including market information and take into account the Harvest Strategy when making TACC recommendations to the WRLC Board.



- The grounds of those recommendations to be provided in a written report incorporating the available evidence.
- Written Industry feedback on the Subcommittee report to the WRLC inclusive of the processing and marketing sector.
- The WRLC to formulate its advice to the Minister for Primary Industries and Regional Development taking into account the TACC Subcommittee report and industry feedback.

The new TACC Subcommittee extends our scope of research to include trade and consumer data and analysis so we can better understand our markets.

# Sustainability

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## Marine Stewardship Council Recertification

The Western Australian Rock Lobster fishery was the first fishery in the world to be certified as ecologically sustainable by the Marine Stewardship Council (MSC) in 2000 in recognition of the high environmental values and sustainable practices maintained by members.

Industry has worked hard to hold its accreditation ever since and WA's western rock lobster fishery is also now celebrating the renewal of its certification for a further five years – the first fishery in the world to be recertified for a fourth successive time!

The MSC is the world's most respected independent fisheries sustainability certification standard which reviews the fishery based on stock assessment and harvest strategy, the impact of the fishery on the wider ecology and management and consultation arrangements.

At the WCRL Management Meeting in June 2017 Fisheries Minister, the Honourable Dave Kelly congratulated everyone involved in WA's rock lobster industry for continuing to provide a world-leading fishery that gives the State a positive international reputation.

The MSC recertification showcases the fishery's commitment to sustainable practices. Third-party accreditation is becoming increasingly important in our industry as it differentiates our product from others on the market. The fishery has adapted and evolved to face new and existing challenges and demonstrates willingness to mitigate against negative environmental interactions. Using the MSC Framework, our fishery continues to monitor, respond and innovate.



## Whale Entanglement Mitigation

Whale entanglements increased with the move to quota management, peaking in 2013 with 17 reported entanglements in western rock lobster fishing gear. The significant social and ethical concerns around these entanglements prompted two collaborative FRDC research projects between industry and government. These led to the introduction of gear modifications in 2014, which has seen a reduction in entanglements.

Gear modifications are estimated to have reduced entanglements of whales in western rock lobster gear by about 66%, with two and four entanglements recorded in the 2015 and 2016 seasons respectively. However, with an increasing whale population migrating through the fishery each year, a continued collaborative approach between industry and government to mitigate these entanglements is critical.

# Communications and Engagement

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Effectively communicating with our members, stakeholders and the wider public is critical in achieving our goals. A key focus this year has been in developing and implementing our Communications Strategy to allow for more relevant, timely and consistent communications with a variety of stakeholders.

In early June 2017 the Western Rock Lobster Council (WRLC) initiated the communication priority of the Strategic Plan: *Develop and implement an integrated communications strategy to manage the industry's reputation with clarity, consistency and collaboration.*

The WRLC engaged with Cannings Purple, one of Perth's foremost public relations firms, to assist in developing our communications strategy which aligns with the mission, vision and objectives of our Strategic Plan.

On 2 June 2017 Cannings Purple held a strategy session with members of the WRLC Board and stakeholders to develop a better understanding of the Council's current market position, vision, stakeholders and immediate communication needs for the organisation. The strategy session provided an opportunity for open discussion that identified gaps in its internal and external communication planning and stakeholder engagement activities.

As the WRLC has maintained a low profile since its foundation in 2001, there is a need to reaffirm the organisation's strategic position within the industry and the broader WA community. The Council has already undertaken significant strategic planning and risk analysis to inform its future direction and position in the industry, and this work has been incorporated into our Communications Strategy.

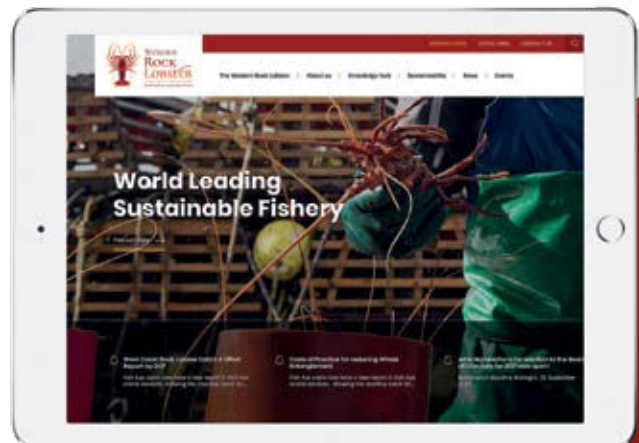
The Communications Strategy uses a continuous improvement model that allows

the Council to achieve its goals, by building engagement over time. It is designed to be an iterative model, in which the strategy can be confirmed and refined then rolled out to select audiences and on specific channels.

The Council is now investing in the priority components of this Communications Strategy including a brand refresh, new website and social media platforms. Our use of social media will enable us to reach out to the wider community and better engage with the next generation of industry.

Our newly developed website is fresh and modern with a wider community feel and a dedicated member login section for relevant industry issues and member correspondence.

Ultimately our Communication Strategy will allow for improved communications with Members, Government and all Stakeholders and raise the profile of the Council and Western Rock Lobster industry.



# Local Access to Lobster Trial

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Commercial fishing plays an important role in the WA economy with the value of the West Coast Rock Lobster Fishery worth more than \$400 million and with the majority of the six thousand tonnes caught by the fishery exported to China at premium prices.

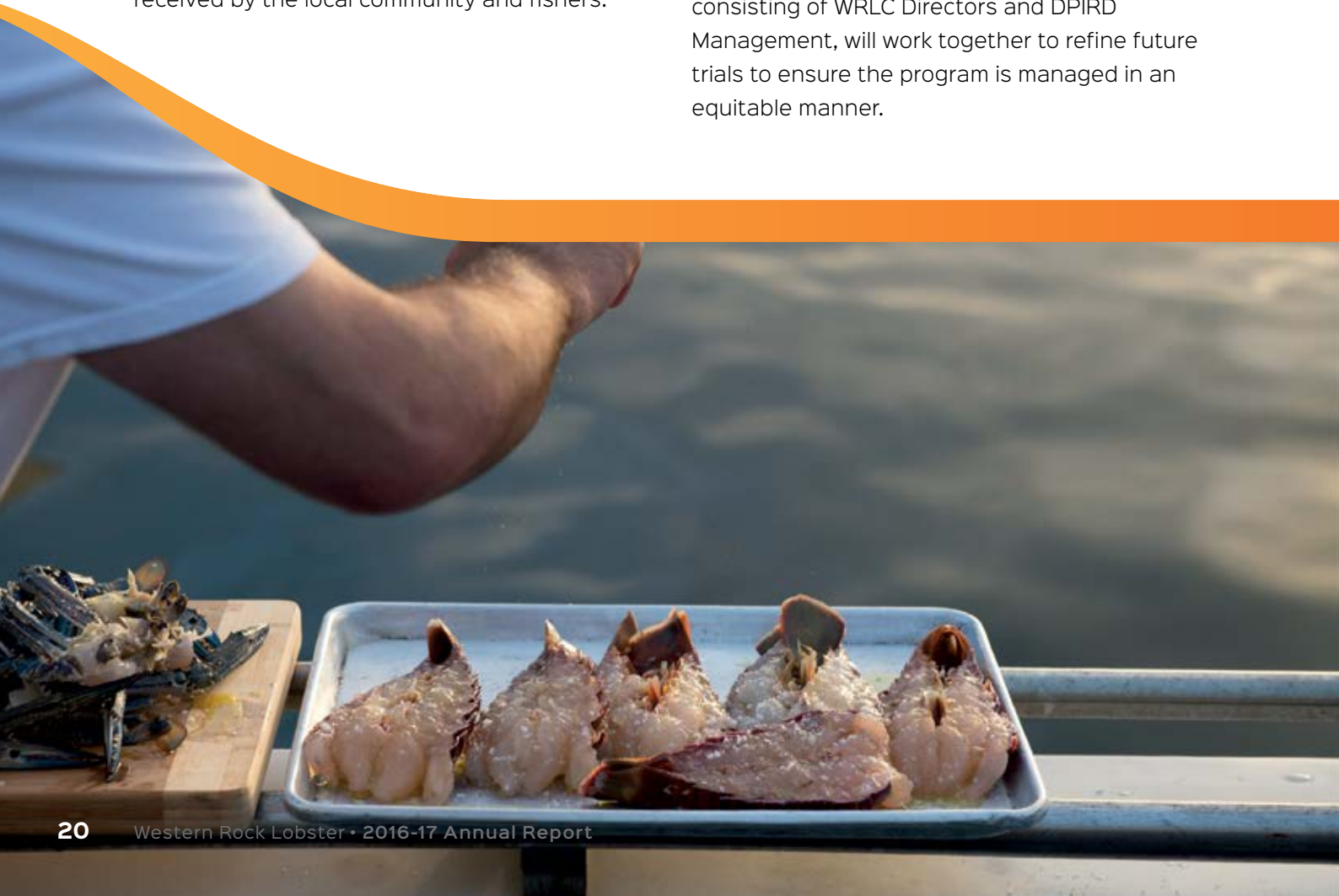
However, concerns have been raised about the local availability of rock lobster to WA's coastal communities and local seafood restaurants.

From 15 December 2016 through to 30 April 2017 the Local Access Trial enabled each active commercial western rock lobster fisher to catch 50 extra lobsters that could be sold directly to the local Western Australian market and not for export. This trial was launched to allow more Western Australians to gain access to our world-renowned western rock lobsters. The trial was a huge success and was well received by the local community and fishers.

The WRLC Board resolved at the Board meeting on 16 August 2017 that the overarching principles of the newly formed Local Lobster Program working group are:

1. The WRL industry is the WA fishery to provide local lobster product to WA.
2. Local lobster product will be available at a reasonable price.
3. Providing local lobster product will be managed in an equitable way.

The Local Lobster Program working group, consisting of WRLC Directors and DPIRD Management, will work together to refine future trials to ensure the program is managed in an equitable manner.



# 12th International Conference and Workshop on Lobster Biology and Management (ICWL)

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The Western Rock Lobster Council and the Department of Fisheries have been successful in their bid for Perth to host the 12th ICWL in 2020.

Held every three to four years, these conferences support international collaboration in lobster science and management and attract about 200 scientists, lobstermen and fisheries managers from about 20 countries.

These conferences promote the exchange of ideas and knowledge amongst scientists, managers, fishermen, and dealers from different parts of the world as we face the challenges of a changing environment and the global economy.

The conference provides the opportunity to highlight our valuable western rock lobster fishery that is valued at about \$400 million and was the first fishery in the world to achieve the Marine Stewardship Council certification in 2000.



Fisheries Minister, the Honourable Dave Kelly announced the successful bid at the 2017 Management Meetings. The Minister is pictured with WRLC Chairman Kim Colero.

# The Executive Team

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**Appointment of  
CEO Matt Taylor  
in July 2017**

Matt Taylor has a strong background in the fishing industry including years as a commercial fisherman across numerous sectors. Matt then completed a degree in aquaculture and seafood science before being awarded first class Honours in 2000 for an abalone project. Following this Matt worked for the Commonwealth Scientific and Industrial Research Organisation (CSIRO) over six years including establishing and coordinating the national research flagship for water.

Matt was elected to the 39th State Parliament as the Member for Bateman on 9 March 2013. He was promoted to Parliamentary Secretary to the Deputy Premier before becoming the Parliamentary Secretary to the Minister for State Development; Transport; and Innovation. Matt was a very strong advocate for the fishing and aquaculture industries during his time as a Member of Parliament and has developed knowledge and networks that will be valuable to this role of CEO.



**Appointment of  
Executive Officer  
Clare Robinson in  
February 2017**

An Executive Officer adds extra capacity to the WRLC and drives progress in the development and implementation of our communications strategy. Clare has a strong background and Honours qualification in Biosciences (Conservation Biology and Ecology) from the University of Exeter. She has experience of working in Australian and overseas regional areas and with community groups. She has considerable research, analysis and report writing skills and is also experienced in meeting organisation and management.



**Executive Assistant  
Katherine Chow**

Katherine Chow joined WRL in November 2014 as a part time employee. She reports to the CEO and provides financial and administrative support, including overarching general operations, oversight of governance arrangements and financial processes of reconciliation and compliance.

Katherine holds a Bachelor of Science (Hons) in Business and Management Studies from the University of Bradford.

# Financial Reports

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**Western Rock Lobster Council Inc.**

## **Financial Report**

For the year ended 30 June 2017

# Compilation Report

to Western Rock Lobster Council Inc.

We have compiled the accompanying special purpose financial statements of Western Rock Lobster Council Inc. which comprise the balance sheet as at 30 June 2017, profit and loss statement for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in the notes to the accounts.

## **The responsibility of the director**

The director of Western Rock Lobster Council Inc. is solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

## **Our responsibility**

On the basis of the information provided by the director, we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as described in the notes to the financial statements and APES 315: Compilation of Financial Information.

We have applied professional expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in the notes to the financial statements. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants.





### **Assurance Disclaimer**

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the director who is responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

#### **Name of Firm:**

Giglia & Associates  
Chartered Accountants

#### **Name of Director:**

Phil Giglia

#### **Address:**

52 Knutsford Street, Fremantle WA 6160

Dated this 13th day of September 2017

# Profit and Loss Statement

For the year ended 30 June 2017

	2017	2016
	\$	\$
<b>INCOME</b>		
WAFIC - General	377,500	302,500
WAFIC - Ex Gratia & Additional	191,250	128,750
FRDC Income	57,666	99,200
Other Income	5,000	172
IPA Administration	105,681	-
	737,097	530,622
<b>GROSS PROFIT</b>	737,097	530,622
<b>OTHER INCOME</b>		
Interest Received	5,319	8,050
Reimbursements	9,911	1,139
	15,230	9,189
	<b>752,327</b>	<b>539,811</b>



**EXPENSES**

	2017	2016
	\$	\$
Accountancy Fees	6,360	6,040
Advertising	270	-
MSC Audit	72,960	9,709
Bank Charges	133	-
Bookkeeping	12,955	6,465
Computer Expenses	1,400	750
Consultancy Fees	33,548	37,227
Depreciation	8,446	6,150
Directors' Fees	35,000	-
Directors' Fees - Independent	15,000	-
Entertainment Expenses	2,835	1,551
Fringe Benefits Tax	3,925	4,038
FRDC Project Submissions	7,725	-
Insurance	3,116	1,760
Legal Costs	2,415	4,100
Motor Vehicle Expenses	5,231	4,120
Postage	1,379	1,616
Printing & Stationery	3,086	2,896
Project - Risk Analysis	33,292	-
Project - TACC	48,182	-
Project - 11th ICWL	24,247	-
Rent	12,379	11,789
Website	5,455	5,455
Meeting Expenses	15,698	12,470
Subscriptions & Memberships	1,752	545
Superannuation Contributions	19,067	15,955
Telephone	1,929	1,971
Training	1,498	-
Travel & Accommodation	17,553	10,388
Wages & Salaries	235,714	168,873
	632,550	313,868
<b>Net Profit</b>	<b>119,777</b>	<b>225,943</b>

# Balance Sheet

As at 30 June 2017

	2017	2016
	\$	\$
<b>RESERVES</b>		
Retained earnings	856,768	736,991
<b>RESERVES</b>	856,768	736,991
Represented by:		
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
ANZ Cheque Account (Internal Funds)	30,861	14,786
ANZ Online Saver (Internal Funds)	417,899	302,987
ANZ FRDC Fund (External Funds)	253,225	228,617
ANZ Business Online Saver (External Funds)	85,812	161,218
ANZ WRLC 1916 (External Funds)	1,277	-
Sundry Debtors	-	75
Trade Debtors	-	48,840
Trade Debtors - External	60,000	-
Input Tax Credits	14,357	5,736
<b>TOTAL CURRENT ASSETS</b>	863,431	762,259
<b>NON CURRENT ASSETS</b>		
<b>Fixed Assets</b>		
Plant & Equipment	4,599	902
Less: Accumulated Depreciation	(4,599)	(902)
	-	-
Motor Vehicles	35,114	35,114
Less: Accumulated Depreciation	(18,756)	(14,007)
	16,358	21,107
<b>Total Fixed Assets</b>	16,358	21,107
<b>TOTAL NON CURRENT ASSETS</b>	16,358	21,107
<b>TOTAL ASSETS</b>	879,789	783,366

**LIABILITIES****CURRENT LIABILITIES**

Superannuation Payable  
Trade Creditors  
Trade Creditors - External  
ANZ Credit Card  
Amounts Withheld  
GST Payable  
Provision for Leave  
Provision for Wages

**TOTAL CURRENT LIABILITIES****TOTAL LIABILITIES****NET ASSETS**

	2017	2016
	\$	\$
	887	2,810
	94	1,525
	135	-
	3,236	3,670
	1,467	8,749
	7,324	10,013
	6,688	10,232
	3,190	9,376
	23,021	46,375
	23,021	46,375
	<b>856,768</b>	<b>736,991</b>

# Notes to the Financial Statements

For the year ended 30 June 2017

The financial statements cover the business of Western Rock Lobster Council Inc. and have been prepared to meet the needs of stakeholders.

Comparatives are consistent with prior years, unless otherwise stated.

## 1 Basis of Preparation

The Company is non reporting since there are unlikely to be any users who would rely on the general purpose financial statements.

The special purpose financial statements have been prepared in accordance with the significant accounting policies described below and do not comply with any Australian Accounting Standards unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

## 2 Summary of Significant Accounting Policies

### Property, Plant and Equipment

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

### Impairment of Non-Financial Assets

At the end of each reporting period the company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.



Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

### **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.

### **Cash and Cash Equivalents**

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

### **Revenue and Other Income**

Revenue is recognised when the business is entitled to it.

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

#### **Sale of goods**

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

#### **Interest revenue**

Interest revenue is recognised using the effective interest rate method.

#### **Other income**

Other income is recognised on an accruals basis when the company is entitled to it.

### **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

# Notes to the Financial Statements

For the year ended 30 June 2017

## 3 Trade and Other Receivables

### Current

Sundry Debtors	-	75
Trade Debtors	-	48,840
Input Tax Credits	14,357	5,736
Trade Debtors - External	60,000	-
	74,357	54,651

## 4 Property, Plant and Equipment

Plant & Equipment	4,599	902
Less: Accumulated Depreciation	(4,599)	(902)
	-	-
Motor Vehicles	35,114	35,114
Less: Accumulated Depreciation	(18,756)	(14,007)
	16,358	21,107
<b>Total Plant and Equipment</b>	16,358	21,107
<b>Total Property, Plant and Equipment</b>	16,358	21,107

## 5 Trade and Other Payables

### Current

Superannuation Payable	887	2,810
Trade Creditors	94	1,525
Trade Creditors - External	135	-
ANZ Credit Card	3,236	3,670
GST Payable	7,324	10,013
Amounts Withheld	1,467	8,749
	13,143	26,767

## 6 Retained Earnings

Retained earnings at the beginning of the financial year	736,991	511,048
Net income	119,777	225,943
Retained earnings at the end of the financial year	856,768	736,991



# Director's Declaration



The director has determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 2 to the financial statements.

The director of the company declares that:

1. The financial statements and notes present fairly the Company's financial position as at 30 June 2017 and its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements; and
2. In the director's 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 director.

A handwritten signature in black ink, which appears to read 'Kim Colero', is located on the left side of the page. The signature is written in a cursive, flowing style.

**Kim Colero**  
Chairman

Dated this 13th day of September 2017

# Independent Auditor's Report

## WESTERN ROCK LOBSTER COUNCIL INC.

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESTERN ROCK LOBSTER COUNCIL INC.

We have audited the accompanying financial report, being a special purpose financial report, of Western Rock Lobster Council Inc. (the council), which comprises the statement of financial position as at 30 June 2017 and the statement of income, 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 council are responsible for the preparation of the financial report, and have determined that the accounting policies described in Note 1 to the financial report are appropriate to meet the requirements of the council's constitution and are appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that 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 have 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 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 entity'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.

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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 Australian professional ethical pronouncements.

**Opinion**

In our opinion, the financial report presents fairly, in all material respects the financial position of Western Rock Lobster Council Inc. as of 30 June 2017 and at its financial performance for the period then ended in accordance with the accounting policies described in Note 1 to the financial report.

**Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting obligations under the council's constitution and also to satisfy the requirements of the FRDC in providing funds to the WRLC under the industry Partnership Agreement for approved research projects. As a result, the financial report may not be suitable for another purpose.

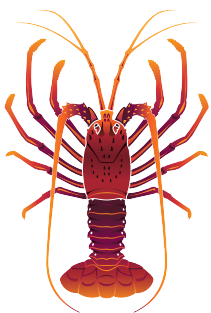
Name of Firm: Giglia & Associates

Name of Partner: Phil Giglia *Phil Giglia*

Address: 52 Knutsford Street, Fremantle WA 6160

Dated this 13<sup>th</sup> day of September 2017.

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LOBSTER**

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