

FINANCIAL STATEMENTS:
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FINANCIALS

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DIRECTORS' REPORT

Your directors present their report on the consolidated entity consisting of Australian Wool Innovation Limited and the entities it controlled at the end of the year ended 30 June 2003.

DIRECTORS

The following persons were directors of Australian Wool Innovation Limited during the year.

The Hon. I M McLachlan AO was appointed as a director on 4 November 2002 and continues to hold office at the date of this report.

Mr B P van Rooyen was appointed as a director on 4 November 2002 and continues to hold office at the date of this report.

Dr C J Abell was appointed as a director on 26 March 2003 and continues to hold office at the date of this report.

Dr K J Bell was appointed as a director on 4 November 2002 and continues to hold office at the date of this report.

Mr J D O Boyd was appointed as a director on 4 November 2002 and continues to hold office at the date of this report.

Mr H P Nivison was appointed as a director on 4 November 2002 and continues to hold office at the date of this report.

Mr P S Sykes was appointed as a director on 14 August 2002, re-elected on 4 November 2002 and continues to hold office at the date of this report.

Mr C J Dorber was a director from the beginning of the financial year until his resignation on 11 December 2002.

Ms M P McCaskill was a director from the beginning of the financial year until her resignation on 4 November 2002.

Ms P A Murphy was a director from the beginning of the financial year until her resignation on 4 November 2002.

Mr D M Nelson was a director from the beginning of the financial year until his resignation on 4 November 2002.

Mr M J Staley was a director from the beginning of the financial year until his resignation on 4 November 2002.

Prof. A O Trounson was appointed as a director on 7 August 2002 and resigned on 4 November 2002.

REVIEW OF OPERATIONS AND RESULTS

	2003	2002
	\$'000	\$'000
Revenue	80,954	71,068
Surplus from ordinary activities	16,627	30,177

Dividends Paid

There have been no dividends paid or recommended for the 2003 financial year (2002: Nil).

Share options

There have been no share options granted to any directors or executives of the company.

Principal activities

The principal activity of Australian Wool Innovation Limited as recorded in its adopted strategic plan is to drive research, development and innovation that will increase the long-term profitability of Australian woolgrowers. To achieve that mission, the company receives funding from the Commonwealth Government of Australia by way of both a statutory levy imposed upon Australian woolgrowers and a capped matching contribution from the Government on behalf of Australian taxpayers.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the company during the year.

Matters subsequent to the end of the financial year

There have been no material financial matters subsequent to the end of the financial year.

Likely developments and expected results of operations

Information on likely developments in the company's operations and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the company.

Environmental regulation

The entity's operations are not subject to any particular or significant environmental regulations under either Commonwealth or State legislation.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the Corporations Act 2001.

INFORMATION ON DIRECTORS

Director	Experience	Special responsibilities
I M McLachlan	President of the National Farmers Federation from 1984 to 1988. Previously Minister of Defence and a Cabinet Member of the Federal Coalition Government. Chairman of the Australian Wool Industry Future Directions Task Force. Currently President of the South Australian Cricket Association.	Chairman of the AWI Board AWI Remuneration & Appointments Committee Chairman AWI Intellectual Property Committee Chairman
B P van Rooyen	Currently Chief Executive Officer of Australian Country Spinners Pty Ltd. Director of the Australian Wool Testing Authority Ltd. Former Executive Chairman of Kolotex (Australia) Pty Ltd. Former director of Norwellan Textiles Ltd, Woolstock Australia Ltd and Bruck Textiles Pty Ltd. Past President of the Australian Wool Processors Council. Past member of the CSIRO Textiles, Clothing and Footwear Sector Advisory Committee.	Deputy Chairman of AWI AWI Finance & Audit Committee Chairman AWI Remuneration & Appointments Committee member Shear Express Committee member
C J Abell	Former director of Vision Systems Limited 1986-2001 and LADS Corporation Limited Chairman 1992-2001. Former director of Woolstock Australia Limited 1999-2002. Currently a non-executive director of Saab Systems Pty Limited and Pacific Marine Batteries Pty Limited. South Australian woolgrower.	AWI Finance & Audit Committee member AWI Intellectual Property Committee member Falkiner Memorial Field Station Committee member Shear Express Committee member
K J Bell	Since 1983, self-employed consultant with sheep growers in South-Western Australia. Prior to this, spent five years completing postgraduate research fieldwork and study involving sheep enterprises and has five years experience in international development projects. Sheep cereal zone consultant representative on the zone farmer advisory committees of the former Australian Wool Research and Promotion Organisation (AWRAP).	Director of Shear Express Shear Express Committee member
J D O Boyd	Chairman and Chief Executive Officer of Clyde Agriculture, which is a major cotton, wool, wheat and beef producer. Director of John Swire & Sons Pty Ltd and Frigmobile Pty Ltd. Former General Manager – Rural of Dalgety Farmers Limited, now Landmark. Former Board member of Wool International and a former Deputy Chairman of the peak cotton grower body, Cotton Australia. Has served on the boards of the Australian Wool Exchange and Dekalb Shand Seed Company Pty Ltd. Past member of the CSIRO Textiles, Clothing and Footwear Sector Advisory Committee. Currently a Trustee of the McGarvie Smith Institute, which is engaged in agricultural and veterinary research.	AWI Finance & Audit Committee member
H P Nivison	Currently the joint Managing Director of Mirani Pty Ltd, a fine wool stud. Board member of Australian Sheep Industry CRC and U.N.E. Rural properties. Executive committee member of Merino Benchmark and course 8 graduate of the Australian Rural Leadership Program. Former member of the Woolmark High Rainfall Zone Advisory Committee and the Woolmark Wool Quality Program Advisory Group.	AWI Remuneration & Appointments Committee member AWI Intellectual Property Committee member Falkiner Memorial Field Station Committee member
P S Sykes	Currently Managing Director of Woolaby Australia, a business focusing on research, product development, marketing and retail within the wool industry. Director of G A Sykes and Sons, and an AWI shareholder running 7,000 Merino sheep and 700 beef cattle in southern NSW. Mr Sykes has nine years experience in financial markets with Westpac Banking Corporation in money market trading, risk management and distribution.	AWI Intellectual Property Committee member Shear Express Committee member Chairman of Shear Express

MEETINGS OF DIRECTORS

Director	Full meeting of directors		Finance & Audit Committee		Audit Committee		Finance Committee		Falkiner Memorial Field Station Committee		AWI Committee Remuneration & Appointments Committee		AWI Intellectual Property Committee	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B
I M McLachlan	8	9									4	5	2	2
B P van Rooyen	9	9	7	7							5	5		
C J Abell	4	4	2	2					1	1			1	1
K J Bell	9	9												
J D O Boyd	9	9	7	7										
H P Nivison	9	9							1	1	5	5	2	2
P S Sykes	10	10											2	2
C J Dorber	4	5											1	1
M P McCaskill	3	3			1	1	1	1						
P A Murphy	2	3					1	1						
D M Nelson	2	3			1	1	1	1						
M J Staley	3	3											1	1
A O Trounson	1	1												

A = Number of meetings attended

B = Number of meetings held during the time the director held office.

DIRECTORS' AND EXECUTIVES' EMOLUMENTS

The Board undertakes an annual review of its performance and the performance of the board committees against goals set at the start of the year. Bonuses are not payable to non-executive directors.

Details of the nature and amount of each element of the emoluments of each director of Australian Wool Innovation is set out in the following tables.

Non-executive directors of Australian Wool Innovation Limited

Name	Directors' base fee ^(a)	Committee fees	Super-annuation	Other benefits ^(b)	ETP	Bonus	Total
	\$	\$	\$	\$	\$	\$	\$
I M McLachlan, Chairman ⁽¹⁾	68,667	5,291	6,656	–	–	–	80,614
B P van Rooyen ⁽¹⁾	34,465	5,348	3,583	–	–	–	43,396
C J Abell ⁽²⁾	14,460	3,526	1,619	–	–	–	19,605
K J Bell ⁽¹⁾	34,465	–	3,102	–	–	–	37,567
J D O Boyd ⁽¹⁾	34,465	3,004	3,372	–	–	–	40,841
H P Nivison ⁽¹⁾	34,465	5,982	3,658	–	–	–	44,105
P S Sykes ⁽³⁾	44,369	2,931	4,257	–	–	–	51,557
M P McCaskill ⁽⁴⁾	19,830 ⁽⁶⁾	1,731	3,209	16,002	–	–	40,772
P A Murphy ⁽⁴⁾	2,003 ⁽⁶⁾	1,731	1,604	7,911	–	–	13,249
D M Nelson ⁽⁴⁾	19,383	–	–	–	–	–	19,383
M J Staley ⁽⁴⁾	2,994 ⁽⁶⁾	1,731	1,694	7,911	–	–	14,330
A O Trounson ⁽⁵⁾	12,479	–	1,123	–	–	–	13,602

Executive directors of Australian Wool Innovation Limited

Name	Base salary ^(c)	Committee fees	Super-annuation	Other benefits ^(b)	ETP	Bonus	Total
	\$	\$	\$	\$	\$	\$	\$
C J Dorber ⁽⁷⁾ Managing Director	146,255 ⁽⁸⁾	–	42,804	84,687	1,146,433	108,674	1,528,853

- (a) Directors' base fee includes the base fee, less salary sacrifice amounts for current year fringe benefits and prior year advance payments as fringe benefits
- (b) Other benefits includes fringe benefits and fringe benefits tax
- (c) Base salary includes the base salary, less salary sacrifice amounts for current year fringe benefits and prior year advance payments as fringe benefits
- (1) Director appointed 4 November 2002 and continued in office at year end
- (2) Director appointed 26 March 2003 and continued in office at year end
- (3) Director appointed 14 August 2002 and continued in office at year end
- (4) Director from 1 July 2002 until resignation on 4 November 2002
- (5) Director appointed 7 August 2002 until resignation on 4 November 2002
- (6) Base fee includes a reduction for salary sacrifice amounts of \$7,911 for other benefits paid in the current year and \$7,911 for other benefits paid in advance in the prior year
- (7) Director from 1 July 2002 until resignation on 11 December 2002
- (8) Base salary includes a reduction for salary sacrifice amounts of \$84,687 for other benefits paid in the current year and \$9,713 for other benefits paid in advance in the prior year

INSURANCE OF OFFICERS

During the year, Australian Wool Innovation Limited paid an insurance premium of \$36,492 to insure the directors and officers of the entity against liability and professional indemnity.

ROUNDING OF AMOUNTS

The company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities & Investments Commission, relating to the 'rounding off' of amounts in the directors' report and the accounts. Amounts in the directors' report and accounts have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

STATUTORY FUNDING AGREEMENT OBLIGATIONS

The following additional requirements are imposed upon the company as a consequence of a Statutory Funding Agreement entered into between Australian Wool Innovation Limited and the Commonwealth of Australia by virtue of Schedule 3 of that Agreement.

Those matters not elsewhere dealt with in this annual report include:

1. Obligations under and compliance with Statutory Funding Agreement.
2. Other significant matters notified to the company by the Commonwealth from time to time.

In accordance with Schedule 3 of the Statutory Funding Agreement between the Commonwealth of Australia, represented by the Minister for Agriculture, Fisheries and Forestry, Australian Wool Innovation Limited ("AWI") and AWRAP (now Australian Wool Services Limited), AWI will report against the above mentioned items direct to Government.

In addition to the above matters, the company is also required to report the following matters:

1. The Annual Report, or a separate report if desired by the Company, should cover research and development activities, with reference to funds spent on each significant research, development and innovation activity and project allowing identification of expenditures of Commonwealth Matching Funds.

A number of the matters identified in this report contain commercial in confidence information and the company has elected to exercise its prerogative to provide that report separately to the Commonwealth on an 'in confidence' basis.

This report is made in accordance with a resolution of directors.



I M McLachlan
 Chairman
 2003 Sydney

FINANCIAL REPORT – 30 JUNE 2003

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The financial report covers both Australian Wool Innovation Limited as an individual entity and the consolidated entity consisting of Australian Wool Innovation Limited and its controlled entities.

Australian Wool Innovation Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 5
16-20 Barrack Street
SYDNEY NSW 2000

A description of the nature of the consolidated entity's operations and principal activities is included in the review of operations and activities in the Directors' Report on pages 52-55.

STATEMENT OF FINANCIAL PERFORMANCE

AS AT 30 JUNE 2003

	Notes	Consolidated		Parent entity	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Revenues from ordinary activities	3	80,954	71,068	80,954	71,068
Research, development and innovation expense		(42,679)	(27,952)	(42,679)	(27,952)
Employee benefits expense		(10,797)	(3,597)	(10,797)	(3,597)
Depreciation and amortisation expenses		(673)	(102)	(673)	(102)
Legal and professional expenses		(2,139)	(431)	(2,139)	(431)
Travel expenses		(1,959)	(924)	(1,959)	(924)
Write-down in interest on properties for resale		–	(6,088)	–	(6,088)
Other expenses from ordinary activities		(6,080)	(1,797)	(6,080)	(1,797)
Surplus from ordinary activities	16	16,627	30,177	16,627	30,177
Total changes in equity attributable to members of Australian Wool Innovation Ltd other than those resulting from transactions with owners as owners		16,627	30,177	16,627	30,177

The above statement of financial performance should be read in conjunction with the accompanying notes.

FINANCIAL PERFORMANCE

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2003

	Notes	Consolidated		Parent entity	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Current assets					
Cash assets	5	91,368	66,629	91,368	66,629
Receivables	6	2,420	5,443	2,420	5,443
Investment properties	7	1,373	–	1,373	–
Other	8	24,334	24,149	24,334	24,149
Total current assets		119,495	96,221	119,495	96,221
Non-current assets					
Property, plant and equipment	9	3,507	2,383	3,507	2,383
Investment properties	10	–	1,373	–	1,373
Total non-current assets		3,507	3,756	3,507	3,756
Total assets		123,002	99,977	123,002	99,977
Current liabilities					
Payables	11	13,294	4,632	13,294	4,632
Interest bearing liabilities	12	–	2,480	–	2,480
Provisions	13	486	345	486	345
Total current liabilities		13,780	7,457	13,780	7,457
Non-current liabilities					
Provisions	14	1,548	1,473	1,548	1,473
Total non-current liabilities		1,548	1,473	1,548	1,473
Total liabilities		15,328	8,930	15,328	8,930
Net assets		107,674	91,047	107,674	91,047
Equity					
Contributed equity *	15	–	–	–	–
Retained surplus	16	107,674	91,047	107,674	91,047
Total equity		107,674	91,047	107,674	91,047

* At 30 June 2003 contributed equity in the consolidated entity and the parent entity was \$100.

The above statement of financial position should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

AS AT 30 JUNE 2003

	Notes	Consolidated		Parent entity	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Cash flows from operating activities					
Receipts from customers (inclusive of goods and services tax)		87,945	88,512	87,945	88,512
Payments to suppliers and employees (inclusive of goods and services tax)		(62,907)	(51,688)	(62,907)	(51,688)
		25,038	36,824	25,038	36,824
Interest received		3,782	2,092	3,782	2,092
Other revenue		309	701	309	701
Net cash inflow from operating activities	29	29,129	39,617	29,129	39,617
Cash flows from investing activities					
Payments for property, plant and equipment		(1,920)	(1,660)	(1,920)	(1,660)
Proceeds from sale of property, plant and equipment		10	–	10	–
Net cash outflow from investing activities		(1,910)	(1,660)	(1,910)	(1,660)
Net increase in cash held		27,219	37,957	27,219	37,957
Cash at the beginning of the financial year		64,149	26,192	64,149	26,192
Cash at the end of the financial year	5	91,368	64,149	91,368	64,149

The above statement of financial performance should be read in conjunction with the accompanying notes.

CASH FLOWS

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NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2003

NOTE 1.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This general purpose financial report has been prepared in accordance with Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views and the Corporations Act 2001.

It is prepared in accordance with the historical cost convention, except for certain assets which, as noted, are at valuation. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year. Comparative information is reclassified where appropriate to enhance comparability.

(a) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Australian Wool Innovation Limited as at 30 June 2003 and the results of all controlled entities for the year then ended. Australian Wool Innovation Limited and its controlled entities together are referred to in this financial report as the consolidated entity. The effects of all transactions between entities in the consolidated entity are eliminated in full. Outside equity interests in the results and equity of controlled entities are shown separately in the consolidated statement of financial performance and statement of financial position respectively.

Where control of an entity is obtained during a financial year, its results are included in the consolidated statement of financial performance from the date on which control commences. Where control of an entity ceases during a financial year, its results are included for that part of the year during which control existed.

(b) Abbreviations

AWS	Australian Wool Services Limited
TWC	TWCH Holding Pty Limited
SEPL	Shear Express Pty Limited
CSL	Chain Shearing Limited

(c) Income tax

Australian Wool Innovation Limited is exempt from income tax in Australia under Section 50-40 of the Income Tax Assessment Act 1997.

(d) Foreign currency translation

Transactions

Foreign currency transactions are initially translated into Australian currency at the rate of exchange at the date of the transaction. At reporting date amounts payable and receivable in foreign currencies are translated to Australian currency at rates of exchange current at that date. Resulting exchange differences are recognised in determining the surplus or deficit for the year.

(e) Acquisition of assets

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition.

(f) Revenue recognition

Revenue for the sale of goods is recognised upon the delivery of the goods to the customers.

Revenue for the disposal of non-current assets is recognised when control of the asset has passed to the buyer.

Revenue from the rendering of a service is recognised by reference to the stage of completion of contracts or other agreements to provide services.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(g) Receivables

Collectibility of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised when some doubt as to collection exists.

(h) Recoverable amount of non-current assets

The recoverable amount of an asset is the net amount expected to be recovered through the cash inflows and outflows arising from its continued use and subsequent disposal.

Where the carrying amount of a non-current asset is greater than its recoverable amount, the asset is written down to its recoverable amount. Where net cash inflows are derived from a group of assets working together, the recoverable amount is determined on the basis of the relevant group of assets. The decrement in the carrying amount is recognised as an expense in net surplus or deficit in the reporting period in which the recoverable amount write-down occurs.

(i) Revaluations of non-current assets

Land and buildings are recognised at cost. Investment properties are measured at fair value being the amounts for which the assets could be exchanged between knowledgeable willing parties in an arm's length transaction. Revaluations are made with sufficient regularity to ensure that the carrying amount of each piece of land and each building does not differ materially from its fair value at reporting date. Annual assessments are made by the directors, supplemented by independent assessments at least every three years.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in net profit or loss, the increment is recognised immediately as revenue in net profit or loss.

Revaluation decrements are recognised immediately as expenses in net profit or loss, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to asset revaluation reserve.

Revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

(j) Investments

Investments are stated at cost less amounts written off for permanent diminution in their value. Investment income is recognised in the statement of financial performance when receivable.

(k) Depreciation of property, plant and equipment

Depreciation is calculated on a straight line basis to write off the net cost or revalued amount of each item of property, plant and equipment (excluding land) over its expected useful life to the economic entity. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The expected useful lives are as follows:

Category	Useful life	Depreciation basis
Buildings	40 years	straight line
Plant and equipment	2-6 years	straight line

(l) Leasehold improvements

The cost of improvements to or on leasehold properties is amortised over the unexpired period of the lease or the estimated useful life of the improvement to the consolidate entity, whichever is the shorter. Leasehold improvements held at reporting date are being amortised over seven years.

(m) Trade and other creditors

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(n) Employee entitlements

(i) Wages, salaries and annual leave

Liabilities for wages, salaries and annual leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Long service leave

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the provision for employee benefits and is measured in accordance with (i) above. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

(o) Cash

For the purpose of the statement of cash flows, cash includes deposits held at call with a bank, funds under management and investment securities. There were no standby credit facilities in place at 30 June 2003.

(p) Rounding of amounts

The company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the financial report. Amounts in the financial report have been 'rounded off' in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

NOTE 2. SEGMENT INFORMATION

Business Segments

Australian Wool Innovation Limited operates predominately in research, development and innovation in the wool industry.

Geographical segments

Australian Wool Innovation Limited operates in one geographic segment, that being Australia.

**NOTE 3.
REVENUE**

	Consolidated		Parent entity	
	2003 \$'000	2002 \$'000	2002 \$'000	2002 \$'000
Revenue from operating activities				
Contributions	16,170	14,428	16,170	14,428
Sale of goods and services	309	168	309	168
Royalties	448	459	448	459
Wool levy	60,222	53,733	60,222	53,733
Wool tax	23	115	23	115
	77,172	68,903	77,172	68,903
Revenue from outside the operating activities				
Rental income	–	73	–	73
Interest	3,782	2,092	3,782	2,092
	3,782	2,165	3,782	2,165
Revenue from ordinary activities	80,954	71,068	80,954	71,068

**NOTE 4.
SURPLUS FROM ORDINARY ACTIVITIES**

	Consolidated		Parent entity	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Net gains and expenses				
Surplus from ordinary activities includes the following specific net gains and expenses:				
Expenses				
Depreciation				
Buildings	61	–	61	–
Plant and equipment	612	102	612	102
Total depreciation	673	102	673	102
Other Provisions				
Employee entitlements	216	268	216	268
Rental expense relating to operating leases	619	62	619	62

**NOTE 5.
CURRENT ASSETS – CASH ASSETS**

	Consolidated		Parent entity	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Cash on hand and at bank	781	3	781	3
Funds under management	90,587	66,626	90,587	66,626
	91,368	66,629	91,368	66,629
The above figures are reconciled to cash at the end of the financial period as shown in the statement of cash flows as follows:				
Balances as above	91,368	66,629	91,368	66,629
Less: Bank overdrafts (note 11)	–	2,480	–	2,480
Balances as per statement of cash flows	91,368	64,149	91,368	64,149

NOTE 6.

CURRENT ASSETS – RECEIVABLES

	Consolidated		Parent entity	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Trade debtors	240	171	240	171
Provision for doubtful debts	(58)	–	(58)	–
	182	171	182	171
Accrued wool levy	2,238	5,272	2,238	5,272
	2,420	5,443	2,420	5,443

NOTE 7.

CURRENT ASSETS – INVESTMENT PROPERTIES

	Consolidated		Parent entity	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Investment properties				
At directors' valuation	1,373	–	1,373	–

Subsequent to the year ending on 27 August 2003 contracts were exchanged for sale of this property for a selling price of \$1.5 million. Settlement is expected to occur on 25 November 2003.

NOTE 8.

CURRENT ASSETS – OTHER

	Consolidated		Parent entity	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Goods and services tax receivable	305	47	305	47
Prepayments	29	102	29	102
Interest in properties held for resale	24,000	24,000	24,000	24,000
	24,334	24,149	24,334	24,149

During the year ended 30 June 2002, Australian Wool Innovation Limited (AWI) and the CSIRO entered into an agreement to conclude any equity (real or perceived) in a number of properties owned by the CSIRO. AWI Ltd will receive an agreed settlement of property and cash subsequent to the sale of certain CSIRO interests. Based on the agreed settlement terms with the CSIRO, the interests in the property portfolio were written down by \$6.088 million during the year ended 30 June 2002. Proceeds from settlement are expected to be received in the next 12 months.

NOTE 9.
NON-CURRENT ASSETS – PROPERTY, PLANT & EQUIPMENT

	Consolidated		Parent entity	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Land & buildings				
Freehold land – at cost	650	650	650	650
Buildings				
At cost	736	599	736	599
Less: Accumulated depreciation	(70)	(9)	(70)	(9)
	666	590	666	590
Total land and buildings	1,316	1,240	1,316	1,240
Plant and equipment				
Plant & equipment				
At cost	2,922	1,262	2,922	1,262
Less: Accumulated depreciation	(731)	(119)	(731)	(119)
	2,191	1,143	2,191	1,143
Total plant and equipment	2,191	1,143	2,191	1,143
	3,507	2,383	3,507	2,383

Reconciliations

Reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and financial year is set out below:

	Buildings \$'000	Plant and equipment \$'000	Total \$'000
Carrying amount at 1 July 2002	1,240	1,143	2,383
Additions	137	1,783	1,920
Disposals	–	(123)	(123)
Depreciation/amortisation expense	(61)	(612)	(673)
Carrying amount at 30 June 2003	1,316	2,191	3,507

NOTE 10.
NON-CURRENT ASSETS – INVESTMENT PROPERTIES

	Consolidated		Parent entity	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Investment properties				
At directors' valuation	–	1,373	–	1,373

NOTE 11.
CURRENT LIABILITIES – PAYABLES

	Consolidated		Parent entity	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Unsecured				
Trade creditors	2,769	136	2,769	136
Other payables – RDI contract payments accrued	9,595	4,133	9,595	4,133
Other creditors	930	363	930	363
	13,294	4,632	13,294	4,632

NOTE 12.
CURRENT LIABILITIES – INTEREST BEARING LIABILITIES

	Consolidated		Parent entity	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Unsecured				
Bank overdraft (note 5)	–	2,480	–	2,480

NOTE 13.
CURRENT LIABILITIES – PROVISIONS

	Consolidated		Parent entity	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Provisions – annual leave	346	274	346	274
Provisions – other employee entitlements	140	71	140	71
	486	345	486	345

NOTE 14.
NON-CURRENT LIABILITIES – PROVISIONS

	Consolidated		Parent entity	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Provisions – long service leave	96	21	96	21
Provisions – accrued by AWRAP (under contract)	1,452	1,452	1,452	1,452
	1,548	1,473	1,548	1,473

NOTE 15.
CONTRIBUTED EQUITY

	Parent entity		Parent entity	
	2003 Shares	2002 Shares	2003 \$	2002 \$
(a) Share capital				
Ordinary shares – fully paid	36,654	36,632	100	100

(b) Ordinary shares

The \$100 represents the initial capital contribution on the establishment of the company. Each woolgrower has a right to one vote for every \$100 of wool levy or wool tax contributed during the three previous financial years, as defined in the Wool Services Privatisation Act 2000 (Cth). These shares do not entitle woolgrowers to participate in any profit distributions or in any proceeds on the winding up of the entity.

(c) Movements in ordinary share capital

Date	Details	Number of shares	Issue price	\$
1 July 2001	Opening balance	100	–	100
1 May 2002	Share issue on demerger from AWS	36,532	Nil	Nil
30 June 2002	Balance	36,632		100
4 December 2002	Share issue	2	Nil	Nil
5 December 2002	Share issue	8	Nil	Nil
3 January 2003	Share issue	3	Nil	Nil
15 January 2003	Share issue	1	Nil	Nil
13 February 2003	Share issue	2	Nil	Nil
12 March 2003	Share issue	1	Nil	Nil
13 May 2003	Share issue	2	Nil	Nil
30 June 2003	Share issue	3	Nil	Nil
30 June 2003	Balance	36,654	–	100

**NOTE 16.
RETAINED SURPLUS**

	Consolidated		Parent entity	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Retained surplus at the beginning of the financial year	91,047	60,870	91,047	60,870
Net surplus attributable to shareholders of Australian Wool Innovation Limited	16,627	30,177	16,627	30,177
Retained surplus at the end of the financial year	107,674	91,047	107,674	91,047

**NOTE 17.
EQUITY**

	Consolidated		Parent entity	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Total equity at the beginning of the financial year	91,047	60,870	91,047	60,870
Total changes in equity recognised in the statement of financial performance	16,627	30,177	16,627	30,177
Total equity at the end of the financial year	107,674	91,047	107,674	91,047

**NOTE 18.
FINANCIAL INSTRUMENTS**

(a) Credit risk exposures

The consolidated entity's maximum exposures to credit risk at reporting date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the statement of financial position.

The consolidated entity has no significant exposures to any concentrations of credit risk.

According to Australian Wool Innovation Limited's Treasury Policy, counterparties for Financial Instruments must have a minimum credit rating AA- (long term) and A1+ (short term) as rated by S&P's Australian Standards. AWI manages all risks by only approving expenditure in Australian dollars with a fixed exchange rate set at the rate prevailing at 4pm the day before any contract is signed.

Australian Wool Innovation Limited holds cash funds in interest bearing deposits or bank bills to meet future commitments.

(b) Interest rate risk exposures

The consolidated entity's exposure to interest rate risk and effective weighted average interest rate by maturity periods is set out in the following table.

2003	Notes	Fixed interest maturing in:			Total \$'000
		Weighted average interest rate %	Floating interest rate \$'000	Non interest bearing \$'000	
Financial assets					
Cash and deposits	5	4.25	777	4	781
Funds under management	5	4.80	90,587	-	90,587
Receivables	6	-	-	2,420	2,420
			91,364	2,424	93,788
Financial liabilities					
Bank overdraft and loans	12	-	-	-	-
Trade and other creditors	11	-	-	(13,294)	(13,294)
			-	(13,294)	(13,294)
Net financial assets / (liabilities)			91,364	(10,870)	80,494

2002	Fixed interest maturing in:				
	Notes	Weighted average interest rate %	Floating interest rate \$'000	Non interest bearing \$'000	Total \$'000
Financial assets					
Cash and deposits	5	–	–	3	3
Funds under management	5	4.94	66,626	–	66,626
Receivables	6	–	–	5,443	5,443
			66,626	5,446	72,072
Financial liabilities					
Bank overdrafts and loans	12	4.25	(2,480)	–	(2,480)
Trade and other creditors	11	–	–	(4,632)	(4,632)
			(2,480)	(4,632)	(7,112)
Net financial assets			64,146	814	64,960

(c) Net fair value of financial assets and liabilities

On-balance sheet

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the economic entity approximates their carrying amounts.

NOTE 19.

REMUNERATION OF DIRECTORS

	Consolidated		Parent entity	
	2003 \$	2002 \$	2003 \$	2002 \$
Income paid or payable, or otherwise made available, to directors by entities in the consolidated entity and related parties in connection with the management of affairs of the parent entity and its controlled entities.	1,947,874*	881,365	1,947,874	881,365*

The numbers of company directors whose total income from the company or related parties was within the specified bands are as follows:

\$	\$	2003	2002
10,000	–	5	1
30,000	–	1	–
40,000	–	4	1
50,000	–	1	–
70,000	–	–	1
80,000	–	1	2
140,000	–	–	1
430,000	–	–	1
1,520,000	–	1	–

* includes termination payment.

NOTE 20.

REMUNERATION OF EXECUTIVES

	Consolidated		Parent	
	2003 \$	2002 \$	2003 \$	2002 \$
Remuneration received, or due and receivable, from entities in the consolidated entity and related parties by Australian-based executive officers (including directors) whose remuneration was at least \$100,000:				
Executive officers of the parent entity	3,347,335*	1,474,149	3,347,335*	1,474,149
Executive officers of other entities in the consolidated entity	–	–	–	–
	3,347,335	1,474,149	3,347,335	1,474,149

The numbers of Australian based executive officers (including directors) whose remuneration from entities in the consolidated entity and related parties was within the specified bands are as follows:

\$	\$	Consolidated		Parent	
		2003	2002	2003	2002
100,000 – 109,999		–	1	–	1
110,000 – 119,999		–	1	–	1
130,000 – 139,999		–	2	–	2
150,000 – 159,999		1	–	1	–
170,000 – 179,999		–	2	–	2
200,000 – 209,999		–	1	–	1
210,000 – 219,999		2	–	2	–
250,000 – 259,999		1	–	1	–
280,000 – 289,999		1 *	–	1 *	–
290,000 – 299,999		1	–	1	–
330,000 – 339,999		1	–	1	–
340,000 – 349,999		1	–	1	–
350,000 – 359,999		1 *	–	1 *	–
430,000 – 439,999		–	1	–	1
1,520,000 – 1,529,999 (includes termination payment)		1	–	1	–

* Len Stephens (Chief Executive Officer) and Les Targ (General Manager Commercial) were employed during the year, and due to their period of employment did not receive in excess of \$100,000 during the year and would ordinarily be excluded from the above table. Had they been employed for the full year, they would be included in the above table where indicated.

NOTE 21.

REMUNERATION OF AUDITORS

	Consolidated		Parent entity	
	2003 \$	2002 \$	2003 \$	2002 \$
During the year the auditor of the parent entity and its related practices earned the following remuneration:				
Audit of financial reports of the entity or any entity in the consolidated entity	108,000	51,500	100,000	45,000
Other audit-related work	26,487	–	26,487	–
Other assurance services	255,102	58,930	255,102	58,930
Total audit and other assurance services	389,589	110,430	381,589	103,930
Advisory services	14,066	15,750	14,066	15,750
Taxation	99,400	38,791	99,400	38,791
Total remuneration	503,055	164,971	495,055	158,471

NOTE 22.

COMMITMENTS FOR EXPENDITURE

	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Other Commitments				
Commitments in relation to research and development, technical proving and transfer and, the cost of various goods and services contracted for at the end of the reporting date but not recognised as liabilities, payable:				
Within one year	38,222	29,157	38,222	29,157
Later than one year but not later than five years	35,234	31,448	35,234	31,448
Later than five years	–	401	–	401
	73,456	61,006	73,456	61,006
Lease commitments				
AWI leases premises in Geelong, Victoria, Canberra, ACT and Sydney, NSW				
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, payable:				
Within one year	404	411	404	411
Later than one year but not later than five years	1,221	577	1,221	577
	1,625	988	1,625	988
Representing:				
Non-cancellable operating leases	1,625	988	1,625	988

NOTE 23.

EMPLOYEE BENEFITS

	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Employee benefit and related on-costs liabilities				
Provision for employee benefits - current (Note 13)	486	345	486	345
Provision for employee benefits - non-current (Note 14)	96	21	96	21
Aggregate employee benefit and related on-costs liabilities	582	366	582	366
Employee Numbers				
Number of employees at 30 June	46	37	46	37
Number of full-time contractors at 30 June	7	2	7	2
	53	39	53	39

NOTE 24.

RELATED PARTIES

Directors

The names of persons who were directors of Australian Wool Innovation Limited at any time during the financial year are as follows: I M McLachlan, B P van Rooyen, C J Abell, K J Bell, J D O Boyd, H P Nivison, P S Sykes, C J Dorber, M P McCaskill, P A Murphy, D M Nelson, M J Staley, A O Trounson.

All of these persons were also directors during the year ended 30 June 2002, except for A O Trounson who was appointed on 7 August 2002, P S Sykes who was appointed on 14 August 2002, C J Abell who was appointed on 26 March 2003 and I M McLachlan, B P van Rooyen, K J Bell, J D O Boyd and H P Nivison who were all appointed on 4 November 2002. A L Vizard was also a director during the period 1 July 2001 – 14 June 2002.

Remuneration

Information on remuneration of directors is disclosed in note 19.

Directors' interests in contracts

During the year ended 30 June 2003 no director, or director-related entity entered into a contract or had any transactions on other than normal terms and conditions with Australian Wool Innovation Limited.

Loans to directors and director-related entities

Loans to directors of entities in the consolidated entity and their director-related entities comprise.

	Consolidated		Parent entity	
	2003 \$	2002 \$	2003 \$	2002 \$
Balance outstanding at start of year:				
C J Dorber	18,621	–	18,621	–
M P McCaskill	16,703	–	16,703	–
P A Murphy	16,703	–	16,703	–
M J Staley	16,703	–	16,703	–
A L Vizard	17,582	–	17,582	–
	86,312	–	86,312	–
Loans Issued & Fees Paid in advance to:				
C J Dorber	–	23,016	–	23,016
M P McCaskill	8,091	32,021	8,091	32,021
P A Murphy	–	23,016	–	23,016
M J Staley	–	23,016	–	23,016
A L Vizard	–	23,016	–	23,016
	8,091	124,085	8,091	124,085

Loans to directors and director-related entities

	Consolidated		Parent entity	
	2003 \$	2002 \$	2003 \$	2002 \$
Repayments & Recoveries:				
C J Dorber	9,713	4,395	9,713	4,395
M P McCaskill	14,342	15,318	14,342	15,318
P A Murphy	16,703	6,313	16,703	6,313
M J Staley	16,703	6,313	16,703	6,313
A L Vizard	17,582	5,434	17,582	5,434
	75,043	37,773	75,043	37,773
Balance outstanding at year end:				
C J Dorber	8,908	18,621	8,908	18,621
M P McCaskill	10,452	16,703	10,452	16,703
P A Murphy	–	16,703	–	16,703
M J Staley	–	16,703	–	16,703
A L Vizard	–	17,582	–	17,582
	19,360	86,312	19,360	86,312

The fees paid in advance were advanced in relation to the above directors as fringe benefits and include the amount of the fringe benefit provided and the applicable fringe benefits tax. The advances were to be repaid by way of reduction of future directors fees. These advances were non-interest bearing.

Other transactions with directors and director-related parties

During the financial year and prior year there were director-related persons employed by the entity. These persons were terminated during the year and received termination payments.

Other related parties

Aggregate amounts included in the determination of surplus from ordinary activities that resulted from transactions with each class of other related parties.

	Consolidated		Parent entity	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Net expenses to TWC Group and AWS				
Controlled entities	–	447	–	447
Payment to TWCH and TWC for delivery of services				
Controlled entities	–	3,386	–	3,386

Shear Express Pty Limited

The parent entity is committed to contribute a further \$1,944,000 to Shear Express Pty Limited. This company's principal activity is the development of innovative products for wool harvesting.

Ownership interests in related parties

Interests held in the controlled entities are set out in note 25.

NOTE 25.**INVESTMENT IN CONTROLLED ENTITIES**

Name of entity	Country of incorporation	Class of shares	Equity holding	
			2003	2002
Shear Express Pty Limited	Australia	Ordinary	99.99%	99.99%
Chain Shearing Limited	Australia	Ordinary	99.99%	99.99%

On 4 April 2002 the parent entity acquired 99.99% of the equity and 70% of the voting rights of Shear Express Pty Limited for \$500,000. At 30 June 2003 the parent entity is committed to contribute a further \$1,944,000 to Shear Express Pty Limited. On 4 April 2002 the parent entity also acquired a controlling interest in Chain Shearing Limited, a controlled entity of Shear Express Pty Limited.

NOTE 26.**ECONOMIC DEPENDENCY**

Australian Wool Innovation Limited is dependent upon receipt of Wool Levy through the Commonwealth Government who collect the levy and provide the funds in accordance with the Statutory Funding Agreement.

NOTE 27.**EVENTS OCCURRING AFTER REPORTING DATE**

There were no material financial events that occurred after reporting date that have not been included in the financial report.

NOTE 28.***CONTINGENT LIABILITIES**

The parent entity and consolidated entity had contingent liabilities at 30 June 2003 in respect of:

Claims

There are several claims against the entity at year end. The directors are vigorously defending these claims to ensure that these claims result in minimal financial loss to the entity. The directors believe that the claims may result in a maximum potential aggregate payment of \$500,000 to settle the claims.

* The directors are not aware of any other potential claims or contingent liabilities against the parent entity or consolidated entity.

NOTE 29.**RECONCILIATION OF SURPLUS FROM ORDINARY ACTIVITIES TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	Consolidated		Parent entity	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Surplus from ordinary activities	16,627	30,177	16,627	30,177
Depreciation and amortisation	673	102	673	102
Write down of interest in properties held for resale	-	6,088	-	6,088
Loss on sale of property, plant and equipment	113	-	113	-
Change in operating assets and liabilities				
Decrease (increase) in trade debtors	(69)	903	(69)	903
Decrease (increase) in prepayments	73	(96)	73	(96)
(Increase) in other operating assets	(200)	(47)	(200)	(47)
Decrease in accrued wool levy	3,034	3,396	3,034	3,396
Increase (decrease) in creditors	8,662	(9,464)	8,662	(9,464)
Increase in accrued government contribution	-	7,850	-	7,850
Increase in provisions	216	708	216	708
Net cash inflow from operating activities	29,129	39,617	29,129	39,617

DIRECTORS' DECLARATION

AS AT 30 JUNE 2003

30 JUNE 2003

The directors declare that the financial statements and notes set out on pages 56 to 72:

- (a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (b) give a true and fair view of the company's and the consolidated entity's financial position as at 30 June 2003 and of their performance, as represented by the results of its operations and of their cash flows, for the financial year ended on that date.

In the directors' opinion:

- (a) the financial statements and notes are in accordance with the Corporations Act 2001; and
- (b) 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 directors.



I M McLachlan
Chairman
2003 Sydney

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN WOOL INNOVATION LIMITED

AS AT 30 JUNE 2003

AUDIT OPINION

In our opinion, the financial report of Australian Wool Innovation Limited:

- gives a true and fair view, as required by the **Corporations Act 2001** in Australia, of the financial position of Australian Wool Innovation Limited and the Australian Wool Innovation Limited Group (defined below) as at 30 June 2003, and of their performance for the year ended on that date; and
- is presented in accordance with the **Corporations Act 2001**, Accounting Standards and other mandatory financial reporting requirements in Australia, and the **Corporations Regulations 2001**.

This opinion must be read in conjunction with the rest of our audit report.

SCOPE

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for both Australian Wool Innovation Limited (the company) and the Australian Wool Innovation Group (the consolidated entity), for the year ended 30 June 2003. The consolidated entity comprises both the company and the entities it controlled during that year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the **Corporations Act 2001**. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the **Corporations Act 2001**, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

When this audit report is included in an Annual Report, our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

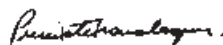
While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the **Corporations Act 2001**.

PricewaterhouseCoopers



WD McCluskey

Partner

2003 Sydney

APPENDICES 2002/2003

APPENDICES

APPENDIX A: PROJECT LIST 2002/2003

Strategic aim	Title	Start date	Finish date	Project cost	Primary research provider *
A1 Frontier research	Completion of useful sheep genome map	1/08/2000	30/06/2003	180,225.00	CSIRO Livestock Industry
	Golden Ram	8/07/2002	30/11/2005	950,000.00	The University of New England
	Genetic technologies	20/08/2002	10/10/2002	2,032.43	AWI
	Analysis of sheep, haemonchus contortus relationship	11/06/2003	1/04/2006	214,250.00	Meat & Livestock Australia
	Validation of Thoil metabolism as a drug target for parasitic nematodes	10/03/2003	1/04/2005	274,500.00	Meat & Livestock Australia
	Novel approaches for control of sheep nematode parasites	1/01/2003	1/04/2006	299,000.00	
A2 Feasibility and scoping studies	SCIPS scoping study	19/11/2001	25/07/2002	50,000.00	CSIRO Livestock Industry
	Anthelmintic investigation	1/10/2002	30/11/2003	108,297.00	Baron Strategic Services Pty Ltd
	Benefit cost analysis of AWI investment proposal 'Enzymatic bioremediation'	6/03/2003	2/04/2003	10,000.00	BDA Group
	Producer guarantee – financial guarantee for wool	28/06/2002	16/07/2002	13,750.00	MAC Stats & Analysis
	Review of costs and impacts of OJD	10/10/2002	4/04/2003	105,900.00	Hassall & Associates Pty Ltd
	Desalinisation and drought	1/11/2002	28/02/2003	8,000.00	Keringal Pty Ltd
	GxE review	13/12/2002	20/12/2003	20,000.00	CSIRO Livestock Industry
	Cost of production survey	30/03/2003	30/06/2003	28,050.00	Wool Market Linkages Ltd
	An evaluation of the market potential for EMR protective wool textiles and clothing	1/04/2002	30/07/2002	12,000.00	WRONZ
	Proposed business plan/feasibility study of Working Wool Museum in Echuca/Moama	1/10/2002	30/01/2003	6,000.00	Stubberfield Partners
A3 Awards and rewards	The European Wool Awards	1/07/2002	1/07/2007	2,296,709.00	Interlaine – EWA
	The Australian Wool Fashion Awards	18/12/2001	18/12/2004	180,000.00	Australian Wool Fashion Awards Ltd
	Exploring multicultural influences on design for wool apparel and textiles	8/11/2002	8/10/2003	75,600.00	Royal College of Art
A4 Commercialisation ventures	Shear Express	4/04/2002	4/09/2004	6,900,000.00	
	Non-woven machinery joint venture	1/07/2002	30/06/2003	1,500,000.00	Macquarie Textiles Group Limited
	Validation of fibre to fabric outcomes	20/01/2003	20/01/2004	330,000.00	AWI
A5 Studentships, scholarships, innovative tuition	Armidale Animal Breeding Summer School	12/02/2003	12/04/2003	13,000.00	The University of New England
	University of Bremen student visit	3/04/2003	10/08/2003	10,000.00	Hochschule Bremen
	Post graduate honours fashion and design student – Linclab/RMIT	1/07/2002	31/12/2002	22,000.00	Linclab
	PhD scholarship: Finishing very light weight wool fabric	1/07/2002	30/06/2006	182,200.00	Linclab
	Post doctoral research scholarship on smart textiles	1/12/2002	31/12/2004	304,000.00	WRONZ
	AWI industry scholarship – USA	1/07/2003	30/06/2004	92,592.60	
	Education - Biella Masters program	10/10/2001	30/09/2004	32,033.25	
	Australian Wool Innovation's sponsorship of RSA Student Design Awards 2001-2004	1/10/2001	1/10/2004	361,816.61	Royal Society of Arts
A6 Expert and inventive advice	Ms Emma Malady – Bachelor of Arts (Fashion) degree – RMIT Melbourne	3/01/2003	3/01/2004	10,794.00	RMIT University
	NSW Agriculture Review	20/12/2001	31/10/2002	70,000.00	Ecoservices Pty Ltd
	Establishment of the Sheep Research Council of WA	25/10/2002	11/02/2003	6,000.00	The Sheep Research Council of WA
	Evaluation of on-farm R&D investment portfolio	17/01/2003	31/03/2003	70,000.00	BDA Group
	Continuous wool filament task force – David James	1/08/2002	30/08/2003	52,400.00	Ecoservices Pty Ltd
	Continuous wool filament task force – Chris Wilcox	30/09/2002	6/12/2002	86,730.00	TWC
	Continuous wool filament task force – Frank Kisvarda	25/09/2002	7/12/2002	67,000.00	Apparel Management Pty Ltd
	Technical consultancy – Mr Hans Hebecker	22/11/2002	22/11/2003	8,500.00	Hans Hebecker

PROJECT LIST 2002/2003

APPENDIX A: PROJECT LIST 2002/2003 (CONT)

Strategic aim	Title	Start date	Finish date	Project cost	Primary research provider *
B1 Novel wool-using products	TPT – Non-woven needle punch (apparel)	1/01/2001	30/09/2002	757,529.00	TWC
	TPT – Sportwool outdoor	1/02/2002	30/09/2003	888,756.00	TWC
	TPT – Non-woven hydroentanglement (Spunlace)	1/01/2001	30/10/2002	1,019,820.00	TWC
	TPT – Short staple blends	1/01/2001	30/11/2003	645,000.00	TWC
	"Up Wool" fill material	20/08/2001	30/04/2003	141,000.00	WRONZ
	Wool stretch pile fabric	20/08/2001	31/03/2003	270,000.00	WRONZ
	Pure wool business shirt	28/08/2001	30/04/2003	250,000.00	WRONZ
	Non-woven umbrella project – six sub-projects	8/01/2001	8/01/2004	6,000,000.00	WRONZ
	High performance lining system for suits and work wear	15/04/2002	15/10/2003	459,874.00	TWC
	Sportwool fleece	15/04/2002	15/04/2003	399,716.00	TWC
	Smart yarn development	15/04/2002	15/04/2003	676,285.00	TWC
	Heated wool bedding	1/06/2002	30/07/2004	578,000.00	WRONZ
	Double layer knit structures with technical benefit	7/01/2002	17/12/2002	379,796.44	CSIRO Textile & Fibre
	AFAY-SPUN wool/cotton yarns – feasibility	1/03/2003	30/11/2003	45,000.00	WRONZ
	Novel knit fabric – feasibility study	30/08/2002	30/06/2003	175,000.00	WRONZ
	Cease-fire 'Bush Fire Curtain'	3/03/2003	12/04/2003	17,400.00	Cease-Fire Technologies
	Electrostatic wool filters	1/04/2003	30/06/2003	1,128,190.00	CSIRO Textile & Fibre
	Medical textiles	1/01/2003	1/01/2004	884,000.00	CSIRO Textile & Fibre
	Sensory fabric for ubiquitous interfaces	1/12/2002	3/06/2003	978,041.31	Brunel University
	B2 New technologies to enhance wool products	TPT – Machine wash wool blankets	2/01/2002	30/10/2002	238,171.00
TPT – Metal free dyeing		1/01/2001	30/12/2002	306,937.00	TWC
Fibre modification to enhance skin comfort		17/10/2001	2/12/2002	773,354.00	CSIRO Textile & Fibre
Unique surface effects for wool textiles		11/01/2001	14/09/2002	824,643.00	CSIRO Textile & Fibre
Total Easy Care jacketings		15/04/2002	15/04/2003	545,536.38	TWC
Enhance technology for casual/leisurewear woven blend		15/04/2002	15/04/2004	329,145.00	TWC
Permanent bright shades for wool		21/01/2002	31/01/2003	1,048,000.00	CSIRO Textile & Fibre
Enhanced wool properties through surface modification		14/01/2002	31/03/2003	943,875.00	CSIRO Textile & Fibre
Pilling reduction technologies for knitwear		1/11/2002	31/01/2004	260,000.00	WRONZ
Fine and soft wool yarns		1/04/2002	1/09/2002	98,852.00	Deakin University
Garment treatment for Easy Care wovens		1/10/2002	30/10/2004	478,703.69	TWC
Mens washable wool blend suit		1/06/2002	30/06/2003	617,000.00	Berkeley Apparel Pty Ltd
High lightfastness dyeings for wool fabrics		1/09/2002	30/06/2005	639,740.00	WRONZ
Thermal comfort of wool bedding products		1/05/2003	7/03/2004	160,177.00	TWC
Prototype heated wool sock development		4/12/2002	4/12/2006	100,000.00	WRONZ
B3 Revolutionary wool directions		Producing micro-particles from wool proteins	1/04/2003	30/03/2004	246,314.00
	Coloured conductive textiles	1/07/2002	30/12/2005	1,354,064.00	Deakin University
	Continuous wool blend filament	1/07/2002	30/12/2005	1,974,956.00	Deakin University
	Fundamental Wool Science Collaboration: A – Fibre surface and cuticle studies – DWI	1/12/2002	1/12/2005	825,398.00	DWI
	Fundamental Wool Science Collaboration: A – Characterisation and modification of the proteolipid surface of wool – CSIRO	31/03/2003	30/10/2005	1,241,000.00	CSIRO Textile & Fibre
	Fundamental Wool Science Collaboration: A – Fibre surface and cuticle studies – CSIRO	1/12/2002	1/12/2004	291,000.00	CSIRO Textile & Fibre
	Fundamental Wool Science Collaboration: A – Fibre surface and cuticle studies – WRONZ	1/04/2003	30/03/2006	1,320,000.00	WRONZ

PROJECT LIST 2002/2003

APPENDIX A: PROJECT LIST 2002/2003 (CONT)

Strategic aim	Title	Start date	Finish date	Project cost	Primary research provider *
B3 Revolutionary wool directions	Fundamental Wool Science Collaboration: C – Brighter white wool – DWI	1/12/2002	30/11/2004	467,162.00	DWI
	Fundamental Wool Science Collaboration: C – Brighter white wool – CSIRO	1/12/2002	30/11/2004	833,400.00	CSIRO Textile & Fibre
	Fundamental Wool Science Collaboration C – Photoyellowing – WRONZ	1/04/2003	1/04/2005	460,000.00	WRONZ
	Smart textiles – Preparation of six concept proposals	1/03/2002	31/12/2002	201,125.17	WRONZ
	Fundamental Wool Science Collaboration: B – Element mapping of wool fibre morphological components – DWI	1/12/2002	1/12/2005	517,131.00	DWI
	Fundamental Wool Science Collaboration: B – Fibre ultrastructure and cellular morphology – WRONZ	1/04/2003	1/04/2006	1,140,000.00	WRONZ
	Fundamental Wool Science Collaboration: B – Merino wool structural database – CSIRO	28/04/2003	28/10/2004	131,000.00	CSIRO Textile & Fibre
B4 Marketing support for use of innovations	To produce a colour forecast for AWI providers	18/07/2002	31/12/2002	9,348.00	WRONZ
	Technical briefing from Austrade Japan	1/07/2002	30/06/2003	24,000.00	AUSTRADE
C1 Marketplace understanding and information flow	Pricemaker software	15/08/2002	30/06/2003	601,000.00	TWC
	Wool production forecasting committee	19/04/2002	31/12/2006	510,155.00	TWC
	Business Intelligence Services	20/08/2001	30/06/2004	340,000.00	TWC
	Strategic grower industry intelligence	15/08/2001	1/06/2004	1,253,000.00	TWC
	Scoping study for "Wool Netco" proposal – Riverina woolgrowers	16/07/2002	16/01/2003	41,000.00	Riverina Wool Growers Pty Ltd
	Tasmanian Merino Eco Wool trademark	1/06/2002	31/12/2002	35,000.00	Roberts Limited
C2 Fabric to fibre – wool market segments and technical requirements	Relationship of 'comfort' factor between fabric and greasy fibre specification	14/06/2002	31/08/2003	50,000.00	Wool Comfort Australia
	Benefit cost analysis (BCA) of OFFM and sheep ID	4/11/2002	12/07/2003	53,500.00	BDA Group
	OFFM evaluation trial	14/06/2002	31/10/2003	455,000.00	Dr J.W. James
	Systemic fibre measurements scoping study	28/06/2002	31/10/2002	182,211.00	Interactive Wool Group Pty Ltd
	Organic/eco wool market study	15/04/2002	15/10/2002	306,583.00	TWC
	Wool producer delivery to direct retail specification	1/04/2002	28/02/2003	187,300.00	TQW Trading
	Contamination survey	11/02/2002	14/07/2003	628,265.00	CSIRO Textile & Fibre
C3 Developing and implementing a common wool fibre language	Test for dark and medullated fibre (IWG)	26/11/2002	17/03/2004	300,000.00	Interactive Wool Group Pty Ltd
	Test for dark and medullated fibre (WRONZ)	4/12/2002	1/12/2003	395,000.00	WRONZ
	Test for dark and medullated fibre (CSIRO)	1/12/2002	6/03/2004	449,261.00	CSIRO Textile & Fibre
	Test for dark and medullated fibre (SARDI)	26/11/2002	3/08/2003	45,000.00	SARDI
	Rapid pre-sale test for dark fibre contamination of sale lots	23/07/2002	30/09/2002	5,000.00	ManuTech (VIC) P/L
	Project management and consulting services by GMAC	19/10/2001	28/03/2003	309,749.00	GMAC Consulting Pty Ltd
	OFFM extension and adoption – initial study	8/11/2002	20/01/2003	116,192.00	Dept of Natural Resources & Environment
	Hand held device development for OFFM testing	10/02/2003	25/05/2003	18,500.00	Timbaigl Optics Pty Ltd
	OFFM QA program – QA manual	25/10/2002	18/02/2003	72,900.00	Qualitas Consulting Pty Ltd
	Implementation of dark and medullated fibre measurement standards	21/03/2003	5/12/2003	169,640.00	Australian Wool Industries Secretariat
	Create dark and medullated reference samples – stage 1	26/05/2003	17/07/2003	13,634.25	CSIRO Textile & Fibre

APPENDIX A: PROJECT LIST 2002/2003 (CONT)

Strategic aim	Title	Start date	Finish date	Project cost	Primary research provider *
C4 Wool processing – engineering and efficiencies and economies	TPT – New equipment development	2/01/2002	31/12/2002	303,420.00	TWC
	TPT – Open ended spinning	1/01/2001	31/08/2002	303,369.00	TWC
	Plasma treatment of wool	12/01/2001	22/05/2003	741,891.56	CSIRO Textile & Fibre
	Permanent soft-lustre process	31/10/2002	30/09/2004	462,962.91	TWC
	Air-condensed spinning	7/01/2002	14/03/2003	477,921.00	CSIRO Textile & Fibre
	Murata Air-Jet spinning of mid-micron wool	17/12/2001	14/02/2003	383,354.00	CSIRO Textile & Fibre
	Murata Vortex spinning of fine wool	17/12/2001	20/06/2003	461,411.00	CSIRO Textile & Fibre
	Improvements to the Sirosett process for crease stabilisation	1/10/2002	30/10/2004	537,037.00	TWC
	Valorisation of sludge from wool scouring	1/10/2002	1/01/2004	213,348.00	Zhangjiagang Yangtse Wool Combing Co Ltd
A survey of the current status of digital printing of textiles	1/06/2003	1/12/2003	30,000.00	Linclab	
C5 Processing and manufacturing efficiencies – practices and locations	Globalisation of TopMaker and TopSpin	28/10/2002	28/10/2004	90,000.00	
	Technical consultancy – Bob Mayfield	1/12/2002	30/11/2003	60,000.00	Bob Mayfield
C6 Handling, testing, selling – innovations to benefit producers	World wide technology search	8/04/2002	26/08/2002	298,500.00	Invetech Operations Pty Ltd
	OFFM quality assurance study	23/04/2002	4/09/2002	66,660.00	Miracle Dog P/L
	OFFM decision support systems scoping study	20/11/2002	24/01/2003	65,000.00	MAC Stats & Analysis
	Electronic bale ID	26/03/2002	30/04/2003	220,000.00	Creative Logistics Pty Ltd
	Electronic sheep ID	30/07/2002	30/04/2003	230,000.00	Creative Logistics Pty Ltd
	Sheep ID business plan and standards committee – stages 1 and 2	9/12/2002	31/01/2003	67,600.00	ManuTech (VIC) P/L
C7 Wool harvesting – economies and performance	Refinement and further development of a rotary hand piece for shearing Australian sheep	1/08/2002	30/04/2003	299,060.00	Parke Rotary Shears Aust Ltd
	Shearer and wool handling training initiative	25/11/2002	8/08/2003	5,070.00	Holmes Sackett & Associates P/L
	Reclaiming of commercially viable dag wool	17/01/2003	14/06/2003	130,000.00	Riverina Refrigeration Pty Ltd
D1 Sheep – engineering to improve products and efficiency	Merino breeding programs – part records	3/02/2000	28/02/2003	17,672.00	Agriculture Western Australia
	Rampower WA	8/06/2000	31/01/2003	180,000.00	Agriculture Western Australia
	Investigation of flystrike resistance in hypospadic sheep	2/04/2002	31/01/2003	69,000.00	University of Melbourne
	SARDI selection demonstration flock	3/10/2001	15/12/2005	1,404,326.00	SARDI
	Genotyping sheep with diversity arrays	25/11/2002	15/03/2004	350,000.00	Centre for the Application of Molecular Biology to Intern Agriculture
	Ovine genomics program	28/02/2003	15/07/2003	45,000.00	Darvat Pty Ltd
	Operational and administrative support for Merino Sire Evaluation in Australia	17/02/2003	11/03/2006	132,000.00	University of Melbourne – AMSEA
	Toward novel approaches for the control of parasitic nematodes of sheep	11/06/2003	1/04/2005	270,400.00	Meat & Livestock Australia
	Novel approaches for control of sheep nematode parasites	11/06/2003	11/03/2005	300,000.00	Meat & Livestock Australia
	Drug discovery in sheep nematodes by functional genomics in Caenorhabditis elegans	11/06/2003	11/03/2006	225,000.00	Meat & Livestock Australia
	Enabling technologies to advance research into control of internal parasites of sheep	11/06/2003	11/03/2006	155,837.50	Meat & Livestock Australia
	D2 Feeding – pastures and nutrition to lift returns	Effective biological control of Paterson's Curse and thistles	20/04/1998	30/05/2005	1,774,494.50

PROJECT LIST 2002/2003

APPENDIX A: PROJECT LIST 2002/2003 (CONT)

Strategic aim	Title	Start date	Finish date	Project cost	Primary research provider *
D2 Feeding – pastures and nutrition to lift returns	Biocontrol of Paterson's Curse and thistles	1/01/1998	30/06/2005	-855,362.00	Meat & Livestock Australia
	Biological control of Paterson's Curse and thistles	1/10/2002	30/09/2003	39,500.00	DPS Strategy Pty Ltd
	Delivery through Woolpro of improved spray timing of Timerite for red legged earthmite control RLEM	17/10/2000	31/12/2002	283,291.00	CSIRO Entomology
	Improved phalaris varieties	31/12/2000	31/12/2007	685,998.00	CSIRO Plant Industry
	NAPLIP (high rainfall zone)	28/11/2000	30/06/2005	541,632.00	Dept of Natural Resources & Environment
	NAPLIP (sheep/cereal zone)	22/03/2001	30/09/2005	1,120,375.00	Grain Research Development Corp
	Genetically modified pastures	14/09/2000	30/06/2005	344,217.00	CSIRO Plant Industry
	NAPLIP coordination	1/07/2000	30/06/2003	90,000.00	Agriculture Western Australia
	National Rhizobium Program 2002-2007	1/01/2003	31/12/2007	1,469,000.00	Murdoch University
	Benchmarking with GrassGro	12/12/2002	24/12/2005	379,676.00	CSIRO Plant Industry
	Remote sensing earth observation systems	1/07/2002	30/06/2003	347,297.00	AGRECON – Agricultural Reconnaissance Technologies Pty Ltd
	Lifetime wool production	14/01/2003	14/01/2008	6,422,000.00	Dept of Natural Resources & Environment
	Predicting pasture growth rate	1/01/2003	30/06/2006	2,004,000.00	CSIRO Livestock Industry
	Reducing the impact of dry seasonal conditions	13/03/2003	16/04/2003	10,000.00	Dept of Natural Resources & Environment
D3 Enhance the natural resource base for wool production	Sustainable Grain and Grazing Systems	1/02/2003	30/06/2003	100,000.00	Grain Research Development Corp, MLA, LWA
	AWI Pilot Revegetation Advisory Service	22/01/2002	31/12/2003	1,998,237.50	Norfor Pty Ltd
	Land, Water & Wool	4/07/2001	30/06/2006	19,150,000.00	Land and Water Australia
	Drought feed strategies for the Australian wool industry	11/12/2002	1/02/2003	55,000.00	Synecon Pty Ltd
D4 Health, welfare, chemicals – productive, easier care sheep	Adoption of Nemesis	27/10/2000	31/05/2003	187,678.00	CSIRO Livestock Industry
	Breec strike prevention technology	24/04/2000	30/06/2003	295,890.00	CSIRO Livestock Industry
	Permanent wool removal	25/02/2002	30/08/2004	320,583.01	The University of Adelaide
	Characterisation of the relationship between scouring and genetic resistance	15/05/2000	30/06/2004	137,085.75	CSIRO Livestock Industry
	Multi-species wormworld	4/05/2000	31/03/2003	208,943.00	CSIRO Livestock Industry
	Adoption of Nemesis technology in Victoria	2/04/2001	4/03/2003	103,330.00	University of Melbourne
	Pesticide residue testing for quality assurance groups services C/T A	20/09/2001	25/08/2003	57,000.00	Australian Wool Testing Authority Ltd
	A vaccine for wool production	3/01/2003	30/12/2010	4,552,082.00	CSIRO Livestock Industry
	Development and field validation of a lice detection test	30/04/2003	30/04/2003	374,198.00	NSW Agriculture
	WormMaster coordination	29/11/2002	30/09/2003	90,000.00	Mike Stephens & Associates
	OJD consultancy – risk-based trading	7/11/2002	31/03/2003	20,000.00	Animal Health Services
	Consultancy to guide AWI footrot strategy	10/02/2003	28/09/2003	19,600.00	Allworth Sheep and Cattle Production Services
	D5 Inventiveness and old problems – lower case, easier care	Farm Health and Safety Joint Venture 2002/2003 to 2006/2007	1/07/2002	30/09/2007	300,000.00
Economic viability of sheep coats for eco-wool production		31/03/2001	31/03/2003	44,034.00	Wesfarmers Landmark
Improved footrot diagnosis		16/05/2002	10/09/2004	301,829.00	The University of New England
Develop and conduct a generic study into worker exposure to ectoparasitocides		1/03/2002	30/06/2003	334,750.00	National Farmer's Federation Limited
Tasmanian fox eradication		18/05/2002	31/12/2002	200,000.00	Pest Animal Control CRC (sms)
"Out-fox" awareness and eradication program – stage 2		9/10/2002	3/11/2003	250,000.00	Pest Animal Control CRC (sms)

APPENDIX A: PROJECT LIST 2002/2003 (CONT)

Strategic aim	Title	Start date	Finish date	Project cost	Primary research provider *
E1 Reaching broadly – ideas and knowledge for producers generally	Falkiner Memorial Field Station	1/01/2002	31/12/2007	1,500,000.00	Falkiner Memorial Field Station (FMFS)
	Bestwool 2010, phase II	1/07/2002	30/06/2005	1,400,000.00	Dept of Natural Resources & Environment
	Making sensible fertiliser decisions	1/11/2002	15/11/2003	290,500.00	Agriculture Victoria Services Pty Ltd
	SCARM database and publications	1/06/2001	1/06/2006	12,002.23	Primary Industries & Research South Australia
	Research on the national market potential for Triple P	20/06/2003	30/07/2003	22,727.28	ACIL Tasman Pty Ltd
	Survey of farm financial performance in the sheep industry	1/07/2002	20/06/2003	332,704.00	Australian Bureau of Agriculture Resource Economics (ABARE)
	Extending the use of Grazfeed and GrassGro for the management of sheep grazing annual pastures in Mediterranean environments	9/12/2002	10/10/2003	23,099.00	Agriculture Western Australia
	Shearing exhibition/training centre	26/01/2002	26/01/2005	305,000.00	Shear Outback
	Global wool pipeline	7/01/2001	30/11/2002	867,159.00	Global Information Services P/L
E2 Targeted activities – higher understanding of adoption expected	Bestprac, phase II	1/05/2003	1/05/2006	976,739.61	Rural Directions Pty Ltd
	Tasmanian 8x5 wool profit program	1/05/2002	30/06/2005	1,011,000.00	University of Tasmania
	Development of Triple P beyond the paired paddock	30/09/2001	30/06/2004	522,672.00	Mike Stephens & Associates
	Improving profitability of WA Woolpro farmers #2	25/01/2000	30/06/2005	770,000.00	Agriculture Western Australia
	Spring shearer woolhandler training 2002	20/08/2002	30/12/2002	50,581.00	Ausgrow Training
	Cicerone focus farm	1/02/1999	1/06/2003	120,000.00	The Cicerone Project Inc
	Fast tracking wool producer group business development with Look @ Wool	Approved only	Approved only	180,000.00	
	Decision support tools to enhance wool producer's profitability	1/06/2002	31/05/2005	337,016.00	The University of New England
	Increased adoption of Timerite to improve feed utilisation	18/03/2003	31/07/2004	213,000.00	CSIRO Entomology
	OFFM extension and adoption – business plan	26/11/2002	14/03/2003	33,500.00	GMAC Consulting Pty Ltd
	OFFM extension and adoption – implementation	25/07/2003	30/06/2006	1,804,800.00	NSW Agriculture
	Facts and fictions about feedlotting sheep in times of drought	6/03/2003	30/06/2003	49,010.00	Holmes Sackett & Associates P/L
	Wool dyeing and finishing technician training course	2/10/2002	31/12/2002	89,700.00	CSIRO Textile & Fibre
E3 Shareholder– knowing what AWI is doing and why	Evaluation of off-farm R&D investment portfolio	28/06/2002	30/10/2002	85,000.00	BDA Group
E4 Australians – understanding wool through educational support	ILRIC scoping	9/05/2003	11/07/2003	30,000.00	DNR Group Pty Ltd
	Postgraduate sponsorship	28/02/2002	25/05/2003	4,386.00	AWI

PROJECT LIST 2002/2003

APPENDIX B: SCHEDULE OF MEMORANDA OF UNDERSTANDING (MOU)
AND SIMILAR RELATIONSHIP AGREEMENTS IN 2002/2003

PARTIES

- Meat & Livestock Australia Ltd and Australian Wool Innovation Limited (AWI)
- Mayer Industries Inc, Wool Research Organisation of New Zealand (WRONZ) and AWI
- Grains Research Development Corporation (GRDC), Meat & Livestock Australia, Land & Water Australia (LWA) and AWI
- Marks & Spencer PLC and AWI
- University of Leeds and AWI
- Deakin University Geelong and AWI

APPENDIX C: TABLE OF REGISTERED INTELLECTUAL PROPERTY
WHICH IS OWNED BY AWI OR IN WHICH AWI HAS AN INTEREST

IP Title	IP Category	Registered in Australia	Registered Overseas	IP Title	IP Category	Registered in Australia	Registered Overseas
Iron regulated promoter and uses thereof	Patent	Y	Y	Enzyme based bioremediation	Patent	Y	Y
Semi-automated manipulator for manual shearing	Patent	Y	Y	Malathion carboxylesterase	Patent	Y	Y
Animal leg restraint	Patent	Y	Y	Method and apparatus for determining a first parameter(s) of an object	Patent	Y	Y
Head restraint for animal manipulator	Patent	Y	Y	Breathable Films	Patent	N	Y
Semi-automated manipulator for manual shearing	Patent	Y	Y	Expression of phytase in plants as a method of modifying plant productivity	Patent	Y	Y
Automated manipulator for manual shearing	Patent	Y	Y	Improving the availability of nutrients in a ruminant using piromyces or neocallimastix fungi	Patent	Y	Y
Doffing animal coat and fleece removal	Patent	Y	Y	Larval development assay	Patent	Y	N
Control flystrike on sheep	Patent	Y	N	Detection and isolation of, and protective immunisation against, the phomopsin mycotoxins	Patent	Y	N
Fungal sulphur source and method of using the same	Patent	Y	Y	Vaccine and assay	Patent	Y	N
Veterinary formulation	Patent	Y	Y	Method for treating animals	Patent	Y	N
DNA encoding ovine adenovirus and its use as a viral vector	Patent	Y	Y	Continuous pressure decatizing of fabrics and setting of staple fibre assemblies	Patent	Y	Y
Chemically assisted protein annealing treatment	Patent	Y	Y	Fibrillation of natural fibres	Patent	N	Y
Device for sampling liquids	Patent	Y	Y	Triple P	Trademark	Y	N
Pneumatic splicing of Yarns	Patent	Y	Y	Siroscour	Trademark	Y	N
Sorting pneumatically conveyed material	Patent	Y	Y	Si-ro-mark	Trademark	Y	N

APPENDIX C: TABLE OF REGISTERED INTELLECTUAL PROPERTY
WHICH IS OWNED BY AWI OR IN WHICH AWI HAS AN INTEREST (CONT)

IP Title	IP Category	Registered in Australia	Registered Overseas	IP Title	IP Category	Registered in Australia	Registered Overseas
Timerite	Trademark	Y	N	Persian Clover – Nitroplus	Plant variety	Y	N
Siromin	Trademark	Y	N	Persian Clover – Persian Prolific	Plant variety	Y	N
Woolpro	Trademark	Y	N	Phalaris – Atlas PG	Plant variety	Y	N
Rampower	Trademark	Y	N	Phalaris – Australian II	Plant variety	Y	N
Wool Profit Map	Trademark	Y	N	Phalaris – Holdfast	Plant variety	Y	N
Siroprint	Trademark	Y	N	Phalaris – Landmaster	Plant variety	Y	N
Grassgro	Trademark	Y	N	Serradella – Charano	Plant variety	Y	N
Rural Connect	Trademark	Y	N	Subterranean Clover – Denmark	Plant variety	Y	N
A liquid sample collection card	Registered Design	Y	Y	Subterranean Clover – Goulburn	Plant variety	Y	N
Balansa Clover – Bolta	Plant variety	Y	N	Subterranean Clover – Gosse	Plant variety	Y	N
Balansa Clover – Frontier	Plant variety	Y	N	Subterranean Clover – Leura	Plant variety	Y	N
Barrel Medic – Caliph	Plant variety	Y	N	Subterranean Clover – Riverina	Plant variety	Y	N
Barrel Medic – Jester	Plant variety	Y	N	Subterranean Clover – York	Plant variety	Y	N
Burr Medic – Cavalier	Plant variety	Y	N	Wallaby Grass – Bunderra	Plant variety	N	N
Burr Medic – Scimitar	Plant variety	Y	N	Wallaby Grass – Taranna	Plant variety	N	N
Cefalu Clover	Plant variety	Y	N	Sweet Clover – Jota	Plant variety	Y	N
Yellow Seradella – Santorini	Plant variety	Y	N	Sweet Clover – JAQUI	Plant variety	Y	N
French Seradella – Cadiz	Plant variety	Y	N	Shear Express IP			
Disc Medic Rivoli	Plant variety	Y	N	Method of harvesting wool	Patent	Y	Y
Lucerne – Acquarius	Plant variety	Y	N	A restraint	Patent	Y	Y
Lucerne – Eureka	Plant variety	Y	N	Apparatus for spreading a sheet-like article	Patent	Y	Y
Lucerne – Genesis	Plant variety	Y	N	Animal processing conveyor	Patent	Y	Y
Lucerne – Hallmark	Plant variety	Y	N	Apparatus for use in harvesting wool	Patent	Y	Y
Lucerne Jindera	Plant variety		N	Mobile collapsible shelter	Patent	N	Y
Lucerne – Sceptre	Plant variety	Y	N				
Lucerne – Sequel HR	Plant variety	Y	N				
Lucerne – Super 7	Plant variety		N				
Lucerne – Venus	Plant variety	Y	N				
Medic – Toreador	Plant variety	Y	N				
Mitchell Grass – Turanti	Plant variety	N	N				
Mitchell Grass – Yanda	Plant variety	N	N				
Persian Clover – Kyambro	Plant variety	Y	N				
Persian Clover – Morbulk	Plant variety	Y	N				

IP TABLE

APPENDIX D: PUBLICATION LIST

Type	Title	Provider	Date	Security
Report	Land, Water & Wool Business Plan	Land & Water Australia and Australian Wool Innovation Limited	Jun-02	Commercial in Confidence
Report	Review of Australia's Wool Trade with the Commonwealth of Independent States (CIS)	ACIL Tasman	01-Jun-02	Released
Report	Reclamation of Commercially Viable Dag Wool	Pivotal Management Consultants	30-Jun-02	Commercial in Confidence
Report	A Quality Assurance Program for On-farm (OFFM) and Off-farm Fleece Measurement	Department of Primary Industries, Vic	01-Jul-02	Commercial in Confidence
Report	An Evaluation of the Market Potential for EMR and EMI Protective Wool Textiles and Clothing	LinLab Australia	01-Jul-02	Commercial in Confidence
Report	Benefit Cost Analysis of a Proposed OFFM QA Program	BDA Group	22-Jul-02	Commercial in Confidence
Series	Beyond the Bale	Australian Wool Innovation Limited	01-Aug-02	Released
Report	National Wool Production Forecast	AWI Wool Production Forecasting Committee	01-Sep-02	Released
Report	A Search for a New Sheep Anthelmintic	Baron Strategic Services	01-Oct-02	Commercial in Confidence
Report	Decision Making During Drought	AWI and various collaborators	01-Oct-02	Released
Report	Review of the Market Potential for Russia for Australian Wool Use	The Woolmark Company	01-Oct-02	Released
CD-rom	FutureFleece	Australian Wool Innovation Limited	01-Oct-02	Released
Series	Insight	Australian Wool Innovation Limited	01-Oct-02	Released
Series	Innovators	Australian Wool Innovation Limited	01-Oct-02	Released
Web	AWI website	Australian Wool Innovation Limited	30-Oct-02	Released
Web	e-Newsletters	Australian Wool Innovation Limited	30-Oct-02	Released
Report	Development and Field Validation of a Simulation Model for Sustainable Control of Internal Parasites of Sheep – Ecological Studies in WA 1999/2001	Department of Agriculture WA	01-Nov-02	Not released
Report	Emergency Animal Disease Response Plan for the Australian Wool Industry – Perpetual Draft	Dr Tony Brightling	01-Nov-02	Not released
Report	Shearer and Wool Handler Training Initiative	Australian Wool Innovation Limited	25-Nov-02	Released
Report	Improving fibre specification and measurement through the wool textile pipeline	Interactive Wool Group	01-Dec-02	Commercial in Confidence
Report	National Wool Production Forecast	AWI Wool Production Forecasting Committee	01-Dec-02	Released
Report	Prospects for Further Wool Processing in Australia	Centre for International Economics	01-Dec-02	Released

APPENDIX D: PUBLICATION LIST (CONT)

Type	Title	Provider	Date	Security
Report	Review of Strategic Factors and Australian and New Zealand Capabilities in Animal Genomics Related to Sheep Industry Requirements, and a Recommended Framework to Guide R&D Investment	David Campbell, Brian McQuirk	1-Dec-02	Commercial in Confidence
Report	Specification for a Data Acquisition and Management System for Shear Express	Invetech Pty Ltd	18-Dec-02	Commercial in Confidence
Report	Delivery Through Woolpro of Improved Spray Timing for Redlegged Earth Mite Control	CSIRO Entomology, Perth WA	20-Dec-02	Commercial in Confidence
Report	Increased Profit from sheep that can withstand stressful environments	Norm Adams	Jan-03	
Report	Implications of the Smart Textile Revolution for Australian Wool	WRONZ	01-Jan-03	Commercial in Confidence
Report	QA Manual for On-Farm Fibre Measurement Fleece Measurement QA scheme (FMQAS)	Qualitas Consulting Pty Ltd	01-Feb-03	Commercial in Confidence
Report	AWI Trial of the Training Rebate for Shearers and Wool handlers in South Australia – Spring 2002	Augrow Training Services Network	01-Feb-03	Commercial in Confidence
Report	Improving the Environmental Sustainability of the Australian Wool Supply Chain	The Woolmark Company	01-Feb-03	Commercial in Confidence
Series	Drought Manager	Australian Wool Innovation Limited	01-Feb-03	Released
Report	Evaluation of AWI's Off-farm R&D Investment Portfolio	eSYS and BDA Group	03-Feb-03	Commercial in Confidence
Report	Part Records in Merino Breeding Programs	Department of Agriculture WA	11-Feb-03	Commercial in Confidence
Report	Project Plan for the Integrated Sheep ID Project (ISIDP)	ManuTech (Vic) Pty Ltd	19-Feb-03	Commercial in Confidence
Report	Continuous Wool Filaments	AWI Task Force	23-Feb-03	Commercial in Confidence
Manual	Fleece Measurement Quality Assurance Scheme (FMQAS) Procedures Manual	Qualitas Consulting Pty Ltd	01-Mar-03	Commercial in Confidence
Report	Adoption of Nemesis Technology for the Sustainable Control of Internal Parasites in Victoria	University of Melbourne	01-Mar-03	Not released
Journal	Farm Financial Performance – Drought Cuts Farm Incomes After An Excellent Year in 2001/02, Australian Commodities, Vol. 10, No. 1, March Quarter 2003	ABARE	01-Mar-03	Published article
Report	Quantitative Assessment of the Risk of Ovine Johne's Disease in Sheep Flocks	AusVet Animal Health Services	01-Mar-03	Released
Report	Applied Genetics Sub-program Strategic Plan for 2002-07	Australian Wool Innovation Limited	01-Mar-03	Released

APPENDIX D: PUBLICATION LIST (CONT)

Type	Title	Provider	Date	Security
Report	Molecular Genetics Sub-program Strategic Plan for 2002-07	Australian Wool Innovation Limited	01-Mar-03	Released
Report	Economic Viability of Sheep Coats for Wool Production	Ian Campbell	01-Mar-03	Released
Report	National Wool Production Forecast	AWI Wool Production Forecasting Committee	01-Mar-03	Released
Report	NAPLIP Annual Collaborators Meeting	Australian Wool Innovation Limited	06-Mar-03	Commercial in Confidence
Report	Completion of a Useful Sheep Genome Map	Centre for Animal Biotechnology, University of Melbourne	24-Mar-03	Commercial in Confidence
Report	The Use of Part Records in Merino Breeding Programs – The Inheritance of Wool Growth and Fibre Traits During Different Times of the Year to Determine Their Value in Merino Breeding Programs	Johan Greeff and B. Paganoni	31-Mar-03	Commercial in Confidence
Report	Merino Selection Demonstration Flocks – Field Day Activities	SARDI, Adelaide University, PIRSA	01-Apr-03	Commercial in Confidence
Report	Preliminary Technical Evaluation of Microdyne WoolView 20/20	Timbaigl Optics	01-May-03	Commercial in Confidence
Report	Evaluation of AWI's On-farm R&D Investment Portfolio	eSYS and BDA Group	01-May-03	Commercial in Confidence
Report	Characterisation of the Relationship between Scouring and Genetic Resistance in the Sustainable Control of Internal Parasites in Sheep	Department of Agriculture WA, CSIRO Livestock Industries	01-May-03	Not released
Report	Market Analysis and Review of India	The Woolmark Company	01-May-03	Released
Report	Enzymatic Bioremediation of Pesticides Project Review and Due Diligence	David McKinna, Ian Rae, Andreas Betzner	06-May-03	Commercial in Confidence
Report	Enzymatic Bioremediation of Pesticides – Project Review and Due Diligence	McKinna et al	06-May-03	Commercial in Confidence
Report	A Brief Business Plan for an Extension and Adoption Program for OFFM	GMAC Consulting Pty Ltd	12-May-03	Commercial in Confidence
Report	Development and Validation of a Computer Simulation Model for the Sustainable Control of Internal Parasites of Sheep – Completion of Multi-species WormWorld Model	CSIRO Livestock Industries	16-May-03	In progress
Report	Use of Molecular Markers in Selection of Plants and Animals	Carol Nottenburg & Caroline Roa Ridrigues	Jun-03	Commercial in Confidence
Report	R&D Directions for Ovine Johne's Disease – Discussion Paper	Australian Wool Innovation Limited	01-Jun-03	Released
Report	National Wool Production Forecast	AWI Wool Production Forecasting Committee	01-Jun-03	Released
Report	Economic and Situation Analysis of the Australian Sheep Industry	Holmes Sackett & Associates	01-Jun-03	Released
Report	Land, Water & Wool Risk Review	Phillips Fox	21-Jun-03	Commercial in Confidence

APPENDIX D: PUBLICATION LIST (CONT)

Type	Title	Provider	Date	Security
Report	Producing Sheep that are Resistant to Flystrike	Centre for Animal Biotechnology, University of Melbourne	23-Jun-03	In Progress
Report	Review of Wool Trade Relations with Japan	The Australia-Japan Research Centre, Australian National University	24-Jun-03	Not released
Report	Woolen Threads – Information Flows and Supply Chain Structures of the Australian Wool Industry	Walker	25-Jun-03	Commercial in Confidence
Report	Completion of a Useful Sheep Genome Map	Jill Maddox	30-Jun-03	Commercial in Confidence
Report	Textile Technology Program – Priorities for 2003-2008	Australian Wool Innovation Limited	30-Jun-03	Commercial in Confidence
Report	Electronic Sheep Identification within the Wool Industry	Creative Logistics Pty Ltd	01-Jul-03	Commercial in Confidence
Report	Implementation a Brief Business Plan for On Farm Fibre Measurement Quality Assurance Program (OFFMQA)	Miracle Dog Pty Ltd (in conjunction with GMAC Consulting Pty Ltd)	14-Aug-03	Commercial in Confidence
Report	Assessment of Bioinformatics Requirements of the MLA-AWI Sheep Genomics Program	Brian Dalrymple	Sep-03	Commercial in Confidence
Report	Physical Mapping of the Ovine Genome: A Suggested Strategy	Allan Crawford	Sep-03	Commercial in Confidence
Report	Bioinformatics Analysis of Sheep and Cattle EST Data Sets: Genome Coverage and Implications for Expression Profiling	Brian Dalrymple, Sigrid Lehnert, Toni Reverter-Gomez, Bill Barendse and Ross Tellam	Sep-03	Commercial in Confidence
Report	Technical Due Diligence of EST Libraries (x2)	Sigrid Lehnert	Sep-03	Commercial in Confidence
Report	An Initial Benchmark Survey of Raw Fibre Properties in Next-to-skin Retail Pure Wool Knitwear	Stanton, Ladyman & Hardwick	9/1/2003 Draft	Commercial in Confidence
Report	Exercise Minotaur – Lessons for the Australian Wool Industry	Dr Tony Brightling		Not released

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