

**BOUNDARY
BEND**

LIMITED



**Boundary Bend Limited
and controlled entities
ABN 32 115 131 667**

Half-year report

For the six months ended 31 December 2017

BOUNDARY BEND LIMITED AND CONTROLLED ENTITIES
ABN 32 115 131 667

HALF-YEAR FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

Table of Contents

Directors' Report	3
Auditor's independence declaration	4
Condensed consolidated statement of profit or loss	5
Condensed consolidated statement of other comprehensive income	6
Condensed consolidated statement of financial position	7
Condensed consolidated statement of changes in equity	8
Condensed consolidated statement of cash flows	9
Notes to the condensed consolidated financial statements	
1 Significant accounting policies	10
2 Segment reporting	12
3 Dividends paid and proposed	14
4 Results for the period	14
5 Borrowings	14
6 Share capital	15
7 Key management personnel	15
8 Subsequent events	15
Directors' Declaration	16
Independent review report	17

BOUNDARY BEND LIMITED AND CONTROLLED ENTITIES
ABN 32 115 131 667

HALF-YEAR FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

Directors' Report

The directors of Boundary Bend Limited submit the financial report of Boundary Bend Limited and its subsidiaries (consolidated entity) for the half-year ended 31 December 2017.

Directors

The names of the directors in office at any time during the half year or until the date of this report are:

Mr. Robert McGavin
Mr. Paul Riordan
Mr. Leandro Ravetti
Mr. Tim Jonas
Mr. Craig Ball
Mr. Jonathan West
Mr. Timothy Smith
Mr. Matthew Bailey
Mr. Samuel Beaton

Review of operating results

The consolidated entity reported a post tax loss of \$7,442,000 (2016: \$5,260,000 loss).

The result includes a pre tax loss of \$1,751,000 from Australian olive oil operations (2016: \$415,000 loss), a pre tax loss of \$1,672,000 from Australian innovation & value-add operations (2016: \$787,000 loss) and a pre tax loss of \$3,668,000 from US operations (2016: \$3,340,000 loss). A more detailed breakdown of each segment's earnings can be found on page 12, in Note 2 of the half-year report.

The consolidated entity also reported positive cash flows from operations of \$9,582,000 compared to \$10,117,000 for the same period last year.

Dividends paid, recommended and declared

On 27 October 2017, the directors' declared a dividend of 12 cents per share to the holders of fully paid ordinary shares in respect of the full-year ended 30 June 2017. The dividend which was unfranked was paid to shareholders on 16 February 2018 (record date 31 January 2018). The dividend payable recorded in the financial statements at 31 December 2017 is \$6,893,055 (2016: \$5,699,212).

Auditor's independence declaration

The auditor's independence declaration is included on page 4 of the half-year report.

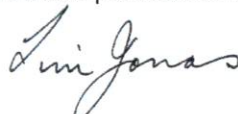
Rounding

The company is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the *Corporations Act 2001*.



Mr. Robert McGavin
Director



Mr. Tim Jonas
Director

Dated 13th March 2018

The Board of Directors
Boundary Bend Limited
151 Broderick Road
LARA VIC 3212

13 March 2018

Dear Board Members

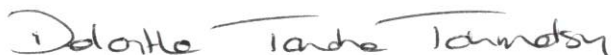
Boundary Bend Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Boundary Bend Limited.

As lead audit partner for the review of the financial statements of Boundary Bend Limited for the half-year ended 31 December 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely


DELOITTE TOUCHE TOHMATSU



Rachel Smith
Partner
Chartered Accountant

BOUNDARY BEND LIMITED AND CONTROLLED ENTITIES
ABN 32 115 131 667

HALF-YEAR FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

Condensed consolidated statement of profit or loss
for the half-year ended 31 December 2017

	Consolidated	
	Half-year ended	
	31 Dec 2017	31 Dec 2016
	\$'000	\$'000
Revenue		
Sales revenue	58,946	56,721
Other revenue	662	1,484
	<u>59,608</u>	<u>58,205</u>
 Expenses		
Cost of sales	(53,639)	(51,257)
Administration expenses	(5,504)	(4,809)
Distribution expenses	(2,015)	(1,963)
Marketing expenses	(4,060)	(3,454)
Occupancy expenses	(688)	(729)
Finance costs	(1,885)	(1,731)
Other expenses	(666)	(282)
	<u>(68,457)</u>	<u>(64,225)</u>
 Loss for the period before income tax benefit	(8,849)	(6,020)
Income tax benefit	1,407	760
	<u>(7,442)</u>	<u>(5,260)</u>
 Loss for the period	(7,442)	(5,260)
 Loss attributable to:		
Owners of Boundary Bend Limited and controlled entities	(7,442)	(5,260)
	<u>(7,442)</u>	<u>(5,260)</u>

* Notes to the condensed consolidated financial statements are included on pages 10 to 15.

BOUNDARY BEND LIMITED AND CONTROLLED ENTITIES
ABN 32 115 131 667

HALF-YEAR FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

Condensed consolidated statement of other comprehensive income
for the half-year ended 31 December 2017

	Consolidated Half-year ended	
	31 Dec 2017 \$'000	31 Dec 2016 \$'000
Loss for the period	(7,442)	(5,260)
Other comprehensive income, net of income tax		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translating foreign operations	(17)	(223)
Profit / (Loss) on hedging instruments through cash flow hedge reserve	(289)	2,761
Income tax relating to items that may be reclassified subsequently to profit or loss	87	(828)
Other comprehensive loss for the period	(219)	1,710
Total comprehensive loss for the period	(7,661)	(3,550)
Total comprehensive loss attributable to:		
Owners of Boundary Bend Limited and controlled entities	(7,661)	(3,550)
	(7,661)	(3,550)

* Notes to the condensed consolidated financial statements are included on pages 10 to 15.

BOUNDARY BEND LIMITED AND CONTROLLED ENTITIES
ABN 32 115 131 667

HALF-YEAR FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

Condensed consolidated statement of financial position
as at 31 December 2017

	Note	Consolidated	
		31 Dec 2017 \$'000	30 Jun 2017 \$'000
Current assets			
Cash and cash equivalents		1,680	2,125
Trade and other receivables		16,948	13,739
Inventory		65,427	76,556
Biological produce		945	3,440
Current tax asset		67	-
Other assets		2,709	2,110
Total current assets		<u>87,776</u>	<u>97,970</u>
Non-current assets			
Trade and other receivables		96	98
Other financial assets		37	34
Intangible assets		6,678	6,678
Property, plant and equipment		204,495	192,464
Total non-current assets		<u>211,306</u>	<u>199,274</u>
Total assets		<u>299,082</u>	<u>297,244</u>
Current liabilities			
Trade and other payables		18,472	15,779
Borrowings	5	3,968	3,103
Provisions		1,285	1,249
Current tax liabilities		-	3
Other financial liabilities		549	383
Dividend payable		6,893	-
Other liabilities		2,032	1,457
Total current liabilities		<u>33,199</u>	<u>21,974</u>
Non-current liabilities			
Borrowings	5	97,334	91,465
Provisions		44	44
Deferred tax liabilities		26,064	27,561
Other financial liabilities		985	861
Other liabilities		334	1,112
Total non-current liabilities		<u>124,761</u>	<u>121,043</u>
Total liabilities		<u>157,960</u>	<u>143,017</u>
Net assets		<u>141,122</u>	<u>154,227</u>
Equity			
Share capital	6	83,571	82,332
Reserves		(1,360)	(1,351)
Retained earnings		58,911	73,246
Total equity		<u>141,122</u>	<u>154,227</u>

* Notes to the condensed consolidated financial statements are included on pages 10 to 15.

BOUNDARY BEND LIMITED AND CONTROLLED ENTITIES

ABN 32 115 131 667

**HALF-YEAR FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2017**

**Condensed consolidated statement of changes in equity
for the half-year ended 31 December 2017**

	Contributed equity \$'000	Foreign currency translation reserve \$'000	Share based payments reserve \$'000	Cash flow hedge reserve \$'000	Retained earnings \$'000	Total equity \$'000
Consolidated						
Balance at 1 July 2016	77,951	(1,739)	1,534	(2,662)	66,126	141,210
Loss for the period	-	-	-	-	(5,260)	(5,260)
Exchange differences arising on translation of foreign operations	-	(223)	-	-	-	(223)
Fair value loss on hedging instruments entered into for cash flow hedges	-	-	-	1,933	-	1,933
Total comprehensive loss for the period	-	(223)	-	1,933	(5,260)	(3,550)
Transactions with owners in their capacity as owners:						
Proceeds from share issue / options exercised	3,480	-	-	-	-	3,480
Dividends provided for	-	-	-	-	(5,699)	(5,699)
Options exercised	553	-	(577)	-	-	(24)
Share based payments expense	-	-	130	-	-	130
Total transactions with owners in their capacity as owners	4,033	-	(447)	-	(5,699)	(2,113)
Balance at 31 December 2016	81,984	(1,962)	1,087	(729)	55,167	135,547
Balance at 1 July 2017	82,332	(1,680)	1,200	(871)	73,246	154,227
Loss for the period	-	-	-	-	(7,442)	(7,442)
Exchange differences arising on translation of foreign operations	-	(14)	(3)	-	-	(17)
Fair value gain on hedging instruments entered into for cash flow hedges (net of tax)	-	-	-	(202)	-	(202)
Total comprehensive income/(loss) for the period	-	(14)	(3)	(202)	(7,442)	(7,661)
Transactions with owners in their capacity as owners:						
Proceeds from options exercised	1,140	-	-	-	-	1,140
Dividends provided for	-	-	-	-	(6,893)	(6,893)
Options exercised (transfer from reserve)	99	-	(99)	-	-	-
Share based payments expense	-	-	309	-	-	309
Total transactions with owners in their capacity as owners	1,239	-	210	-	(6,893)	(5,444)
Balance at 31 December 2017	83,571	(1,694)	1,407	(1,073)	58,911	141,122

* Notes to the condensed consolidated financial statements are included on pages 10 to 15.

BOUNDARY BEND LIMITED AND CONTROLLED ENTITIES
ABN 32 115 131 667

HALF-YEAR FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

Condensed consolidated statement of cash flows
for the half-year ended 31 December 2017

	Consolidated	
	Half-year ended	
Note	31 Dec 2017	31 Dec 2016
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers	57,965	66,076
Payments to suppliers and employees	(46,265)	(54,147)
Interest received	4	3
Interest paid	(2,049)	(1,812)
Income tax paid	(73)	(3)
Net cash generated by operating activities	<u>9,582</u>	<u>10,117</u>
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	200	244
Payments for land, property, plant and equipment	(16,569)	(10,601)
Payments for biological assets	-	(187)
Net cash used in investing activities	<u>(16,369)</u>	<u>(10,544)</u>
Cash flows from financing activities		
Proceeds from share issue**	1,140	3,480
Net (repayment) / proceeds of borrowings	5,202	(4,898)
Net cash provided by/(used in) financing activities	<u>6,342</u>	<u>(1,418)</u>
Reconciliation of cash and cash equivalents		
Cash and cash equivalents at the beginning of the period	2,125	2,844
Net increase / (decrease) in cash and cash equivalents	<u>(445)</u>	<u>(1,845)</u>
Cash and cash equivalents at the end of the period	<u>1,680</u>	<u>999</u>

* Notes to the condensed consolidated financial statements are included on pages 10 to 15.

** Exercise of options issued under the Employees and Officers Share Option plan.

BOUNDARY BEND LIMITED AND CONTROLLED ENTITIES
ABN 32 115 131 667

HALF-YEAR FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

Notes to the condensed consolidated financial statements

1. Significant accounting policies

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The company is a company of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016*, and in accordance with that Corporations Instrument amounts in the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the consolidated entity's annual financial report for the year ended 30 June 2017, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Amendments to Accounting Standards that are mandatorily effective for the current reporting period

- AASB 1048 Interpretation of Standards
- AASB 2016-1 Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses
- AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107
- AASB 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities
- AASB 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle
- AASB 2017-2 Amendments to Australian Accounting Standards – Further Annual Improvements 2014-2016

BOUNDARY BEND LIMITED AND CONTROLLED ENTITIES
ABN 32 115 131 667

HALF-YEAR FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

1. Significant accounting policies (Continued)

Amendments to Accounting Standards that are mandatorily effective for future reporting period

At the date of authorisation of the half-year financial report, the following applicable Standards and Interpretations listed below were in issue but not yet adopted by the group.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018	30 June 2019
AASB 15: Revenue from Contracts with Customers and AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15'	1 January 2018	30 June 2019
AASB 16 'Leases'	1 January 2019	30 June 2020
AASB 2016-5 'Amendments to Australian Accounting Standards - Classification and Measurement of Share-based Payment Transactions	1 January 2018	30 June 2019
AASB 2017-1 Amendments to Australian Accounting Standards – Transfers of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments	1 January 2018	30 June 2019
Interpretation 22 Foreign Currency Transactions and Advance	1 January 2018	30 June 2019

The directors anticipate that the adoption of AASB 15 and AASB 16 in the future may have a financial impact on the amounts reported and disclosures made in the financial statements of the consolidated entity. However it is not practicable to provide a reasonable estimate of the effects of AASB 15 and AASB 16 until the consolidated entity performs a detailed analysis.

These Standards and Interpretations will be first applied in the financial report of the consolidated entity that relates to the annual reporting period beginning after the effective date of each pronouncement.

BOUNDARY BEND LIMITED AND CONTROLLED ENTITIES
ABN 32 115 131 667

HALF-YEAR FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

NOTE 2: SEGMENT REPORTING

Segment products and locations

The segment reporting reflects the way information is reported internally to the Chief Operating Officer (COO) for the purpose of resource allocation and assessment of segment performance focuses on the geographic location.

The consolidated entity has the following business segments:

- Australia - production and marketing of olive oil
- Australia - innovation and value-add products
- United States of America (USA) - production and marketing of olive oil

The segment information provided to the COO is referenced in the following table:

	Australian Operations		Innovation & Value-add		US Operations		Eliminations & Corporate		Total operations	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016	31/12/2017	31/12/2016	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue										
Total revenue from external customers	48,691	51,718	-	-	10,255	5,003	-	-	58,946	56,721
Intersegment revenue	3,936	745	-	-	78	290	(4,014)	(1,035)	-	-
Total segment revenue	52,627	52,463	-	-	10,333	5,293	(4,014)	(1,035)	58,946	56,721
Other revenue	466	933	-	-	196	551	-	-	662	1,484
Total revenue	53,093	53,396	-	-	10,530	5,844	(4,014)	(1,035)	59,608	58,205
EBITDA	3,219	4,564	(1,667)	(782)	(3,286)	(3,095)	127	253	(1,607)	940
Depreciation/amortisation of segment assets	(4,970)	(4,979)	(5)	(5)	(382)	(245)	-	-	(5,357)	(5,229)
EBIT	(1,751)	(415)	(1,672)	(787)	(3,668)	(3,340)	127	253	(6,964)	(4,289)
Finance costs	-	-	-	-	-	-	(1,885)	(1,731)	(1,885)	(1,731)
Profit before income tax	(1,751)	(415)	(1,672)	(787)	(3,668)	(3,340)	(1,758)	(1,478)	(8,849)	(6,020)
Segment assets (excl intercompany)	272,400	243,191	1,186	565	25,351	21,458	78	67	299,015	265,281
Segment liabilities (excl intercompany)	27,333	20,400	397	855	4,934	4,442	125,296	104,037	157,960	129,734

BOUNDARY BEND LIMITED AND CONTROLLED ENTITIES
ABN 32 115 131 667

HALF-YEAR FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

NOTE 2: SEGMENT REPORTING (CONTINUED)

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 1. Segment profit represents the profit before tax earned by each segment without allocation investment income and finance costs.

All assets are allocated to reportable segments other than other financial assets and current and deferred tax assets. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and all liabilities are allocated to reportable segments other than borrowings, other financial liabilities, current and deferred tax liabilities. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

BOUNDARY BEND LIMITED AND CONTROLLED ENTITIES
ABN 32 115 131 667

HALF-YEAR FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

Notes to the condensed consolidated financial statements

3. Dividends paid and proposed

On 27 October 2017, the directors' declared a dividend of 12 cents per share to the holders of fully paid ordinary shares in respect of the full-year ended 30 June 2017. The dividend which was unfranked was paid to shareholders on 16 February 2018 (record date 31 January 2018). The dividend payable recorded in the Financial Statements at 31 December 2017 is \$6,893,055 (2016: \$5,699,212).

A Dividend Reinvestment Plan (DRP) was offered to shareholders. A total of 13,706,464 shares participated in the DRP, representing a reinvestment of \$1,603,392 through the issue of 200,424 new shares. The impact of the DRP has not been recognised in the Financial Statements at 31 December 2017.

4. Results for the period

There are no individually significant items charged to the statement of profit or loss for the half-year ended 31 December 2017.

5. Borrowings

The bank facilities of the consolidated entity are summarised as follows:

Facility	Currency	Limit \$'000	Drawn at 31 Dec 2017 \$'000	Term
Core Debt	AUD	58,000	58,000	Matures October 2020
Working Capital Debt	AUD	25,000	18,700	Matures October 2020
Domestic Foreign Currency Account Facility	USD	10,500	10,500	Matures October 2020

	31 Dec 2017 \$'000	30 Jun 2017 \$'000
CURRENT		
<i>Secured liabilities</i>		
Bank loans	-	-
Finance lease liability	198	278
Hire purchase/chattel mortgage liability	3,770	2,825
	<u>3,968</u>	<u>3,103</u>
NON CURRENT		
<i>Secured liabilities</i>		
Bank loans	90,153	84,161
Finance lease liability	1	70
Hire purchase/chattel mortgage liability	7,180	7,234
	<u>97,334</u>	<u>91,465</u>

BOUNDARY BEND LIMITED AND CONTROLLED ENTITIES
ABN 32 115 131 667

HALF-YEAR FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

6. Share capital

Issued capital as at 31 December 2017 amounted to \$83,570,770 (57,442,125 ordinary shares).

During the half-year, the consolidated entity issued 300,000 ordinary shares for a cash payment of \$1,140,000 (2016: \$3,480,208) on exercise of 300,000 (2016: 2,077,083) share options, issued under its employee share option plan. As a result of this share issue, \$99,000 (2016: \$553,562) was transferred from the share based payments reserve to issued capital. There were no other movements in the ordinary share capital or other issued share capital of the consolidated entity in the current or prior half-year.

The consolidated entity issued 82,200 share options to non-executive directors (2016: 75,000) over ordinary shares under its share based payments plan during the half-year. These options issued were for two non-executive directors as their annual directors fees, expire on 15 December 2019 and are exercisable at \$8.00 per share.

The consolidated entity did not issue any share options to senior employees (2016: 200,000).

No options issued under the employment share option plan lapsed during the period due to cessation of employment (2016: 100,000).

7. Key management personnel

Remuneration arrangements of key management personnel are disclosed in the annual financial report.

8. Subsequent events

There have not been any other matters or circumstances occurring subsequent to the end of the half year ended 31 December 2017, that have significantly affected, or may significantly affect the operations of the consolidated entity, the results of these operations, or the state of affairs of the consolidated entity in future financial periods.

BOUNDARY BEND LIMITED AND CONTROLLED ENTITIES
ABN 32 115 131 667

HALF-YEAR FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

Directors' Declaration

The directors declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

(b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors



Mr. Robert McGavin
Director



Mr. Tim Jonas
Director

Dated 13th March 2018

Independent Auditor's Review Report to the Members of Boundary Bend Limited

We have reviewed the accompanying half-year financial report of Boundary Bend Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2017, and the condensed consolidated statement of profit or loss, the condensed consolidated statement of other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 5 to 16.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2017 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Boundary Bend Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.


Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Boundary Bend Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Boundary Bend Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2017 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.


DELOITTE TOUCHE TOHMATSU



Rachel Smith
Partner
Chartered Accountants
Melbourne, 13 March 2018