

JIMMY CROW

Jimmy Crow Limited ACN: 010 547 912

Interim Report 2018



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JIMMY CROW LIMITED (NSX CODE: JCC)
 RESULTS FOR ANNOUNCEMENT TO THE MARKET
 For the half-year ended 31 December 2017

| | % Change | \$000 31 December 2017 | \$000 31 December 2016 |
|---|-------------|------------------------------|------------------------------|
| Revenues from ordinary activities | +24% | 1,528 | 1,237 |
| Profit from ordinary activities after tax attributable to members | +1% | (224) | (227) |
| Net profit for the period attributable to members | +1% | (224) | (227) |
| | | \$ | \$ |
| Net tangible asset backing per security | | 0.20 | 45,330 |

| Dividend Information | Amount per Share (Cents) | Franked Amount per Share (Cents) | Tax Rate for Franking (%) |
|----------------------|--------------------------------|---|---------------------------------|
| Final dividend | Nil | Nil | Nil |
| Interim dividend | Nil | Nil | Nil |
| Record date | | | Not Applicable |

The group does not have any dividend re-investment plan in operation.

Loss or gain of control over other entities

On 17 August 2017, the demerger of Jimmy Crow Limited (Jimmy Crow) from Trustees Australia Limited (Trustees Australia) became effective was affected. The demerger required Trustees Australia to undertake an internal corporate restructure prior to it becoming effective, and which resulted in several entities becoming subsidiaries of Jimmy Crow prior to the demerger, See Note 17: Controlled Entities.

Investment in associates and joint ventures

Not applicable.

Audit Status

This report has been subject to auditor review. There is no dispute or qualification to report.

Refer to the Directors' Report and Interim Financial Report for additional information

DIRECTORS' REPORT

The board of directors of Jimmy Crow Limited (Jimmy Crow) submits to members the Interim Financial Report of the company and its controlled entities (the group) for the half-year ended 31 December 2017.

PRINCIPAL ACTIVITIES AND SIGNIFICANT CHANGES IN THE NATURE OF THOSE ACTIVITIES

The principal activities of the group during the year were:

Tourism and hospitality activities comprising:

- the ownership and operation of Magnums Airlie Beach Backpackers.

Investment activities comprising:

- investment in Australian Dairy Farms Group (ASX Code: AHF) comprising stapled securities.

Property activities comprising:

- development property ownership.

On 17 August 2017, the demerger of Jimmy Crow from Trustees Australia Limited (Trustees Australia) was enacted. The demerger required Trustees Australia to undertake an internal corporate restructure prior to it becoming effective, and which resulted in several entities becoming subsidiaries of Jimmy Crow prior to the demerger. In addition, a number of assets and liabilities were transferred between Trustees Australia and Jimmy Crow which included the assets now included in the property and investment activities.

There has been no significant change in the scale or nature of the group's tourism and hospitality activities during the half-year.

INFORMATION ON DIRECTORS

The following persons held office as directors of the group during or since the end of the half-year. The names and details of the directors are:

| Name | Position | Appointed |
|-------------------|--------------------------|------------------|
| Elizabeth Hackett | Executive Chairman | 17 August 2017 |
| Nathan Leman | Director | 24 November 2010 |
| Kerry Daly | Director (non-Executive) | 24 November 2010 |
| Michael Hackett | Director | 30 June 1988 |

OPERATING RESULT

The consolidated net loss attributed to members of Jimmy Crow, after providing for income tax, was \$224,338 (2016: \$226,888).

The result was achieved on revenue and other income of \$1,529,563 (2016: \$1,493,338) and total expenses of \$1,754,869 which increased by \$248,578 from the 2016 comparative. The result also included profit from discontinued operations of \$968 (2016: \$212,616 loss).

Jimmy Crow's statutory financial information for December 2017, December 2016 and June 2017 presents Jimmy Crow's performance in compliance with statutory reporting obligations, such that the results of the entities acquired during the demerger are only included from their date of acquisition by Jimmy Crow. In addition, Jimmy Crow's statutory financial results for December 2017 reflect changes in operating and corporate costs associated with Jimmy Crow becoming a standalone listed entity from 11 September 2017. Consequently, the statutory financial information does not give a view of the full half-year performance of Jimmy Crow as it is currently structured.

FINANCIAL POSITION

The net assets of the group are \$6,822,018 at 31 December 2017, an increase of \$2,146,491 from 30 June 2017. Of this change in net asset value, \$2,158,764 is attributable to the common control business combinations and transactions on demerger from Trustees Australia (refer Note 3). The most notable common control asset additions are \$860,000 in development property and \$1,899,313 in listed investments.

In addition, \$202,000 of share capital was raised through the issue of 1,010,000 shares on 11 September 2017 and the group recorded a \$225,306 net loss after tax for the half-year to 31 December 2017.

The group has no borrowings at 31 December 2017 (June 2017: \$nil) and the directors believe the group is in a strong and stable financial position to expand and grow its current operations

REVIEW OF OPERATIONS AND BUSINESS SEGMENTS

• **TOURISM AND HOSPITALITY - MAGNUMS BACKPACKER OPERATIONS**

Trading at Magnums Airlie Beach has continued to be positive with tourism activities generally in Australia benefiting from the lower Australian dollar. The backpacker segment has continued to regain much of the momentum seen in past years.

The Magnums facility has been constantly maintained and features highly in numerous social media sites and as previously advised, the property has been a consistent winner of tourism awards in the backpacker and budget travel market in Airlie Beach. It is very centrally located in Airlie Beach adjacent to the Magnums Hotel and a relatively new Woolworths supermarket and specialty shops which are built on land formerly owned as part of the Magnums land base. Magnums is also only a short walk from the central Airlie Beach Lagoon, which is the dominant swimming and relaxation spot for visiting tourists.

The property suffered considerable damage in April 2017 when Cyclone Debbie made landfall near Airlie Beach. The assets were adequately insured and approximately \$1,200,000 was received from insurers for reparation work which has been substantially completed at the date of this Interim Financial Report. Insurance coverage was on a "new for old" basis and as a result the property has received a valuable refurbishment.

• **INVESTMENTS - AUSTRALIAN DAIRY FARMS GROUP (ADFG)**

The group owns 15,194,507 fully paid stapled securities in ADFG. The securities have been valued at the 31 December 2017 ASX closing price of 11.5 cents (30 June 2017: 11.5 cents). Since that date the securities have traded between 11 cents and 13 cents.

• **DEVELOPMENT PROPERTY**

The group owns land at Airlie Beach adjoining the Magnums Backpackers property, which is currently used for vehicle parking and access. The land parcel has a strategic value in terms of the future development of various adjoining land parcels. The directors are in continuing discussions with the local authority and adjoining property owners with respect to complimentary development of this land in conjunction with development on adjoining parcels.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

On 25 October 2017, the directors released an announcement to the NSX regarding an early stage project to seek regulatory approval for the construction of a cableway together with restaurant and "adrenalin sports activities" (Whitsunday Skyway) to connect the southern end of the Magnums Backpacker land in the centre of Airlie Beach to the top of an unnamed peak in the adjoining Conway National Park, which has spectacular views over the Coral Sea and Whitsunday Islands.

The announcement stated that the project was considered by directors to be speculative given the challenging regulatory approvals that will be required before it can proceed, however, if approved, the project is considered by directors to have strong potential to be financially and environmentally successful.

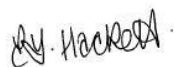
EVENTS AFTER THE BALANCE DATE

No material matters have arisen since 31 December 2017 that have significantly affected or may significantly affect the group. Prior to the demerger, the property assets of Jimmy Crow were for many years used as collateral security for bank borrowings of the Trustees Australia group. At the date of this report, some bank securities over the property owned by the Jimmy Crow Group have not been fully released because of technical issues of the Commonwealth Bank, which have delayed the registration at the Queensland Titles Office of the formal releases. Trustees Australia has no borrowings from the Commonwealth Bank relating to the unreleased securities and all parties are working cooperatively to formalise the release and acknowledge that there is no cross collateral arrangement between them.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under S 307C of the Corporations Act 2001 is set out on page 33 for the half-year ended 31 December 2017.

This report is signed in accordance with a resolution of the board of directors.



Elizabeth Hackett
Executive Chairman
Brisbane
28 February 2018



Auditor's Independence Declaration

Under Section 307C of the *Corporations Act 2001*

To the Directors of Jimmy Crow Limited

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2017 there have been no contraventions of:

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

This declaration is in respect of Jimmy Crow Limited and the entities it controlled during the period.

Nexia Brisbane Audit Pty Ltd

Nexia Brisbane Audit Pty Ltd

Robertson

AM Robertson

Director

Level 28, 10 Eagle Street
Brisbane, QLD, 4000

Date: 28 February 2018

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED DECEMBER 2017

| | | December 2017 | December 2016 |
|--|-----------|------------------|------------------|
| | Notes | \$ | \$ |
| Revenue | 4(a) | 1,529,563 | 1,236,793 |
| Other income | 4(b) | - | 256,545 |
| Business operating expenses | | (383,365) | (309,018) |
| Employment expenses | 4(c)(ii) | (647,313) | (450,910) |
| Finance costs | 4(c)(i) | (12,266) | (2,394) |
| Property operating expenses | | (170,043) | (157,019) |
| Depreciation and amortisation | | (71,666) | (65,908) |
| Impairment of financial assets | 4(c)(iii) | (152,046) | - |
| Other expenses | | (318,170) | (522,361) |
| Loss before income tax | | (225,306) | (14,272) |
| Income tax benefit / (expense) | 5 | - | - |
| Loss for the period from continuing operations | | (225,306) | (14,272) |
| Discontinued operations | | | |
| Profit / (loss) from discontinued operations after tax | 3 | 968 | (212,616) |
| Loss for the period attributable to members | | (224,338) | (226,888) |
| Other comprehensive income | | | |
| Items that will not be reclassified subsequently to profit or loss: | | - | - |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Gain on revaluation of financial assets (net of applicable income tax) | 10 | 10,065 | - |
| Other comprehensive income for the period | | 10,065 | - |
| Total comprehensive loss for the period attributable to members | | (214,273) | (226,888) |
| Earnings per share: | 20 | \$ | \$ |
| From continuing and discontinued operations: | | | |
| Basic earnings per share | | (0.01) | (2,224.39) |
| Diluted earnings per share | | (0.01) | (2,224.39) |
| From continuing and operations: | | | |
| Basic earnings per share | | (0.01) | (126.99) |
| Diluted earnings per share | | (0.01) | (126.99) |

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

| | Notes | December 2017 \$ | June 2017 \$ |
|--------------------------------------|-------|------------------------|--------------------|
| Current Assets | | | |
| Cash and cash equivalents | 6 | 657,663 | 56,757 |
| Trade and other receivables | 7 | 357,276 | 9,837 |
| Inventories | 8 | 1,700 | 2,943 |
| Other current assets | 9 | 260,123 | 59,290 |
| Total Current Assets | | 1,276,762 | 128,827 |
| Non-Current Assets | | | |
| Inventories | 8 | 860,000 | - |
| Other financial assets | 10 | 1,766,545 | 9,213 |
| Intangibles | 11 | 3,050 | 51,827 |
| Property, plant & equipment | 12 | 4,876,894 | 4,854,247 |
| Total Non-Current Assets | | 7,506,489 | 4,915,287 |
| Total Assets | | 8,783,251 | 5,044,114 |
| Current Liabilities | | | |
| Trade and other payables | 13 | 625,560 | 318,522 |
| Provisions | 14 | 100,857 | 50,065 |
| Total Current Liabilities | | 726,417 | 368,587 |
| Non-Current Liabilities | | | |
| Trade and other payables | 13 | 615,397 | - |
| Provisions | 14 | 619,419 | - |
| Total Non-Current Liabilities | | 1,234,816 | - |
| Total Liabilities | | 1,961,233 | 368,587 |
| Net Assets | | 6,822,018 | 4,675,527 |
| Equity | | | |
| Issued capital | 15 | 8,680,086 | 13,967,027 |
| Reserves | 16 | 17,027 | 6,963 |
| Retained earnings | | (1,875,096) | (9,298,463) |
| Total Equity | | 6,822,017 | 4,675,527 |

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

| | Notes | December 2017 \$ | December 2016 \$ |
|---|-----------|------------------------|------------------------|
| Cash Flows from Operating Activities | | | |
| Receipts from customers | | 1,504,126 | 1,310,518 |
| Payments to suppliers and employees | | (1,490,729) | (1,048,412) |
| Interest received | | 4,338 | 208 |
| Finance costs | | (12,266) | (2,394) |
| Net operating cash flows | 5(b) | 5,469 | 259,920 |
| Cash Flows from Investing Activities | | | |
| Payment for property, plant & equipment | | (84,123) | (36,954) |
| Proceeds from property, plant and equipment | | 6,602 | - |
| Payment for intangible assets | | (3,050) | - |
| Net cash on acquisition and disposal of controlled entities | 3 | 4,262 | - |
| Net investing cash flows | | (76,309) | (36,954) |
| Cash Flows from Financing Activities | | | |
| Proceeds from capital raise | 15(a)(ii) | 202,000 | - |
| Net payments from / (to) related parties | | 469,746 | (450,626) |
| Net financing cash flows | | 671,746 | (450,626) |
| Net increase / (decrease) in cash held | | 600,906 | (227,660) |
| Cash at the beginning of the period | | 56,757 | 287,753 |
| Cash at the end of the financial period | 6 | 657,663 | 60,093 |

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR 31 DECEMBER 2017

| | Issued Capital Ordinary | Common Control Reserve | Financial Asset Revaluation Reserve | Retained Earnings | Total |
|---|----------------------------|------------------------------|--|----------------------|------------------|
| | \$ | | \$ | \$ | \$ |
| Balance at 1 July 2017 | 13,967,027 | - | 6,963 | (9,298,463) | 4,675,527 |
| Comprehensive Income / (loss) for the period | | | | | |
| Loss attributable to members of parent entity | - | - | - | (224,338) | (224,338) |
| Other comprehensive income | - | - | 10,065 | - | 10,065 |
| Total comprehensive income / (loss) for the period | - | - | 10,065 | (224,338) | (214,273) |
| Transactions with owners, in their capacity as owners and other transfer | | | | | |
| Capital raise (refer Note 14 (a)(ii)) | 202,000 | - | - | - | 202,000 |
| Total transactions with owners | 202,000 | - | - | - | 202,000 |
| Other | | | | | |
| Cancellation of shares held by TAU on demerger (refer Note 14(a)(i)) | (13,967,027) | 13,967,027 | - | - | - |
| Shares issued to TAU shareholders upon demerger (refer Note 14(a)(i)) | 8,478,086 | (8,478,086) | - | - | - |
| Common control reserve recognised on demerger from TAU (refer Note 3) | - | 2,158,764 | - | - | 2,158,764 |
| Transfer (to) / from retained earnings | - | (7,647,705) | - | 7,647,705 | - |
| Total Other | (5,488,941) | - | - | 7,647,705 | 2,158,764 |
| Balance at 31 December 2017 | 8,680,086 | - | 17,028 | (1,875,096) | 6,822,018 |

| | Issued Capital Ordinary | Retained Earnings | Total |
|---|----------------------------|----------------------|------------------|
| | \$ | \$ | \$ |
| Balance at 1 July 2016 | 13,967,027 | (8,517,627) | 5,449,400 |
| Comprehensive Income / (loss) for the period | | | |
| Loss attributable to members of parent entity | - | (226,888) | (226,888) |
| Total comprehensive loss for the period | - | (226,888) | (226,888) |
| Balance at 31 December 2016 | 13,967,027 | (8,744,515) | 5,222,512 |

The accompanying notes form part of these financial statements.

FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report includes the consolidated financial statements and notes of Jimmy Crow Limited (Jimmy Crow) and controlled entities (the group). Jimmy Crow is a listed public company, incorporated and domiciled in Australia.

The separate financial statements of the parent entity, Jimmy Crow Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*. Supplementary information about the parent entity is disclosed in Note 2.

The interim financial statements were authorised for issue as at the date of signing the directors' declaration.

BASIS OF PREPARATION

This interim financial report is a general purpose financial report for the half-year ended 31 December 2017 that has been prepared in accordance with Australian Accounting Standards and Interpretations, of the Australian Accounting Standard AASB 134: Interim Financial Reporting and the *Corporations Act 2001*. The group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. This interim financial report is intended to provide users with an update on Jimmy Crow and its controlled entities. As this is the first interim report since listing on the National Stock Exchange on 11 September 2017, all material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

As described in Note 3, the group demerged from Trustees Australia Limited (Trustees Australia) on 17 August 2017. The demerger has been accounted for using predecessor accounting, such that the group assets and liabilities continue to be recognised at values consistent with the carrying values of those assets in Trustees Australia accounts immediately prior to the demerger, with no additional goodwill arising from the demerger.

The financial report, except for cash flow information, has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The results of the entities acquired and disposed during the demerger have only been included from their date of acquisition or disposal. Consequently, 2017 amounts shown in this statutory financial report are not comparable with December 2016 or June 2017.

A. Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Jimmy Crow Limited) and all of the subsidiaries, subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has the right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of controlled entities is contained in Note 17: Controlled Entities.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the group from the date on which control is obtained by the group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the group.

Common Control Business Combinations

Business combinations involving entities or businesses under common control are outside the scope of AASB 3: Business Combinations. A common control transaction took place on 17 August 2017 as part of the demerger from Trustees Australia Limited and has been accounted for using predecessor accounting, without the recognition of additional goodwill. The common control reserve represents the net assets acquired. Balances in the common control reserve relating to demerged entities and demerged assets and liabilities have been transferred to retained earnings.

B. Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income for the period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity outside the profit or loss when the tax relates to items that are recognised outside profit or loss or arising from a business combination.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

B. Income Tax (cont'd)

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale. When an investment property that is depreciable is held by the entity in a business model whose objective is to consume substantially all the economic benefits embodied in the property through use over time (rather than through sale), the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of such property will be recovered entirely through use.

Except for business combinations, no deferred income is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax consolidation

Jimmy Crow Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. Each entity in the group recognises its own current and deferred tax assets and liabilities, except for any deferred tax liabilities resulting from unused tax losses and tax credits, which are immediately assumed by the head entity. The current tax liability of each group entity is then subsequently assumed by the parent entity. The tax consolidated group has entered a tax sharing agreement whereby each company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

Following the demerger, formation of the tax consolidated group referred to above, has resulted in resetting of tax bases of certain assets of Jimmy Crow Limited as at the date of formation of the tax consolidated group. Management has sought independent taxation advice in order to assist with these calculations.

C. Fair Value of Assets and Liabilities

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

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

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

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

D. Land held for Development

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

Finance costs and holding charges incurred after development are expensed. Profits are brought to account on the signing of an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

E. Property, Plant and Equipment

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

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic valuations by external independent valuers, less accumulated depreciation for buildings. Valuation assessments are also conducted by management using the same methodology applied in previous independent valuations, taking into account comparable rentals and capitalisation rates to recent new leases and sales achieved which reflect the prevailing economic conditions, to assess whether the book values represent fair values.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity, all other decreases are recognised in profit or loss.

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (Refer to Note 1(H) for details of impairment).

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

The cost of fixed assets constructed within the group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The useful-life rates used for each class of depreciable assets are:

| Class of Fixed Assets | Depreciation Rate (years) |
|------------------------------|----------------------------------|
| Buildings | 40 |
| Plant and equipment | 10-15 |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

F. Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to entities in the group, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, recognised as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

G. Financial Instruments*Recognition and Measurement*

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is calculated as:

- a. the amount at which the financial asset or financial liability is measured at initial recognition;
- b. less principal repayments;
- c. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- d. less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The group does not designate any interests in subsidiaries, associates or joint ventures as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

G. Financial Instruments (cont'd)*Available-for-sale investments*

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other financial assets are classified as current assets).

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

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

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the group recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

H. Impairment of Assets

At the end of each reporting period, the group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

I. Intangibles other than goodwill*Trademarks*

Trademarks are recognised at cost of acquisition. Trademarks have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Trademarks are amortised over their useful life.

Software

Software which has been externally acquired is recognised at cost of acquisition. Once the software is fully operational, the expenditure has a finite useful life of 5 years and is carried at cost less any accumulated amortisation and impairment losses.

J. Employee Benefits*Short-term employee benefits*

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

The group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The group's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

K. Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

L. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

M. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

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

Interest revenue is recognised using the effective interest rate method.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at reporting date and where outcome of the contract can be estimated reliably.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

N. Trade and Other Payables

Trade and other payables represent the liabilities outstanding at the end of the reporting period for goods and services received by the group during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

O. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. Receivables and payables are shown inclusive of GST. The net amount of GST receivable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

P. Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(G) for further discussion on the determination of impairment losses.

Q. Comparative Figures

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

When the group applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a Statement of Financial Position as at the beginning of the earliest comparative period will be disclosed.

The results of entities disposed or acquired during the demerger have only been included to or from their date of acquisition or disposal. Consequently, the comparative figures shown in this statutory financial report are not comparable with December 2017 or June 2017.

R. Discontinued Operations

A discontinued operation is a component of an entity, being a cash-generating unit (or a group of cash generating units), that either has been disposed of, or is classified as held for sale, and: represents a separate major line of business or geographical area of operations; is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with the view to resale.

Impairment losses are recognised for any initial or subsequent write-down of an asset (or disposal group) classified as held for sale to fair value less costs to sell. Any reversal of impairment recognised on classification as held for sale or prior to such classification is recognised as a gain in profit or loss in the period in which it occurs.

S. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

(i) Accounting for the demerger of Jimmy Crow from Trustees Australia

The demerger of Jimmy Crow from Trustees Australia was a significant event and prior to the demerger, required a complex restructure to separate and align the relevant businesses, assets and liabilities within the respective entities.

Jimmy Crow has elected to account for the demerger of entities, assets and liabilities under common control at the carrying value recorded in Trustees Australia's financial statements at the date of the demerger.

(ii) Impairment

The group assesses impairment at each reporting date by evaluating conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using fair value and value-in-use calculations which incorporate various key assumptions.

(iii) Property Valuations

The directors make assessments of land and buildings and property valuations on the basis outlined in Note 1(D) and 1(E).

NOTE 2: PARENT INFORMATION

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Accounting Standards.

| | December 2017 \$ | June 2017 \$ |
|--|------------------------|--------------------|
| Statement of Financial Position | | |
| Assets | | |
| Current assets | 1,212,741 | 78,541 |
| Non-current assets | 7,791,847 | 5,583,546 |
| Total assets | 9,004,588 | 5,662,087 |
| Liabilities | | |
| Current liabilities | 546,182 | 367,411 |
| Total liabilities | 546,182 | 367,411 |
| Equity | | |
| Issued capital | 8,680,188 | 13,967,027 |
| Reserves | 17,028 | - |
| Retained earnings | (238,810) | (8,672,351) |
| Total Equity | 8,458,406 | 5,294,676 |

Statement of Profit or Loss and Other Comprehensive Income

| | | |
|--------------------------|-----------|-----------|
| Total loss | (232,591) | (154,724) |
| Total comprehensive loss | (222,526) | (154,724) |

Contingent liabilities and guarantees

The company does not have any contingent liabilities or guarantees in place for the period ended 31 December 2017 (June 2017: nil).

Contractual commitments

At 31 December 2017, Jimmy Crow had not entered into any contractual commitments for the acquisition of property, plant and equipment (June 2017: \$nil).

NOTE 3: COMMON CONTROL BUSINESS COMBINATIONS AND TRANSACTIONS

The demerger of Jimmy Crow Limited (Jimmy Crow) from Trustees Australia Limited (Trustees Australia) became effective 17 August 2017 and Jimmy Crow was listed as a separate standalone entity on the National Stock Exchange on 11 September 2017.

The demerger required Trustees Australia to undertake an internal corporate restructure prior to it becoming effective, and resulted in several entities becoming subsidiaries of Jimmy Crow prior to the demerger. In addition, a number of assets and liabilities were transferred between Trustees Australia and Jimmy Crow.

Jimmy Crow's statutory financial information for December 2017, December 2016 and June 2017 presents Jimmy Crow's performance in compliance with statutory reporting obligations, such that the results of the entities acquired during the demerger are only included from their date of acquisition by Jimmy Crow. In addition, Jimmy Crow's statutory financial results for December 2017 reflect changes in operating and corporate costs associated with Jimmy Crow becoming a standalone listed entity from 11 September 2017. Consequently, the statutory financial information does not give a view of the full half-year performance of Jimmy Crow as it is currently structured.

Common Control Transactions on Demerger

As part of the demerger from Trustees Australia, certain legal entities were acquired or disposed of by Jimmy Crow, as described in Note 16: Controlled Entities. Also, as part of the demerger from Trustees Australia certain assets and liabilities were acquired or disposed of by Jimmy Crow. These transactions occurred while under the control of Trustees Australia and for consolidation purposes have been accounted for as transactions between entities under common control. Acquisition accounting was not applied, assets and liabilities have not been remeasured to fair value nor has any goodwill arisen. Rather, Jimmy Crow has elected to account for business combinations under common control at carrying value in Trustees Australia financial statements. Accordingly, all assets and liabilities acquired by Jimmy Crow as a result of the demerger have been recognised at values consistent with their carrying values in Trustees Australia financial statements immediately prior to the demerger.

The common control reserve within equity represents net assets transferred intra-group under common control prior to the demerger as below:

| | 2017 \$ |
|---|--------------------|
| Fair value of assets acquired and liabilities assumed: | |
| Cash and cash equivalents | 4,262 |
| Trade and other receivables | 1,373,254 |
| Other current assets | 53,857 |
| Inventories | 860,000 |
| Other financial assets | 1,899,313 |
| Intangibles | (51,827) |
| Property, plant and equipment | 16,792 |
| Trade and other payables | (1,255,707) |
| Borrowings | (67,352) |
| Provisions | (673,828) |
| Net identifiable assets acquired and liabilities assumed | 2,158,764 |
| Common control reserve recognised | (2,158,764) |

Results contributed by the acquired entities since acquisition date:

| | |
|------------------------|-----------|
| Revenue | 12,501 |
| Loss before income tax | (172,015) |

If the acquisition had occurred on 1 July 2017, the results contributed by the entities acquired would have been:

| | |
|------------------------|-----------|
| Revenue | 87,367 |
| Loss before income tax | (232,868) |

Results contributed by the disposed entity up to disposal date:

| | |
|--------------------------|-------|
| Revenue | 1,400 |
| Profit before income tax | 968 |

NOTE 4: REVENUE AND EXPENSES

| | December 2017 | December 2016 |
|---|------------------|------------------|
| (a) Revenue | | |
| | \$ | \$ |
| Tourism and hospitality services | 1,332,004 | 1,165,132 |
| Sale of goods | 25,925 | 33,006 |
| | 1,357,929 | 1,198,138 |
| Other revenue | | |
| Interest received - other persons | 4,338 | 208 |
| Grant funding | 9,605 | - |
| Other revenue | 157,691 | 38,447 |
| | 171,634 | 38,655 |
| Total Revenue | 1,529,563 | 1,236,793 |
| (b) Other Income | | |
| Loans forgiven - related parties | - | 256,545 |
| | - | 256,545 |
| (c) Expenses | | |
| (i) Finance costs | | |
| Interest paid - related party | 7,377 | - |
| Loans - unsecured | 4,889 | 2,394 |
| | 12,266 | 2,394 |
| (ii) Employee benefits expense | | |
| Wages and salaries costs | 587,718 | 409,447 |
| Superannuation | 55,803 | 38,563 |
| Employee benefits provisions | 3,792 | 2,900 |
| | 647,313 | 450,910 |
| (iii) Other significant items | | |
| Rental expense on operating leases | 51,988 | 46,947 |
| Cost of sales | 31,545 | 26,292 |
| Bad debts - related parties | 195,324 | 707,171 |
| Impairment of financial assets (refer note 9(a)(i)) | 152,046 | - |

NOTE 5: INCOME TAX EXPENSE

| | December 2017 \$ | December 2016 \$ |
|---|------------------------|------------------------|
| (a) The components of tax expense / (benefit) comprise | | |
| Current tax | - | - |
| Deferred tax | - | - |
| | <u>-</u> | <u>-</u> |

(b) The prima facie tax on profit before income tax is reconciled to the income tax as follows

Prima facie tax payable / (benefit) on profit / (loss) from ordinary activities before income tax at 30% (2016: 30%):

Add /(less)

Tax effect of:

- current period tax losses not recognised
- net amount of temporary differences
- sale of discontinued operations
- non-deductible option expense
- other non-deductibles
- net amount of temporary differences
- capital distributions received
- prior year capital losses utilised

Income tax expense / (benefit) attributable to entity

| | |
|-----------------------------|-----------------------------|
| <u> </u> | <u> </u> |
|-----------------------------|-----------------------------|

Applicable weighted average effective tax rates are as follows:

N/A N/A

(c) Deferred tax assets not recognised

Deferred tax assets and liabilities not brought to account, the net benefit of which will only be realised if the conditions for deductibility set out in Note 1: Statement of Significant Accounting Policies occur.

Temporary differences

Tax losses

Capital losses

Net unbooked deferred tax assets

| | |
|-----------------------------|-----------------------------|
| <u> </u> | <u> </u> |
|-----------------------------|-----------------------------|

(e) Tax effects relating to each component of other comprehensive income

| | December 2017 | | | December 2016 | | |
|--|--------------------------------|-----------------------------------|--------------------------------|--------------------------------|-----------------------------------|--------------------------------|
| | Before- tax amount \$ | Tax (expense) benefit \$ | Net- of-tax amount \$ | Before- tax amount \$ | Tax (expense) benefit \$ | Net- of-tax amount \$ |
| Financial assets revaluation (Note 10) | 10,065 | - | 10,065 | - | - | - |
| | <u>10,065</u> | <u>-</u> | <u>10,065</u> | <u>-</u> | <u>-</u> | <u>-</u> |

NOTE 6: CASH AND CASH EQUIVALENTS

(a) Reconciliation of Cash

| | December 2017 | June 2017 |
|--------------------------|------------------|---------------|
| | \$ | \$ |
| Cash at bank and in hand | 167,259 | 46,560 |
| Short term deposits | 490,404 | 10,197 |
| | 657,663 | 56,757 |

(b) Reconciliation of Profit after Income Tax to Cash Flows from Operations

| | December 2017 | December 2016 |
|---|------------------|------------------|
| Net profit / (loss) after income tax | (224,338) | (226,888) |
| Adjustment of non cash items | | |
| Amortisation and depreciation | 71,666 | 65,908 |
| Bad debts - related parties | 195,324 | 707,171 |
| Loans forgiven - related parties | (1,400) | (256,545) |
| Impairment of financial assets | 152,046 | - |
| Changes in assets and liabilities, net of the effects of movements in subsidiaries | | |
| Increase / (decrease) in provisions | (3,619) | 4,392 |
| (Increase) / decrease in receivables and other assets | (287,253) | (46,044) |
| (Increase) / decrease in inventories | 1,243 | 693 |
| Increase / (decrease) in trade creditors | 101,800 | 11,233 |
| Net operating cash flows | 5,469 | 259,920 |

(c) Non-cash finance and investing activities

Refer to Note 3 for details of non-cash acquisition and disposals as a result of the demerger from Trustees Australia.

NOTE 7: TRADE AND OTHER RECEIVABLES

| | December 2017 | June 2017 |
|----------------------------------|------------------|--------------|
| | \$ | \$ |
| Current | | |
| Trade debtors | 42,958 | 9,404 |
| Other receivables | 314,318 | 433 |
| Total current receivables | 357,276 | 9,837 |

NOTE 8: INVENTORIES

| | December 2017 | June 2017 |
|---|------------------|--------------|
| | \$ | \$ |
| Current | | |
| Stock in trade at cost | 1,700 | 2,943 |
| | 1,700 | 2,943 |
| Non-Current | | |
| Development property at lower of cost and NRV | (a) 860,000 | - |
| | 860,000 | - |
| | 861,700 | 2,943 |

NOTE 8: INVENTORIES (cont'd)

| | | December 2017 | June 2017 |
|--|------|------------------|--------------|
| | Note | \$ | \$ |
| Movements during the year: | | | |
| Opening Balance as at 1 July | | 2,943 | 5,279 |
| Stock in trade movement | | (1,243) | (2,336) |
| Transfer of common control asset on demerger | (a) | 860,000 | - |
| Closing balance as at period end | | 861,700 | 2,943 |

- (a) As part of the Jimmy Crow demerger from Trustees Australia on 17 August 2017, Jimmy Crow was transferred development property adjacent to its backpacker hostel property at Airlie Beach. The Trustees Australia directors commissioned a valuation from Opteon Property Group for the year ended 30 June 2016, to assess independently the value of the land and of the other property assets at Airlie Beach. The valuer adopted a direct market comparison whereby the property is compared with sales of the most recent comparable properties and adjustments made for points of difference. Based on this approach the land was valued at \$860,000 or \$150/sqm. The directors have adopted the same valuation at 31 December 2017.

NOTE 9: OTHER ASSETS

| | December 2017 | June 2017 |
|--------------------|------------------|---------------|
| | \$ | \$ |
| Current | | |
| Prepayments | 160,123 | 59,290 |
| Bonds and deposits | 100,000 | - |
| | 260,123 | 59,290 |

NOTE 10: FINANCIAL ASSETS

| | December 2017 | June 2017 |
|-------------------------------------|------------------|--------------|
| | \$ | \$ |
| Non-current | | |
| Available-for-sale financial assets | (a) 1,766,545 | 9,213 |
| Total financial assets | 1,766,545 | 9,213 |

(a) Available-for-sale financial assets comprise:

| | | |
|-----------------------------------|---------------|-------|
| Listed investments, at fair value | | |
| - shares in listed corporations | (i) 1,766,545 | 9,213 |

(i) Below is a summary of the movement in the period of available-for-sale financial assets:

| | | |
|--|------------------|--------------|
| Opening balance | 9,213 | 2,250 |
| Transfer from Trustees Australia on demerger | 1,899,313 | - |
| Fair value adjustments | 10,065 | 6,963 |
| Impairment expense | (152,046) | - |
| | 1,766,545 | 9,213 |

NOTE 10: FINANCIAL ASSETS (con't)

At 31 December 2017, the group held the following ASX listed securities;

- 15,194,507 fully paid stapled securities in Australian Dairy Farms Group (ADFG). The securities have been valued at the 31 December 2017 ASX closing price of 11.5 cents (30 June 2017: 11.5 cents). Since that date the securities have traded between 11 cents and 13 cents.
- 750,000 shares in Authorised Investment Fund Limited (ASX Code: AIY). The securities were valued at 2.5 cents as of 31 December 2017 (30 June 2017: 1.2 cents). Since that date the securities have traded between 2.5 cents and 5 cents.
- 2,030 shares in Fastbrick Robotics Ltd (ASX Code: FBR). The securities were valued at 21 cents as of 31 December 2017 (30 June 2017: 10.5 cents). Since that date the securities have traded between 15 cents and 21 cents.

NOTE 11: INTANGIBLE ASSETS

| | December 2017 \$ | June 2017 \$ |
|---------------------------------|------------------------|--------------------|
| Software development - at cost | - | 51,827 |
| Trademarks and patent - at cost | 3,050 | - |
| | 3,050 | 51,827 |

NOTE 12: PROPERTY, PLANT AND EQUIPMENT

| | Note | December 2017 \$ | June 2017 \$ |
|---|------|------------------------|--------------------|
| Land and buildings | | | |
| Freehold land: | | | |
| - at independent valuation 2016 | | 1,914,000 | 1,914,000 |
| Total land | | 1,914,000 | 1,914,000 |
| Buildings | | | |
| - at independent valuation 2016 | | 2,774,331 | 2,765,706 |
| less accumulated depreciation | | (82,224) | (41,062) |
| Total buildings | | 2,692,107 | 2,724,644 |
| Total land and buildings, net | (a) | 4,606,107 | 4,638,644 |
| Plant and equipment owned | | | |
| - at cost | | 444,977 | 356,590 |
| less accumulated depreciation | | (174,190) | (140,987) |
| Total plant and equipment, net | | 270,787 | 215,603 |
| Total property, plant and equipment, net | | 4,876,894 | 4,854,247 |

- (a) The directors commissioned a valuation from Opteon Property Group for the year ended 30 June 2016 to independently assess the Market Value for financial reporting purposes, of the freehold interest of the property assets at Airlie Beach assuming vacant possession. The valuers made an assessment taking into account the long term trading history of the property and its current condition at \$4,673,000. The directors adopted the \$4,673,000 at 30 June 2016 and 30 June 2017.

At 31 December 2017 the directors have assessed the property assets in light of insurance recoveries received and capital works completed since Cyclone Debbie in late March 2017. There have also been a couple of sales in the Airlie Beach main street that indicate that the market has increased or maintained pre cyclone value levels. Based on the above, the directors have adopted the same valuation methodology as June 2016 and June 2017 at 31 December 2017. Following the completion of all capital works, the directors will obtain an independent valuation for the 30 June 2018 year end.

NOTE 13: TRADE AND OTHER PAYABLES

| | December 2017 \$ | June 2017 \$ |
|---------------------------------------|------------------------|--------------------|
| Current – unsecured | | |
| Trade creditors | 271,646 | 157,508 |
| Sundry creditors and accrued expenses | 353,914 | 161,014 |
| Total current payables | 625,560 | 318,522 |
| Non-current – unsecured | | |
| Sundry creditors and accrued expenses | 615,397 | - |
| Total current payables | 615,397 | - |

NOTE 14: PROVISIONS

| | December 2017 \$ | June 2017 \$ |
|-------------------------------------|------------------------|--------------------|
| Current | | |
| Employee benefits | 100,857 | 50,065 |
| Total current provisions | 100,857 | 50,065 |
| Non-Current | | |
| Employee benefits | 619,419 | - |
| Total non-current provisions | 619,419 | - |

Provision for employee benefits

A provision has been recognised for employee entitlements relating to annual leave and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.

NOTE 15: ISSUED CAPITAL

| | December 2017 \$ | June 2017 \$ |
|---|------------------------|--------------------|
| (a) Contributed Equity | | |
| At the beginning of the reporting period | 13,967,027 | 13,967,027 |
| Cancellation of shares held by Trustees Australia on demerger | (13,967,027) | - |
| In-specie distribution to Trustees Australia shareholders | (i) 8,478,086 | - |
| Capital raise | (ii) 202,000 | - |
| At the end of the reporting period | 8,680,086 | 13,967,027 |
| Number of Ordinary Shares on Issue | | |
| At the beginning of the reporting period | 102 | 102 |
| Cancellation of shares held by Trustees Australia on demerger | (102) | - |
| In-specie distribution to Trustees Australia shareholders | (i) 33,110,131 | - |
| Capital raise | (ii) 1,010,000 | - |
| At the end of the reporting period | 34,120,131 | 102 |

NOTE 15: ISSUED CAPITAL (cont'd)

- (i) As part of the Trustees Australia and Jimmy Crow demerger, there was an in-specie distribution to the shareholders of Trustees Australia. On demerger 33,110,131 new shares were issued in Jimmy Crow at a value of \$8,478,086. The reset cost base value for tax consolidation purposes has been used as the basis of the value attributable to these shares.
- (ii) On 11 September 2017, 1,010,000 new shares were issued in Jimmy Crow following a capital raise of \$202,000 at 20 cents in accordance with the Company prospectus dated 27 July 2017.

The company does not have authorised capital or par value in respect of issued shares.

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At shareholders' meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

(b) Options

There are no options on issue.

(c) Capital Management

The group's debt and capital includes shares and financial liabilities, supported by financial assets. The group's capital is managed by assessing the group's financial risks and adjusting its capital structure in response to changes in those risks and in the market. Financial risk consideration includes the management of debt levels, distributions to shareholders and share issues. Given the recent volatility in financial markets and increased risks associated with high levels of gearing, the directors will continue to maintain low levels of borrowings. The strategy adopted to manage capital is consistent with prior years.

NOTE 16: RESERVES

NATURE AND PURPOSE OF RESERVES*Financial asset reserve*

The financial assets reserve records revaluation of financial assets.

Common control reserve

Business combinations involving entities or businesses under common control are outside the scope of AASB 3: Business Combinations. A common control transaction took place on 17 August 2017 as part of the demerger from Trustees Australia Limited and has been accounted for using predecessor accounting, without the recognition of additional goodwill. The common control reserve represents the net assets acquired. Balances in the common control reserve relating to demerged entities and demerged assets and liabilities have been transferred to retained earnings.

NOTE 17: CONTROLLED ENTITIES

| Particulars in relation to controlled entities | Note | Class of Equity | December 2017 Percentage Owned | June 2017 Percentage Owned |
|--|------|-----------------|-----------------------------------|-------------------------------|
| Parent Entity: | | | % | % |
| Jimmy Crow Limited | (a) | | | |
| Wholly Owned Controlled Entities | | | | |
| Corporate Solutions Pty Ltd | (b) | ordinary | 100 | - |
| Magnums Backpackers & Bar Pty Ltd (dormant) | (b) | ordinary | 100 | - |
| Corporate Queensland Pty Ltd (dormant) | (b) | ordinary | 100 | - |
| Airlie Central Tow Property Trust (dormant) | (b) | units | 100 | - |
| Redgate Asset Management Limited | (b) | ordinary | - | 100 |

The financial year of all controlled entities is the same as that of the holding company. All controlled entities are incorporated in Australia.

NOTE 17: CONTROLLED ENTITIES (cont'd)

(a) Ultimate Controlling Entity

The directors believe that the ultimate controlling entity of the group is Jimmy Crow Limited.

(b) Acquired and disposed as common control transactions as part of the Jimmy Crow and Trustees Australia demerger.

(c) There are no significant restrictions over the group's ability to access or use assets and settle liabilities of the group.

(d) Some group entities trade with each other on a limited basis primarily in respect of administrative costs and intercompany balances.

NOTE 18: RELATED PARTY TRANSACTIONS

TRANSACTIONS WITH RELATED PARTIES

Related parties of Jimmy Crow group are:

- controlled entities - see Note 16.
- key management personnel and their associates
- director related entities - see below.

Entity with significant influence over the group

Interests associated with the Director, Michael Hackett, own 48.97% (June 2017: nil) of the ordinary shares in Jimmy Crow at the date of this report.

Director related entities

Michael Hackett is a director of the Australian Dairy Farms Group (ADFG) and Trustees Australia Limited.

As set out in Note 9, Jimmy Crow holds equity in ADFG.

Jimmy Crow has also accrued \$110,000 (2016: \$nil) in recovered costs from ADFG for the half-year.

Included in trade and other receivables at the half-year end is \$202,000 in receivables from entities associated with Michael Hackett. There is no interest payable on the receivable.

Terms and conditions of transactions with related parties

Transactions with related parties are made at arm's length at normal market prices and on normal commercial terms.

NOTE 19: SEGMENT INFORMATION

SEGMENT INFORMATION***Identification of reportable segments***

The group has identified its operating segments based on the internal reports that are reviewed by the board in assessing performance and determining the allocation of resources.

The group is managed primarily on the basis of product category and service offerings since the diversification of the group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold and/or services provided by the segment;
- the type or class of customer for the products or service; and
- external regulatory requirements.

Types of products and services by segment*Tourism & Hospitality*

The tourism and hospitality segment includes the ownership and operation of Magnums Airlie Beach Backpackers, offering various grades of backpacker hostel style accommodation and services including a tour sales outlet. The operations are located at Airlie Beach in the Whitsundays, Queensland.

Investments

The Investments segment includes:

- the group's portfolio holding of listed investments which includes a 6.47% interest in the Australian Dairy Farms Group.

Property

The property segment includes:

- The group owns land at Airlie Beach adjoining the Magnums Backpackers property, which is currently used for vehicle parking and access. The land parcel has a strategic value in terms of the future development of various adjoining land parcels.

Basis of accounting for purposes of reporting by operating segments*Accounting policies adopted*

Unless otherwise stated, all amounts reported to the board with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the group.

Segment assets

If an asset is used across multiple segments, it is allocated to the segment that receives the majority of economic value from it. Segment assets are generally clearly identifiable on the basis of their nature and physical location.

Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Segment liabilities include trade and other payables.

NOTE 19: SEGMENT INFORMATION (cont'd)

| (i) Segment Performance | | | | |
|--|---|-----------------|--------------------|------------------|
| 31 December 2017 | | | | |
| | Tourism & Hospitality Services | Property | Investments | Total |
| Revenue | \$ | \$ | \$ | \$ |
| External sales | 1,525,225 | - | - | 1,525,225 |
| Interest revenue | 4,338 | - | - | 4,338 |
| Total segment revenue | 1,529,563 | - | - | 1,529,563 |
| Reconciliation of segment revenue to group revenue | | | | |
| Revenue from discontinued operations | | | | 1,400 |
| Total revenue from continuing and discontinued operations | | | | 1,530,963 |
| Segment net (loss) before tax from continuing operations | (219,357) | (4,981) | - | (225,306) |
| (i) Segment Performance | | | | |
| 31 December 2016 | | | | |
| | Tourism & Hospitality Services | Property | Investments | Total |
| Revenue | \$ | \$ | \$ | \$ |
| External sales | 1,492,975 | - | - | 1,492,975 |
| Interest revenue | 363 | - | - | 363 |
| Total segment revenue | 1,493,338 | - | - | 1,493,338 |
| Reconciliation of segment revenue to group revenue | | | | |
| Revenue from discontinued operations | | | | 1,474 |
| Total revenue from continuing and discontinued operations | | | | 1,494,812 |
| Segment net loss before tax from continuing operations | (14,272) | - | - | (14,272) |
| (ii) Segment Assets | | | | |
| As at 31 December 2017 | | | | |
| | Tourism & Hospitality Services | Property | Investments | Total |
| Segment assets | 6,156,706 | 860,000 | 1,766,545 | 8,783,251 |
| Segment asset increases for the period: | | | | |
| Additions to non-current assets | 87,173 | 860,000 | 1,899,313 | 2,846,486 |
| Total group assets | | | | 8,783,251 |
| (ii) Segment Assets | | | | |
| As at 30 June 2017 | | | | |
| | Tourism & Hospitality Services | Property | Investments | Total |
| Segment assets | 5,044,114 | - | - | 5,044,114 |
| Segment asset increases for the period: | | | | |
| Additions to non-current assets | 36,954 | - | - | 36,954 |
| Total group assets | | | | 5,044,114 |

NOTE 19: SEGMENT INFORMATION (cont'd)

| | Tourism & Hospitality Services | Property | Investments | Total |
|----------------------------------|--------------------------------|----------|-------------|------------------|
| (iii) Segment Liabilities | | | | |
| As at 31 December 2017 | \$ | \$ | \$ | \$ |
| Segment liabilities | 1,961,233 | - | - | 1,961,233 |
| Total group liabilities | | | | 1,961,233 |

| | Tourism & Hospitality Services | Property | Investments | Total |
|----------------------------------|--------------------------------|----------|-------------|----------------|
| (iii) Segment Liabilities | | | | |
| As at 30 June 2017 | \$ | \$ | \$ | \$ |
| Segment liabilities | 368,587 | - | - | 368,587 |
| Total group liabilities | | | | 368,587 |

NOTE 20: EARNINGS PER SHARE

| | December 2017 | December 2016 |
|--|-------------------------|-------------------------|
| | \$ | \$ |
| Earnings per share from continuing and discontinued operations | | |
| Basic profit / (loss) per share | (0.01) | (2,224.39) |
| Diluted profit / (loss) per share | (0.01) | (2,224.39) |
| Earnings from continuing operations | | |
| Basic profit / (loss) per share | (0.01) | (126.99) |
| Diluted profit / (loss) per share | (0.01) | (126.99) |
| Reconciliation of earnings to profit or loss | | |
| Profit / (loss) attributable to shareholders | (224,338) | (226,888) |
| | Number of Shares | Number of Shares |
| Weighted average number of ordinary shares outstanding during the period used in calculating basic EPS | 25,219,085 | 102 |
| Weighted average number of options outstanding | - | - |
| Weighted average number of ordinary shares outstanding during the period used in calculating dilutive EPS | 25,219,085 | 102 |

NOTE 21: FAIR VALUE MEASUREMENTS

The group measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- available-for-sale financial assets.

The group subsequently measures freehold land and buildings (excluding development property held for sale) at fair value on a non-recurring basis.

The group does not subsequently measure any liabilities at fair value on a non-recurring basis.

NOTE 21: FAIR VALUE MEASUREMENTS (cont'd)

(a) Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

| Level 1 | Level 2 | Level 3 |
|--|--|---|
| Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. | Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. | Measurements based on unobservable inputs for the asset or liability. |

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the group are consistent with one or more of the following valuation approaches:

- *Market approach*: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach*: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach*: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following tables provide the fair values of the group's assets and liabilities measured and recognised on a recurring and non-recurring basis after initial recognition and their categorisation within the fair value hierarchy:

31 December 2017

| | Note | Level 1 \$ | Level 2 \$ | Level 3 \$ | Total \$ |
|---|---------|------------------|------------------|---------------|------------------|
| Assets recognised at fair value on a recurring basis | | | | | |
| Financial assets | | | | | |
| Available-for-sale financial assets | | | | | |
| - Shares in listed companies | 9(a)(i) | 1,766,545 | - | - | 1,766,545 |
| Total financial assets recognised at fair value on a recurring basis | | 1,766,545 | - | - | 1,766,545 |
| Non-recurring fair value measurements | | | | | |
| Land and buildings (i) | 11 | - | 4,606,107 | - | 4,606,107 |
| Total non-financial assets recognised at fair value on a non-recurring basis | | - | 4,606,107 | - | 4,606,107 |

- (i) Freehold land and building is the Magnums site, being a backpacker operations in Airlie Beach. The board considers that the land's current use is its highest and best use.

NOTE 21: FAIR VALUE MEASUREMENTS (cont'd)

30 June 2017

| | Note | Level 1 \$ | Level 2 \$ | Level 3 \$ | Total \$ |
|---|---------|---------------|------------------|---------------|------------------|
| Assets recognised at fair value on a recurring basis | | | | | |
| Financial assets | | | | | |
| Available-for-sale financial assets | | | | | |
| - Shares in listed companies | 9(a)(i) | 9,213 | - | - | 9,213 |
| Total financial assets recognised at fair value on a recurring basis | | 9,213 | - | - | 9,213 |
| Non-recurring fair value measurements | | | | | |
| Land and buildings (i) | 11 | - | 4,638,644 | - | 4,638,644 |
| Total non-financial assets recognised at fair value on a non-recurring basis | | - | 4,638,644 | - | 4,638,644 |

There were nil transfers between Level 1 and Level 2 for assets measured at fair value on a recurring basis during the reporting period (June 2017: nil transfers).

(b) Disclosed Fair Value Measurements

The following assets and liabilities are not measured at fair value in the statement of financial position, but their fair values are disclosed in the notes:

- Receivables; and
- Payables.

The following table provides the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used:

| Description | Note | Fair Value Hierarchy Level | Valuation Technique(s) | Input Used |
|--------------------|------|----------------------------|--|--|
| Assets | | | | |
| Land and Buildings | 11 | 2 | Market approach using recent observable market data for similar properties, income approach using discounted cash flow methodology | Price per hectare market borrowing rate. |

There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the notes to the financial statements.

NOTE 23: EVENTS AFTER THE BALANCE DATE

No material matters have arisen since 31 December 2017 that have significantly affected or may significantly affect the group.



DIRECTORS' DECLARATION

For the half-year ended 31 December 2017

In accordance with a resolution of the directors of Jimmy Crow Limited, the directors of the company declare that:

- (a) the financial statements and notes set out on pages 7 to 32 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standard AASB 134: Interim Financial Reporting; and
 - (ii) 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.
- (b) 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.

A handwritten signature in black ink, appearing to read "Elizabeth Hackett", written over a horizontal line.

Elizabeth Hackett
Executive Chairman

Brisbane

28 February 2018



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF JIMMY CROW LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Jimmy Crow Limited which comprises the consolidated condensed statement of financial position as at 31 December 2017, the consolidated condensed statement of profit or loss and other comprehensive income, the consolidated condensed statement of changes in equity and consolidated condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of Jimmy Crow Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) 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 Jimmy Crow Limited'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 Jimmy Crow 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 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.

Independence

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*, provided to the directors of Jimmy Crow Limited as attached to the director's report, has not changed as at the time of this auditor's review report.

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Registered Audit Company 299289

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF JIMMY CROW LIMITED (CONTINUED)

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 Jimmy Crow Limited is not in accordance with the *Corporations Act 2001* including:

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

Nexia Brisbane Audit Pty Ltd

Nexia Brisbane Audit Pty Ltd

A M Robertson

A M Robertson
Director

Level 28, 10 Eagle Street
BRISBANE QLD 4000

Date: 28 February 2018

CORPORATE DIRECTORY

Board of Directors

Elizabeth Hackett
Executive Chairman

Michael Hackett (B.Com, FCA)
Director

Kerry Daly (B.Bus, CPA)
Director

Nathan Leman
Director

Company Secretaries

Jerome Jones (B.Com, CPA)
Company Secretary

Registered Office

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Web: www.boardroomlimited.com.au

Auditor

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Brisbane QLD 4000

Telephone: (07) 3229 2022
Facsimile: (07) 3229 3277
Email: email@nexiabrisbane.com.au
Web: www.nexia.com.au

Stock Exchange

Jimmy Crow Limited is listed on the official List of the National Stock Exchange of Australia (NSX). The NSX Code is "JCC".