



## WINE GRAPES MARKETING BOARD



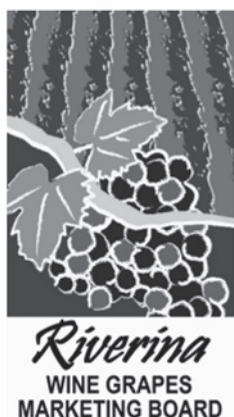
Serving  
Riverina  
Winegrape  
growers  
since  
1 9 3 3

City of Griffith and Local Government Areas of Leeton, Carrathool and Murrumbidgee.

## ANNUAL REPORT 2013

# WINE GRAPES MARKETING BOARD

## Annual Report for 2013



### **Wine Grapes Marketing Board Offices**

Residential: 182 Yambil Street GRIFFITH  
Postal: PO Box 385 GRIFFITH NSW 2680  
Telephone: 02 6962 3944  
Facsimile: 02 6962 6103  
Email: board@wgmb.net.au  
Website: www.wgmb.net.au

### **Board Executive Members**

#### **Chairman**

Bruno Brombal  
Mobile: 0429 630 465

#### **Deputy Chairman**

Robert Bellato  
Mobile: 0408 477 210

### **Staff Members**

#### **Chief Executive Officer**

Brian Simpson  
Mobile: 0438 388 828  
Email: bsimpson@wgmb.net.au

#### **Industry Development Officer**

Kristy Bartrop  
Mobile: 0422 717 573  
Email: kbartrop@wgmb.net.au

#### **Technical Officer**

James Codemo  
Mobile: 0401 567 449  
Email: jcodemo@wgmb.net.au

#### **Office Manager**

Sheree Collins  
Email: scollins@wgmb.net.au

### **Annual General Meeting**

Wednesday 25<sup>th</sup> June 2014  
Yoogali Club  
YOOGALI NSW 2680  
Commencing at 7:30pm

### **Page(s)**

- 1 Acronyms and Abbreviations used
- 2 Letter to the Minister
- 3 Chief Executive Officer's Introduction for 2013

### **Statutory Compliance**

- 3 Application for Extension of Time
- 3 Charter of the Board
- 3 Agricultural Industry Services of the Board
- 4 Aims & Objectives
- 4 Access
- 4 Management and Structure
- 4 Board Members during 2013
- 4 Meetings of the Board
- 4 Board Members Attendance
- 4 Board Staff
- 5 Organisation Chart
- 5 Summary Review of Operations
- 5 Funds Granted to Non-Govt Comm. Orgs
- 5 Legal Change
- 5 Economic or Other Factors
- 5 Management & Activities
- 5 Research & Development
- 5 Human Resources
- 6 Consultants & Research Payments
- 6 Equal Employment Opportunity
- 6 Disability Plans
- 6 Land Disposal
- 6 Promotion
- 6 Consumer Response
- 6 Payment of Accounts
- 6 Time for Payment of Accounts
- 7 Risk Management & Insurance Activities
- 7 Internal Audit & Risk Management Policy
- 7 Disclosure of Controlled Entities
- 7 Disclosure of Subsidiaries
- 7 Multicultural Policies and Services Program
- 7 Agreements with the Community Relation Com.
- 7 Workplace Health and Safety
- 7 Waste
- 7 Numbers of Executive Officers
- 7 Public Access of Information
- 7 Public Interest Disclosures
- 7 Electronic Service Delivery
- 7 Publication Guide
- 7 Appointed Auditors
- 8 Annual Reports
- 8 Financial Year

### **Reports 2013**

- 8 Regional Association Reports
- 8-9 Research, Development and Extension Report
- 9-10 Minutes of the Previous Annual General Meeting
- 10-12 Wine Grape Growers' Australia
- 12 New South Wales DPI

### **Financial Reporting and Information**

- 13-14 Statement by the NSW Audit Office
- 15 Statement by Members of the Board
- 16-33 Audited Financial Report

### **Wine Grapes Marketing Board 2014 Budget**

- 34 2014 Consolidated WGMB Budget
- 35 Notes to the 2014 Consolidated Budget

## ACRONYMS AND ABBREVIATIONS USED IN THIS REPORT

ACCC	Australian Competition and Consumer Commission
AGM	Annual General Meeting
CEO	Chief Executive Officer
EEO	Equal Employment Opportunity
GWRDC	Grape and Wine Research and Development Corporation
GIS	Geographical Information Service
HACCP	Hazards Analysis of Critical Control Points
IDO	Industry Development Officer
MIA	Murrumbidgee Irrigation Area
NSW	New South Wales
NSWDPI	New South Wales Department of Primary Industries
NSWWIA	New South Wales Wine Industry Association
OM	Office Manager
PHA	Plant Health Australia
R&D	Research and Development
RD&E	Research, Development and Extension
TO	Technical Officer
WFA	Winemakers' Federation of Australia
WGGA	Wine Grape Growers' Australia
WGMB	Wine Grapes Marketing Board

## Letter to the Minister

15 April 2014

The Honourable Katrina Hodgkinson MP  
Minister for Primary Industries  
NSW Parliament House  
SYDNEY NSW 2000

Dear Minister

The Wine Grapes Marketing Board, on behalf of all wine grape growers in the City of Griffith and the Local Government Areas of Leeton, Carrathool and Murrumbidgee, has pleasure in presenting the report for the year ended December 31, 2013 for tabling in the NSW Parliament.

This 80<sup>th</sup> Annual Report on performance, activities and financial results has been prepared in accordance with provisions of the *Annual Reports (Statutory Bodies) Act 1984*, and the *Public Finance and Audit Act 1993*.

Yours sincerely



Bruno Brombal  
Chairman



Robert Bellato  
Deputy Chair



## Chief Executives' Report - Brian Simpson

Welcome to the Wine Grapes Marketing Board's 2013 Annual Report of its operations and financial position.

This report contains a draft copy of the minutes of the previous meeting that was held in 2013 for your information prior to the Annual General Meeting to be held 25 June 2014 commencing at 7:30pm at the Yoogali Club, Yoogali NSW.

In 2013 the Board introduced its Strategic Operations Plan 2014-2018. This is in line with the NSW Government's requirements under the *Agricultural Industry Services Act 1998* that bodies such as the Board must provide a revised 5 year Strategic Operations plan annually. Copies of this plan were sent to all growers in October 2013 and available for download via the Board's website.

The season impacted many growers with the widespread frost event in 2013 devastating large portions of the regions winegrapes. The timing of the frost event, prior to flowering of the grapes has led to reductions in available fruit in the current 2014 vintage. Evidence in the market relating to the reduction of production has not materialised as prices have generally stalled and alarmingly in many cases the price offers have declined which indicate that wineries were not seeking a large intake in 2014.

Regionally the past years have been painful for many growers with flooding, late seasonal rains and frost impacting negatively on the returns to growers. These unfortunate environmental impacts have led to significant financial losses to many growers in the region. Growers in average terms are facing some of the harshest economic conditions since the 1970's, with input costs rising and returns per hectare declining.

The Board continues to be very concerned for the grower base as diminished returns across the region are creating problems for growers with some being required to leave their properties as their financial institutions call in debt.

This season the Board in conjunction with the representative body in the Murray Valley met with federal departments and politicians in an attempt to convince the government that action was needed to assist the industry. We are seeking a vine removal scheme across the industry. A scheme that is funded via a levy on the existing Wine Equalisation Tax rebate scheme in a manner that will reduce payments to industry made on bulk wines over a number of year and apply these funds to growers at a yet to be determined rate to remove vines from the ground for a period of 5 years.

This will enable growers to retire uneconomic portions of their vineyards and either plant another commodity or simply reduce their ongoing costs of management. It will also allow growers that wish to exit the industry the opportunity to present to potential buyers a property unencumbered by vines.

## Statutory Compliance

The following information is provided to comply with the reporting procedure and prescribed content of the *Annual Reports (Statutory Bodies) Act 1984*.

### Application for Extension of Time

The Board did not apply for an extension to publish its Annual Report for 2013.

### Charter of the Board

The Wine Grapes Marketing Board is a NSW Agricultural Industry Services Committee formed in accordance with the *Agricultural Industry Services Act 1998* under the *Agricultural Industry Services Regulation 2009, Part 2*.

### Agricultural Industry Services of the Board

- (a) the development of a code of conduct for contract negotiations between wine grape growers and wineries,
- (b) the development of draft contract provisions with respect to the sale of MIA wine grapes to wineries, including provisions with respect to:
  - (i) The prices to be paid by wineries, and
  - (ii) The terms and conditions of payment to be observed by wineries,in relation to MIA wine grapes delivered to them by wine grape growers,
- (c) the promotion of private contracts for sales of MIA wine grapes to wineries by wine grape growers,
- (d) the collection and dissemination of market and industry information, including the production and publication of indicator prices for MIA wine grapes grown in the Board's area of operations,
- (e) the conduct of research and development into plant health in relation to wine grapes,
- (f) the provision of education and training in relation to wine grape production and marketing,
- (g) the promotion (in association with organisations representing wineries) of wine made from MIA wine grapes,
- (h) the promotion of region industry, including regional winemaking, within the Board's area of operations,
- (i) the representation of the wine grape industry in relation to the matters referred to in paragraphs (a) – (h).

## **Aims and Objectives**

The following have been established and are consistent with the industry services of the Board:

- ensure a system of orderly and stable payments;
- improve the long-term viability of vineyards;
- improve the marketability of Riverina winegrapes;
- provide a resource for industry information and data;
- increase awareness of the Riverina as a major producer of quality wine;
- improve the professional and technical skills of winegrape growers;
- improve communication and cooperation with wineries; and
- encourage and facilitate viticulture research.

The Board services the requirements of the independent winegrape producers that produce greater than 20 tonnes of winegrapes within its area of operation, The City of Griffith and the Local Government Areas of Leeton, Carrathool and Murrumbidgee.

## **Access**

The office is located at 182 Yambil Street Griffith NSW.

Telephone 02 6962 3944

The Board office is open 5 days per week 8:30am-5:00pm Monday – Friday (excluding public holidays and the Christmas and New Year period).

## **Management & Structure**

The Board consists of seven members, five of whom are elected by winegrape growers and two appointed by the Board. The elected members of the Board have a three year term that ceased February 2013, all incumbent members stood for reselection and were successful. The elected member's positions will now run until February 2016. The appointed members' terms cease February 2014.

## **Board Members during 2013**

- Bruno Brombal (Chairman - Executive)
- Robert Bellato (Deputy Chair - Executive)
- Bruno Altin
- Rod Gribble (appointed during 2013)
- Lou Dal Nevo
- Tony Baggio
- Eric Berton

## **Meetings of the Board**

During the 12 months to 31 December 2013 there were 12 general meetings (generally held the second Monday of each month), 2 public meetings and 2 special meetings of the Board.

The Board holds its general meetings the second Monday of each month.

Public Meetings held in 2013 were the Annual General Meeting and the Strategic Planning and Budget setting meeting.

## **Board Member Meeting Attendance**

The following table shows the number of Board meetings held that were available for Board members to attend. Attendance of general and special meetings are noted and the overall percentage attendance of each member. Members' absences were due to approved leave, sickness or other personal commitments.

<i><b>Member</b></i>	<i><b>Meetings attended</b></i>	<i><b>Available to attend</b></i>	<i><b>%</b></i>
Bruno Brombal	12	15	80%
Robert Bellato	14	15	93%
Lou Dal Nevo	13	15	87%
Tony Baggio	15	15	100%
Rod Gribble	8	10	80%
Eric Berton	15	15	100%
Bruno Altin	14	15	93%

Rod Gribble joined the Board as an elected member in 2013 following a general election announcement for the 5 elected member positions on the Board.

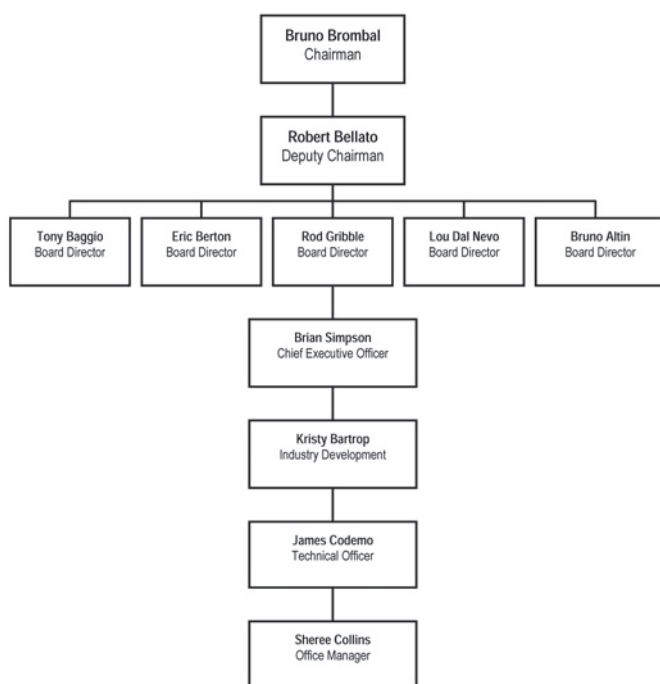
Mr Gribble's starting attendance was delayed until June 2013 as the NSW Electoral Commission misplaced his nomination form to join the Board. This was uncovered after the Board had advertised to fill the remaining vacant position on the Board and was about to interview potential candidates.

## **Board Staff**

From 1 Jan 2013 - 31 Dec 2013 staff members were:

- *Chief Executive Officer* - Brian Simpson
  - Bachelor of Business (Ag Commerce)
  - commenced employment 12 June 2000
- *Industry Development Officer* - Kristy Bartrop
  - BAppSc (Food Science), MMgt
  - commenced employment 6 August 2008
- *Office Manager* - Sheree Collins
  - commenced employment 16 August 2010
- *Technical Officer* - James Codemo
  - commenced employment 6 June 2011

## Organisation Chart



### Summary Review of Operations

The following provides a narrative summary of significant operations, financial and other quantitative information for programs or operations.

- There were no significant programs or operations undertaken by the Board during 2013.

### Funds Granted to Non-Government Community Organisations

\$15,000 was donated to the MIA Vine Improvement Society to assist them in maintaining disease free plant material for industry.

\$3,364 was used to build a disabled access ramp at the CEO's residence for his wife.

\$1,000 was donated to the Hanwood Grape Growers Association

\$909.09 was donated to the Yenda Grape Growers Association to support the work that these associations do in arranging meetings so the Board can liaise with growers more frequently.

### Legal Change

There was no legal change to the organisation during 2013.

### Economic or Other Factors

The Board continues to enter into agency agreements with grape processors for them to deduct statutory fees and charges from grower payments and forward these to the Board. The agency agreements were generally well adopted with the Board being required to pay 5% of the \$3.90 per tonne to the wineries \$30,657 in 2013

(\$27,526 in 2012). Wineries that did not enter agreements required the Board to invoice individual growers at a cost to the Board.

### Management & Activities

A review of the strategic operations of the Board was conducted by the Board during 2013. This was presented to growers in the *WGMB Strategic Operations Plan 2014-2018 and Operating Budget for 2014* publication. The plan was adopted at a meeting of growers held in November 2013 at which time the rate for the Board's grower fees and charges was set (\$3.90 per tonne fresh weight).

A performance review of all permanent staff was undertaken by Executive members of the Board in December as per the conditions of their contracts. All contracts were extended for a further 12 months.

### Research & Development

The Board continued to operate its own wine grape maturity sampling laboratory facilities during the year for constituted growers (no charge) and third party industry participants (competitive rates).

The Board is currently focused on extension activities principally with the funding being provided by the GWRDC under their Grassroots program that aims to provide up to \$125,000 per financial year.

In 2013 the Board undertook the following projects:

- A vineyard mulch trial
- Fertiliser performance trial
- Colour development trial
- Trunk disease workshop
- Bird Control factsheet
- Vineyard Sunburn management
- Brassica biofumigation
- Weed control workshop
- Precision viticulture

The resources allocated to this program are the Industry Development Officer in terms of management and overseeing the project activities and reporting to the GWRDC and the Technical Officer for sampling and recording of data as required by the projects.

### Human Resources

During 2013 the Board employed 4 permanent staff.

- 1 x Chief Executive Officer (CEO)
- 1 x Industry Development Officer (IDO)
- 1 x Office Manager (OM)
- 1 x Technical Officer (TO)



There was a 3% positive variation in wages and salaries from the 2012 position.

There have been no major changes in the staffing numbers and structure of the organisation for the past three years.

Standard personnel policies and practices are in place with all positions being contracted and conditions of employment are in line with national industrial relations policies and practices.

Permanent staff performance is reviewed annually by Board Executive and these reviews are discussed at the next occurring Board meeting.

All permanent staff members are engaged on 1 year contracts ending 31 December 2014.

### **Consultants and Research Payments**

The Board engaged the services of 2 accountants that were appointed by the NSW Government in accordance with the *Agricultural Industry Services Act 1998* to act as Authorised Inspectors for the Board for the purposes of ensuring completeness of revenues.

Mr Daniel Davidson, Senior Auditor, HMA Twomey Patterson Audit Pty Ltd, Wagga Wagga NSW.

Ms Sally Whitely CPA, Miller Crawford Accounting Services, Wagga Wagga, NSW.

- Authorised Inspections fees 2013 - \$3,656 (\$4,720 in 2012)

Research activities conducted by the Board were mostly funded by the GWRDC via its Regional Grassroots Project funding which runs on a standard financial year.

Four (4) consultants were engaged in 2013 costing a total of \$29,190 (\$196,138 in 2012) excluding GST.

- NSW DPI – Vineyard Mulch trial and Alternative Pests and Disease \$15,000
- Retallack Viticulture Pty Ltd – Fertiliser Performance, Analysis of Water Use Comparison \$12,285
- Riverina Helicopters – Frost damage assessment \$ 1,520
- Management Resource Plus – HACCP Management \$ 385

### **Equal Employment Opportunity**

The Board did not set any planned outcomes for the previous year in relation to EEO. The Board follows EEO principles when advertising, interviewing and selecting staff.

(Jan-Dec) Total Permanent staff:	4
Percent Women:	50%
Percent Men:	50%

### **Disability Plans**

The Board is not required per *NSW Public Sector Management Act Sch.1-3* to instigate a disability plan.

### **Land Disposal**

No disposal of property or land occurred within the 2013 Financial Year. A revaluation of the property and land occurred in December 2013 as per NSW Audit Office Agents request. Another revaluation will occur in 2016 for the purposes of financial reporting.

### **Promotion**

The Board contributed sponsorship to the following promotional activities (GST exclusive):

- 2013 Riverina Field Days \$10,000
- Sponsored the Riverina Wine Show \$ 3,000
- Tourism Touchscreens \$ 895
- Maintained a Wine Display at the Leeton Visitors Centre – with the assistance of regional wineries.

No overseas trips were taken by employees or members of the Board for promotional purposes.

A commitment of funding up to \$50,000 was made with Destination NSW as part of a regional promotional plan that is being developed. No funds were paid in 2013.

### **Consumer Response**

No formal complaints were received from members or the general public in relation to Board activities.

One anonymous letter purporting to be from a grape grower was received that the Board could not act upon.

### **Payment of Accounts**

The details of financial performance for each quarter re shown in the following table, it does not include payments to employees, returns to growers, Board members, superannuation funds and the Australian Taxation Office. The Board aims to make 100% of payments to creditors within the terms of payment set out by suppliers.

Number of Days	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter
0-30 days	\$113,750	\$126,652	\$111,433	\$148,741
30-60 days	-	-	-	-
60-90 days	-	-	-	-
90+ days	-	-	-	-
<b>\$ Total</b>	<b>\$113,750</b>	<b>\$126,652</b>	<b>\$111,433</b>	<b>\$148,741</b>
<b>% target</b>	100%	100%	100%	100%
<b>% actual</b>	100%	100%	100%	100%

### **Time for Payment of Accounts**

There were no instances of interest payable on late payment of accounts.



### ***Risk Management & Insurance Activities***

The Board is currently insured for members and staff liability and professional indemnity. All assets are insured to their replacement value. The Board's internal policy on purchasing is for all asset purchases to be recorded on the assets register.

### ***Internal Audit and Risk Management Policy Attestation***

On 21<sup>st</sup> January 2013 the Board received an exemption from the requirements of TPP 09-05.

The Board will continue its biennial review of the policies and procedures in place to ensure proper accounting control in relation to assets, liabilities, receipts and expenses in accordance with *Public Finance and Audit Act Section 11*.

### ***Disclosure of Controlled Entities***

The Board does not have any controlled entities.

### ***Disclosure of Subsidiaries***

The Board does not have any subsidiaries.

### ***Multicultural Policies and Services Program***

Located in the ethnically diverse Riverina region of NSW, the Board represents fairly and equally the interests of all winegrape growers irrespective of their country of origin. Board members and staff are sensitive to the cultural, social and religious differences of people of varying backgrounds.

All constituted growers within the area of the Board's jurisdiction have the opportunity to contribute to the administration of the Board and the policies by which it functions. They are encouraged to vote at Board elections and meetings as a means of registering their opinion of Board performance, and question decisions and policies. All views are assessed for their constructiveness without bias to race.

The Board is committed to the principles of multiculturalism and will continue its strategies as outlined in the above paragraphs.

### ***Agreements with Community Relations Commission***

There are no agreements entered into between the Board and the Community Relations Commission.

### ***Workplace Health & Safety***

No reports of work-related injuries or illnesses were received during the year. There are no proceedings under the *Workplace Health and Safety Act 2011*.

### ***Waste***

The Board does not have a written waste reduction policy. All paper that contains information of a non-confidential nature is recycled within the office and then disposed. All cardboard is sent to a recycling centre.

All confidential material is securely shredded and disposed off-site.

### ***Numbers of Executive Officers***

The Board currently has one Chief Executive Officer and the position is not receiving a remuneration package greater than or equal to Senior Executive Service level.

### ***Public Access of Information***

The Board reviewed its public access policy and publication guide in accordance with *Government Information (Public Access) Act 2009, Section 7, Clause 3*, at its general meeting held in December 2012.

The Board received 2 formal requests for information (8 in 2012) under the provisions of the *Government Information (Public Access) Act 2009*. These related directly to growers own farm details held by the Board. No charges or fees were requested for requests and these were completed within 24 hours of application.

No applications were refused by the Board.

### ***Public Interest Disclosures***

No public interest disclosures were made by members of staff or the Board.

No public interest disclosures were received by the Board. The Board does not have a Public Interest Disclosure policy.

All staff are aware of their role in relation to public interest disclosures.

### ***Electronic Service Delivery***

Wine Grapes Marketing Board internet site [www.wgmb.net.au](http://www.wgmb.net.au) continues to host Board newsletters and information updates for growers.

The Board uses facsimile and email to deliver weather and disease alerts to growers during the growing season. Information on meetings and activities are also sent via SMS to growers wishing to receive these.

During the financial year the Board's changed its website format and hosting arrangements. No statistics of use were available.

### ***Publication Guide***

In accordance with the NSW Office of the Information Commissioner under the *Government Information (Information Commissioner) Act 2009* the Board published a Guide to all material that it publishes and how members and the general public can access this. A copy of the Publication Guide is located on the Board's website. This information contains a copy of all current Board policies and procedures.

### ***Appointed Auditors***

The NSW Audit Office appointed Johnsons MME from Albury as its agent for the 2013 Audit.



## **Annual Reports**

The Board produced 400 copies of this Annual Report to enable it to be sent to all constituents and to comply with statutory requirements. Annual reports cost \$5.48 per unit (+ GST), these were printed locally.

## **Financial Year**

1<sup>st</sup> January to 31<sup>st</sup> December.

## **2013 Reports**

### **Regional Grape Grower Associations**

The following grape grower associations' function in the region. More information can be obtained from the Board or via direct contact with their representatives.

#### **Hanwood Grape Growers' Association**

##### **Postal Address**

PO Box 321  
HANWOOD NSW 2680

##### **Contact Details**

Chairman Lance Hicken 6963 0418  
Meetings are held at the Hanwood Sports Club at varying times through each year with notices generally placed in the local newspaper.

#### **Yenda Grape Growers' Association (YGGA)**

##### **Postal Address**

PO Box 350  
YENDA NSW 2681

##### **Contact Details**

Chairman Adrian Raccanello 0427 635 343  
Meetings are held at the Yenda Diggers Club and notices of meetings are sent to growers via email or SMS. New members are always welcome.  
The YGGA meets approximately 4 times per year.

### **Research, Development & Extension Report**

#### **Kristy Bartrop - Wine Grapes Marketing Board Industry Development Officer**

The Research, Development & Extension activities in 2013 covered many projects by the R&D staff to assist growers with their vineyard operations. The R&D program includes extension projects and research projects. The extension projects involve developing and communicating information from research projects in a manner for growers to interpret and use. Research projects generally include tasks at the data collection level. The following report outlines WGMB inputs into each area.

#### **GWRDC Regional Extension projects**

The Grape and Wine Research and Development Corporation (GWRDC) Regional extension program continued in 2013. The projects have been designed as

a result of the liaison with the regions grape growing and wine making representatives to determine the specific needs for regional extension.

The 2013/14 project plan encompasses nine projects; A vineyard mulch trial, fertiliser performance trial, colour development trial, trunk disease workshop, bird control factsheet, vineyard sunburn management trial, brassica bio-fumigation treatment of root rot and young vine decline, weed control workshop, and precision viticulture analysis of shiraz block quality variability.

#### **Natural Disaster Assessments and Assistance**

The 2013 season saw natural disaster issues with widespread frost damage to the regions vineyards. This was followed by a number of hail events, and extensive heatwaves. These environmental conditions caused for a difficult growing season to manage. The State government established a hot line for growers to report the level of loss experienced though unfortunately the frost damage is not a listed natural disaster for assistance and the event did not initiate any specific financial assistance for growers.

#### **Riverina Field Days**

The Wine Grapes Marketing Board has proudly been the major sponsor of the Riverina Field Days since 2007. The WGMB relocated our tent to a central location within the field days site in 2013. This new location enables our site to be more accessible and offered a chance for growers to sit and talk with the Board directors and staff. All growers are encouraged to support this annual event and the Board welcomes comments or suggestions that could improve the field days.

#### **Vineyard GIS Mapping Database**

The Board continues to provide free full colour GIS farm maps to growers. The details on the farm maps have been confirmed through meetings with growers to ensure that the details are correct. Property plans generated from the system are a valuable resource for both the Board and the land holder. All growers are urged to contact the Board should they change planting details or irrigation types to maintain the integrity of the database. The satellite imagery was updated in December 2012.

#### **Vintage Grape Analysis Laboratory**

The Wine Grapes Marketing Board vintage grape analysis laboratory continued its service to growers for the 2013 vintage. The Board undertook analysis for a range of customers; Riverina growers, local wineries, and out-of-area growers and wineries. The laboratory continues to run as a free service for all levy paying growers. Any non-levy paying parties wishing to use the service are charged a fee-for-service which assists in funding the capacity.

### **Plant health assessments**

Vine health assessments continue to be conducted in conjunction with Jason Cappello from NSW DPI. Any growers that are concerned with the vigour of their vines can request for samples to be collected and sent for analysis. For a minimal fee, growers receive a laboratory analysis report that details the disease present in the vines.

### **WGMB HACCP for Vineyards Program**

The WGMB HACCP food safety program continues to be a successful program that enables growers to meet the food safety requirements of local wineries. This program has been in operation since 2002 and has 235 growers involved for the current growing season. The user-friendly program meets the needs of processors for on-farm food safety record keeping. Growers needing to implement food safety programs on their vineyards can contact the Board office for further details and training options.

### **WGMB Seasonal Report & Weather Grower information service**

The Board's weather information service provides growers with weekly reports of experienced weather conditions and local forecast information to assist with management decisions in the vineyard related particularly to pest and disease control and irrigation management. This service is available to all constituted growers and the information is sent out during the season via fax and email service.

### **Regional Representation**

The Board Industry Development Officer represents the Riverina producers at the NSWRIA R&D committee and as the NSW representative on the Australian Society of Viticulture and Oenology (ASVO) Board. This representation allows our local level knowledge and skills to be directly involved in the state and national wine industry.

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**PLEASE TAKE THE TIME TO READ THE MINUTES  
BELOW OF THE PREVIOUS ANNUAL GENERAL  
MEETING OF THE BOARD.**

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**Riverina - Wine Grapes Marketing Board  
2012 Annual General Meeting  
Minutes of the Meeting held 19<sup>th</sup> June 2013  
commencing at 7:30 PM  
Hanwood Sports Club, Hanwood NSW 2680**

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### **Attendance**

**Constituted Growers (inc Board members):** Bruno Altin, Anthony Baggio, Steven Barbon, Eric Berton, Bruno Brombal, Jason Cappello, Louis Codemo, Peter

Cremasco, Gus Cristofaro, Angelo D'Aquino, John P. Dal Broi, Louis Dal Nevo, Leo De Paoli, Mariano Fattore, Daniel Favero, Lino Foscari, Rod Gribble, Robert Gulloni, Lance Hicken, Joe Maugeri, Dennis Menegon, Vince Monteleone, Lorenzo Pellizer, Adrian Raccanello, Peter Raccanello, David Rossetto, Pat Sergi, Tony Sergi, Guilio Toscan, Don Vitucci, Kevin Vitucci, Allan Zalunardo, Giovanni Zirilli.

**Board Staff:** Kristy Bartrop (IDO), James Codemo (TO), Sheree Collins (OM).

**Board Members:** Bruno Brombal (Chairman), Eric Berton, Louis Dal Nevo, Anthony Baggio, Bruno Altin, Robert Bellato (Deputy Chair).

**Apologies:** Brian Simpson (CEO), John J Dal Broi, Bernie Connellan, John Bisetto.

## **1. Minutes of previous Annual General Meeting**

Copies of the minutes had been included in the Annual Report for 2012.

***That the minutes be accepted as a true and accurate record of 19<sup>th</sup> June 2012 meeting -***

**MOVED: Steven Barbon**

**SECONDED: Robert Gulloni**

**CARRIED**

### **1.1 Business Arising from the Minutes**

No business was raised from the previous minutes.

## **2. Chairman's Report – Bruno Brombal**

This year approximately 300,000T was harvested which is up from 255,000T harvested in 2012. There were 163,000T of white varieties harvested, with Chardonnay down from 62,000T to 54,000T. All red varieties were up on 2012. Shiraz increased from 43,000T to 70,000T, with the total red crush approx. 136,000T which is significantly higher than the 94,000T harvested in 2012.

The Roads and Maritime Services (RMS) noted a number of grape spills on the roads during vintage, with a car accident on Old Willbriggie road. If anyone witnesses a grape spill they need to contact the growers responsible (if known) and contact the Board office. The Board wants the spillages to stop before someone gets hurt, and does not want to have the police and the RMS fining growers. The RMS was also checking more trucks for overloading as this is a cause for spillages, and overloading is illegal.

The WET rebate continues to be an issue for the industry. \$35million of WET tax rebates have been



claimed in New Zealand so far this year. In Australia, \$280million has been paid to wineries thus far in 2013. The Board is not against growers collecting the WET rebate, but is against people that do not own grapes or wineries and are not complying with the rules of the license. The Board has held meetings with the Small Business Commissioner Yasmin King, Member for Murrumbidgee Michael McCormack MP, and Member for Riverina, Adrian Piccoli MP.

Winery relationships with growers are the worst the Board has ever seen with long term growers being kicked out and growers not being able to trust the winery and their employees. The prices continue to be low with most wineries paying no better than 2012 even though early indications were that the prices were to increase in 2013. South Australian and Victorian growers received better prices than the Riverina growers and they not have a cap to restrict their return per acre. The Australian dollar has dropped to 94c which is going to improve the returns for our exporting wineries.

The Terms of Payment in the Riverina are mixed, with some wineries paying in 30 days and others over 10 payments. This variation in terms means that the wineries are not competing on price paid per tonne of grapes but on when the payments are made. Terms of payment in other regions are 3 equal payments with South Australia have state legislation. With many corporate businesses also operating in Victoria these terms are generally across Victoria too.

The Board has been actively seeking an appointment with the NSW Minister of Agriculture, Katrina Hodgkinson MP. The Minister is responsible for removing our Terms of Payment legislation in January 2012. The Board has 15 growers ready to meet with the minister as soon as she makes the time to visit the area. WGGA supports the Board in this matter.

The Board is set to provide the regions growers with a Levy return in 2013 if the figures produced by the Riverina Winemakers Association are correct. Debortoli Wines, Westend wines, and Pinical Estate are not deducting levies on behalf of their growers.

80<sup>th</sup> anniversary of WGMB to be held on 15<sup>th</sup> Sept 2013. Invitations will be sent out to growers shortly

The Board members would like to thank the Board staff for their effort throughout what has proven to be a very hard year.

*That the Chairman's reported be accepted -*

**MOVED:** Eric Berton

**SECONDED:** David Rossetto **CARRIED**

### 3. Financial Report – Kristy Bartrop IDO

The IDO presented the income and expenditure statements as per the Annual Report for 2012.

The production this season was adequate to fund the budgeted expenditure. A levy return is likely to occur.

*That the Financial Report for 2012 be adopted -*

**MOVED:** David Rossetto

**SECONDED:** Adrian Raccanello **CARRIED**

### 4. Other Business

#### 4.1 GWRDC Grassroots projects

The IDO announced the nine new GWRDC projects set to commence in the Riverina in July 2013 for 12 months. Growers are invited to participate in the projects.

#### 4.2 RMS overloading rules

The RMS is enforcing overloading rules using the weighbridge records at wineries and growers are reminded to monitor loading to avoid the penalties.

Being no further business, the meeting was declared closed at 8:45pm.



**Wine Grape Growers' Australia**

#### Report by Lawrie Stanford Executive Director

The Wine Grapes Marketing Board (WGMB) engaged Wine Grape Growers Australia (WGGA) to represent Riverina winegrape growers in a number of national projects during 2013.

The following outlines WGGA's representative activities in the agreed areas funded by the WGMB.

#### 1. Management of the Wine Industry Code of Conduct

- Attended all meetings of the combined WGGA/WFA Code Management Committee.

Through this committee, WGGa contributed to the functioning of the Code by means including; negotiating and contracting the engagement of the arms-length administrator of disputes and the Code website (the Accord Group), co-funding The Accord Group's engagement, preparing an Annual Report for the Code and advocating Code improvements to the wine company representatives on the Committee. WGGa also initiated the formalisation of the Committee's structure and means of appointment.

- WGGa pressed for the target number of wine company signatories to the Code through the Code Management Committee, the WGGa newsletter, the Joint Policy Forum, a Media Release and submissions to the WFA Expert Review.
- By way of supporting and advocating for improved wine company uptake of the Code, WGGa prepared an at-a-glance document for general circulation which rebutted the most common reasons winemakers have offered for not becoming signatories.
- WGGa conducted a review of the standard of contracting practices in the industry to highlight the need for the Code and improved contract-writing standards in the industry.
- In the face of a failure of the winemaking community to meet the agreed targets for signatories, WGGa insisted on, and secured, a commitment from the wine company representatives on Code Management Committee for a dedicated review and overhaul of the existing Code. This was scheduled for February 2014. In the light of failed targets for signatories, the Code Management Committee agreed to a cost/benefit analysis of converting the voluntary industry code to a mandatory code and/or incorporation into the Horticulture Code.

## **2. Biosecurity Management via Plant Health Australia**

- As the grape and wine sector member of Plant Health Australia (PHA), WGGa is actively involved in the PHA's decision-making and education activities.

- WGGa facilitated the appointment of an industry-sourced Chairperson, Mr David Lowe, to the National Viticulture Biosecurity Committee, a committee providing coordinated commonwealth government/state government/industry technical advice to pest and disease regulators and other stakeholders.
- Advertised for a part-time WGGa position titled the National Winegrape Biosecurity Program Coordinator, and appointed Rachel Barratt.
- Participated in Operation Tortrix, a simulated government/industry response to an incursion.
- Appointed various WGGa officers to functions requiring personnel to respond on the behalf of industry to an exotic pest or disease incursion. The appointments were; Vic Patrick as the WGGa representative on the National Management Group, Mr Kym Ludvigsen as the Industry Liaison Officer, Rachel Barratt as the Industry Coordination Officer.
- Contributed to the creation of the Viticulture Industry Biosecurity Plan, the industry planner's resource for responding to P&D incursions and the User Manual, a resource for on-farm preparedness and response.
- Commenced formation of the Viticulture Biosecurity Industry Reference Group to set industry policy on biosecurity and to provide on-farm insights into existing and potential biosecurity initiatives.

## **3. Research, Development and Extension Coordination**

- The WGGa Executive Director frequently initiates on-site meetings with the GWRDC Executive Director to discuss grower views on RD&E.
- A presentation from the GWRDC Executive Director to the WGGa Executive Committee was organised for the Committee's June 2013 meeting.
- WGGa secured 'Quarterly Conversations' between representatives of the WGGa Executive Committee and the GWRDC Board. The first was held in September 2013.
- The WGGa RD&E Policy, setting out the principles and grower expectations of the



research and development agenda for winegrapes, was extensively revised in 2013.

- WGGA provided input into the WFA-sponsored Expert Review on the role of R&D and innovation in returning the industry to profitability. Successfully advocated for making submissions on research into greater flexibility in vineyard plantings and the factors presenting barriers to exit from the production sector.
- WGGA exerts influence on R&D initiatives and policies through membership by three of the WGGA Executive Committee members (S Berry, J Jarrett, L Stanford) on the combined grower-winemaker Innovation Policy Committee, which is effectively an industry research and development think-tank.
- WGGA makes a collaborative commitment of a researcher to the GWRDC-funded project, *DPI 1201 Adoption of grape and wine R&D outputs. Who, what and why?*

#### 4. Removal of colour as a pricing tool

- Sought and received a response from the ACCC regarding itemised bad commercial practices in the Riverina including the use of winegrape colour measures in the area. An offer was secured from the ACCC, and conveyed to the WGMB, to speak to individuals affected by these bad practices but no individuals were forthcoming.
- Upon the conclusion of setting standards for baume trade measures in 2013, commenced discussions in the Winegrape Quality Measurement Committee, on colour measures for the same purpose. There was positive response to the scientific feasibility of devising standards for trade measures for this factor. Further discussion will now proceed in 2014.



## Department of Primary Industries

### Report by Development Officer Viticulture Jason Cappello

NSW Department of Primary Industries (NSW DPI) together with WGMB, NWGIC and GWRDC has undertaken a range of tasks throughout the year. The new structure for horticulture within NSW DPI was bedded down in 2013, positioning ourselves as the premier organisation delivering research and development (R&D) outcomes to the horticultural industries of NSW. The change saw the role of district horticulturist's move into a state wide industry development role for particular crops including viticulture.

#### Some of the activities carried out across 2013 included

- 2013/14 Grapevine Management Guide – Publication of six management articles and four industry project update reports.
- Grape marc mulching program - Evaluation of grape marc at 50 and 100t/ha under vines.



- Riverina heat stress management program – Evaluation of several products applied to vines to reduce heat stress in the Riverina.







## INDEPENDENT AUDITOR'S REPORT

### Wine Grapes Marketing Board

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Wine Grapes Marketing Board (the Board), which comprise the statement of financial position as at 31 December 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows, for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

### Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Board as at 31 December 2013, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion should be read in conjunction with the rest of this report.

### The Board's Responsibility for the Financial Statements

The members of the Board are responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the members of the Board determine(s) is necessary to enable the preparation of financial statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of the Board, as well as evaluating the overall presentation of the financial statements.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does *not* provide assurance:

- about the future viability of the Board
- that it has carried out its activities effectively, efficiently and economically
- about the effectiveness of its internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information which may have been hyperlinked to/from the financial statements.

## Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.



David Nolan  
Director, Financial Audit Services

17 April 2014  
SYDNEY

**WINE GRAPES MARKETING BOARD**  
**for the City of Griffith and the Local Government Areas of Leeton,**  
**Carrathool and Murrumbidgee**

**STATEMENT BY MEMBERS OF THE BOARD**

Pursuant to Section 41C of the *Public Finance and Audit Act 1983*, and in accordance with a resolution of the members of the Wine Grapes Marketing Board for the City of Griffith and the Local Government Areas of Leeton, Carrathool and Murrumbidgee, we declare on behalf of the Board that in our opinion:

1. The accompanying financial report exhibits a true and fair view of the financial position of the Wine Grapes Marketing Board as at 31 December 2013 and its transactions for the year then ended.
2. The report has been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, and the *Public Finance and Audit Regulation 2011*, and the Treasurer's directions.

Further, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.



Bruno Brombal  
Chairman



Robert Bellato  
Deputy Chair

**Dated this day the 15 April 2014**



**WINE GRAPES MARKETING BOARD**  
for the City of Griffith and the Local Government Areas of Leeton,  
Carrathool and Murrumbidgee

**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME**  
for the Year Ended 31 December 2013

31/12/12		Note	31/12/13
\$			\$
	<b>INCOME</b>		
29,003	Other Income	2	24,256
106,865	Interest		82,522
62,500	Grants	3	187,500
771,124	Fees and Charges on Growers	4	543,544
-	Gain on Sale of Assets		1,959
969,492	<b>TOTAL INCOME</b>		839,781
	<b>EXPENDITURE</b>		
18,151	Audit Fees		15,450
990	Bank Fees		1,170
51,045	Board Fees & Allowances and Superannuation		51,945
200,858	Consultancy Fees		83,888
42,124	Depreciation		45,098
6,630	Fringe Benefits Tax		2,543
213,480	Other Administration Expenses	5	246,830
292,056	Salaries, Wages & Superannuation		301,987
24,121	Subscriptions		38,691
12,515	Travelling expenses		17,311
(2,550)	Employees Leave Entitlements		8,451
1,407	Loss on Sale of Assets		-
860,827	<b>TOTAL EXPENDITURE</b>		813,364
108,665	<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>		26,417
	<b>OTHER COMPREHENSIVE INCOME</b>		
	<i>Items that will not be reclassified subsequently to Profit and Loss:</i>		
-	Revaluation changes for Property, Plant and Equipment		13,245
108,665	<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		39,662

The Statement of Profit and Loss and Other Comprehensive Income is to be read  
in conjunction with the notes to and forming part of the financial statements.

**WINE GRAPES MARKETING BOARD**  
**for the City of Griffith and the Local Government Areas of Leeton,**  
**Carrathool and Murrumbidgee**

**STATEMENT OF FINANCIAL POSITION**  
**as at 31 December 2013**

<b>31/12/12</b>		<b>Note</b>	<b>31/12/13</b>
<b>\$</b>	<b>CURRENT ASSETS</b>		<b>\$</b>
272,674	Cash & Cash Equivalents	6	447,682
62,467	Trade and Other Receivables	7	70,896
1,800,000	Investments	8	1,600,000
<u>2,135,141</u>	<b>Total Current Assets</b>		<u>2,118,578</u>
	<b>NON-CURRENT ASSETS</b>		
641,586	Property, Plant & Equipment	9	640,477
<u>641,586</u>	<b>Total Non-Current Assets</b>		<u>640,477</u>
<u>2,776,727</u>	<b>TOTAL ASSETS</b>		<u>2,759,055</u>
	<b>CURRENT LIABILITIES</b>		
105,768	Trade and Other Payables	10	39,982
46,786	Employee Benefits	11	55,238
<u>152,554</u>	<b>Total Current Liabilities</b>		<u>95,220</u>
<u>152,554</u>	<b>TOTAL LIABILITIES</b>		<u>95,220</u>
<u>2,624,173</u>	<b>NET ASSETS</b>		<u>2,663,835</u>
	<b>EQUITY</b>		
94,987	Reserves	12(a)	108,232
2,529,186	Retained Earnings	12(b)	2,555,603
<u>2,624,173</u>	<b>TOTAL EQUITY</b>		<u>2,663,835</u>

The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the financial statements.

**WINE GRAPES MARKETING BOARD**  
**for the City of Griffith and the Local Government Areas of Leeton,**  
**Carrathool and Murrumbidgee**

**STATEMENT OF CHANGES IN EQUITY**  
**for the Year Ended 31 December 2013**

31/12/12		Note	31/12/13
\$			\$
	<b>RESERVES</b>		
	Asset Revaluation Reserve		
94,987	Balance on 1 January		94,987
-	Net increase/(decrease) on revaluation of land & buildings		13,245
94,987	Balance on 31 December		108,232
	<b>RETAINED EARNINGS</b>		
2,420,521	Balance on 1 January		2,529,186
108,665	Surplus (deficit) for the year		26,417
2,529,186	Balance on 31 December		2,555,603
2,624,173	<b>TOTAL EQUITY</b>		2,663,835

The Statement of Changes in Equity is to be read in conjunction with the notes to and forming part of the financial statements.



**WINE GRAPES MARKETING BOARD**  
for the City of Griffith and the Local Government Areas of Leeton,  
Carrathool and Murrumbidgee

**STATEMENT OF CASH FLOWS**  
for the Year Ended 31 December 2013

31/12/12	Note	31/12/13
Inflows		Inflows
(Outflows)		(Outflows)
\$		\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>RECEIPTS</b>		
778,599	Wineries & Growers	847,581
68,750	Grants Received	206,250
106,865	Interest Received	97,805
14,938	Other	40,415
969,152		1,192,031
<b>PAYMENTS</b>		
(342,467)	Employee Benefits	(351,914)
(446,389)	Payments to Suppliers	(497,658)
(2,132)	Payments to Growers	(338,667)
(790,988)		(1,188,239)
<b>NET CASH PROVIDED BY OPERATING</b>		
178,164	13	3,792
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
46,363	Proceeds from Sale of Fixed Assets	29,092
(93,118)	Payments for Property, Plant & Equipment	(57,876)
(200,000)	Payments for Investments	-
-	Proceeds from Investments	200,000
(246,755)	<b>NET CASH USED IN INVESTING ACTIVITIES</b>	171,216
<b>NET INCREASE/(DECREASE) IN CASH AND CASH</b>		
(68,591)	<b>EQUIVALENTS</b>	175,008
341,265	Cash & cash equivalents at 1 January	272,674
272,674	Cash & cash equivalents at 31 December	447,682
	6	

The Statement of Cash Flows is to be read in conjunction with the notes to and forming part of the financial statements.

**WINE GRAPES MARKETING BOARD**  
**for the City of Griffith and the Local Government Areas of Leeton,**  
**Carrathool and Murrumbidgee**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2013**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Wine Grapes Marketing Board (the Board) is domiciled in Australia.

The financial statements were authorised for issue by the Board on 10<sup>th</sup> March 2014.

**Statement of Compliance**

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board ("AASB"), and in compliance with Section 41B of the *Public Finance and Audit Act 1983*.

The financial statements are for the Wine Grapes Marketing Board as an individual entity.

**Not-for-profit status**

Under AIFRS, there are requirements that apply specifically to not-for-profit entities that are not consistent with International Financial Reporting Standards (IFRS) requirements. The Board has analysed its purposes, and operating philosophy and determined that it does not have profit generation as a prime objective. Consequently where appropriate the Board has elected to apply options and exemptions within AIFRS that are applicable to not-for-profit entities.

**Basis of Preparation**

All amounts are rounded to the nearest dollar and are expressed in Australian currency.

The financial statements has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of consideration given in exchange for assets.

The preparation of financial statements in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily available from other sources. Actual results may differ these estimates. These accounting policies have been consistently applied by the Wine Grapes Marketing Board.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**(a) Property, Plant & Equipment**

Land and buildings are recorded at their fair value, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is the policy of the Board to have an independent valuation of land and buildings every three years, with annual appraisals being made by directors. The property was valued by John Carbone, AAPI Certified Practicing Valuer on 26 November 2013 on the basis of current market value.

Plant and equipment are stated at cost less accumulated depreciation (see below) and impairment losses. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Increases in the carrying amount arising from the revaluation of land and buildings are credited to the asset revaluation reserve, except to the extent that the increase reverses a prior year decrement for that class of asset that has been recognised as an expense, in which case the increase is recognised as revenue up to the amount of the expense. Decreases in the carrying amount arising from the revaluation of Land & Buildings are recognised as an expense, except to the extent that prior increases are included in the asset revaluation reserve, in which case the decrease is debited to the asset revaluation reserve to the extent of remaining increases.

**WINE GRAPES MARKETING BOARD**  
**for the City of Griffith and the Local Government Areas of Leeton,**  
**Carrathool and Murrumbidgee**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2013 (continued)**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Depreciation**

Depreciation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives in the current and comparative periods are as follows:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Motor Vehicles	20%
Research Equipment	25%
Office Equipment	11.25% - 25%
Computer Equipment	20% - 33%

Generally, physical assets with a cost of less than \$500 are expensed in the year of acquisition. However, the Board has determined that all items of research, computer and office equipment which are easily transportable, be capitalised regardless of the cost of acquisition.

See Note 9.

**(b) Financial Instruments**

Financial instruments are initially recognised at cost, including transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition financial instruments are measured as set out below:

**Receivables**

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market and are stated at amortised cost using the effective interest rate method. All receivables at balance date are current and a provision for impairment has been raised for receivables considered doubtful of collection.

**(c) Cash and cash equivalents**

Cash and cash equivalents comprise cash balances, call deposits and term deposits with maturity dates of less than 3 months. Bank overdrafts that are repayable on demand and form an integrated part of Wine Grapes Marketing Board's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Accounting for finance income is discussed in note 1(h).

**(d) Trade and other receivables**

Trade and other receivables are stated at cost less impairment losses. Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off.

**(e) Impairment**

The carrying amounts of the Board's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income, unless an asset has been previously revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the statement of comprehensive income.



**WINE GRAPES MARKETING BOARD**  
**for the City of Griffith and the Local Government Areas of Leeton,**  
**Carrathool and Murrumbidgee**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2013 (continued)**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(f) Employee Benefits**

A provision is made for the Board's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and long service leave which will be settled after one year, have been measured at amounts expected to be paid when the liability is settled plus related on costs. Other employee benefits payable later than one year have been measured at the present value of estimated future cash flows to be made for those benefits.

Contributions are made by the Board to an employee superannuation fund and are charged as expenses when incurred.

**(g) Trade and other Payables**

Payable amounts represent liabilities for goods and services provided to the Board. Trade and other payables are stated at their amortised cost.

**(h) Revenue**

**Fees and Charges on Growers**

Revenue from the sale of goods is recognised in the statement of comprehensive income when significant risks and rewards of ownership have been transferred to the buyer. Fees and charges on growers is measured at the fair value of the consideration received or receivable after taking into account any fees and charges returned to growers. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, or the costs incurred or to be incurred cannot be measured reliably.

**Interest**

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

**Other revenue**

Other revenue is recognised by the Board when it is probable that the economic benefits associated with the transaction will flow to the Board. Revenue is measured at the fair value of consideration or contributions received or receivable.

**(i) Income Tax**

The Board is exempt from income tax.

**(j) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of the goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of the GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

**WINE GRAPES MARKETING BOARD**  
**for the City of Griffith and the Local Government Areas of Leeton,**  
**Carrathool and Murrumbidgee**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2013 (continued)**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(k) Accounting Standards Issued but not yet Effective**

A number of Australian Accounting Standards have been issued or amended since the last reporting date and are applicable to the entity but are not yet effective. The Board has assessed the impact of these amendments and they are immaterial to the entity. They have not been adopted in the preparation of the Financial Statements at balance date.

**(l) Board Activities**

The Board is not involved in the buying or selling of winegrapes. In 2013 the Board sought winery adoption of Agency Agreements that they could enter to agree to deduct and forward to the Board statutory fees and charges at a cost to the Board of 5% + GST.

The Board sought the appointment of Authorised Inspectors in accordance with the *Agricultural Industry Services Act 1998* to obtain information from purchasers that did not sign into an Agreement with the Board. The details of production obtained through this process allow the Board to individually invoice grape producers for the statutory fees and charges when required.

**WINE GRAPES MARKETING BOARD**  
for the City of Griffith and the Local Government Areas of Leeton,  
Carrathool and Murrumbidgee

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2013 (continued)

**NOTE 2: OTHER INCOME**

31/12/12		31/12/13
\$		\$
5,691	Advertising	2,724
16,119	Fees & Charges	11,395
488	Reimbursements	7,140
6,705	Sales	2,997
29,003		24,256

**NOTE 3: RESTRICTED FUNDS - RESEARCH FUND**

In 2012 and 2013 the Board applied to the Grape and Wine Research and Development Corporation (GWRDC) for funding under its Regional Grassroots extension program and was successful in obtaining the maximum \$125,000 per annum. For the 2012/13 fiscal year \$62,500 was received in 2012 with the balance being received in 2013. \$125,000 representing the total for 2013/14 fiscal year projects was received in 2013. As available 2012 project funding was fully expended in 2012 the residual balance was zero with the Board using its own funds to carry out these projects until the final payment was receipted. In 2013 the work that was commenced will be completed in 2014 with the remaining funds. The transactions for the year ended 31 December 2013 are detailed below:

31/12/12		31/12/13
\$		\$
137,773	Balance on 1 January	-
62,500	GWRDC Regional Plan 2012/13	62,500
-	GWRDC Regional Plan 2013/14	125,000
200,273		187,500
200,273	Research Outlays	109,360
-	Balance at 31 December	78,140

**NOTE 4: FEES & CHARGES ON GROWERS**

For the 2013 vintage the fees and charges were approved at \$3.90 per tonne (2012 \$3.90 per tonne) being for fresh weight of wine grapes for the purpose of funding the grower approved budget, activities and services of the Board. Charges on growers represent the grower contribution to Board services and activities via the statutory levy. The following table shows the fees and charges received and returned during the year:

31/12/12		31/12/13
\$		\$
773,256	Fees and charges paid by growers	882,211
(439)	Levies returned (non-constituted growers) \$3.90 per tonne	(410)
(1,693)	Levies returned \$1.50 per tonne on the 2011 vintage	-
-	Levies returned \$1.50 per tonne	(338,257)
771,124	NET RECEIPTS Levies Retained	543,544



**WINE GRAPES MARKETING BOARD**  
for the City of Griffith and the Local Government Areas of Leeton,  
Carrathool and Murrumbidgee

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2013 (continued)

**NOTE 5: OTHER ADMINISTRATION EXPENSES**

Details of the components of this item are as follows:

31/12/12		31/12/13
\$		\$
27,516	Agency Fees	30,657
10,419	Accountancy	10,863
42,537	Advertising, Printing & Stationery	29,034
3,927	Computer Expenses	13,089
1,382	Conferences & Seminars	1,809
1,000	Donations	20,273
8,438	Industry Functions	17,133
14,899	Insurance	17,101
4,420	Legal Fees	9,698
15,768	Motor Vehicle Expenses	15,135
12,962	Office Expenses	16,967
21,142	Postage, Telephone & Facsimile	22,910
2,842	Rates	2,844
8,930	Research & Development Function	9,895
15,696	Research Project Payments	19,290
12,521	Sponsorship	10,050
8,873	Staff training	36
208	Sundry	46
213,480		246,830

**NOTE 6: CASH & CASH EQUIVALENTS**

31/12/12		31/12/13
\$		\$
270,373	Administration Account	392,224
2,301	Grower Payments Cheque Account	55,458
272,674		447,682

Refer to note 3 for details of restricted funds

**NOTE 7: TRADE AND OTHER RECEIVABLES**

Amounts owing to the Board at 31 December 2013 comprise:

31/12/12		31/12/13
\$		\$
10,182	Trade Debtors	38,524
24,075	GST Receivable	14,820
(4,625)	Provision for Doubtful Debts	-
32,835	Accrued Income	17,552
62,467		70,896

**WINE GRAPES MARKETING BOARD**  
for the City of Griffith and the Local Government Areas of Leeton,  
Carrathool and Murrumbidgee

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2013 (continued)

**NOTE 7: TRADE AND OTHER RECEIVABLES (continued)**

**Provision for Impairment of Receivables**

Current trade and term receivables are non-interest bearing loans and generally on 30-day terms. Trade and term receivables are assessed for recoverability based on the underlying terms of the contract. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired. These amounts have been included in the other expenses item.

Movement in the provision for impairment of receivables is as follows:

31/12/12	31/12/13
\$	\$
- Opening Balance	4,625
4,625 Charge for the Year	-
- Amount written off	-
- Amount repaid	(4,625)
4,625	-

**NOTE 8: INVESTMENTS**

31/12/12	31/12/13
\$	\$
500,000 Suncorp Bank Term Deposit 504885538	-
800,000 Suncorp Bank Term Deposit 452576430	-
500,000 Suncorp Bank Term Deposit 504885066	-
- Suncorp Bank Term Deposit 603000133	800,000
- Suncorp Bank Term Deposit 603001334	400,000
- Suncorp Bank Term Deposit 603001385	400,000
1,800,000	1,600,000

**WINE GRAPES MARKETING BOARD**  
for the City of Griffith and the Local Government Areas of Leeton,  
Carrathool and Murrumbidgee

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2013 (continued)

**NOTE 9: PROPERTY, PLANT & EQUIPMENT**

31/12/12		31/12/13
\$		\$
	<b>Land &amp; Buildings</b>	
	Freehold Land at:	
200,000	- independent valuation 25 October 2010	-
-	- independent valuation 26 November 2013	200,000
<u>200,000</u>		<u>200,000</u>
	Buildings at:	
337,065	- independent valuation 25 October 2010	-
(18,096)	Less accumulated depreciation	-
	- independent valuation 26 November 2013	325,000
-	Less accumulated depreciation	(801)
<u>318,969</u>		<u>324,199</u>
<u>518,969</u>	<b>Total Land &amp; Buildings</b>	<u>524,199</u>
58,527	Office Equipment	59,053
(43,653)	Less: Accumulated Depreciation	(46,347)
<u>14,874</u>		<u>12,706</u>
111,632	Motor Vehicles	108,733
(19,785)	Less: Accumulated Depreciation	(27,157)
<u>91,847</u>		<u>81,576</u>
44,957	Computer Equipment	49,702
(38,227)	Less: Accumulated Depreciation	(43,079)
<u>6,730</u>		<u>6,623</u>
58,901	Research Equipment	73,351
(49,735)	Less: Accumulated Depreciation	(57,978)
<u>9,166</u>		<u>15,373</u>
<u>122,617</u>	<b>Total Plant &amp; Equipment</b>	<u>116,278</u>
<u>641,586</u>	<b>Total Property, Plant &amp; Equipment</b>	<u>640,477</u>

**MOVEMENT IN CARRYING AMOUNTS**

<b>WDV</b>	<b>Land &amp; Buildings</b>	<b>Research Equipment</b>	<b>Office Equipment</b>	<b>Motor Vehicle</b>	<b>Computer Equipment</b>	<b>Totals</b>
	\$	\$	\$	\$	\$	\$
Balance at 1 January 2012	520,168	12,750	12,484	88,986	3,975	<b>638,363</b>
Acquisitions	7,065	1,400	6,840	71,081	6,732	<b>93,118</b>
Depreciation	(8,264)	(4,984)	(3,695)	(21,204)	(3,977)	<b>(42,124)</b>
Disposals	-	-	(755)	(47,016)	-	<b>(47,771)</b>
Revaluation increments/decrements	-	-	-	-	-	-
Balance at 31 December 2012	518,969	9,166	14,874	91,847	6,730	<b>641,586</b>



**WINE GRAPES MARKETING BOARD**  
for the City of Griffith and the Local Government Areas of Leeton,  
Carrathool and Murrumbidgee

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2013 (continued)

**NOTE 9: PROPERTY, PLANT & EQUIPMENT (continued)**

<b>WDV</b>	<b>Land &amp; Buildings \$</b>	<b>Research Equipment \$</b>	<b>Office Equipment \$</b>	<b>Motor Vehicle \$</b>	<b>Computer Equipment \$</b>	<b>Totals \$</b>
Balance at 1 January 2013	518,969	9,166	14,874	91,847	6,730	<b>641,586</b>
Acquisitions	416	14,450	613	37,652	4,745	<b>57,876</b>
Depreciation	(8,431)	(8,243)	(2,713)	(20,859)	(4,852)	<b>(45,098)</b>
Disposals	-	-	(68)	(27,064)	-	<b>(27,132)</b>
Revaluation increments/decrements	13,245	-	-	-	-	<b>13,245</b>
Balance at 31 December 2013	524,199	15,373	12,706	81,576	6,623	<b>640,477</b>

**NOTE 10: TRADE AND OTHER PAYABLES**

<b>31/12/12</b>		<b>31/12/13</b>
<b>\$</b>		<b>\$</b>
70,945	Trade Creditors	3,351
539	GST Payable	157
5,482	PAYG Withholding	6,544
28,032	Accruals	29,643
770	Credit Cards	287
<u>105,768</u>		<u>39,982</u>

**NOTE 11: EMPLOYEE BENEFITS**

**CURRENT**

<b>31/12/12</b>		<b>31/12/13</b>
<b>\$</b>		<b>\$</b>
30,072	Provision for Annual Leave	29,620
16,714	Provision for Long Service Leave	25,618
<u>46,786</u>		<u>55,238</u>

**WINE GRAPES MARKETING BOARD**  
for the City of Griffith and the Local Government Areas of Leeton,  
Carrathool and Murrumbidgee

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2013 (continued)

**NOTE 12: EQUITY**

**(a): RESERVES**

31/12/12		31/12/13
\$		\$
94,987	Opening balance	94,987
-	Net increase/(decrease) on revaluation of land & buildings	13,245
94,987		108,232

**(b): RETAINED EARNINGS**

31/12/12		31/12/13
\$		\$
2,420,521	Retained earnings at the beginning of the financial year	2,529,186
108,665	Surplus for the year	26,417
2,529,186	Retained earnings at the end of the financial year	2,555,603

**Revaluation Reserve**

The revaluation reserve relates to land and buildings measured at fair value in accordance with Australian Accounting Standards.

**NOTE 13: RECONCILIATION OF NET CASH USED IN OPERATING ACTIVITIES TO OPERATING RESULT**

31/12/12		31/12/13
Inflows		Inflows
(Outflows)		(Outflows)
\$		\$
108,665	<b>OPERATING RESULT</b>	26,417
	Adjustments for:	
42,124	Depreciation	45,098
1,407	(Gain)/Loss on Sale of Assets	(1,959)
(13,737)	(Increase)/Decrease in Receivables	(23,712)
(9,769)	(Increase)/Decrease in Accrued Income	15,283
52,024	Increase/(Decrease) in Payables	(65,787)
(2,550)	Increase/(Decrease) in Employee Entitlements	8,452
178,164	<b>Net Cash provided by operating activities</b>	3,792

**WINE GRAPES MARKETING BOARD**  
for the City of Griffith and the Local Government Areas of Leeton,  
Carrathool and Murrumbidgee

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2013 (continued)

**NOTE 14: FINANCIAL INSTRUMENTS**

**(a) Significant Accounting Policies**

Financial assets and liabilities are recorded at the amount due and payable.

**(b) Interest Rate Risk**

The Wine Grapes Marketing Board's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate on those financial assets and financial liabilities, is as follows:

2012	Effective Interest Rate	Variable Interest \$	Fixed Interest Rate			Non-Interest Bearing \$	Total \$
			Less than 1 year \$	1 to 5 years \$	More than 5 years \$		
Financial Assets							
Bank	3.00%	272,674	-	-	-	-	272,674
Term Deposits	5.01%	-	1,800,000	-	-	-	1,800,000
Trade and Other Receivables	-	-	-	-	-	38,392	38,392
		272,674	1,800,000	-	-	38,392	2,111,066
Financial Liabilities							
Payables		-	-	-	-	99,747	99,747
	N/A	-	-	-	-	99,747	99,747

2013	Effective Interest Rate	Variable Interest \$	Fixed Interest Rate			Non-Interest Bearing \$	Total \$
			Less than 1 year \$	1 to 5 years \$	More than 5 years \$		
Financial Assets							
Bank	2.00%	447,682	-	-	-	-	447,682
Term Deposits	4.07%	-	1,600,000	-	-	-	1,600,000
Trade and Other Receivables	-	-	-	-	-	56,076	56,076
		447,682	1,600,000	-	-	56,076	2,103,758
Financial Liabilities							
Payables		-	-	-	-	33,281	33,281
	N/A	-	-	-	-	33,281	33,281



**WINE GRAPES MARKETING BOARD**  
for the City of Griffith and the Local Government Areas of Leeton,  
Carrathool and Murrumbidgee

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2013 (continued)

**NOTE 14: FINANCIAL INSTRUMENTS (continued)**

**(c) Credit Risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial instruments is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

At balance date there were no significant exposures to credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset in the statement of financial position.

**(d) Net Fair Value**

All Financial Assets and Liabilities are not traded on organised markets in standardised form. Net fair value is determined with reference to, and as a result is not materially different from the carrying amounts of the assets and liabilities in the statement of financial position determined in accordance with the accounting policies disclosed above.

The fair values together with the carrying amounts shown in the statement of financial position are as follows:

Fair Values	Carrying Amount 2012 \$	Fair Value 2012 \$	Carrying Amount 2013 \$	Fair Value 2013 \$
<b>Financial Assets</b>				
Cash and Cash Equivalents	272,674	272,674	447,682	447,682
Trade and other Receivables	38,392	38,392	56,076	56,076
Other Investments	1,800,000	1,800,000	1,600,000	1,600,000
<b>Financial Liabilities</b>				
Trade and other Payables	99,747	99,747	33,281	33,281

**(e) Estimation of Fair Values**

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments reflected in the table.

**Securities**

Fair value is based on quoted market values at the balance sheet date without any deductions for transaction costs.

**Trades and Other Receivables / Payables**

For receivables / payables with a remaining life of less than one year, the notional amount is deemed to reflect the fair value. All other receivables / payables are discounted to reflect fair value.

**WINE GRAPES MARKETING BOARD**  
**for the City of Griffith and the Local Government Areas of Leeton,**  
**Carrathool and Murrumbidgee**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2013 (continued)**

**NOTE 15: COMMITMENTS**

There was no capital or other operating expenditure commitments as at 31 December 2013 (2012: nil).

**NOTE 16: CONTINGENT LIABILITIES**

The Board is not aware of any contingent liabilities as at the date of signing off the accounts (2012: nil).

**NOTE 17: SEGMENT REPORTING**

The Board is based in Griffith, NSW. It derives its income via fees and charges on constituted growers of winegrapes producing greater than 20 tonnes within the City of Griffith and the Local Government Areas of Leeton, Carrathool and Murrumbidgee.

**NOTE 18: RELATED PARTY TRANSACTIONS**

During the 2013 Financial Year there were no related party transactions, other than Board Fees & Allowances. All business transactions undertaken between the Board and Board members are done so at arms length and under normal commercial arrangements.

**NOTE 19: KEY MANAGEMENT PERSONNEL**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the board, either directly or indirectly. The key management personnel of the Board comprise the directors, and executive management who are responsible for the financial and operational management of the Board.

31/12/12		31/12/13
\$		\$
173,126	Total Compensation – Short-Term Benefits	166,114
12,706	Total Compensation – Long-Term Benefits	12,619
<u>185,832</u>		<u>178,733</u>

**NOTE 20: FINANCIAL RISK MANAGEMENT**

The Board's activities expose it primarily to the financial risks of liquidity, credit and interest rate risk. The Board and senior management are responsible for monitoring and managing the financial risks. They monitor these risks through monthly board meetings where management reports are presented and analysed. The Board does not enter into any derivative financial instruments nor speculate in any type of financial instrument.

**(a) Liquidity risk**

Liquidity risk is the risk the Board will be unable to meet its financial obligations as and when they fall due. The Board manages liquidity risk by maintaining adequate cash reserves to ensure sufficient cash is available to settle obligations as they fall due.

**(b) Credit risk**

Credit risk is the risk of financial loss to the Board as a result of a customer or counterparty to a financial instrument failing to meet its contracted obligations. The Board's exposure to credit risk is through its receivables balance which is not considered significant.

**WINE GRAPES MARKETING BOARD**  
for the City of Griffith and the Local Government Areas of Leeton,  
Carrathool and Murrumbidgee

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2013 (continued)

**NOTE 20: FINANCIAL RISK MANAGEMENT (continued)**

**(c) Interest rate risk**

Interest rate risk is the risk that changes in interest rates will affect the Board's income or value of its obligations. The Board is exposed to interest rates risk through its deposits with banks. Interest rates and maturities are detailed in note 14.

**(d) Sensitivity analysis**

The Board has performed a sensitivity analysis relating to the exposure to interest rate risk at balance date. The sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in interest rates:

31/12/12 \$		31/12/13 \$
	<b>Change in surplus</b>	
2,727	Increase in interest rate by 1%	4,477
(2,727)	Decrease in interest rate by 1%	(4,477)
31/12/12 \$		31/12/13 \$
	<b>Change in equity</b>	
2,727	Increase in interest rate by 1%	4,477
(2,727)	Decrease in interest rate by 1%	(4,477)

**NOTE 21: SUBSEQUENT EVENTS**

No after balance day events are known to exist at the time of signing these statements.

**End of Audited Accounts**



## WINE GRAPES MARKETING BOARD - 2014 CONSOLIDATED BUDGET

2013 Budget	2013 Actual	EXPENSE ACCOUNTS	Notes	2014 Budget
<b>INCOME</b>				
\$819,000	\$543,544	2014 Rates 225,000 tonnes @ \$3.90/t		\$877,500
\$90,000	\$82,522	Interest from Bank Accounts		\$70,000
\$20,150	\$24,256	Income from Operating Activities		\$20,910
\$24,000	\$1,959	Gain/Income on Sale of Assets		\$44,000
\$62,500	\$187,500	Research Funds (GWRDC Grassroots)		\$125,000
<b>\$1,015,650</b>	<b>\$839,781</b>	<b>TOTALS</b>		<b>\$1,137,410</b>
<b>OPERATING EXPENDITURE</b>				
\$8,500	\$10,863	Accountancy Fees	<b>1</b>	\$10,000
\$30,570	\$29,034	Advertising, Printing and Stationery		\$75,510
\$36,750	\$30,657	Agency Fees (5% collection charge)		\$30,000
\$18,500	\$15,450	Audit Fees – Statutory		\$18,500
\$900	\$1,170	Bank Fees and Charges		\$950
\$52,000	\$51,945	Board Fees and Allowances		\$52,000
\$4,720	\$13,089	Computer Expenses		\$7,370
\$1,970	\$1,809	Conferences/Seminars		\$2,300
\$38,200	\$83,888	Consultancy Costs		\$24,500
\$41,152	\$45,098	Depreciation Expense		\$42,000
\$2,000	\$20,273	Donations		\$17,000
\$3,800	\$2,543	Fringe Benefits Tax		\$4,600
\$8,700	\$17,133	Industry Functions		\$11,475
\$15,131	\$17,101	Insurance		\$16,700
\$15,000	\$9,698	Legal Fees		\$7,500
\$8,420	\$15,135	Motor Vehicle Operating Expenses		\$8,300
\$6,170	\$16,967	Office Expenses		\$10,500
\$17,525	\$22,910	Postage, Telephone & Facsimile		\$21,235
\$6,200	\$8,451	Employee Leave Entitlements		\$6,200
\$2,200	\$2,844	Rates		\$2,200
\$8,450	\$9,895	Research & Development Function	<b>2</b>	\$4,000
\$1,500	\$19,290	Research Project Payments		\$75,270
\$305,483	\$301,987	Salaries, Wages and Superannuation		\$308,628
\$10,000	\$10,050	Sponsorship		\$10,000
\$2,500	\$36	Staff Training		\$2,500
\$85,980	\$38,691	Subscriptions		\$81,749
\$1,100	\$46	Sundry Expenses		\$250
\$17,700	\$17,311	Travelling Expenses		\$21,535
<b>\$751,121</b>	<b>\$813,364</b>	<b>SUB TOTAL</b>		<b>\$872,772</b>
<b>CAPITAL EXPENDITURE</b>				
\$5,000	\$416	Building Expenditure	<b>3</b>	-
\$38,500	\$37,652	Motor Vehicle Purchase		\$78,000
-	\$613	Office equipment		\$500
-	\$4,745	Computer equipment		\$9,000
-	\$14,450	Research equipment		\$500
<b>\$43,500</b>	<b>\$57,876</b>	<b>SUB TOTAL</b>		<b>\$88,000</b>
<b>\$794,621</b>	<b>\$871,240</b>	<b>TOTAL EXPENDITURE</b>		<b>\$960,772</b>
<b>\$264,529</b>	<b>(\$31,459)</b>	<b>SURPLUS/(DEFICIT)</b>		<b>\$176,638</b>

The above 2014 Budget was presented and approved by growers 21 November 2013.

## **NOTES TO THE 2014 CONSOLIDATED BUDGET**

The following is to explain select items of the budget.

### **NOTE 1: ADVERTISING PRINTING AND STATIONARY**

The 2014 budget has increased due to a \$50,000 allocation made for the year for regional promotion. The Wine Grapes Marketing Board has partnered with Riverina Regional Tourism to develop an entire regional promotional plan that aims to incorporate all the tourist activities available.

### **NOTE 2: RESEARCH PROJECT PAYMENTS**

The majority of these costs are related to the project work that will be undertaken using the GWRDC Grassroots Funding.

### **NOTE 3: MOTOR VEHICLE PURCHASE**

The replacement of two motor vehicles will occur in 2014.



*Riverina*  
WINE GRAPES  
MARKETING BOARD

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