



Riverina
WINEGRAPE
GROWERS

WINE GRAPES MARKETING BOARD

20
23



ANNUAL REPORT

2023

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

Serving
Riverina
Winegrape
growers
since
1933



Riverina
**WINEGRAPE
GROWERS**

182 Yambil Street (PO Box 385)
GRIFFITH NSW 2680
Ph: 02 6962 3944 Fax: 02 6962 6103
Website www.riverinawinegrapes.com.au

WINE GRAPES MARKETING BOARD

Annual Report for 2023



Wine Grapes Marketing Board

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.riverinawinegrapes.com.au

Board Executive

Chairman

Bruno Brombal
Mobile: 0429 630 465

Deputy Chairman

Robert Bellato
Mobile: 0408 477 210

Staff

Chief Executive Officer

Jeremy Cass
Mobile: 0427 759 094
Email: jcass@wgmb.net.au

Extension Officer

Brian Bortolin
Mobile: 0401 567 449
Email: bbortolin@wgmb.net.au

Office Manager

Julie McMahon
Email: jmcMahon@wgmb.net.au

Annual General Meeting

Wednesday 19 June 2024
Yoogali Club
YOOGALI NSW 2680
Commencing at 7:00pm

Page

1	Letter to the Minister
2	Chief Executive Officer's Report
Statutory Compliance	
2	Application for Extension of Time
2	Charter of the Board
2	Agricultural Industry Services of the Board
2	Access
2	Management and Structure
2	Board Members
3	Meetings of the Board
3	Board Member Meeting Attendance
3	Organisation Chart
3	Board Staff
3	Summary Review of Operations
4	Funds Granted to Non-Govt Community Orgs
4	Legal Change
4	Economic or Other Factors
4	Management & Activities
4	Research & Development
4	Human Resources
4	Consultants & Research Payments
4	Equal Employment Opportunity
4	Disability Plans
4	Land Disposal
4	Promotion
4	Sponsorship
4	Consumer Response
5	Payment of Accounts
5	Time for Payment of Accounts
5	Risk Management & Insurance Activities
5	Internal Audit & Risk Management Policy
5	Disclosure of Controlled Entities
5	Disclosure of Subsidiaries
5	Multicultural Policies and Services Program
5	Agreements with the Community Relation Comm.
5	Workplace Health and Safety
5	Waste
5	Numbers of Executive Officers
5	Public Access of Information
5	Public Interest Disclosures
6	Electronic Service Delivery
6	Publication Guide
6	Appointed Auditors
6	Annual Reports
6	Financial Year of the Board
Reports 2023	
6-7	Minutes of the Previous Annual General Meeting
8-9	NSW Wine Industry Association
Financial Reporting and Information	
10-11	Statement by the NSW Audit Office
12	Statement by the Accountable Authority
13-31	Audited Financial Report
Wine Grapes Marketing Board Budget	
32	Consolidated Budget



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For the City of
Griffith & the Local
Government Areas
of Leeton, Carrathool
& Murrumbidgee

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Website
www.riverinawinegr
apes.com.au

Letter to the Minister

23 February 2024

The Hon. Tara Moriarty MP
Minister for Agriculture and Western New South Wales
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 31 December 2023 for tabling in the NSW Parliament. This 90th 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

Chief Executive Officer Report

Welcome to the Wine Grapes Marketing Board's 2023 Annual Report of its operations and financials. This report contains a copy of the minutes of the previous Annual General Meeting that was held Wednesday 21 June 2023 for your information.

In 2023 the Board introduced its Strategic Operations Plan 2024 – 2028 in accordance with the NSW Government's requirements under the *Agricultural Industry Services Act 1998*. The Strategic Planning and Budget meeting was held 11 October 2023.

The 2023 season for all growers in the Riverina yielded 212KT (318KT in 2022, 351KT in 2021) of winegrapes that were harvested at a regional average purchase price per tonne of \$382 (\$396 in 2022 \$464 in 2021, \$504 in 2020). White winegrapes averaged \$401 (\$404 in 2022 \$401 in 2021) and red winegrapes \$355 (\$383 in 2022 \$534 in 2021) according to *Wine Australia's 2023 National Vintage Report*.

The NSW Government review of the Board operations which began in April 2017 reported to the Board in August 2020. In 2021 the Minister advised the Board that a consultation phase will occur with members in 2022 prior to renewing the Board's legislation which lapses in September 2022. This advice was well received by the Board as prior to this it was informed a vote of its members would need to occur.

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 of time to publish its Annual Report for 2023.

Charter of the Board

The Wine Grapes Marketing Board is an NSW Agricultural Industry Services Committee formed in accordance with the *Agricultural Industry Services Act 1998* under the *Agricultural Industry Services Regulation 2015, 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).

The Board services 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; Email: board@wgmb.net.au Website: www.riverinawinegrapes.com.au

The Board office is open 8:30am-5:00pm weekdays

Management & Structure

The Board consists of seven members, five of whom are elected by winegrape growers and two appointed by the five elected members of the Board.

Elected members' terms cease 23 October 2024.

The Appointed members' terms were due to cease February 2023, advertising was undertaken for the vacancies and on 6 February a decision was made to reappoint both Dom Schirripa and Steven Barbon.

Board Members during 2023

- Bruno Brombal (Chairman - Executive)
- Robert Bellato (Deputy Chair - Executive)
- Steven Barbon (appointed)
- Bruno Altin
- Frank Alampi

- Dom Schirripa (appointed)
- Tony Baggio

Meetings of the Board

During the 12 months to 31 December 2023 there were 11 general meetings and 2 public meetings of the Board.

The Board generally holds its meetings the second Monday of each month subject to availability of members of the Board.

Public Meetings held in 2023 were the Annual General Meeting (June) and the Strategic Planning and Budget setting meeting (October).

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.

Members are also able to join meetings online.

Member	Available meetings	Meetings Attended	%
Bruno Brombal	11	11	100%
Robert Bellato	11	8	73%
Steven Barbon	11	11	100%
Tony Baggio	11	9	82%
Bruno Altin	11	10	91%
Dom Schirripa	11	9	82%
Frank Alampi	11	11	100%

Other meetings attended by the Members representing the Board.

January Brombal, Baggio Meet the Candidate Peta Betts

February Brombal, Baggio Warburn and De Bortoli growers, K Dunne

March Brombal Taylor, Faraway, Betts, Toole, NSW Wine, Saunders Baggio, NIC, Betts, Saunders, NSW IC Barbon Saunders Bellato Saunders

May Brombal IWRA

June Brombal Strachan, MIAVIS, Yuan, Chris Byrne Barbon MIAVIS

July Bellato HACCP, NSW Wine & DPI Alampi MDBA Baggio NSW IC Brombal NSW Farmers, NSW Wine & DPI

August Brombal WG workshop, ACWP Bellato MDBA Baggio MDBA Barbon WG workshop

September Altin RWA, Water group, CBA, One Sector Bellato One Sector Brombal Sussan Ley, One Sector, CBA, Helen Dalton Baggio One Sector Barbon CBA, One Sector

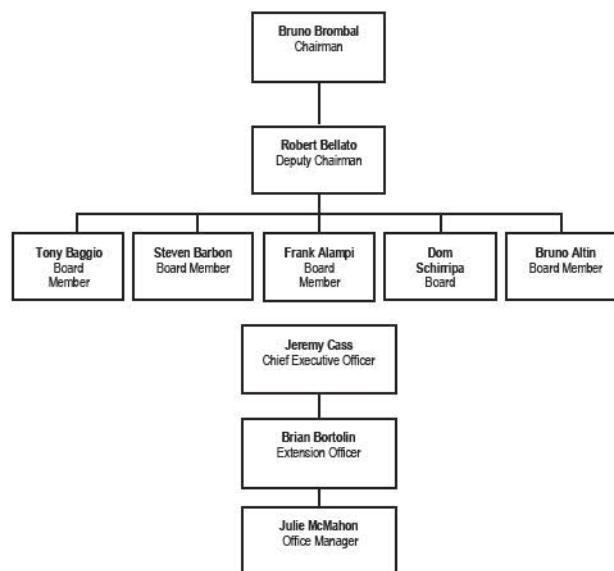
October Baggio NIC, Sussan Ley/MDBP Brombal AWRI, Tara Moriarty Bellato Sussan Ley/MDBP

November Baggio NIC, NSW IC

December Brombal MVWGA, IWRA, ACWP, Next Crop Altin RWA

For the special or extra meetings, including monthly board meets plus AGM in June and Strategic Plan in October members received a payment of \$250 on top of their base payments (up to the budgeted wages amount per annum).

Organisation Chart 2023



Board Staff

From 1 Jan 2023 - 31 Dec 2023 staff members were:

- Chief Executive Officer – Jeremy Cass
 - Commenced employment February 2022
- Extension Officer - Brian Bortolin
 - Commenced employment January 2017
- Office Manager - Julie McMahon
 - Commenced employment October 2015

Summary Review of Operations

There is a Profitability Project underway by the Board during 2023 in partnership with Wine Australia, NSW Wine, CSU Gulbali Institute, NSW DPI and FIAL.

Funds Granted to Non-Government Community Organisations

Griffith Lions Club was donated \$1000 for hosting BBQ for growers in 2023.

Legal Change

There was no legal change to the organisation during 2023.

Economic or Other Factors

The Board enters into agency agreements with grape purchasers and processors to deduct the Board statutory fees and charges from grower payments and forward these to the Board. The agency agreements were well adopted in 2023 with the Board being required to pay 5% (+ GST) of the \$3.90 per tonne to the wineries \$38926 (\$46526 2022, \$44690 2021, \$36981 2020).

Management & Activities

A review of the strategic operations of the Board was conducted by the Board during 2023. This was presented to growers in the *WGMB Strategic Operations Plan 2024-2028 and Operating Budget for 2023* publication, which was made available to all growers. The Plan was adopted at a meeting of growers held in October 2023 at which time the rate for the Board's grower fees and charges was set (\$3.90 per tonne fresh weight) no GST applies.

Research & Development

The Board did not undertake any specific research and development in 2023.

Human Resources

During 2023 the Board employed 3 permanent staff.

- 1 FTE x Chief Executive Officer (CEO)
- 1 FTE x Extension Officer (EO)
- 0.6 FTE x Office Manager (OM)

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.

All permanent staff members are engaged on one year contracts ending December each year.

Consultants and Research Payments

The Board is able to engage the services of an accountant regionally based that is 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 Colin Harris, Audit and Risk Services, Wagga Wagga, NSW.

- Authorised Inspections fees \$0 in 2023 (\$360 in 2022, \$540 in 2021, \$180 in 2020)

The Board was satisfied that it received reports from processors totalling the sum of all winegrapes produced in the region.

A total of four (4) consultants were engaged in 2023 costing a total of \$1806 (\$61,298 in 2022, \$48,597 in 2021, \$68,533 in 2020) excluding GST.

The costs include:

- Management Resource Plus \$ 459
- R W Emmett \$ 480
- Mel Garbett \$ 647
- Marketing Solutions Griffith \$ 220

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.

Total Permanent staff:	3
Percent Women:	33%
Percent Men:	66%

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 2023 Financial Year.

A revaluation of the property and land occurred in December 2022 with another revaluation to occur in 2025 for the purposes of financial reporting.

Promotion

In 2023 the Board supported the promotion of Riverina Winemakers Association with \$10,000 (\$20,000 in 2022, \$21,591 in 2020)

Sponsorship

In 2023 the Board did not undertake any sponsorship (2022 \$0, 2021 \$0 2020 \$0)

Consumer Response

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

Payment of Accounts

The details of financial performance for each quarter 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 st quarter	2 nd quarter	3 rd quarter	4 th quarter
0-30 days	\$71,379	\$35,316	\$75,701	\$113,034
30-60 days	-	-	-	-
60-90 days	-	-	-	-
90+ days	-	-	-	-
\$ Total	\$71,379	\$35,316	\$75,701	113,034
% target	100%	100%	100%	100%
% actual	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 January 2013 the Board received an exemption from the requirements of TPP 09-05.

The Board annually reviews the policies and procedures in place to ensure proper controls 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 November 2020.

During 2023 the Board received 17 formal requests for information (24 2022, 31 2021, 29 2020,) under the provisions of the *Government Information (Public Access) Act 2009*. These related directly to growers farm details held by the Board (farm maps). 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.riverinawinegrapes.com.au continues to host Board newsletters.

The Board uses email and SMS to communicate with growers during the growing season.

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 and was updated and approved by the Board in October 2023.

Appointed Auditors

The NSW Audit Office appointed Johnsons MME from Albury as its agent for the 2023 Audit.

Annual Reports

The Board produced 300 copies of this Annual Report to enable it to be sent to all constituents and to comply with statutory requirements. Annual reports cost \$8.22 per copy + GST, these were printed locally.

Financial Year of the Board

1 January to 31 December.

2023 Annual General Meeting Wine Grapes Marketing Board presents Annual Report 2022 21 June 2023 commencing at 8:02pm Yoogali Club Yoogali NSW 2680

35 Constituted Growers: Bruno Brombal (Chairman), Bob Bellato (Deputy Chair), Anthony Baggio (Board Member), Bruno Altin (Board Member), Frank Alampi (Board Member), Steven Barbon (Board Member), Dom Schirripa (Board Member), Leo De Paoli, Armando Armanini, Glen Bavaresco, Gus Cristofaro, John Dal Brio, Pio Foscari, Dom Macri, Joe Maugeri, Gary Morandin, Lawrence Pellizer, Tony Ragusa, Bob Sjollem, Mitchell Strano, John Strano, Steven Torresan, Giulio Toscan, Ross Vecchio, John Vitucci, Dino Zalunardo, Lou Forner, Jared Bianchini, Rudolfo

Panazzolo, John Ward, Pat Tripodi, Frank Galluzzo, Aldo Saraceno, Lewis Raccanello, Tony Sergi.

Non-Voting attendees: Katie Dunne (NSWDPI), Kathleen Altin, Sergio Altin, Kirsten Dal Brio, Luke Dal Brio, Joe D'Aquino, Mario Foscari, Sharon Maugeri, Declan Morandin, Anna Pellizer, Anthony Vitucci, Allan Zalunardo, Nic Zalunardo, Glennis Forner, Sharon Ross, Emily Bianchini, John Harper, Cathy Saraceno, Joe Macri

Board Staff: Jeremy Cass (Chief Executive Officer), Brian Bortolin (Extension Officer), Julie McMahon (Office Manager)

Apologies: Phil Hancock, Elanor Hancock, John Bisetto, Mario Arcifa, Leo Arcifa, Nathan Arcifa, Ezio Arcifa, Louis Cadorin, Peter Cremasco, James Cremasco, Grant Delves, Bonnie Hayes, Sarah Groat, Peter Raccanello, Jason Cook, Sam Mancini, Tony Cristofaro.

Minutes of the previous Annual General Meeting 2021

Copies of the minutes had been included in the Annual Report for 2022 for members.

That the minutes be accepted as a true and accurate record of 22 June 2022 meeting -

MOVED: Pat Tripodi

SECONDED: John Strano

CARRIED

1.1 Business Arising from the Minutes

No business was raised from the previous minutes.

2. Chairman's Report – Bruno Brombal

I have never seen a year like this, excessive rain, causing downy mildew and stopping growers from getting into spray crops, I have been talking with some of the older growers and they have never seen a year this bad in their lifetime.

The tonnages were down this year due to the disease pressure with 207,775 tonnes picked, this being 122,879 tonnes of white and 84,875 tonnes of red. In 2022 we picked 317,000 tonnes, again this was down as it was impacted by hail and bad weather, and in 2021 we picked 350,000 tonnes.

The prices however remained low even with the low crop, this especially applies to the red grapes with prices as low as \$200 per tonne, even with the short fall in white varieties, prices refused to move. This was not a good year for grape growers.

We continue to focus on young growers. Last year we sent four young growers to the technical conference in Adelaide, and we will continue to work with young growers.

We held a Ladies on the Land St Valentine's Day function to promote mental health. Around 50 ladies turned up to listen to some really great speakers and we had great feedback about the event.

We have visited most of the wineries and the outlook is much the same as for last year, with a large oversupply of Red Fruit that could be as high as 60,000 to 80,000 tonnes and one winery quoting prices as low as \$120 to \$150 per tonne. White grape prices should remain close to that of last year, most wineries are stating that they need to look after their growers.

China coming back to the market would be a great help but will not fix the situation. It will probably take a couple of years to see any change. We are losing ground in most export markets but the domestic market looks to be stable.

Warburn Estate has not completed payments to growers for last year's crop. We believe that a hand full of growers have been paid out as they were going to take legal action. Warburn Estate held a grower meeting and advised growers that all the outstanding monies from 2022 as well as the first two payments for 2023 would be paid by the 30 June 2023. We will have to wait and see. The board is also owed for its levies, and made the decision based on information from Warburn that the growers should be paid first.

Finally, I would like to thank the board members and staff for all the support they have given me in the last 12 months and move that the chairman's report be accepted.

That the Chairman's report be accepted -

MOVED: Bruno Brombal

SECONDED: Lou Forner

CARRIED

3. Financial Report – Jeremy Cass CEO

The CEO presented the income and expenditure statements as per the Annual Report for 2022. The Board recorded a moderate financial surplus:

That the Annual Report for 2022 be adopted -

MOVED: Tony Baggio

SECONDED: Pat Tripodi

CARRIED

4. General Business

4.1 Grants and Assistance

The CEO reminded all in attendance that Grants are nearing closing with the \$75,000 Storm Grant Applications closing at the end of June and the Farms of the Future Technology Grants closing at the end of August. The CEO also made growers aware of other financial assistance that was available like the Farm Household Allowance Scheme and urged anyone needing assistance to contact the Rural Financial Counselling service.

4.2 Supply and Demand

The CEO gave a rundown on the present state of play regarding supply and demand pressures on the industry. The over supply is estimated to be around 250,000 tonnes. The dropping of the Chinese tariffs would not completely fix the situation as Chinese consumption has halved since 2017 and is continuing to drop and in our absence, we have lost market share to France, South Africa & South American countries, it would also take some time to get supply chains operating effectively again. In fact, the world market seems to be shrinking as well as consumers look to other products and zero and low alcohol products. We are no longer the favourites, we once were, with our "sunshine in a glass wine" as many other producing nations have overtaken us in the popularity stakes.

4.3 SWA - Sustainable Winegrowing Australia

The CEO explained that SWA was on its way as many of the wineries had enquired about in recently. The Riverina is well behind the rest of the industry in its adoption. The SWA accreditation is needed for market access and while not all customers, both export and domestic, have a requirement for it now, reports have been made that wine carrying the trust mark is already preferred by customers over non accredited wines.

4.4 Profitability Project

The CEO reported that the profitability project has now entered phase 2 which is aimed at bringing both local wineries and the other commercial regions into the project for comparison from the information gathered in phase 1.

5. Other Business Nil

Being no further business, the meeting was declared closed at 9:06pm.

NSW Wine Industry Association

20/40 Meagher St
Chippendale NSW 2008
nswwine.com.au | info@nswwine.com.au
P: 0497 053 343 | ABN: 25 059 638 568



24 January 2024

NSW Wine Industry Association Report | 2023/24

Summary

For NSW Wine the past 12 months has been driven by delivering its final commitments to industry as part of the NSW Government-NSW Wine MOU, supporting activities that align with our Strategy (growing demand, sustainable and secure workforce, increased R&D adoption and increasing regional wine tourism) and building increasingly strong relationships with all levels of government. With support from key stakeholders and regional associations we've been able to make inroads into better biosecurity practices, maintain government funding for short vineyard courses through AgSkilled 2.0, develop programs for the future workforce, deliver activities that support stronger domestic and international markets and raise the profile of NSW wine and its regions through marketing campaigns and events.

Nationally, NSW Wine continues to advocate for its priorities (increased R&D spending, better national biosecurity coordination, domestic marketing funding and clearer drought assistant guidelines for the wine industry) and work closely with Wine Australia and Australia Grape & Wine on priorities that impact the whole industry.

NSW Wine continues to build productive working relationships with the new Labor Government and MPs and through initiatives like the NSW Parliament Friends of Grapegrowers we have a platform to raise issues that impact our future.

Significant government cuts under the new Labor Government have meant grant and other funding sources across the Board have been heavily reduced but despite this NSW Wine has continued to deliver a range of programs to reinforce domestic wine demand, continues to work closely with the NSW Government on discrete projects that support NSW grapegrowers and winemakers and continues to advocate for a whole-of-government wine agreement.

The next 12 months are likely to be defined by some challenging economic conditions for the wine industry but with the support of our members and regional associations NSW Wine will continue to deliver targeted initiatives that can positively impact industry while the export landscape is likely to develop as we move into 2024. Below are some highlights from the past year, and a look ahead at 2024.

Highlights

- The delivery of the final stages of the NSW Government – NSW Wine MOU which provided funding directly to the regions, for regional tastings in Sydney, WSET Scholarships, NSW Wine Masterclasses, export support and the NSW Wine Industry Skills Development Program delivered by the NSW DPI to build innovation capacity in the NSW wine industry.
- In the absence of NSW Government funding post-June 2023, NSW Wine been able to continue funding trade tastings in Sydney and WSET Scholarships and facilitate targeted overseas visits to NSW to increase demand for NSW wines.
- NSW Wine and DPI co-delivered a Viticulturist Study Tour to NZ for 12 industry professionals in December 2023 anchored around the themes of innovation and sustainability and which included several Riverina participants.
- The further development of the Rootlings Network (included the Rootlings Conference held in Orange in May 2023) which provides mentorship and practical skills development for young wine industry professionals.
- Piloting of NSW wine industry Regional Industry Education Partnerships (RIEP) program (with support from the NSW Government). A tailored program to give year 9 and 10 students a look at the diverse career opportunities in the NSW wine industry and create closer links between high schools and the wine industry.
- Phylloxera signage rolled out across the state and free Viticulture Emergency Response Training for industry (piloted with the Riverina Winegrape Growers) commenced through Tocal College.

- The establishment of the NSW Parliament Friends of Grapegrowers (co-Chaired by Clayton Barr, Dave Layzell and Phil Donato) to create closer ties between the wine industry and our elected officials. Two events were held in 2023 with three planned for 2024.
- The Wine Industry Productivity and Profitability project (a collaboration between industry, government and research institutions including the Riverina Winegrape Growers) got underway and delivered a range of workshops in year one. Year two will begin by focussing on developing a new weather station solution (Weather as a Service).
- A strong showing from NSW Wine regions and business owners to engage with Wine Australia and Australia Grape & Wine on their One Grape and Wine Sector Plan which is currently out for final comment.
- Delivery of major events including the NSW Sommeliers Wine List Awards and 2023 NSW Wine Awards.

Future focus

NSW Wine will continue to focus resources and direct funding towards activities that form part of its Strategy and support our regional associations and members over the next 12 months including:

- The NSW + ACT Regional Plan (delivered with NSW DPI) for the remainder of 2024 will see the resting vineyard trials extended, further under-vine crop trials and more research into gen-1 disease resistant varieties.
- Delivering a new state-wide weather station solution (Weather as a Service) which can provide more detailed, granular, and insightful data to growers will be developed. Technology company Eratos has been engaged and a solution and the project is in its early stages. The Riverina is being used as the *test* region and the project officially kicked off in January 2024.
- Advocating strongly for a renewed NSW Wine-NSW Government Agreement to be signed that provides targeted support to NSW wine regions, grapegrowers and wine businesses.
- Within the context of challenges economic headwinds, continuing to fund and deliver activities that support a stronger domestic market and raise the profile of our unique wine regions including trade tastings, education opportunities, consumer events and major annual events like the NSW Sommelier Wine List Awards and NSW Wine Awards.
- Engaging NSW Ministers and local MPs through the NSW Parliament Friends of Grapegrowers which provide a platform for the wine industry to raise important issues that impact its profitability, growth, and sustainability.
- Promoting next generation workforce programs to support the growth of the NSW wine industry through programs like the Rootlings Network and RIEP.
- Continuing to work closely with our regional associations to keep issues that are important for our industry on Wine Australia and Australia Grape & Wine's agenda.

Lastly, I would just like to thank the Riverina Winegrape Growers for its support. Through Jeremy Cass' engagement and the associations support for pilot programs and activities it continues to be an invaluable partner to NSW Wine and significant contributor to the NSW Wine Board and I look forward to continuing to work with it in 2024.



Matthew Jessop
Executive Officer

NSW Wine Industry Association

20/40 Meagher St
Chippendale NSW 2008
nswwine.com.au | info@nswwine.com.au
P: 0497 053 343 | ABN: 25 059 638 568



INDEPENDENT AUDITOR'S REPORT

Wine Grapes Marketing Board

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Wine Grapes Marketing Board (the Board), which comprise the Statement of Profit and Loss and Other Comprehensive Income for the year ended 31 December 2023, the Statement of Financial Position as at 31 December 2023, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes comprising a Statement of Significant Accounting Policies and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2018* (GSF Regulation) and the Treasurer's Directions
- presents fairly the Board's financial position, financial performance and cash flows

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

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Board in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles 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
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

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

The Board's Responsibilities for the Financial Statements

The members of the Board are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the GSF Act and for such internal control as the members of the Board determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements the members of the Board are responsible for assessing the Board's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting except where the Board will be dissolved by an Act of Parliament or otherwise cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

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



Min Lee
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

23 February 2024
SYDNEY

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

STATEMENT BY THE ACCOUNTABLE AUTHORITY

Pursuant to section 7.6(4) of the *Government Sector Finance Act 2018* ('the Act'), We state that these financial statements:

- have been prepared in accordance with the Australian Accounting Standards and applicable requirements of the Act, the *Government Sector Finance Regulation 2018* and the Treasurer's directions, and
- present fairly the Wine Grapes Marketing Board's financial position, financials performance and cash flows.



Signed: Bruno Brombal
Chairman



Signed: Robert Bellato
Deputy Chairman

Dated this day the 23 February 2024

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 2023

31/12/22		Note	31/12/23
\$			\$
	INCOME		
1,840	Other Income	2	5,605
9,170	Interest		50,364
200,000	Grants	3	-
-	Grants – other		18,610
629,148	Fees and Charges on Growers	4	712,909
8,007	Gain/(Loss) on Sale of Assets		4,785
<u>848,165</u>	TOTAL INCOME		<u>792,273</u>
	EXPENDITURE		
18,470	Audit Fees		19,400
714	Bank Fees		651
97,305	Board Fees, Allowances & Superannuation		102,508
61,298	Consultancy Fees		1,806
40,418	Depreciation		44,044
14,588	Fringe Benefits Tax		2,327
324,578	Other Administration Expenses	5	229,825
269,311	Salaries, Wages & Superannuation	6	297,814
33,851	Subscriptions		34,517
21,507	Travelling Expenses		5,920
11,519	Employees Leave Entitlements		4,378
20,000	Promotion		10,000
<u>913,559</u>	TOTAL EXPENDITURE		<u>753,190</u>
<u>(65,394)</u>	SURPLUS/(DEFICIT) FOR THE YEAR		<u>39,083</u>
	- OTHER COMPREHENSIVE INCOME		-
	<i>Items that will not be reclassified subsequently to Profit and Loss:</i>		
172,150	Revaluation increment for Property, Plant and Equipment		-
<u>106,756</u>	TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		<u>39,083</u>

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 2023

31/12/22	CURRENT ASSETS	Note	31/12/23
\$			\$
1,949,408	Cash & Cash Equivalents	7	1,464,720
-	Investments	8	600,000
144,799	Trade and Other Receivables	9	80,371
18,493	Prepayments	10	19,895
<u>2,112,700</u>	Total Current Assets		<u>2,164,986</u>
	NON-CURRENT ASSETS		
1,045,726	Property, Plant & Equipment	11	1,009,188
<u>1,045,726</u>	Total Non-Current Assets		<u>1,009,188</u>
<u>3,158,426</u>	TOTAL ASSETS		<u>3,174,174</u>
	CURRENT LIABILITIES		
103,092	Trade and Other Payables	12	75,380
16,937	Employee Benefits	13	16,960
<u>120,029</u>	Total Current Liabilities		<u>92,340</u>
	NON-CURRENT LIABILITIES		
8,804	Employee Benefits	13	13,158
<u>8,804</u>	Total Non-Current Liabilities		<u>13,158</u>
<u>128,833</u>	TOTAL LIABILITIES		<u>105,498</u>
<u>3,029,593</u>	NET ASSETS		<u>3,068,676</u>
	EQUITY		
506,520	Reserves	14(a)	506,520
2,523,073	Retained Earnings	14(b)	2,562,156
<u>3,029,593</u>	TOTAL EQUITY		<u>3,068,676</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 2023

31/12/22		Note	31/12/23
\$			\$
	RESERVES		
	Asset Revaluation Reserve		
334,370	Balance on 1 January		506,520
172,150	Net increase on revaluation of land & buildings		-
506,520	Balance on 31 December		506,520
	RETAINED EARNINGS		
2,588,467	Balance on 1 January		2,523,073
(65,394)	Surplus/(Deficit) for the year		39,083
2,523,073	Balance on 31 December		2,562,156
3,029,593	TOTAL EQUITY		3,068,676

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 2023

31/12/22 Inflows (Outflows) \$	Note	31/12/23 Inflows (Outflows) \$
CASH FLOWS FROM OPERATING ACTIVITIES		
RECEIPTS		
740,516	Wineries & Growers	798,030
4,035	Interest Received	16,036
220,000	Government Contributions Received	20,271
2,024	Other	6,166
966,575		840,503
PAYMENTS		
(371,328)	Employee Benefits	(402,293)
(559,337)	Payments to Suppliers	(319,730)
(216,840)	Payments to Growers	(446)
(1,147,505)		(722,469)
NET CASH PROVIDED BY OPERATING		
(180,930)	15	118,034
CASH FLOWS FROM INVESTING ACTIVITIES		
31,364	Proceeds from Sale of Fixed Assets	68,181
(83,352)	Payments for Property, Plant & Equipment	(70,903)
-	Payments for Investments	(600,000)
(51,988)	NET CASH USED IN INVESTING ACTIVITIES	(602,722)
NET INCREASE/(DECREASE) IN CASH AND CASH		
(232,918)	EQUIVALENTS	(484,688)
2,182,326	Cash & cash equivalents at 1 January	1,949,408
1,949,408	Cash & cash equivalents at 31 December	1,464,720

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 2023

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 23 February 2024.

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 7.6 of the Government Sector Finance Act 2018.

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 have 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 from 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.

Changes in Accounting Policies

The accounting policies set out below have been consistently applied to all years presented.

(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.

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.

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 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Property, Plant & Equipment (continued)

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.

Depreciation

Depreciation is charged to the statement of profit and loss and other 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	10% - 30%
Office Equipment	6.667% - 40%
Computer Equipment	20% - 50%

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.

(b) Financial Instruments

Financial instruments, with the exception of trade receivables, are initially recognised at fair value plus or minus transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition financial instruments are measured at amortised cost.

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 expected credit losses.

(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 profit and loss and other 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 profit and loss and other 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 2023

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

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. There are no specific performance obligations to be met by the Board in respect to these statutory fees and charges, accordingly this revenue is recognised when the right to raise these fees and charges has arisen, being in the financial year in which the related wine grapes are produced.

Interest Revenue

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

Grant Revenue

For grant revenue where there is an enforceable contract, revenue is recognised when identified performance obligations are met. Where there is no enforceable contract or specific identified performance obligations revenue is recognised when control of the contribution is obtained. Control is normally obtained upon receipt.

Other Revenue

Other revenue is recognised at fair value when performance obligations are met. In most cases this is at a point in time when the related goods or services have been provided.

(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 2023

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 2015 the Board sought winery adoption of Agency Agreements that they could enter into annually 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.

(m) Fair Value of Assets and Liabilities

The Board 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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

In addition, the Board determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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 2023

NOTE 2: OTHER INCOME

31/12/22		31/12/23
\$		\$
91	Reimbursements	409
673	Sales	-
-	Insurance proceeds	2,077
1,076	Advertising	969
-	Other	2,150
1,840		5,605

NOTE 3: RESTRICTED FUNDS – THE PROFITABILITY PROJECT

The total contribution paid by Wine Australia was \$200,000 (GST Exclusive), of which \$100,000 (GST Exclusive) was paid to Riverina Winegrape Growers (through Wine Australia). This represented Wine Grapes Marketing Board's internal contribution to the project. The total funding for the project is \$200,000 (GST Exclusive). No additional funding was received in 2023.

The figures detailed below are net of GST and reflect the unexpended funds allocated to the project:

31/12/22		31/12/23
\$		\$
-	Unexpended funds B/f on 1 January	60,000
200,000	Wine Australia Funds Received	-
-	Wine Grapes Marketing Board contribution to project	100,000
200,000		160,000
100,000	Payment to Riverina Winegrape Growers	-
40,000	Pilot Profitability workshop paid for growers to attend	5,500
-	Vitivisor workshop	2,750
-	Advanced Viti course fees	6,000
-	AVC travel and accommodation	2,352
-	Next crop	1,000
60,000	Balance of funds remaining at 31 December	142,398

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 2023 (continued)

NOTE 4: FEES & CHARGES ON GROWERS

For the 2023 vintage the fees and charges rate was approved by a formal motion of members at \$3.90 per tonne (2022 \$3.90 per tonne was approved) 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 charge.

A number of growers received a return of \$3.90 per tonne in 2023 (2022: \$3.90) as they produced less than 20 tonnes in the year (114.24 tonnes in total across 8 growers - \$445 returned) and in accordance with the legislation are not defined as a constituted grower. Where necessary the Board is also holding funds from prior year returns to growers that have been hard to locate and contact. These funds are shown as a liability in note 11.

The following table shows the fees and charges received and returned during the year:

31/12/22		31/12/23
\$		\$
845,988	Fees and charges paid by growers (2022 production)	711,405
-	- Fees and charges paid by growers (2021 production)	-
-	- Fees and charges paid by growers (2020 production)	1,949
(266)	Levies returned (non-constituted growers) \$3.90 per tonne	(445)
(216,574)	Levies returned \$1.00 per tonne on the 2022 vintage	-
629,148	NET RECEIPTS Levies Retained	712,909

Fees and charges are recognised at a point in time as opposed to over time. All fees and charges relate to a single operating segment being wine grape growers in the Murrumbidgee Irrigation Area, accordingly no further disaggregation of this revenue has been disclosed.

No revenue has been recognised in the reporting period from performance obligations satisfied in previous periods nor is there any revenue yet to be recognised in respect to unsatisfied performance obligations (2022: Nil).

At year end there are no contract assets or contract liabilities recognised from contracts with customers (2022: Nil).

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 2023 (continued)

NOTE 5: OTHER ADMINISTRATION EXPENSES

Details of the components of this item are as follows:

31/12/22		31/12/23
\$		\$
42,297	Agency Fees	35,388
15,775	Accountancy	15,919
10,567	Advertising, Printing & Stationery	8,514
-	Bad Debts Expense	29,192
13,044	Computer Expenses	12,726
50,872	Conferences & Seminars	12,955
500	Donations	750
26,441	Industry Functions	11,194
16,080	Insurance	18,006
62	Legal Fees	18,127
11,993	Motor Vehicle Expenses	11,198
16,311	Office Expenses	32,351
14,075	Postage and Telephone	10,431
3,379	Rates	3,308
102,376	Research & Development Function	6,931
700	Reimburse ChemCert Training/HACCP Certification	1,450
-	Staff Training	995
106	Sundry	390
<u>324,578</u>		<u>229,825</u>

NOTE 6: SALARIES, WAGES & SUPERANNUATION

31/12/22		31/12/23
\$		\$
244,239	Salary & Wages	268,903
25,072	Superannuation	28,911
<u>269,311</u>		<u>297,814</u>

NOTE 7: CASH & CASH EQUIVALENTS

31/12/22		31/12/23
\$		\$
269,133	Administration Account	354,173
176,964	Grower Payments Cheque Account	104,720
1,503,311	Term Deposits	1,005,827
<u>1,949,408</u>		<u>1,464,720</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 2023 (continued)

NOTE 8: INVESTMENTS

31/12/22		31/12/23
\$		\$
-	Term Deposits	600,000
-		600,000

NOTE 9: TRADE AND OTHER RECEIVABLES

Amounts owing to the Board at 31 December 2023 comprise:

31/12/22		31/12/23
\$		\$
106,085	Trade Debtors	50,602
30,114	GST Receivable	16,034
8,600	Accrued Income	42,927
-	- Provision for Expected Credit Losses	(29,192)
144,799		80,371

Provision for Expected Credit Losses

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 for expected credit losses. These amounts have been included in the other expenses item.

The balance is \$29,172 for 2023 and nil for prior years.

NOTE 10: PREPAYMENTS

31/12/22		31/12/23
\$		\$
18,493	Insurance	19,895
18,493		19,895

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 2023 (continued)

NOTE 11: PROPERTY, PLANT & EQUIPMENT

31/12/22		31/12/23
\$		\$
	Land & Buildings	
	Freehold Land at:	
350,000	- Independent Valuation 31 December 2022	350,000
<u>350,000</u>		<u>350,000</u>
	Buildings at:	
550,000	- Independent Valuation 31 December 2022	550,000
(38)	Less: Accumulated Depreciation	(13,788)
<u>899,962</u>		<u>886,212</u>
<u>899,962</u>	Total Land & Buildings	<u>886,212</u>
53,205	Office Equipment - at cost	52,802
(45,801)	Less: Accumulated Depreciation	(38,228)
<u>7,404</u>		<u>14,574</u>
145,119	Motor Vehicles - at cost	110,091
(21,372)	Less: Accumulated Depreciation	(10,928)
<u>123,747</u>		<u>99,163</u>
33,434	Computer Equipment - at cost	33,482
(28,987)	Less: Accumulated Depreciation	(29,264)
<u>4,447</u>		<u>4,218</u>
138,363	Research Equipment - at cost	138,363
(128,197)	Less: Accumulated Depreciation	(133,342)
<u>10,166</u>		<u>5,021</u>
<u>145,764</u>	Total Plant & Equipment	<u>122,976</u>
<u>1,045,726</u>	Total Property, Plant & Equipment	<u>1,009,188</u>

(a) Land and buildings were revalued by John Carbone, AAPI Certified Practicing Valuer as at 31 December 2022 on the basis of current market value. These assets are classified as Level 2 under the market based direct comparison approach.

MOVEMENT IN CARRYING AMOUNTS - 2023

WDV	Land & Buildings \$	Research Equipment \$	Office Equipment \$	Motor Vehicle \$	Computer Equipment \$	Totals \$
Balance at 1 January 2023	899,962	10,166	7,404	123,747	4,447	1,045,726
Acquisitions	-	-	8,941	59,752	2,209	70,902
Revaluation	-	-	-	-	-	-
Depreciation	(13,750)	(5,145)	(1,556)	(21,155)	(2,438)	(44,044)
Disposals	-	-	(215)	(63,181)	-	(63,396)
Balance at 31 December 2023	886,212	5,021	14,574	99,163	4,218	1,009,188

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 2023 (continued)

NOTE 11: PROPERTY, PLANT & EQUIPMENT (continued)

MOVEMENT IN CARRYING AMOUNTS – 2022

WDV	Land & Buildings \$	Research Equipment \$	Office Equipment \$	Motor Vehicle \$	Computer Equipment \$	Totals \$
Balance at 1 January 2022	707,575	15,471	6,970	116,538	7,444	853,998
Acquisitions	30,721	-	1,813	50,338	480	83,352
Revaluation	172,151	-	-	-	-	172,151
Depreciation	(10,485)	(5,305)	(1,194)	(19,957)	(3,477)	(40,418)
Disposals	-	-	(185)	(23,172)	-	(23,357)
Balance at 31 December 2022	899,962	10,166	7,404	123,747	4,447	1,045,726

NOTE 12: TRADE AND OTHER PAYABLES

31/12/22		31/12/23
\$		\$
35,046	Trade Creditors	24,364
20,009	GST Payable	3,585
8,252	PAYG Withholding	6,281
38,989	Accruals	39,164
393	Grower Fees & Charges	393
403	Credit Cards	1,593
<u>103,092</u>		<u>75,380</u>

NOTE 13: EMPLOYEE BENEFITS

CURRENT

31/12/22		31/12/23
\$		\$
16,937	Provision for Annual Leave	16,960
-	Provision for Long Service Leave	-
<u>16,937</u>		<u>16,960</u>

NON-CURRENT

31/12/22		31/12/23
\$		\$
8,804	Provision for Long Service Leave	13,158
<u>8,804</u>		<u>13,158</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 2023 (continued)

NOTE 14: EQUITY

(a): RESERVES

31/12/22		31/12/23
\$		\$
334,370	Opening balance	506,520
172,150	Net increase/(decrease) on revaluation of land & buildings	-
506,520		506,520

(b): RETAINED EARNINGS

31/12/22		31/12/23
\$		\$
2,588,467	Retained earnings at the beginning of the financial year	2,523,073
(65,394)	Surplus/(Loss) for the year	39,083
2,523,073	Retained earnings at the end of the financial year	2,562,156

Revaluation Reserve

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

NOTE 15: RECONCILIATION OF NET CASH USED IN OPERATING ACTIVITIES TO OPERATING RESULT

31/12/22		31/12/23
Inflows		Inflows
(Outflows)		(Outflows)
\$		\$
(65,394)	Surplus/(Deficit) for the year	39,083
	Adjustments for:	
40,418	Depreciation	44,044
(8,007)	(Gain)/Loss on Sale of Assets	(4,785)
(113,371)	(Increase)/Decrease in Receivables	98,754
(5,135)	(Increase)/Decrease in Accrued Income	(34,327)
(38,949)	Increase/(Decrease) in Payables	(27,711)
11,519	Increase/(Decrease) in Employee Entitlements	4,377
(2,011)	(Increase)/Decrease in Prepayments	(1,401)
(180,930)	Net Cash provided by operating activities	118,034

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 2023 (continued)

NOTE 16: 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:

2023	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	0.00%	458,893	-	-	-	-	458,893
Term Deposits	4.16%	-	1,605,827	-	-	-	1,605,827
Trade and Other Receivables	-	-	-	-	-	64,337	64,337
45		458,893	1,605,827	-	-	64,337	2,129,057
Financial Liabilities							
Payables	N/A	-	-	-	-	65,514	65,514
		-	-	-	-	65,514	65,514

2022	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	0.00%	446,097	-	-	-	-	446,097
Term Deposits	0.65%	-	1,503,311	-	-	-	1,503,311
Trade and Other Receivables	-	-	-	-	-	114,685	114,685
		446,097	1,503,311	-	-	114,685	2,064,093
Financial Liabilities							
Payables	N/A	-	-	-	-	74,831	74,831
		-	-	-	-	74,831	74,831

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 2023 (continued)

NOTE 16: 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	Fair Value	Carrying Amount	Fair Value
	2023	2023	2022	2022
	\$	\$	\$	\$
Financial Assets				
Cash and Cash Equivalents	1,464,720	1,464,720	1,949,408	1,949,408
Trade and other Receivables	64,337	64,337	114,685	114,685
Other Investments	-	-	-	-
Financial Liabilities				
Trade and other Payables	65,514	65,514	74,831	74,831

(e) Estimation of Fair Values

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.

NOTE 17: COMMITMENTS

There was no capital and operating lease commitments as at 31 December 2023 (2022: nil).

NOTE 18: CONTINGENT LIABILITIES

The Board is not aware of any contingent liabilities as at the date of signing of the accounts (2022: nil).

NOTE 19: RELATED PARTY TRANSACTIONS

During the 2023 Financial Year there were no material related party transactions, other than those noted in Note 20 which were conducted at arm's length.

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 2023 (continued)

NOTE 20: 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. Board directors are all constituted wine grape growers and all pay the statutory fees and charges annually via the processor that they deliver wine grapes to.

31/12/22		31/12/23
\$		\$
214,619	Short-term benefits	224,736
19,475	Post-employment benefits	23,944
107	Other long-term benefits	504
234,201	Total remuneration	249,184
8	Total number of executives	8

NOTE 21: 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. The board has a business card facility of \$21,000 at 31 December 2023 (31 December 2022: \$21,000).

(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.

(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 16.

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 2023 (continued)

NOTE 21: FINANCIAL RISK MANAGEMENT (continued)

(a) 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:

31/12/22 \$		31/12/23 \$
	Change in surplus	
4,461	Increase in interest rate by 1%	4,589
(4,461)	Decrease in interest rate by 1%	(4,589)

31/12/22 \$		31/12/23 \$
	Change in equity	
4,461	Increase in interest rate by 1%	4,589
(4,461)	Decrease in interest rate by 1%	(4,589)

NOTE 22: SUBSEQUENT EVENTS

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

End of Audited Accounts

2024 CONSOLIDATED BUDGET AS PER STRATEGIC PLAN 2024-2028

2023 Budget	2023 Actual	INCOME AND EXPENSE ACCOUNTS	2024 Budget
INCOME			
-	\$713,355	Charges (\$3.90 per tonne)	-
\$877,500	-	Charges (\$3.90 per tonne – 225,000 tonnes)	-
-	-	Charges (\$3.90 per tonne – 185,000 tonnes)	\$721,500
\$12,000	\$50,364	Interest from Bank Accounts	\$50,000
\$40,000	\$4,785	Gain/(loss) on Sale of Assets	\$50,000
\$5,125	\$5,605	Income from Operating Activities (Sundries)	\$2,450
-	\$18,610	Grant Income	-
\$934,625	\$792,719	TOTALS	\$823,950
OPERATING EXPENDITURE			
\$16,000	\$15,919	Accountancy Fees	\$16,000
\$4,450	\$719	Advertising Activities	\$4,450
\$43,875	\$35,388	Agency Expense	\$36,075
\$17,500	\$19,400	Audit Fees – Statutory	\$18,000
-	\$29,192	Bad Debts Expense	-
\$1,500	\$651	Bank Fees and Charges	\$1,500
\$95,000	\$92,535	Board Fees and Allowances	\$95,000
\$7,100	\$12,726	Computer Expenses	\$12,600
\$4,900	\$12,955	Conferences/Seminars	\$10,400
\$74,400	\$1,806	Consultancy Costs	\$74,400
\$37,000	\$44,044	Depreciation Expense	\$37,000
-	\$750	Donations	-
\$9,000	\$2,327	Fringe Benefits Tax	\$9,000
\$10,050	\$11,194	Industry Functions	\$10,050
\$18,000	\$18,006	Insurance	\$17,500
\$1,500	\$18,127	Legal Fees	\$10,000
\$11,800	\$11,198	Motor Vehicle Expenses (fuel, registration, etc)	\$11,800
\$12,000	\$32,351	Point of Access Office Expenses	\$12,000
\$13,260	\$10,431	Postage and Telephone	\$11,160
\$9,950	\$7,795	Printing and Stationery	\$9,450
\$35,000	\$10,000	Promotion	\$15,000
\$5,588	\$23	Provision: Annual Leave	\$5,612
\$2,200	\$4,354	Provision: Long Service Leave	\$2,200
\$3,800	\$3,308	Rates	\$3,800
\$5,600	\$931	Research Consumable	\$5,600
\$20,000	\$6,000	Research Payments	\$20,000
\$280	\$446	Return of Statutory Fees – growers < 20t	\$280
-	\$1,450	Reimburse Chemical Certificate Training	-
\$251,775	\$268,903	Salaries and Wages	\$292,590
\$8,360	\$995	Staff and Board Training	\$2,360
Subscriptions:			
\$11,500	\$9,509	Magazines Subscription for Growers	\$12,468
\$11,000	\$11,369	Irrigation Representation and Sundries	\$5,000
\$12,000	\$12,600	NSW Wine Industry Association	\$12,000
-	\$1,039	Sundry Subscriptions	-
\$25,000	-	Inland Regions Alliance	\$15,000
\$1,950	-	Papers, Business Australia, NSW Farmers	\$1,600
\$4,000	\$391	Sundry expense	\$4,000
\$34,236	\$38,884	Superannuation (includes \$7,800 of Board Member superannuation)	\$39,985
\$15,000	\$5,920	Travelling Expenses	\$10,700
\$834,574	\$753,636	TOTAL EXPENDITURE	\$844,580
\$100,051	\$39,083	SURPLUS/(DEFICIT)	(\$20,630)
BUDGETED CAPITAL EXPENDITURE			
\$60,000	\$59,753	Motor Vehicle, Office Equipment, Computer Equipment	\$60,000
-	\$11,150	Building, Office, Computer & Research Equipment	-
\$60,000	\$70,903	TOTAL CAPITAL EXPENDITURE	\$60,000
\$894,574	\$824,539	TOTAL EXPENDITURE (including capital expenditure)	\$904,580
\$40,051	(\$31,820)	SURPLUS/(DEFICIT) – including capital expenditure	(\$80,630)

The above 2024 Budget was presented and approved by growers 11 October 2023



Riverina
**WINEGRAPE
GROWERS**

182 Yambil Street (PO Box 385)
GRIFFITH NSW 2680
Ph: 02 6962 3944 Fax: 02 6962 6103
Website www.riverinawinegrapes.com.au