

Presidents Report to the Annual General Meeting of the Australian Society of Viticulture and Oenology – November 2011

The past year has been both a challenging and rewarding one for the Australian Society of Viticulture and Oenology. After a series of years of posting financial losses, the ASVO has managed to turn this around, and posted an operating surplus of over \$52,000 in the 2010-11 financial year (see Treasurers report for more details). This has been a direct result of the ASVO Board working very hard on your behalf to ensure that the Society remains operational and active on behalf of its members.

Just after our last Annual General Meeting (AGM) we moved the ASVO office into the National Wine Centre to co-locate with the Winemakers' Federation of Australia (WFA), and signed a Memorandum of Understanding to work closer with WFA in the future. This partnership approach is an emerging theme for ASVO, and one that I think will become more important as we move into the future. There are a range of other entities in the Australian wine sector who are looking to provide industry with a range of technical knowledge development opportunities, and we can either cooperate or compete head-to-head, and our structure and funding mechanisms will not allow the Society to do the later.

Under this guiding principle we worked closely in 2010-11 to deliver the 'Think global: Plant local' Alternative Varieties seminar on the 5th of November in Mildura, in collaboration with the Australian Alternative Varieties Wine Show (AAVWS). This seminar was well attended and made the Society a small operating surplus. It also managed to bring together various leaders in the alternative grape varieties area and tie it in with the Australian Alternative Varieties Wine Show judging and public tasting. The proceedings of this workshop have recently been distributed to delegates.

The Australian Journal of Grape and Wine Research (the yellow peril) still continues to impress. The journal continues to be the highest ranked scientific journal in the viticulture and oenology field, moving from a 'impact factor' of approximately 1.8 to 2.3 in the last year, thanks to the guidance under editor Dr Vlad Jiranek, deputy editor Dr Greg Dunn. The experiment this year with the 'virtual special issue' on smoke taint was very promising and hopefully one you will see repeated in other topic areas in the future. We are currently reviewing the publishing contract with Wiley-Blackwell, and are looking at alternative income streams (such as advertising) that can leverage off the AJGWR's success and help offset some of the considerable cost of the journal (almost half of our subscription revenue).

The 14th Australian Wine Industry Technical Conference (AWITC) was held in Adelaide in July 2010. ASVO is a half owner of the AWITC (the other half is owned by the Australian Wine Research Institute) and provides critical 'balanced' input into the conference program. Given the Global Financial Crisis and the market cycle of the Australian wine sector around the time of the AWITC, the conference was still able to secure 1300 attendees, and post a small operating surplus, a significant feat in these challenging times. The 15th AWITC is working towards being held in Sydney, in Darling Harbour at the convention centre in July 13-18 2013, with planning for the conference program to commence early next year.

In terms of ASVO staffing, the 2010-11 financial year has seen some changes, as we said goodbye to Ms Deb Robinson our then Executive Director, who had worked with ASVO for just over four years. We then appointed Ms Kirsty Bell to the part-time position of Administration Officer, who stayed with us for nearly 9 months, and moved on to take another role. We are very pleased to announce that we have appointed Chris Waters (from Waters & Waters Pty Ltd) as the ASVO Office Administration Manager, effective from 24 October 2011. Chris brings a wealth of experience and we look forward to working with Chris, and having Chris work for the Society in the future. We understand there have been some 'teething' issues as we have switched between different ASVO staff members, but I am confident that we have a solution in place that will service our members' needs in a highly effective and efficient manner.

Finally I want to thank the members of ASVO, those industry professionals who part with their hard earned cash every year to be a member of the their professional Society. Please know that your ASVO Board and staff are working very hard behind the scenes to ensure key benefits are delivered to you as a member! I would also like to take this opportunity to thank the Board and the members for allowing me to be your President for the last 2 years. It has been a position I have thoroughly enjoyed, and one I have taken very seriously. It's no secret the Society has faced, and continues to face some challenging times, but with some clear vision and hard work the Society will continue to be an important part of this great Australian wine industry!!

Yours Sincerely

A handwritten signature in black ink, appearing to read 'm. krstic.', written in a cursive style.

Mark Krstic

AUSTRALIAN SOCIETY OF VITICULTURE AND OENOLOGY INC
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2011

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AUSTRALIAN SOCIETY OF VITICULTURE AND OENOLOGY INC

STATEMENT BY THE EXECUTIVE BOARD

(i) In the opinion of the Executive Board the accompanying financial report, as set out on pages 2 to 5:

- (a) Present fairly the financial position of the Society as at 30 June 2011 and the profit for the year then ended; and
- (b) Have been prepared and presented in accordance with applicable Australian Accounting Standards.

(ii) The Executive Board has reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

(iii) The Executive Board hereby states that during the year ended 30 June 2011:

- (a)
 - (i) no firm of which an Executive Board member is a member; and
 - (ii) no body corporate in which an Executive Board member has a substantial financial interesthas received, or become entitled to receive a benefit as a result of a contract between the Executive Board member, firm or body corporate and the Society; and
- (b) The Executive Director of the Society, who is a member of the Executive Board has received directly from the Society, a salary in accordance with a negotiated contract.

The above statement is made in accordance with a resolution of the Executive Board and is signed for and on behalf of the Executive Board by:



Mark Krstic
President



Mark Gishen
Treasurer

Dated this 31st day of October 2011.

AUSTRALIAN SOCIETY OF VITICULTURE AND OENOLOGY INC

BALANCE SHEET

AS AT 30 JUNE 2011

	2011	2010
	\$	\$
MEMBERS' FUNDS		
Retained Earnings	26,424	102,464
Operating Surplus (Deficit)	52,933	(76,703)
Voluntary Levies	<u>7,573</u>	<u>7,573</u>
TOTAL ACCUMULATED FUNDS	<u>86,930</u>	<u>33,334</u>
Represented by:		
Current Assets		
Cash on hand	-	100
Cash at bank	232,388	123,769
Trade Debtors	2,860	49,056
Sundry Debtors	5,472	0
Prepayments	<u>1,525</u>	<u>12,140</u>
TOTAL CURRENT ASSETS	<u>242,166</u>	<u>185,065</u>
Non-Current Assets		
Furniture & Office Equipment – at written down value	8,224	16,215
Equity Reserve	<u>7,573</u>	<u>7,573</u>
TOTAL NON-CURRENT ASSETS	<u>15,797</u>	<u>23,788</u>
TOTAL ASSETS	<u>257,963</u>	<u>208,853</u>
Current Liabilities		
Trade Creditors	518	1,002
Creditors - Other	20,326	17,327
Income (fees) Received in Advance	145,773	128,664
Provision for Leave	0	2,907
Payroll liabilities	(6,335)	10,216
GST Output Tax	<u>10,672</u>	<u>15,405</u>
TOTAL CURRENT LIABILITIES	<u>171,034</u>	<u>175,520</u>
TOTAL LIABILITIES	<u>171,034</u>	<u>175,520</u>
NET ASSETS	<u>86,930</u>	<u>33,334</u>

AUSTRALIAN SOCIETY OF VITICULTURE AND OENOLOGY INC
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2011

INCOME	2011	2010
	\$	\$
Interest	200	2,357
Fees - Current Financial Year	185,092	175,329
Voluntary Levy	159	7,573
Proceedings	4,387	4,812
Posters	782	1,334
Events	7,319	116,817
Royalties	12,780	14,299
Wine tasting and Aroma kits	3,668	2,771
Merchandise (branded)	455	0
Miscellaneous Income	216	2,335
Wine Show Judge Register	45	732
WISA Sub-lease	0	3,341
Sponsorship	11,000	48,897
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TOTAL INCOME	226,103	380,595
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LESS EXPENDITURE		
Accounting & Audit Fees	800	750
Admin & Services, Plant hire	12,307	737
Advertising	364	2,740
Bank Charges	2,989	6,404
Cleaning	173	1,418
Consultancy	0	12,179
Depreciation	7,990	12,582
Electricity	434	1,485
Events	10,068	74,543
Insurance	3,985	4,301
Legal Fees	0	48
Office Supplies	0	398
Sponsorship	0	1,819
ICT Support	3,840	14,958
Newsletters	0	1,350
Telephony incl ISP	3,659	9,652
Teleconferences	1,336	1,004
Postage, Couriers & Freight	2,341	12,453
Printing & stationary	1,347	3,568
Provision for Leave	-2,907	-4,721
Repairs & Maintenance	0	85
Rent	4,188	23,164
Sponsorship	0	1,080
Wine Show Auditing	0	1,277
Staff Development & Training	4,030	6,905
Board development training	0	2,449
Miscellaneous	831	0
Subscriptions	560	1,073
Travel - Committee	1,403	9,882
Travel - EO/Staff	1,578	17,350
Manuscript Central Management	0	4,476
Salaries	34,006	123,510
Salaries - on costs	4,341	14,878
Admin Management Service	0	322
Bookkeeping Services	798	0
Website Hosting & Maintenance	1,052	4,414
Goods for Sale	2,987	14,922
AJGWR	68,671	73,846
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TOTAL EXPENDITURE	173,169	457,299
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SURPLUS (DEFICIT)	52,934	-76,703

AUSTRALIAN SOCIETY OF VITICULTURE AND OENOLOGY INC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The Executive Board of the Association has determined that the Association is not a reporting entity. Accordingly, this financial report is a special purpose financial report which has been prepared solely to meet the reporting obligations of the Executive Board and the limited information needs of the Association's members.

(a) The financial statements have been prepared in accordance with the following Australian Accounting Standards:

AASB 1031 Materiality
AASB 110 Events After The Balance Sheet Date.

No other Australian accounting standards and other mandatory professional reporting requirements have been applied, although measurement and valuation criteria embodied in the generally accepted accounting framework have been acknowledged.

(b) The financial report has been prepared on the basis of historical costs and does not take into account changing money values or, unless otherwise stated, current valuations of non-current assets. The accounting policies adopted in preparing this financial report are consistent with those of the previous years.

(c) No income tax is payable by the Association as it is a tax exempt body under the *Income Tax Assessment Act, 1936*, as amended.

Accounting policies have been consistently applied.