

# **WINE VICTORIA INCORPORATED**

**ABN 25 484 327 174**

## **FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2019**



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**WINE VICTORIA INCORPORATED**  
**ABN 25 484 327 174**

**COMMITTEE'S REPORT**

Your committee members submit the financial report of Wine Victoria Incorporated for the financial year ended 30 June 2019.

**Committee Members**

The names of the committee members in office at anytime during or since the end of the year are:

Angie Bradbury  
Ross Wilson  
Nikki Palun  
Damien Sheehan  
Jon Evans  
Ashley Spencer  
Gerry Ryan  
Tom Carson  
Alex King  
Matt Fowles

**Principal Activities**

The principal activities of the association during the financial year were:

Representing the Victorian wine industry with the main aim to advocate to the Victorian government, responding to the issues that impact our members.

**Significant Changes**

No significant change in the nature of these activities occurred during the financial year.

**Operating Result**

The profit after providing for income tax amounted to \$46,120.

Signed in accordance with a resolution of the members of the committee:

  
\_\_\_\_\_  
Angie Bradbury

  
\_\_\_\_\_  
Ross Wilson

Dated:

**WINE VICTORIA INCORPORATED**  
**ABN 25 484 327 174**

**STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	Note	<b>2019</b>	<b>2018</b>
		\$	\$
Revenue		745,537	284,535
Other income		25,000	50,636
Other expenses		<u>(724,417)</u>	<u>(282,244)</u>
<b>Profit before income tax</b>	<b>2</b>	46,120	52,927
Income tax expense		<u>-</u>	<u>-</u>
<b>Profit for the year</b>		<u>46,120</u>	<u>52,927</u>
Profit attributable to members of the entity		<u>46,120</u>	<u>52,927</u>

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report.

**WINE VICTORIA INCORPORATED**

ABN 25 484 327 174

**STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2019**

	Note	<b>2019</b>	<b>2018</b>
		\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash on hand	<b>3</b>	1,514,821	43,683
Accounts receivable and other debtors	<b>4</b>	385,637	82,277
<b>TOTAL CURRENT ASSETS</b>		<u>1,900,458</u>	<u>125,960</u>
<b>TOTAL ASSETS</b>		<u>1,900,458</u>	<u>125,960</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and other payables	<b>6</b>	1,797,401	69,023
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,797,401</u>	<u>69,023</u>
<b>TOTAL LIABILITIES</b>		<u>1,797,401</u>	<u>69,023</u>
<b>NET ASSETS</b>		<u><b>103,057</b></u>	<u><b>56,937</b></u>
<b>MEMBERS' FUNDS</b>			
Retained earnings		103,057	56,937
<b>TOTAL MEMBERS' FUNDS</b>		<u><b>103,057</b></u>	<u><b>56,937</b></u>

The accompanying notes form part of these financial statements.

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**WINE VICTORIA INCORPORATED**  
**ABN 25 484 327 174**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	Retained Earnings \$	Total \$
<b>Balance at 1 July 2017</b>	4,010	4,010
<b>Comprehensive income</b>		
Profit for the year	52,927	52,927
<b>Total comprehensive income for the year attributable to members of the association</b>	<u>52,927</u>	<u>52,927</u>
<b>Balance at 30 June 2018</b>	<u>56,937</u>	<u>56,937</u>
<b>Balance at 1 July 2018</b>	56,937	56,937
<b>Comprehensive income</b>		
Profit for the year	46,120	46,120
<b>Total comprehensive income for the year attributable to members of the association</b>	<u>46,120</u>	<u>46,120</u>
<b>Balance at 30 June 2019</b>	<u>103,057</u>	<u>103,057</u>

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**WINE VICTORIA INCORPORATED**  
**ABN 25 484 327 174**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	Note	<b>2019</b>	<b>2018</b>
		\$	\$
<b>Cash flows from operating activities</b>			
Receipts from members and government		2,001,878	258,751
Interest received		317	100
Payments to suppliers		<u>(531,056)</u>	<u>(262,220)</u>
<b>Net cash provided by (used in) operating activities</b>	<b>7</b>	<u>1,471,139</u>	<u>(3,369)</u>
Net increase (decrease) in cash held		1,471,139	(3,369)
Cash on hand at beginning of financial year		<u>43,682</u>	<u>47,051</u>
Cash on hand at end of financial year	<b>7</b>	<u><u>1,514,821</u></u>	<u><u>43,682</u></u>

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report.

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## WINE VICTORIA INCORPORATED

ABN 25 484 327 174

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### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 30 JUNE 2019

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012 Victoria. The committee has determined that the association is not a reporting entity.

##### **Basis of Preparation**

The financial statements have been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

##### **(a) Income Tax**

No provision for income tax has been raised, as the entity is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

##### **(b) Accounts Receivable and Other Debtors**

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

##### **(c) Cash on Hand**

Cash on hand includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

##### **(d) Revenue and Other Income**

Non-reciprocal grant revenue is recognised in profit or loss when the association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.



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## WINE VICTORIA INCORPORATED

ABN 25 484 327 174

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### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 30 JUNE 2019

When grant revenue is received whereby the association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

The association receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of services is recognised upon the delivery of the service to the customer.

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

#### **(e) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

**WINE VICTORIA INCORPORATED**  
**ABN 25 484 327 174**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>2. PROFIT FOR THE YEAR</b>		
<b>(a) Expenses:</b>		
Auditors' remuneration	3,750	3,750
<b>(b) Revenue and net gains:</b>		
Net gain on disposal of non-current assets:		
Investments	-	636
<b>3. CASH ON HAND</b>		
Westpac Bank Account 921036	366,071	24,924
Westpac Cash Reserve	425	18,759
Westpac Bank Account 048447	1,148,325	-
	<u>1,514,821</u>	<u>43,683</u>
<b>4. ACCOUNTS RECEIVABLE AND OTHER DEBTORS</b>		
<b>CURRENT</b>		
Trade receivables	<u>385,637</u>	<u>82,277</u>
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>		
Office furniture and equipment	-	1,073
Less accumulated depreciation	-	(1,073)
<b>Total property, plant and equipment</b>	<u>-</u>	<u>-</u>
<b>6. ACCOUNTS PAYABLE AND OTHER PAYABLES</b>		
<b>CURRENT</b>		
Goods and services tax	113,207	5,387
Trade creditors	85,539	-
Income in Advance	1,598,655	63,636
	<u>1,797,401</u>	<u>69,023</u>
<b>7. CASH FLOW INFORMATION</b>		
<b>(a) Reconciliation of cash</b>		
Cash on hand at the end of financial year as included in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash at Bank	<u>1,514,821</u>	<u>43,682</u>
	<u>1,514,821</u>	<u>43,682</u>

These notes should be read in conjunction with the attached compilation report.

**WINE VICTORIA INCORPORATED****ABN 25 484 327 174****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2019**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>(b) Reconciliation of cash flow from operating activities with net current year profit</b>		
Current year profit after income tax	46,120	52,927
Cash flows excluded from current year profit:		
Bad debts written off	-	15,781
Changes in assets and liabilities:		
Decrease / (increase) in Accounts Receivables and Other Debtors	<b>(303,360)</b>	<b>(33,597)</b>
Increase / (Decrease) in Accounts Payables and Other Creditors	85,539	-
Increase / (Decrease) in Income in Advance	1,535,019	<b>(42,722)</b>
Increase / (Decrease) in GST Payable	107,821	4,242
<b>Net cash provided by (used in) operating activities</b>	<b>1,471,139</b>	<b>(3,369)</b>

These notes should be read in conjunction with the attached compilation report.

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**WINE VICTORIA INCORPORATED**  
**ABN 25 484 327 174**

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**STATEMENT BY MEMBERS OF THE COMMITTEE**

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In accordance with a resolution of the committee of Wine Victoria Incorporated, the members of the committee declare that the financial statements for the year then ended, a summary of significant accounting policies and other explanatory notes:

1. present a true and fair view of the financial position of Wine Victoria Incorporated as at 30 June 2019 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Reform Act 2012; and
2. at the date of this statement there are reasonable grounds to believe that Wine Victoria Incorporated will be able to pay its debts as and when they fall due.

This statement is signed for and on behalf of the committee by:

**President**

\_\_\_\_\_  
**Angie Bradbury**

**Treasurer**

\_\_\_\_\_  
**Ross Wilson**

**Dated:**

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**WINE VICTORIA INCORPORATED**  
**ABN 25 484 327 174**

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBER OF  
WINE VICTORIA INCORPORATED**

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the financial report of Wine Victoria Incorporated (the association), which comprises the committee's report, statement of financial position as at 30 June 2019 and the statement of profit or loss for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report of Wine Victoria Incorporated presents fairly, in all material respects, the financial position of Wine Victoria Incorporated as at 30 June 2019 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Reform Act 2012 Victoria.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter - Basis of Accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Wine Victoria Incorporated to meet the requirements of the Associations Incorporation Reform Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Responsibilities of the Committee for the Financial Report**

The committee of Wine Victoria Incorporated is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Associations Incorporation Reform Act 2012 Victoria and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free of material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the committee either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

**Auditor's Responsibility for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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**WINE VICTORIA INCORPORATED**  
**ABN 25 484 327 174**

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBER OF  
WINE VICTORIA INCORPORATED**

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Bruce Edmunds & Associates Assurance Pty Ltd**  
**Chartered Accountants**  
**13 North Concourse**  
**Beaumaris, Vic, 3193**



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**Director: Stephen Edmunds**

**Beaumaris**

**Dated: 18/11/2019**

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**WINE VICTORIA INCORPORATED**  
**ABN 25 484 327 174**

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**CERTIFICATE BY MEMBER OF THE COMMITTEE**

I, ....., certify that:

- a. I attended the annual general meeting of the association held on .....
- b. The financial statements for the year ended 30 June 2019 were submitted to the members of the association at its annual general meeting.

**Dated:**

**Committee Member** \_\_\_\_\_

**WINE VICTORIA INCORPORATED**

ABN 25 484 327 174

**PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019	2018
		\$	\$
<b>INCOME</b>			
Interest received		317	100
Miscellaneous income		-	1,852
Government grant		509,123	124,994
Vic cellar door rebate advocacy contr		-	636
GWRDC Industry development grant		25,000	50,000
Producers		96,570	52,346
Regional association membership fees		139,526	105,243
		<u>770,536</u>	<u>335,171</u>
<b>LESS EXPENDITURE</b>			
Executive support		156,670	134,800
Accounting fees		2,516	-
Auditors' remuneration		3,750	3,750
Bad debts		-	15,781
Bank charges		71	120
Merchant fees		480	360
Bookkeeping services		4,982	1,075
Brand development		197,957	-
Computer hardware/software		1,774	-
Consulting - food source		29,073	-
Consultancy fees		4,482	7,291
Wine growth trade expenses		-	25,000
GWRDC Regional program		25,000	50,000
China Trade Program Expenses		-	34,437
Insurance		2,017	2,058
Legal Fees		231	229
Executive meeting expenses		997	1,684
Marketing expenses		2,987	-
Conferences		3,096	2,591
Catering		662	1,459
Photography		-	480
Printing and stationery		1,441	-
Project management		146,896	-
Repairs and maintenance		-	520
Research and strategy communication		6,050	-
Storage fees		545	534
Telephone		3,308	-
Teleconferencing		-	75
Trade support and programs		107,415	-
Travelling expenses		22,016	-
		<u>724,416</u>	<u>282,244</u>
<b>NET OPERATING PROFIT</b>		<u>46,120</u>	<u>52,927</u>

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report.



**WINE VICTORIA INCORPORATED**  
**ABN 25 484 327 174**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	Note	<b>2019</b>	<b>2018</b>
		\$	\$
Retained Profits at the beginning of the financial year		56,937	4,010
<b>TOTAL AVAILABLE FOR APPROPRIATION</b>		103,057	56,937
<b>RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR</b>		<b>103,057</b>	<b>56,937</b>

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report.