

AUSTRALIAN SOCIETY
OF VITICULTURE AND
OENOLOGY

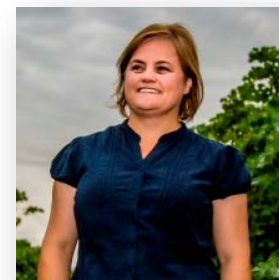
ASVO



2016 ANNUAL REPORT

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PRESIDENT'S REPORT



The past year has been one of continued strengthening and consolidation for the Australian Society of Viticulture and Oenology (ASVO). The Board of Directors has focussed on reinforcing the financial position of the Society, the delivery of an exemplary standard of technical information through ASVO seminars and the Australian Journal of Grape and Wine Research and investing in innovation and excellence in the Australian wine industry.

The Board of Directors is committed to its role in maintaining the financial stability of the ASVO to ensure the delivery of sustainable, long-term value for its members. The Board has exercised prudent fiscal oversight of the Society's finances, enabling the delivery of a small surplus in 2016. This brings the cash reserves close to the target level required to cover the shortfall in revenue experienced in non-seminar years (seminars are held in two out of three years to avoid conflicting with the Australian Wine Industry Technical Conference). This is a good result, but there is considerable work to be done to improve the retention rate of our membership base.

ASVO hosted a very successful Mildura seminar, "Vineyard longevity: maintaining the asset" which took both a scientific and practical approach to sustaining vineyard productivity. The seminar was opened by Senator Anne Ruston and included international scientist Dr Vaughan Bell (*New Zealand* Institute for Plant & Food Research Limited) and Dr Kendra Baumgartner (United States Department of Agriculture). Seminar attendees reported a very high level of satisfaction with the seminar and also enjoyed a well-attended dinner.

The annual Adelaide seminar addressed the growing challenge of compressed vintages. Each year it seems that harvest starts a little earlier, and when it does start everything seems to be ripe at once. The seminar presented an exceptional opportunity for an audience of more than 100 participants to exchange experiences on the challenges that early short vintages present and to receive state-of-the-art information on practices to overcome them.

The ASVO Awards for Excellence program continues to grow to be one of the most respected and valued industry awards. The evening's program attracts a large and influential audience of professionals along with dignitaries from the industry and research communities and is an important networking event. New to the ASVO Awards for Excellence program is the ASVO Scholarship to participate in the Advanced Wine Assessment Course (AWAC) presented by the Australian Wine Research Institute (AWRI). We are very pleased to have been able to offer this opportunity to our membership.

This year the ASVO has directed significant time and energy into the development of resources to support wine shows. The revised Wine Show Best Practice Recommendations were released in late 2015, significant work has been undertaken to overhaul the ASVO wine show judge register and the ASVO has re-engaged with wine show auditors.

I thank the Board of Directors for their ongoing enthusiasm, energy and time devoted to the activities of the ASVO and their professional conduct as ambassadors for the ASVO. Thanks also go to the ASVO Administrative Officer, Chris Waters, for his tireless support of the Society.

A handwritten signature in black ink, appearing to read 'Mardi Longbottom'. The signature is fluid and cursive, with a large initial 'M' and 'L'.

Mardi Longbottom
President

TREASURER'S REPORT



The 2015-16 financial year resulted in a surplus of \$20,149. Our overall position remains financially healthy for the continuation of activities, with the ASVO total equity reported as being \$313,803.00 at the end of June 2016.

The total income for the 2015-16 financial year reached \$230,991.33, which was an increase on the 2014-15 total income of \$221,640.47.

Membership income has continued to drop with \$116,383.38 collected in 2016-17. This follows the decline from membership revenue of \$125,020.29 in 2015-16, and \$137,975.39 in 2013-14. This drop in membership is recognised as a concern and the Board is actively seeking alternate income sources and to promote membership. Multiple-year automatic payment of membership was offered for the first time this year to assist members with the annual task of registration.

Sponsorship Income

The partnerships fostered between ASVO and its sponsors are highly valued for their financial contribution and also their commitment to the Australian wine industry. The ASVO is working towards building our sponsorship portfolio to complement the range of sponsors already engaged with the Society. This year we have actively sought sponsor engagement and have been successful in increasing the breadth of sponsorship benefits. This year sponsorship revenue increased to \$35,909.10

Major Sponsors

- Wine Australia
- Seguin Moreau
- Bayer CropScience

Event Sponsors

- FMR Group
- KC Vines & Rootstocks
- Della Toffola Pacific
- AEB
- Booth Transport

Grants, royalties and commercial sponsorship

The ASVO receives royalties from the sale of Viticulture Volume I and Volume II and from institutional subscriptions to the Australian Journal of Grape and Wine Research. In addition, the ASVO received a grant from the Australian Wine Industry Technical Conference to purchase additional pages in the Journal.

| | |
|---|-----------------|
| Wiley Blackwell | \$14,926 |
| Wine titles | \$734 |
| Australian Wine Industry Technical Conference | <u>\$10,000</u> |
| Total | \$25,660 |

The ASVO provides sponsorship to activities that are aligned with the pursuit of achieving excellence in the exchange of technical information to the Australian wine industry.

| | |
|--|----------------|
| Wine Innovation Cluster Crush 2015 sponsor | <u>\$1,000</u> |
| Total | \$1,000 |

Kristy Bartrop

GOVERNANCE

Board of Directors



Dr Mardi Longbottom
President



Brett McClen
Vice President



Kristy Bartrop
Treasurer
Regional Director NSW



Dr Tony Proffitt
Regional Director WA, Tas & Qld



Prof Vladimir Jiranek
Regional Director SA



David Wollan
Regional Director VIC



Prof Mike Trought
General Director



Dr Anthony Robinson
General Director
Nov 2015



Matt Holdstock
Secretary & Public Officer
Nov 2015



Dr Paul Petrie
General Director
Nov 2014- Nov 2015

Sub Committees

Finance Committee

Dr Mardi Longbottom (Chair), Brett McClen, Kristy Bartrop

Journal Committee

Dr Anthony Robinson (Chair) Dr Terry Lee, Prof Greg Dunn, Dr Mardi Longbottom

Awards for Excellence Committee

Dr Tony Proffitt (Chair), Dr Anthony Robinson, Dr Mardi Longbottom

Wine Show Committee

Dr Anthony Robinson, Dr Tony Jordan (Chair)

Meeting Attendance

Eleven meetings of the Society's Board of Directors were held during the year ended 30 June 2016 and the numbers of meetings attended by each director were as follows:

| | Attended | No. eligible to attend |
|------------------|----------|------------------------|
| Mardi Longbottom | 10 | 11 |
| Brett McClen | 10 | 11 |
| Kristy Bartrop | 10 | 11 |
| Mike Trought | 9 | 11 |
| Vlad Jiranek | 7 | 11 |
| David Wollan | 8 | 11 |
| Tony Proffitt | 10 | 11 |
| Tony Robinson | 11 | 11 |
| Matt Holdstock | 6 | 7 |
| Paul Petrie | 4 | 4 |

Directors Benefits

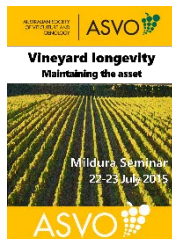
Since the end of the previous financial year no Director of the Society has received or become entitled to receive a benefit by reason of a contract made by the Society, with a director or with a firm of which the director is a member or with an entity in which the director has a substantial financial interest.

Indemnification and Insurance

During the year, a premium was paid in respect of a contract insuring directors and officers of the Society and related bodies corporate against liability. Similarly a premium was paid in respect of a contract insuring property (fire & perils/accidental damage/theft). No insurance cover has been provided for the benefit of the auditors.

EVENTS

The ASVO organises and conducts seminars on specialised topics to promote education in viticulture and oenology and help ensure and maintain the highest standards of quality for such educational objectives. Conferences and other major events are one of the ways ASVO reaches out to members and the sector.



Seminar: 2015 Mildura Vineyard Longevity - maintaining the asset

Organising Committee: Brett McClen (Chair) Paul Petrie, Mardi Longbottom and Kristy Bartrop

The twin demands of keeping vineyards healthy while striving for greater productivity drove the agenda at the ASVO's technical seminar in Mildura on 22-23 of July in the Mildura Art Centre.

Senator Anne Ruston, the chair of the Senate Environment and Communications Legislation Committee, opened the seminar at which national and international experts addressed topics as diverse as salinity management, trunk disease, viruses, disease resistant cultivars, drought resilience and the necessary responses to climate change. Presentations explored specific issues around the biotic and abiotic threats to productivity as well as debating broader questions about how to adapt to keep vineyards viable.

"It's all about protecting assets and incomes, and ultimately an industry. Some good research is being done, and we're constantly updating ideas and techniques, so we need to ensure these developments get out to vineyard owners and managers to help them make the best management decisions.

The tough economic environment and accompanying pressures to reduce operating costs makes it even more imperative to keep an eye on longer term productivity." Brett McClen, the ASVO's regional Victorian representative and Chief Viticulturist with Brown Brothers Milawa.

The keynote speaker Dr Kendra Baumgartner, a grapevine pathologist and specialist in sustainable viticulture with the US Department of Agriculture shared information from her research program which is developing effective and efficient control strategies for fungal diseases and vineyard practices that reduce chemical inputs while achieving production and quality demands.

Another international perspective was provided by Dr Vaughn Bell, from the New Zealand Institute for Plant and Food Research. Dr Bell shared the strategies that have been developed for vineyard managers to devise profit-maximising disease control strategies with a focus on the management of viruses.



Seminar: 2015 Adelaide Managing Compressed Vintages

Organising Committee: David Wollan (Chair), Tony Robinson, Paul Petrie

The aim of the Adelaide seminar was to increase understanding of techniques for dealing with compressed vintages. Evidence was presented that our vintages are earlier, shorter and hotter. Grapes are being harvested riper with consequent wine composition issues such as higher alcohol.

Our diverse range of speakers, included Dr Ellie King from the National Food Lab in California, and Dave Pearce one of New Zealand's most distinguished winemakers. Methods for improving yield and maturity prediction were examined and attendees were updated with the latest information to assist with the set-up of winery facilities to cope with compressed vintages and modelling systems for optimisation of harvest and processing logistics.

Case studies were presented by large and small producers and new ideas on technologies for improving the rate of processing and monitoring fermentations were shared. Presenters spoke of the range of fermentation problems being encountered and informed attendees on the contribution of yeasts to cope with higher alcohol or reduce alcohol.

2015 AWARDS FOR EXCELLENCE

Since their inception, the ASVO Awards for Excellence have attracted a high-calibre of entrants from across the country, and are now recognised within the industry as being a leading accomplishment for wine industry professionals to aspire to and achieve.

The ASVO Viticulturist of the Year, sponsored by Bayer CropScience, was awarded to Ben Blows of the Adelaide Hills, South Australia. Ben has developed and trialled a practical and cost effective solution to targeting Eutypa fungicides with his own design of spray unit. The award judges said that Ben's concept demonstrated his ongoing commitment to improving the Australian wine industry and his influence will extend well beyond his own region.

2015 Viticulturist of the Year
Ben Blows of the Adelaide Hills,
South Australia

The ASVO Winemaker of the year was awarded to Ed Carr, Group Sparkling Winemaker at Accolade Wines. Ed is a passionate winemaker, who as a result of his foresight identified an opportunity to redefine Australian sparkling wine and to gain international credibility in the world of sparkling wines. Ed's commitment saw him develop and improve his winemaking techniques over a number of years which has resulted in a consistent and prestigious record of wine show awards. The judges of this award cited Ed's work as inspirational to others trying their hand at sparkling wine production.

2015 Winemaker of the Year
Ed Carr, Group Sparkling
Winemaker at Accolade Wines

The 2015 winning viticulture paper was authored by Gareth Hill, Katherine Evans, Robert Beresford and Robert Dambergs entitled Comparison of methods for the quantification of botrytis bunch rot in white wine grapes. Working towards a practical means for determining the extent of bunch rots rapidly opens the door to other applications, and could help improve the integrity of a process that is difficult to do accurately.

2015 Best Viticulture Paper
Hill, G.N., Evans, K.J.,
Beresford, R.M. and Dambergs,
R.G.

The best oenology paper was awarded to Andrew Clark, Paris Grant-Preece, Natalie Cleghorn and Geoffrey Scollary for their paper Copper (II) addition to white wines containing hydrogen sulfide: residual copper concentration and activity. The debate about copper use, when and how, continues. Studies into the effective removal of residual copper are important in today's wine industry. This is particularly relevant with the rapid transition to alternative closures to cork in wine.

2015 Best Winemaking Paper
Clark, A.C., Grant-Preece, P.,
Cleghorn, N. and Scollary, G.R.

The inaugural award of a scholarship to attend the Advanced Wine Assessment Course (AWAC) sponsored by Seguin Moreau Australasia was awarded to Richard Fennessy, Wine and Grape Research Officer at the Department of Agriculture and Food Western Australia. Richard is a highly engaged professional who contributes to the industry in Western Australia and nationally. The judges were particularly impressed with Richard's ability to articulate his desire and potential to benefit from the AWAC.

**2015 Advanced Wine
Assessment Course Scholarship**
Richard Fennessy, Wine and Grape
Research Officer at Department of
Agriculture and Food

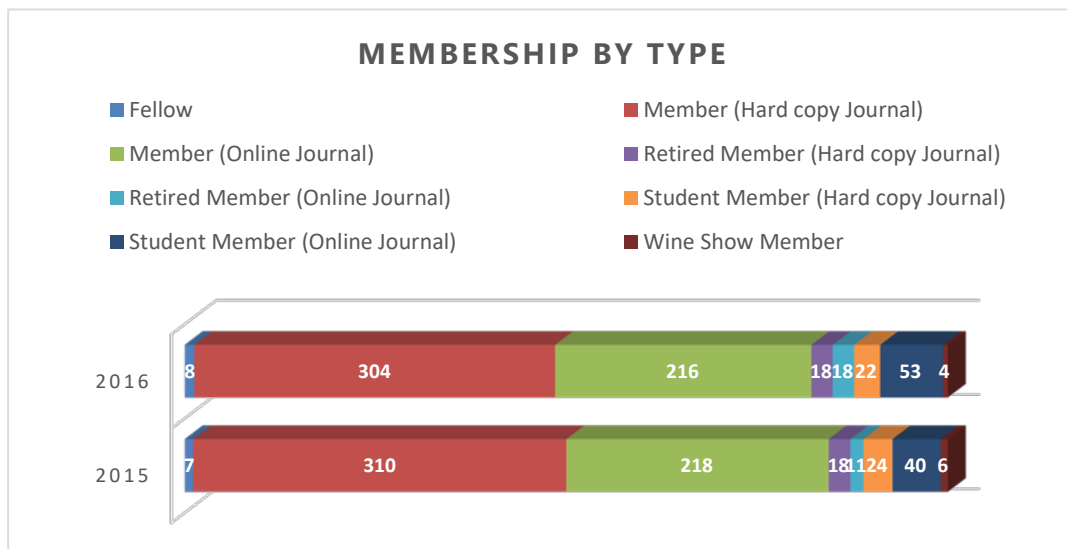


2015 Awards Judges

| | |
|-----------------|------------------|
| Tony Hoare | Frank van de Loo |
| Liz Riley | Kerry Wilkinson |
| Nigel Blieschke | Matthew Bailey |
| Colin Hinze | Nick Bulleid |
| Ashley Ratcliff | Sue Hodder |
| Jason Amos | Jeremy Dineen |
| Con Simos | Corrina Wright |

MEMBERSHIP

The ASVO currently has 550 members, a 9% decline in membership since 2014. Mirroring the sustained financial pressures faced by the Australian wine Industry the ASVO has been battling a long-term trend of declining membership. Organisational factors also play an important role in this with many of the large organisations no longer supplying ASVO membership to their employees.



The Board has committed to ensuring that it engages with the student community and has extended a significantly subsidised student membership fee. This has resulted in a surge of new student members. The test for future years will be the retention of student members as they enter the workforce and transition to full members.

Fellows

The Board of the Australian Society of Viticulture and Oenology unanimously elects Fellows from members who have made a particularly outstanding and meritorious contribution to the grape and wine industry in an industry, scientific, educational or Society role. In 2015, the Board of Directors invited Peter Hayes to become a Fellow of the ASVO.



2015 Fellow - Peter Hayes

Peter Hayes has extensive experience across education and training, research and development investment and management, viticultural operations, government and industry affairs in a 30+ year career in the wine industry.

ASVO Fellows

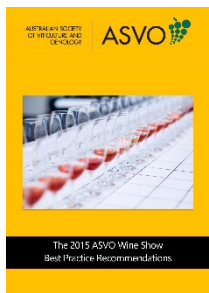
| | |
|------|-----------------------|
| 2007 | Richard Haselgrove AM |
| 2007 | Bryan Coombe AM |
| 2007 | Peter May AM |
| 2007 | Patrick Iland OAM |
| 2007 | Terry Lee OAM |
| 2007 | Pat Williams AM |
| 2012 | Peter Dry |
| 2013 | Malcolm Allen |
| 2014 | Paul Henschke |
| 2015 | Peter Hayes AM |

AUSTRALIAN WINE SHOW SUB-COMMITTEE



2015 ASVO Best Practice Recommendations

Last year was a particularly important year where the ASVO completed the 2015 ASVO Best Practice Recommendations. The ASVO are thankful to the Wine Show Technical Advisory Committee, and Dr Tony Jordan for chairing the group, for their assistance in seeing this review to completion. The 2015 BPRs were published at the end of 2015 and circulated to all wine show organising committees.



The 2015 BPR's have since received strong support from industry and the Wine Show Societies;

"This comprehensive body of work significantly underpins the robustness of the Australian Wine Show system and provides a framework for continuous improvement as the sector evolves. All wine shows in Australia now have a reference book at their fingertips." Brian Walsh, Chair of Wine Australia

"I applaud this excellent work and am hopeful that all Australian wine shows of every size adopt the clear recommendations. It will reinforce the international standing of the Australian wine show system and also the marketing of Australian wines." Lyndey Milan OAM, Chair of the Sydney Royal Wine Show

2015 BPR Available now

Download your free copy of the 2015 BPR's or order a hard copy from the ASVO website.

<https://www.asvo.com.au/>

ASVO Wine Show Judge Register

Wine Shows have expressed an interest in having a register of judges that will give details of background and judging experience of potential judges. The ASVO previously created a register that captures judge and associate judge training and judging experience in regional, niche, capital city and international shows. The database is self-managed by current and prospective wine show judges. In 2016 the ASVO updated the Wine Show Judge Register to improve search functions for Wine Shows. We also implemented an electronic application form that allows individuals to create an account and update their judging details quickly and easily. The ASVO Wine Show Judge Register now also recognises the additional professional development of judges that participate in the AWRI Advanced Wine Assessment Course and the Len Evans Tutorial.

Wine Show Auditor Register

One of the 2015 ASVO BPR's recommended that ASVO maintain a register of suitable wine show auditors which can be referred to by all Australian wine shows. ASVO has since received a list of wine show auditors and made this list available through a closed page on the ASVO web-site. The ASVO has also facilitated communication between wine show committees and auditors by sharing a contact list to registered users. Both the list of auditors and list of wine shows will be updated on an annual basis through communication with the Wine Show Committees.

2016 Advanced Wine Assessment Course Scholarship

In 2015 the ASVO announced the introduction of the Advanced Wine Assessment Course (AWAC) Scholarship with support from the Australian Wine Research Institute (AWRI) and made possible through sponsorship from Seguin Moreau Australasia. The scholarship is designed to support applicants who have the potential to become wine show judges to develop the sensory analysis capabilities and the vocabulary to judge wine in Australia at an elite level. The first recipient of this scholarship, Richard Fennessy (Department of Agriculture and Food WA), attended the 40th AWAC in October 2016.

The ASVO would like to thank the AWAC Scholarship Judging Panel for their time and effort in assessing the AWAC Scholarship applications. The 2015 Judging panel included, Corrina Wright (Oliver's Taranga), Nick Bulleid (Consultant), Jeremy Dineen (Josef Chromy Wines), and Sue Hodder (Wynns Coonawarra)

THE AUSTRALIAN JOURNAL OF GRAPE AND WINE RESEARCH

Content management

The Journal in 2015 published 51 research papers and 21 review articles in 753 pages, more than in any previous year. The number of manuscripts submitted to the Journal in 2015, however, declined significantly from 202 of the previous year to 154. The overall quality of the manuscripts submitted was strong and a special issue was produced to celebrate the 60th anniversary of the founding of The Australian Wine Research Institute. It is also pleasing to note that the impact factor of the Journal increased after falling in the previous 2 years, improving from 1.816 to 2.126.



Volume 21, Issue 3,
Pages 339-519, October 2015



Volume 22, Issue 1,
Pages 1–158 February 2016



Volume 21, Issue Supplement S1,
Pages 521-753, December 2015
Special Issue: 60th Anniversary Issue
The Australian Wine Research



Volume 22, Issue 2,
Pages 159-339, June 2016

The Journal is a truly international journal with the manuscripts published in 2015 emanating from 13 countries. The processes of the Journal are working well with excellent support being provided to the Editor and Deputy Editor by 19 Associate Editors and a large number of expert reviewers. Dr Geoffrey Scollary retired during the year as an Associate Editor after several years of active contribution to the Journal.

The Editor is very pleased with the support provided by the Society in being able to publish extra pages in 2015 and is also grateful to the skilled reviewing of submitted manuscripts by the Associate Editors and the many reviewers who were acknowledged in the second issue published in 2016. Special thanks also to the Deputy Editor Associate Professor Greg Dunn who has handled the large number of viticulture manuscripts submitted to the Journal in a thoroughly professional manner.

| Year | Number of pages | Number of articles | Average days from receipt at Wiley to Early View | Average days from receipt at Wiley to print publication |
|------|-----------------|--------------------|--|---|
| 2015 | 518 | 53 | 48 | 141 |
| 2014 | 518 | 59 | 61 | 114 |
| 2013 | 462 | 49 | 49 | 98 |
| 2012 | 361 | 41 | 64 | 115 |
| 2011 | 449 | 53 | 85 | 132 |

Table 1. Year on Year Comparison 2011-2015

Article downloads

In 2015, 66,029 articles were downloaded. This is comparable to recent years. The majority of downloads are by Australia, USA, China, Italy, France and Spain. The average number of downloads per article in AJGWR is 94. For all journals Wiley publish in Food Science & Technology the average number of downloads per article is 73.

The top three most downloaded articles on Wiley Online Library were:

- Bonada, M. and Sadras, V.O. (2015), Review: critical appraisal of methods to investigate the effect of temperature on grapevine berry composition. Australian Journal of Grape and Wine Research, 21: 1–17.
- Keller, M. (2010), Managing grapevines to optimise fruit development in a challenging environment: a climate change primer for viticulturists. Australian Journal of Grape and Wine Research, 16: 56–69.
- Bell, S.-J. and Henschke, P. A. (2005), Implications of nitrogen nutrition for grapes, fermentation and wine. Australian Journal of Grape and Wine Research, 11: 242–295.

Citation Trends

The Australian Journal of Grape and Wine Research (AJGWR) 2-year impact factor increased from 1.816 to 2.126 while the 5-year impact factor increased slightly from 2.779 to 2.793. An Impact Factor is a measure of average citations over a defined period of time (usually two or five years). This can be problematic as averages tend to disguise differences in the behaviour of contributing articles. Journals with high Impact Factors may still have a high proportion of uncited content, with the Impact Factor score being reliant on the inclusion of a few highly-cited articles. This can result in Impact Factor fluctuations as the highly-cited articles fall out of the Impact Factor window. More than 75% of articles published in the AJGWR during the target period (2013-2014) received citations in the census period (2015).

| Metric | 2013 | 2014 | 2015 |
|--|-----------|-----------|-----------|
| 2Yr Impact Factor | 2.778 | 1.816 | 2.126 |
| 5Yr Impact Factor | 3.141 | 2.779 | 2.793 |
| 2Yr IF Ranking for Food Science & Technology | 18 of 123 | 42 of 123 | 35 of 124 |
| 2Yr IF Ranking for Horticulture | 2 of 33 | 5 of 33 | 4 of 34 |
| Total Citations to All Journal Content | 1515 | 1669 | 1925 |

Table 2. Journals Citation Ranking (JCR) metrics

| IF Period Citations | % Articles |
|---------------------|------------|
| Uncited | 24.27% |
| 1-3 Cites | 57.28% |
| 4-7 Cites | 17.48% |
| 8-12 Cites | 0.97% |

Table 3. Citation Distributions – 2015 Impact Factor Period

Editorial Board

Editor

Dr Terry Lee, OAM

Deputy Editor

Assoc. Prof. Gregory Dunn, *National Wine and Grape Industry Centre*

Associate Editors

Assoc. Prof. Malcolm Allen, *formerly Charles Sturt University*

Dr Eveline Bartowsky, *The Australian Wine Research Institute*

Dr Rob Bramley, *CSIRO Ecosystem Sciences*

Dr Veronique Cheynier, *IPV-ISVMM-INRA, Montpellier, France*

Prof. Serge Delrot, *University of Bordeaux*

Dr. Jaume Flexas, *Universitat de les Illes Balears*

Dr Leigh Francis, *The Australian Wine Research Institute*

Assoc. Prof. James Harbertson, *Washington State University, USA*

Affiliate Prof. Paul Henschke, *The Australian Wine Research Institute*

Prof. Vladimir Jiranek, *The University of Adelaide*

Assoc. Prof. Paul Kilmartin, *The University of Auckland, New Zealand*

Prof. Stefano Poni, *Università Cattolica del Sacro Cuore*

Prof. Anthony Saliba, *Charles Sturt University*

Prof. Christopher Steel, *NWGC CSU*

Assoc. Prof. Javier Tardaguila, *Universidad de La Rioja, Spain*

Dr Mike Trought, *Plant & Food Research, New Zealand*

Prof. Steve Tyerman, *The University of Adelaide*

Prof. M. Andrew Walker, *University of California, Davis, USA*

Dr Rob Walker, *CSIRO Plant Industry*

Prof. Dr Peter Winterhalter, *Inst. Lebensmittelchemie, Germany*

Journal Advisory Subcommittee

Dr Paul Petrie, *The Australian Wine Research Institute, Chair*

Dr Rachel Ashley, *Treasury Wine Estates*

Dr Bob Dambergs, *Consulting*

Dr Richard Hamilton, *Hamilton Viticulture*

Dr Dan Johnson, *The Australian Wine Research Institute*

Prof Vladimir Jiranek, *The University of Adelaide*

Mr Russell Johnstone, *Winecycle*

Dr Elizabeth Waters, *Wine Australia*

Mr David Wollan, *Memstar Pty Ltd Associate*

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 2016 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 2016:
- a) no firm of which an Executive Board member is a member; and
 - b) no body corporate in which an Executive Board member has a substantial financial interest has 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.

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:



Dr Mardi Longbottom
President



Kristy Bartrop
Treasurer

Dated this 21st day of October 2016.

FINANCIAL REPORTS

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE AUSTRALIAN SOCIETY OF VITICULTURE & OENOLOGY INCORPORATED

Report on the Financial Report

We have audited the accompanying financial report of the Australian Society of Viticulture & Oenology Incorporated, which comprises the Statement of Financial Position as at 30 June 2016, the Statement of Profit and Loss, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the members of the executive board.

Committee's Responsibility for the Financial Report

The committee of the Association is responsible for the preparation and fair presentation of the financial report in accordance with the *Associations Incorporation Act SA 1985*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Qualification

Considering the operating environment, it is difficult to establish effective control over cash revenue collected relating to the Australian Society of Viticulture & Oenology prior to its entry into the financial records of the Association. Accordingly, for these types of revenue, it is not practical to extend my examination beyond the amounts recognised in the records of the Association nor to express an opinion on whether all revenue due to the Association has been collected.

Auditor's Opinion

In our opinion, except for the matter referred to in the preceding paragraph, the financial report of the Australian Society of Viticulture & Oenology Incorporated is in accordance with the *Associations Incorporation Act SA 1985*, including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards to the extent described in Note 1.

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS


JOHN JOVICEVIC
PARTNER

Signed on the 27th day of October 2016,
At 214 Melbourne Street, North Adelaide, South Australia 5006.

Australian Society of Viticulture & Oenology
National Wine Centre
Cnr Botanic and Hackney Rds
ADELAIDE SA 5000

Statement of Profit & Loss

for the year ended 30 June 2016

| | 2016 | 2015 |
|-------------------------------|-------------------|-------------------|
| | \$ | \$ |
| Income | | |
| Membership Fee | 116,383.38 | 125,020.29 |
| Proceedings | 588.00 | 584.28 |
| Posters | 1,613.55 | 946.18 |
| Royalties | 19,785.21 | 15,680.01 |
| Merchandise | 63.64 | 355.39 |
| Interest Income | 4,489.48 | 6,108.34 |
| Grants (AWITC) | 10,000.00 | 7,306.00 |
| Registrations | 42,158.97 | 48,841.80 |
| Sponsorship - Major | 28,636.36 | 2,727.28 |
| Sponsorship - Events | 7,272.74 | 14,090.90 |
| Total Income | <u>230,991.33</u> | <u>221,640.47</u> |
| Expenses | | |
| Administration Expenses | | |
| Audit Fees | 1,585.00 | 830.00 |
| Administration Services | 48,504.00 | 44,100.00 |
| Bookkeeping Services | 1,354.50 | 1,650.00 |
| Bank Charges | 91.77 | 142.84 |
| Merchant Fees | 2,758.65 | 3,127.49 |
| Board Meetings/AGM Expenses | 1,214.82 | 1,299.41 |
| Depreciation | 390.63 | 389.70 |
| Insurance | 3,103.10 | 3,085.94 |
| Miscellaneous Expenses | 224.74 | 232.72 |
| Postage | 880.62 | 338.28 |
| Printing & stationary | 343.11 | 1,020.62 |
| Rent | 2,160.00 | 1,980.00 |
| Travel - Committee | 1,159.02 | 1,766.09 |
| Travel - EO/Staff | - | 584.29 |
| Travel - Speakers & Others | 7,771.90 | 12,979.89 |
| Event Catering | 23,514.08 | 22,279.85 |
| Accommodation | 5,479.88 | 8,479.55 |
| Venue Hire | 4,016.82 | 3,115.90 |
| Event Printing & Stationery | 1,766.39 | 760.18 |
| Typesetting | 8,160.00 | 120.00 |
| Awards | 6,184.12 | 1,012.78 |
| Event Management | 1,374.28 | 4,020.45 |
| Sponsorship | 500.00 | 1,000.00 |
| Software Licences | 851.47 | 264.35 |
| Teleconferencing | 522.27 | 1,481.57 |
| Website Hosting & Maintenance | 1,062.00 | 840.00 |
| Website redevelopment | 1,420.00 | - |
| Domain Hosting | - | 263.63 |
| Exchange Hosting | 149.49 | 272.15 |
| Database Hosting | - | 70.00 |
| Internet/Telephone | 1,767.29 | 1,436.44 |
| Goods for Sale | 170.45 | 218.79 |
| Publishing | 23,156.17 | 31,941.22 |
| Editor | 34,323.09 | 34,236.00 |
| Manuscript Management | 7,275.60 | 6,615.01 |
| Total Expenses | <u>193,235.26</u> | <u>191,955.14</u> |
| Net Profit / (Loss) | <u>37,756.07</u> | <u>29,685.53</u> |

The above statement should be read in conjunction with the accompanying notes.

Australian Society of Viticulture & Oenology
National Wine Centre
Cnr Botanic and Hackney Rds
ADELAIDE SA 5000

Statement of Financial Position

As at 30 June 2016

| | 2016 \$ | 2015 \$ |
|------------------------------|-------------------|-------------------|
| ASSETS | | |
| Current Assets | | |
| CBA Cheque Account | 92,938.10 | 87,100.26 |
| Business Online Saver | 310,256.76 | 305,801.31 |
| Trade Debtors | 808.40 | 2,260.00 |
| Prepayments | 12,938.95 | - |
| Deposits Paid | - | 2,804.67 |
| | 416,942.21 | 397,966.24 |
| Non-Current Assets | | |
| Office Equipment at Cost | 8,170.92 | 8,499.09 |
| Office Equipment Accum Dep'n | (7,599.59) | (8,389.86) |
| | 571.33 | 109.23 |
| TOTAL ASSETS | 417,513.54 | 398,075.47 |
| LIABILITIES | | |
| Current Liabilities | | |
| Trade Creditors | 15,113.24 | (198.19) |
| Membership Paid in Advance | 82,556.42 | \$87,694.92 |
| GST Payable | 4,440.88 | 7,612.03 |
| Accrued Expenses | 1,600.00 | 1,500.00 |
| Revenue in Advance | - | 25,419.78 |
| TOTAL LIABILITIES | 103,710.54 | 122,028.54 |
| NET ASSETS | 313,803.00 | 276,046.93 |
| EQUITY | | |
| Retained Earnings | 276,046.93 | 246,361.60 |
| Current Year Earnings | 37,756.07 | 29,685.33 |
| TOTAL EQUITY | 313,803.00 | 276,046.93 |

The above statement should be read in conjunction with the accompanying notes.

AUSTRALIAN SOCIETY OF VITICULTURE AND OENOLOGY INC
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

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.

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

- AASB 10B Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 110 Events after the Reporting Period

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.

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.

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

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report:

a) Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation. The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or, the estimated useful lives of the improvements.

b) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

c) Cash and Cash Equivalents

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

d) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

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

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 Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the assets and liabilities statement are shown inclusive of GST.



Mardi Longbottom
President



Kristy Bartrop
Treasurer

AUSTRALIAN SOCIETY
OF VITICULTURE AND
OENOLOGY

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