

**MURRAY VALLEY WINE
GRAPE INDUSTRY
DEVELOPMENT
COMMITTEE**

Supporting Services of Value to Wine Grape Growers

**Annual Report
2001/2002**

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CHAIRMAN'S REPORT 2001/2002

The past year has been one of consolidation for the Industry Development Committee after several years of structural change.

In December 2001 levy paying wine grape producers for the first time were given the opportunity to vote for projects to be funded by the levy. Project summaries were posted to all registered growers and a proxy voting form. Less than 10% of producers took the opportunity to vote and the Committee has undertaken to improve participation over time. It also became apparent as part of the voting process that our grower database needs updating and this is being attended to before the next vote in December 2002.

All of the projects submitted received strong support from those who did vote. The projects approved as listed below meant a levy of \$1.10 per tonne. This increase was not an intended outcome of the new voting process and so the Committee has decided for the next vote to only put forward projects with a total value of \$1.00 per tonne. The growers can vote to reduce the projects but the effective maximum levy will be less than for the 2002 vintage.

There has been an extensive process of consultation and planning undertaken within the region. With grape production moving into oversupply the message from growers is stick to the basics with levy-funded projects and make sure there is value for every levy dollar.

Providing the best possible grape supply, demand and price information will continue to be a priority with efforts to better predict the region's yield to be implemented. Growers are under continued pressure to produce the best possible quality and projects that can help with management of quality will continue to be put forward for voting.

The projects completed in 2001/2002 and those approved for 2002/2003 are shown below. For further details go to the new industry web site at www.murrayvalleywinegrapes.com.au.

Projects Funded	Project Cost 2001/2002 Actual \$	Project Cost 2002/2003 Approved \$
Irrigation Benchmarking	5,000	5,170
Market Information & Statistics	67,110	68,095
Newsletters & Publication	63,200	61,688
On Farm Demos	28,440	11,300
Quality Grower Groups	25,500	-
Regional R & D Support	26,900	-
Rootstock Trial	24,415	-
Seminars & Field Days	12,000	6,700
Wine Grape Production Career Awareness	2,793	-
Wine Quality Assessment & Promotion	4,000	6,600
Industry Development Officer	-	48,542
Rootstock Selection for Murray Valley	-	32,300
Annual Regional Crop Forecasting	-	17,600
Industry Representation	-	3,300
Grower Groups – Quality	-	39,600
Total	259,358	300,895

Contact Susan Byrne the Industry Development Officer for viticulture related assistance or Ashley Turner regarding voting or administration of levy funds.

All growers are encouraged to participate in the project approval and voting process.

MAX TOLSON
CHAIRMAN

SUMMARY OF CURRENT PLAN OF OPERATIONS

Guidelines

The Murray Valley Wine Grape Industry Development Committee is a statutory organisation that, in order to collect a levy made compulsory by an Act of Parliament, must function in accordance with Government legislation. The MVWGIDC was established by the orders made under the *Victorian Agricultural Industry Development Act 1990* and *New South Wales Agricultural Industries Services Act 1989*, in 1990. The Ministers responsible are Victorian Minister of Agriculture, The Honourable Keith Hamilton, and New South Wales Minister of Agriculture, The Honourable Richard Amery.

The production area covered by the MVWGIDC includes the local government areas of Mildura and Swan Hill Rural City Councils and the Shire of Gannawarra excluding the former Shire of Cohuna on the Victorian side of the Murray and Wentworth, Balranald and Wakool Shires in NSW.

The objectives of the Committee are to support the Murray/Darling and Swan Hill wine region growers by collecting and expending levies on projects that provide value, education and growth to the industry.

Purpose or Mission

The Murray Valley Wine Grape Industry Development Committee supports the Murray/Darling and Swan Hill wine regions by funding services of value to wine grape growers.

Who benefits from the Committee's existence?

The levy-paying wine grape growers.

What are the benefits to growers?

The benefits to levy-paying wine grape growers are a range of services including:

- Market information.
- Information and assistance for achieving relevant wine grape quality standards.
- Vineyard management support.

The Committee's Key Performance Indicators

Assessment of the committee's performance will be sought, ultimately it will be judged by the levy-paying growers. The committee will judge its performance based on the following key performance indicators:

- Good value is delivered for every levy dollar paid by growers.
- Growers are satisfied with the services supported by levy funds.
- Statutory requirements are met efficiently.
- Annual budgeting (versus actuals) process.

Goals to June 2003 (Revised May, 2000)

Goals 1 and 2 are considered to be of equal priority, while goal 3 is of a lower priority.

- **Goal 1 - Industry stability and confidence through accurate market (supply and demand) information**
Note that the IDC has no role in regard to prices. The activities surrounding this goal include information gathering and reporting to growers, mainly industry and market statistics both short-term and long-term.
- **Goal 2 - Majority of Murray Valley wine grapes meet optimum quality standards by means of improved viticultural practices**
Quality is an issue of high priority and quality measurement and improved viticulture practices cannot be separated. Improved viticulture practices must always be with improved (measured) quality as a goal.
The IDC will invest in projects that 'fill a gap' and are specific to the Murray Darling and Swan Hill regions.
- **Goal 3 - Recognition of the quality of wines produced in the Murray Darling and Swan Hill geographical indicator regions and sub regions**
Build recognition by growers of variation in wine quality and how this relates to market requirements. This goal is closely linked to goal 2.

Staffing requirements

The Murray Valley Wine Grape Industry Development Committee does not employ staff.

Industry Development Officer – Susan Byrne

Susan was appointed in 2001 and has proven a real asset to the industry. Susan is responsible for enquiries from growers regarding technical issues; she also organizes many growers groups, field days, seminars and other activities for the industry.

Susan Byrne
Wine Grape Industry Development Officer
Address: 31a Deakin Ave Mildura Vic
Post: PO Box 2745, Mildura, VIC, 3502
Phone: (03) 50 213 911
Fax: (03) 50 232 335
E-mail: susan.byrne@hotmail.net.au

Administration

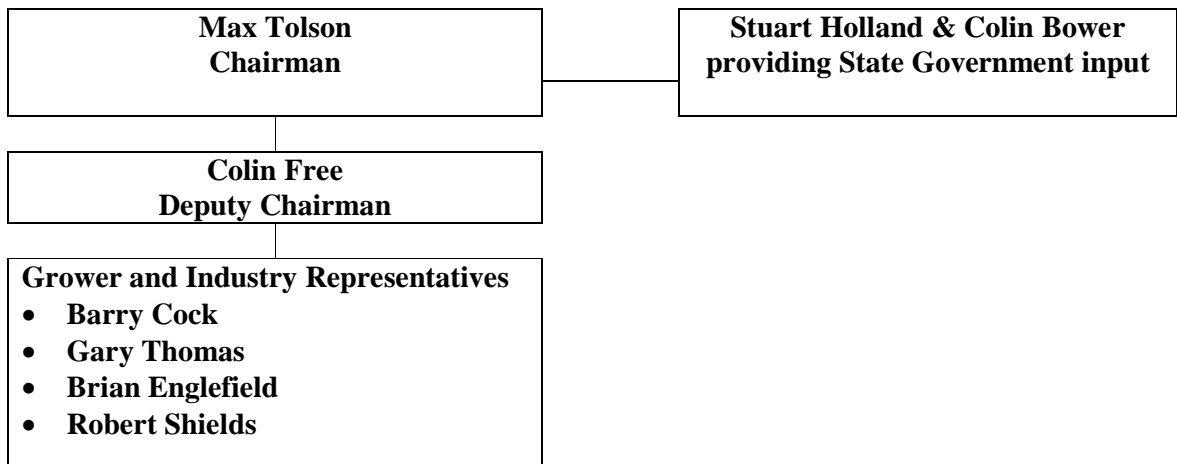
Administration of the IDC is contracted to Thomsons - Accountants and Advisers, of Mildura. All communication and enquiries should be to:

Mr Ashley Turner, MVWIDC Administration Accountant
C/- Thomsons - Accountants & Advisers
Address: 133 Langtree Ave Mildura Victoria
Post: PO BOX 1608 MILDURA VIC 3502
Phone: (03) 5021 2244
Fax: (03) 5021 1430
Email: ashleyt@thomsons.au.com

Committee

You are encouraged to contact any of the committee if you have any industry development concerns or suggestions. The Committee members and their contact phone number are:

Max Tolson - Chairman	Industry Representative	03 5023 0664
Colin Free - Deputy Chairman	Swan Hill Representative	03 5037 2212
Barry Cock	NSW Grower	03 5021 2809
Gary Thomas	NSW Grower	03 5027 4673
Colin Bower	NSW Government Representative	02 6391 3164
Mr Brian Englefield	Robinvale Representative	03 5026 0255
Robert (Bob) Shields	Industry Representative	03 5025 8101
Stuart Holland	Victorian Government Representative	03 9637 8495



SUMMARY OF PROJECTS FUNDED 2001/2002

Project	Objectives
Regional Newsletter and Australian Viticulture journal	To increase awareness among growers of developments in the industry that impact on the sustainability and profitability of vineyard enterprises.
Murray Valley Wine Grape Market Information	To provide wine grape growers with the industry and market knowledge necessary for them to make informed decisions on appropriate vineyard management and business planning strategies.
Wine Quality and Promotion	Support the Australian Inland Wine Show; promoting the quality wine produced in the Swan Hill and Murray Valley regions.
Focus Grower Groups	To increase extension work in the Murray Darling and Swan Hill regions. The formation of Growers Groups provides growers access to contemporary viticulture information, technology and equipment.
Seminars and Field Days	To maximise growers' exposure to recent scientific research in viticulture and relevant people in the industry
On-Block Workshops	Workshops held on grower's properties, which investigate management issues in the vineyard.
Regional Irrigation Benchmarking	To tabulate data from 63 vineyards on their irrigation practices and analyse the information to see if there are any relationships. The data will also provide irrigation benchmarks.
Rootstock Trial	To evaluate the effect different scion/rootstock combinations have on grape quality, disease pressure and wine quality.
Industry representative and development	Represent growers at research and development forums, ensuring industries priorities are properly identified. Disseminate relevant – viticulture research and development to growers in the Murray Valley and Swan Hill regions.

CORPORATE GOVERNANCE

Multi Cultural Statement

The Murray Valley Wine Grape Industry Development Committee is committed to policies, programs and strategies aimed at delivering culturally appropriate services to all Victorians. Current practices of inclusive and thorough public consultation ensure that all persons who have an interest in investigation are kept informed and have the opportunity to have an input into Murray Valley Wine Grape Industry Development Committee deliberations.

Freedom of Information

During 2000/01 the Committee did not receive any direct requests for access to documents under the *Freedom of Information Act 1982*.

Compliance with Building Act 1993

The Murray Valley Wine Grape Industry Development Committee does not own, and is not responsible for any buildings.

Whistleblowers Protection Act

The *Whistleblowers Protection Act 2001* came into effect on 1 January 2002. The Act is designed to protect people who disclose information about serious wrongdoing within the Victorian Public Sector and to provide a framework for the investigation of these matters.

The protected disclosure coordinator for the Department of Natural Resources and Environment (NRE) acts as an agent for the Committee to receive disclosures under the Act, and applies NRE procedures in managing disclosures.

Disclosures of improper conduct by the Committee or its employees may be made to the following:

Deidre Egan, Protected Disclosure Coordinator
NRE, PO Box 500, East Melbourne Vic 3002.
Telephone: 9637 8575 Facsimile: 9637 8129 Email: Deidre.Egan@nre.vic.gov.au

The Ombudsman Victoria
Level 22, 459 Collins Street, Melbourne Vic 3000.
Telephone: 9613 6222 Toll free: 1800 806 314

Consultancies

No consultancies were required by the Committee for the financial year.

National Competition Policy

The requirements of the National Competition Policy are taken into account by the Committee when providing advice to the Minister for Agriculture.

Pecuniary Interests

Declarations of pecuniary interests have been duly completed by all relevant officers and are available to the Minister, Members of Parliament and the public on request.

Events Subsequent to Balance Date

At the date of this Annual Report it has been reported Norman Wines has entered into receivership. This will impact the collection of levy during the 2001/02 financial year, resulting in a decrease of levy collected from 9,200 tonnes.

Occupational Health & Safety

The Murray Valley Wine Grape Industry Development Committee complies with all Occupational Health and Safety guidelines and provides a safe environment for all committee members to hold meetings.

Financial Review of Operations and Financial Conditions

Four year financial summary.

	2002 \$	2001 \$	2000 \$	1999 \$	1998 \$
Revenue from statutory Levy	317,022	423,152	376,101	242,290	248,708
Revenue from voluntary Levy	126,808	-	-	-	-
Other Revenue	9,239	19,378	43,560	64,399	141,477
Total Revenue	453,069	442,530	419,661	306,689	390,185
Net Operating Result	27	(8,697)	(16,128)	8,919	14,492
Net Cash Flow from Operations	8,246	(9,752)	(27,777)	13,478	20,664
Total Assets	49,588	39,264	49,779	85,029	68,247
Total Liabilities	13,150	2,953	4,951	24,073	16,210

**MURRAY VALLEY WINE GRAPE INDUSTRY DEVELOPMENT COMMITTEE
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2002**

	Note	2002 \$	2001 \$
Revenue from Ordinary Activities			
Levy Income	2	443,830	423,152
Interest Received		4,442	8,378
RAP Funding		<u>4,796</u>	<u>11,000</u>
Total Revenue		<u>453,069</u>	<u>442,530</u>
Expenses from Ordinary Activities			
Audit Fees	3	2,250	2,250
Depreciation	4	975	863
Project Expenditure	5	263,534	282,020
Other Expenses	6	57,729	50,738
V & MVWGGC Inc Voluntary Levy		<u>128,554</u>	<u>115,356</u>
Total Expenses		<u>453,042</u>	<u>451,227</u>
NET PROFIT (LOSS) FROM ORDINARY ACTIVITIES		<u><u>27</u></u>	<u><u>(8,697)</u></u>
 TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH THE VICTORIAN STATE GOVERNMENT AS OWNER			
		<u><u>27</u></u>	<u><u>(8,697)</u></u>

The above Statement of Financial Performance should be read in conjunction with Notes to and forming part of these financial statements.

MURRAY VALLEY WINE GRAPE INDUSTRY DEVELOPMENT COMMITTEE
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2002

	Note	2002 \$	2001 \$
CURRENT ASSETS			
Cash Assets		45,432	37,186
Receivables	7	2,953	4,018
TOTAL CURRENT ASSETS		48,386	41,204
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,102	2,078
TOTAL NON CURRENT ASSETS		1,102	2,078
TOTAL ASSETS		49,488	43,282
CURRENT LIABILITIES			
Payables	9	13,150	6,971
TOTAL CURRENT LIABILITIES		13,150	6,971
TOTAL LIABILITIES		13,150	6,971
NET ASSETS		36,338	36,311
EQUITY			
Contributed Capital	10	36,311	
Retained Profits	10	27	36,311
TOTAL EQUITY		36,338	36,311

The above Statement of Financial Position should be read in conjunction with Notes to and forming part of these financial statements.

**MURRAY VALLEY WINE GRAPE INDUSTRY DEVELOPMENT COMMITTEE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2002**

	Note	2002 \$	2001 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Levies Collected		443,830	423,152
Interest Received		4,442	8,378
Other Receipts		4,796	11,000
Payments to Suppliers		(415,162)	(448,679)
GST Collected		480	1,093
GST Paid to Suppliers		(30,140)	(4,696)
Net Cash used in Operating Activities	12	8,246	(9,752)
Net Increase(Decrease) in Cash held		8,246	(9,752)
Cash at Beginning of the Financial Year		37,186	46,938
Cash at end of the Financial Year	11	45,432	37,186

The above Statement of Cash Flows should be read in conjunction with Notes to and forming part of these financial statements.

**MURRAY VALLEY WINE GRAPE INDUSTRY DEVELOPMENT COMMITTEE
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2002**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Financial Management Act 1994. The financial report is 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. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the material accounting policies adopted by the Committee in the preparation of the financial report.

(a) Receivables and Revenue Recognition

Operating and Other Revenues are recognised as they are earned. Trade Debtors are carried at nominal amounts due and are due for settlement within 30 days. Collectability of debts is reviewed on an ongoing basis. A provision of doubtful debts is raised where doubt as to collection exists.

(b) Contributed Capital

For the reporting period ending 30 June 2002 the service has deemed all of its accumulated surplus of \$36,311 as being part of the opening balance for contributed capital. This accounting treatment is to comply with Urgent Issued Group Abstract 38, Contributions by owners made to Wholly-Owned Public Sector Entities and Accounting and Financial Reporting Bulletin No. 39 Accounting for Contributed Capital and No. 40 Establishment of Opening Balances and Formal Designation for Contributed Capital. The change in accounting policy has resulted in the recognition, in the Statement of Financial Position, as at 1 July 2001 of an opening balance of contributed capital and retained surplus of:

	1 July 2001	1 July 2000
	\$	\$
Contributed Capital at 1 July following adoption of new accounting treatment	36,311	-
Accumulated Surplus at 1 July following adoption of new accounting treatment	-	36,311

(c) Rounding Off

All amounts shown in the financial statements are expressed to the nearest dollar.

(d) Fixed Assets and Depreciation

Depreciable assets with a cost in excess of \$500 are brought to account and depreciation has been provided over their estimated useful life to the Committee using both Diminishing Value methods and Prime Cost methods.

Office Equipment items are being depreciated at 30% Diminishing Value and 25% Prime Cost.

Office Furniture is being depreciated at 25% Diminishing Value.

**MURRAY VALLEY WINE GRAPE INDUSTRY DEVELOPMENT COMMITTEE
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2002**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(e) Revenue Recognition

Revenue is recognised in accordance with AAS15. Income is recognised as revenue to the extent they are earned, should there be unearned income at reporting date, it is reported as income in advance.

(f) Levies

Income from levies is recognised on receipt.

(g) Employee Entitlements

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of wages and salaries, annual leave, sick leave and other employee entitlements expected to be settled within 12 months, are measured at their nominal values.

Provision made in respect to other employee entitlements which are not expected to be settled within 12 months are measured at the present value of estimated future cash outflows to be made by the committee in respect of services provided by employees up to the reporting date.

(h) 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 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 statement of financial position are shown inclusive of GST.

**MURRAY VALLEY WINE GRAPE INDUSTRY DEVELOPMENT COMMITTEE
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2002**

	2002	2001
	\$	\$
 2 LEVY INCOME		
Compulsory Levy	317,022	307,796
Voluntary Levy	<u>126,808</u>	<u>115,356</u>
	<u><u>443,830</u></u>	<u><u>423,152</u></u>
 3 AUDIT FEES		
The total audit fee payable to the Auditor General for the period from July 1 to June 30	<u><u>2,250</u></u>	<u><u>2,250</u></u>
 4 DEPRECIATION		
Office Equipment	903	766
Office Furniture	<u>72</u>	<u>97</u>
	<u><u>975</u></u>	<u><u>863</u></u>
 5 PROJECT EXPENDITURE		
CD Rom Project	-	8,000
Irrigation Benchmarking	5,000	-
Grower Leadership Training	-	20,000
Market Information & Statistics	67,110	61,700
Newsletters & Publications	63,200	-
On Farm Demonstrations	28,440	-
Quality Grower Groups	25,500	-
Regional R&D Support	26,900	-
Rootstock Trial	24,415	19,261
Seminars & Field Days	12,000	-
Technology Diffusion Program	-	119,615
Wine Grape Production Career Awareness	6,968	50,444
Wine Quality Awareness	<u>4,000</u>	<u>3,000</u>
	<u><u>263,534</u></u>	<u><u>282,020</u></u>

**MURRAY VALLEY WINE GRAPE INDUSTRY DEVELOPMENT COMMITTEE
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2002**

	2002	2001
	\$	\$
6 OTHER EXPENSES		
Accountancy Fees	5,350	6,750
Advertising	1,812	1,239
Annual Report Expenses	6,805	6,004
Audit Fees (Wineries)	1,420	1,000
Bank Charges	206	586
Committee Allowance & Travel	7,708	11,812
General Expenses	1,104	2,410
Growers Register Update	5,000	-
Honorarium	3,996	3,996
Insurance	1,134	1,026
Legal Fees	1,182	
Petty Cash	-	100
Printing, Postage and Stationery	1,754	620
Secretarial	15,180	14,258
Subscriptions	277	283
Telephone	111	654
Website Maintenance	4,690	-
	<u>57,729</u>	<u>50,738</u>
7 RECEIVABLES (CURRENT)		
Tax Receivable	<u>2,953</u>	<u>4,018</u>
8 PROPERTY, PLANT & EQUIPMENT		
Office Furniture at Cost	1,219	1,219
Less: Accumulated Depreciation	<u>(1,002)</u>	<u>(929)</u>
	217	290
Office Equipment at Cost	5,250	5,250
Less: Accumulated Depreciation	<u>(4,365)</u>	<u>(3,462)</u>
	885	1,788
Total Property, plant & equipment	<u>1,102</u>	<u>2,078</u>

**MURRAY VALLEY WINE GRAPE INDUSTRY DEVELOPMENT COMMITTEE
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2002**

MOVEMENT IN ASSETS

	<u>Asset Class:</u>		Total
	Office Furniture	Office Equipment	
	\$	\$	
Opening Balance Written Down Value	290	1,788	2,078
Additions	-	-	-
Disposals	-	-	-
Depreciation	73	903	976
	217	885	1,102
	217	885	1,102

	2002	2001
	\$	\$
9 PAYABLES (CURRENT)		
Trade Creditors	8,122	2,368
Audit Fees	2,250	2,250
Accounting Fees	1,750	-
Prepaid Levies	1,028	-
Wine Production Career Awareness - Payroll Accruals	-	2,353
	13,150	6,971
	13,150	6,971

10 EQUITY

a Contributed Capital

Balance at Beginning of Reporting Period	-	-
Recognition of opening balance on adoption of UIG 38/AFR No. 39	36,311	-
Balance at end of reporting period	36,311	-

b Retained Earnings

Retained Surplus at the beginning of the reporting period	36,311	45,008
Recognition of opening balance on adoption of UIG 38/AFR No. 39	(36,311)	
Net Surplus/(Deficit) for the year	27	(8,697)
Retained Surplus at the end of the reporting period	27	36,311

**MURRAY VALLEY WINE GRAPE INDUSTRY DEVELOPMENT COMMITTEE
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2002**

c Equity

Total Equity at the Beginning of Reporting Period	36,311	45,008
Total Changes in Equity Recognised in the Statement of Financial Performance	<u>27</u>	<u>(8,697)</u>
Total Equity at the Reporting Date	<u><u>36,338</u></u>	<u><u>36,311</u></u>

11 RECONCILIATION OF CASH

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in Money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

Cash at Bank	<u>45,432</u>	<u>37,186</u>
	2002	2001
	\$	\$

12 RECONCILIATION OF NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES TO OPERATING SURPLUS

Operating Profit(Loss)	27	(8,697)
Non Cashflows in Operating Result		
Depreciation	975	863
Changes in Assets & Liabilities		
(Increase)/Decrease in Receivables	1,065	(4,018)
Increase/(Decrease) in Payables	<u>6,179</u>	<u>2,100</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>8,246</u></u>	<u><u>(9,752)</u></u>

**MURRAY VALLEY WINE GRAPE INDUSTRY DEVELOPMENT COMMITTEE
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2002**

2002 **2001**
\$ \$

13 CONTINGENT LIABILITIES

At June 30 2002, the Committee are unaware of any liability, contingent or otherwise, not already disclosed elsewhere in these financial statements.

14 COMMITMENTS FOR EXPENDITURE

As at June 30 2002, the Committee has outstanding expenditure commitments.

These commitments are payable as follows:

Not longer than 1 year	Nil	Nil
Longer than 1 year and not longer than 2 years	Nil	Nil
Longer than 2 years and not longer than 3 years	Nil	Nil

15 RESPONSIBLE PERSONS RELATED PARTY DISCLOSURES

(a) Responsible Persons

AMERY The Honourable Richard	Responsible Minister - New South Wales
HAMILTON The Honourable Keith	Responsible Minister - Victoria
TOLSON Max (Chairperson)	Industry Representative
FREE Colin James (Deputy Chairperson)	Grower Representative
COCK Barry	Grower Representative (appointed 22.11.00)
THOMAS Gary	Grower Representative (appointed 22.11.00)
ENGLEFIELD Brian	Grower Representative (appointed 27.09.01)
SHIELDS Robert	Winery Representative
HOLLAND Stuart	Victorian Government Representative
BOWER Colin	New South Wales Government Representative (resigned 29.06.02)
HUTTON Ron	New South Wales Government Representative (appointed 30.06.02)

Responsible Persons received no remuneration other than reimbursed travel expenses and attendance allowance.

The Chairperson of the Committee is entitled to an Honorarium of \$3,996.

**MURRAY VALLEY WINE GRAPE INDUSTRY DEVELOPMENT COMMITTEE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

	2002	2001
	\$	\$
15 RESPONSIBLE PERSONS RELATED PARTY DISCLOSURES CONT.		
(b) Executive Officer Remuneration		
No Executive Officers of the Committee were in receipt of a remuneration package in excess of \$100,000.	Nil	Nil
(c) Retirement Benefits of Responsible Persons.	Nil	Nil
(d) Other Transactions of Responsible Persons Related Entities.	Nil	Nil
(e) Other receivable from and payable to Responsible Persons and Responsible Person related parties.	Nil	Nil
(f) Amounts attributable to other transactions with Responsible Persons and Responsible Persons related parties.	Nil	Nil
(g) Responsible Persons are paid an attendance allowance of \$183 per day for attendance at recognised meetings and seminars.		
(h) Responsible Persons are reimbursed for actual expenses incurred relating to motor vehicle, travel, accommodation and fares when incurred on Responsible Persons business.		

**MURRAY VALLEY WINE GRAPE INDUSTRY DEVELOPMENT COMMITTEE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

16 FINANCIAL INSTRUMENTS

(a) Terms, Conditions & Accounting Policies

The economic entity's accounting policies, including the terms and conditions of each class of financial assets, financial liability and economic instrument both recognised and unrecognised at the balance date, as follows:

<i>Recognised Financial Instruments</i>	<i>Balance Sheet Note</i>	<i>Accounting Policies</i>	<i>Terms & Conditions</i>
i) Financial Assets Receivables – Trade	7	Trade Receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full nominal amount is no longer probable.	Credit sales are on 30 day terms.
ii) Financial Liabilities Trade Creditors and Accruals	9	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the economic entity.	Trade liabilities are normally settled on 30 day terms.

(b) Interest Rate Risk

	Floating Interest Rate		Non Interest Bearing		Total Carrying amounts as per the Balance Sheet		Weighted Average Effective Interest	
	2002	2001	2002	2001	2002	2001	2002	2001
	\$	\$	\$	\$	\$	\$	%	%
(i) Financial Assets								
Cash	45,432	37,186	-	-	45,432	37,186	3.45	3.55
Receivables	-	-	2,953	4,018	2,953	4,018	N/A	N/A
Total Financial Assets	45,432	37,186	2,953	4,018	48,386	41,204		
(ii) Financial Liabilities								
Creditors	-	-	13,150	6,971	-	-	N/A	N/A
Total Financial Liabilities	-	-	13,150	6,971	-	-		

**MURRAY VALLEY WINE GRAPE INDUSTRY DEVELOPMENT COMMITTEE
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2002**

(c) Credit Risk

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

The Committee does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Authority.

(d) Net Fair Values

Methods and assumptions used in determining net fair value:

The net fair values of assets and liabilities approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity.

MURRAY VALLEY WINE GRAPE INDUSTRY DEVELOPMENT COMMITTEE

CERTIFICATION

In accordance with a resolution of the Murray Valley Wine Grape Industry Development Committee, we the undersigned:

- i) Certify that in our opinion the accompanying financial statements comprising Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to and Forming part of the Accounts, present fairly the financial transactions during the 12 months ended June 30, 2002 and the financial position of the Committee as at that date;
- ii) Are not aware of any circumstances which would render any particulars included in the statements to be misleading or inaccurate; and
- iii) State that in our opinion the financial statements have been prepared in accordance with the Financial Management Act, 1994.

Signed at Mildura this 30th day of September, 2002.

On behalf of the Committee:

M Tolson
Chairperson of the Committee



C Free
Deputy Chairperson of the Committee





AUDITOR GENERAL
VICTORIA

REPORT OF AUDITOR-GENERAL'S DELEGATE

To the Members of the Parliament of Victoria, responsible Ministers and Members of the Board of the Murray Valley Wine Grape Industry Development Committee

Audit Scope

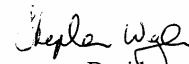
The accompanying financial report of the Murray Valley Wine Grape Industry Development Committee for the financial year ended 30 June 2002, comprising a statement of financial performance, statement of financial position, statement of cash flows and notes to the financial statements, has been audited under the delegated authority provided by the Auditor-General under the Audit Act 1994. The Members of the Board are responsible for the preparation and presentation of the financial report and the information it contains. An independent audit of the financial report has been carried out in order to express an opinion on it to the Members of the Parliament of Victoria, responsible Ministers and Members of the Board as required by the *Audit Act* 1994.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. The audit procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and the financial reporting requirements of the Financial Management Act 1994, so as to present a view which is consistent with my understanding of the Group's financial position, financial performance and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the financial reporting requirements of the Financial Management Act 1994, the financial position of Murray Valley Wine Grape Industry Development Committee as at 30 June 2002 its financial performance and cash flows for the year then ended.


Davidsons
Delegate of
J.W. CAMERON
Auditor-General

30 September 2002

Victorian Auditor-General's Office Level 34, 140 William Street, Melbourne Victoria 3000
Telephone (03) 8601 7000 Facsimile (03) 8601 7010 Email comments@audit.vic.gov.au Website www.audit.vic.gov.au

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Years of Auditing in the Public Interest

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