

# 2014/15 ANNUAL REPORT



WINES OF  
WESTERN AUSTRALIA  
*Extraordinary Regions*

**WINE INDUSTRY ASSOCIATION OF WA (INC.)**

**12 November 2015**

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## Introduction

The Wine Industry Association of Western Australia (Inc.) (Wines of Western Australia), established in 1987, is the state's primary organisation of wine producers.

It is our mission to provide a unified, strategically influential voice that creates opportunities for the fine wine regions of Western Australia.

### Industry Overview

Wine is a major value adding industry with significant regional economic and employment benefits. In 2014/15 the total value of the WA wine industry was estimated at \$684 million with a grape value of \$65 million. With regard to market channels, 48% of total value was sold in WA, 40% in eastern Australia and 12% in exports.

The Western Australian wine industry produces about 42 million litres of wine annually representing just 5% of the volume of Australia's wine production but 12% of the value. Western Australia produces 25% of Australia's fine wines (specialty and super-premium).

### WA Wine Industry Vision

As outlined in the WA Wine Industry Strategic Plan 2014 – 24, WA producers have a shared vision of:

“a Western Australian wine industry that grows sustainably and profitably, built on the reputation of its great fine wine regions”

The pathway to this vision is a unified and strategic influential industry focused on regional fine wines of provenance and authenticity. Producers and Regional Associations are the custodians of their Regional brand.

## Wines of WA Charter

WA producers have mandated that Wines of WA should, “provide stewardship of the industry” to create opportunities for producers and the fine wine regions of WA.

From an operational point of view, this service is provided through:

- Advocacy to ensure government, at all levels, understands our industry – the benefits we provide to the state economy, particularly in regional WA and the assistance and resourcing we require to further develop our industry.
- Representation to ensure the value of industry is clearly understood by government, the community and other complimentary industry sectors. We need to ensure our social license to operate is retained and strengthened. We need to build strong partnerships with tourism, agriculture and fisheries by developing complimentary market development programs. We need to raise the stature of our industry so that West Australians are truly proud of their wine industry.
- Administration of technical and marketing program funding to provide Regional Associations and producers access to opportunities to improve business practices and market access.
- Communication to ensure wine industry participants are aware of the issues that affect their business enabling them to make informed decisions on the direction of the industry and their individual business.

We look forward to working with Producers and Regional Associations in 2015/16 on developing a sustainable and profitable future for the WA wine industry.

## Strategic Priorities 2014/15

Priority	Comments	Activities and Progress
1. Secure Funding Model for WA wine industry	Develop APC model and educate Regional Associations and producers. Obtain industry consensus to implement for 2015 vintage.	<p>Initial presentations to all RA's and key producers (see CEO Annual Activity Matrix). Feedback noted and model amended accordingly.</p> <p>Facilitated RA forum to further discuss and refine model. Feedback incorporated to further refine model.</p> <p>RA forum to be facilitated on 31 July to further test industry consensus on amended model.</p> <p>APC will be implemented when industry consensus on model is obtained.</p>
2. Market Development	<p>Secure funding and resources for export and domestic market development. Establish Export Development Office (EDO) for WA wine industry.</p> <p>Support wine tourism initiatives and direct sales channels.</p>	<p>Engagement with DAFWA, DSD, AGWA and Regional Associations to obtain funding and resources for EDO (see CEO Annual Activity Matrix). Confirmed commitment from DAFWA to provide 50% funding. Working with DAFWA, submitted application to DSD for R4R funding.</p> <p>Continued engagement with Tourism WA on Food and Wine tourism strategy.</p>
3. RDE & Adoption support for fine wine business model	<p>DAFWA moving out of RD&amp;E space. Industries must become self-reliant, building value chain partnerships to support innovation and industry development. Curtin University considering options re MR campus.</p> <p>Maintain current bio-security status.</p>	<p>Work with DAFWA, Curtin, AWRI to develop model to transition to self-reliant industry development.</p> <p>Work with Technical Committee to provide submissions to DAFWA and DAFF bio-security processes.</p>
4. Taxation and Regulation	<p>Ensure taxation regime offers best operational environment for WA fine wine producers.</p> <p>Ensure legislation offers best operational environment for WA fine wine producers.</p>	<p>Worked with producers and RAs to develop position on WET and rebate. Provided support to WFA.</p> <p>Provided advocacy for producers affected by changes to State taxation regime.</p> <p>Provided input to Liquor Control Act amendments. Favourable outcome for Producer's Licence category. Ongoing monitor of developments to ensure producers are aware of opportunities when passed to legislation.</p>

## Strategic Priorities 2015/16

Priority	Comments	Activities and Progress
1. Secure Funding Model for WA wine industry	Obtain industry consensus to implement for 2016 vintage.	<p>RA forum to be facilitated on 31 July to further test industry consensus on amended model.</p> <p>APC will be implemented when industry consensus on model is obtained.</p> <p>Conduct formal industry education process.</p> <p>Conduct poll to establish Wine Industry APC.</p>
2. Market Development	<p>Secure funding and resources for export and domestic market development. Establish Export Development Office (EDO) for WA wine industry.</p> <p>Support wine tourism initiatives and direct sales channels.</p>	<p>Continue engagement with DAFWA, DSD, AGWA and Regional Associations to obtain funding and resources for EDO</p> <p>Continue working with DAFWA, submitted application to DSD for R4R funding.</p> <p>Deeper engagement with Tourism WA to ensure "Taste 2020" potential is realised</p> <p>Include wine tourism and direct sales in R4R industry development funding.</p>
3. RDE & Adoption support for fine wine business model	<p>DAFWA moving out of RD&amp;E space. Industries must become self-reliant, building value chain partnerships to support innovation and industry development. Curtin University considering options re MR campus.</p> <p>Maintain current bio-security status.</p>	<p>Work with DAFWA, Curtin, AWRI to develop model to transition to self-reliant industry development</p> <p>Work with Technical Committee to provide submissions to DAFWA and DAFF bio-security processes.</p>
4. Taxation and Regulation	<p>Ensure taxation regime offers best operational environment for WA fine wine producers.</p> <p>Ensure legislation offers best operational environment for WA fine wine producers.</p>	<p>Continue to work with producers and RAs to refine position on wine tax. Support WFA and WGGGA where appropriate and in line with WA producers.</p> <p>Facilitate awareness and understanding of Producer's Licence amendments. Advocate for further amendments to collective cellar door – in high traffic non-GI tourism precincts.</p>

## Presidents Report

With all the green shoots appearing before the industry via Free Trade Agreements and a favourable exchange rate, we have a mountain of work ahead of us to get back on the international shelf and dinner table. Everything we are working on has a recurring theme of increasing profitability across the value chain.

Our efforts have been noted by interstate colleagues and our national body, the WFA. WA's work in advocating to WA's Federal MPs and Senators has contributed to the following issues:

### Grape + Wine 2015

The Grape and Wine 2015 industry leaders' meeting on organizational reform was held in Adelaide in late August. Since then, Intuitive Solutions have been engaged to analyse the structural options available to industry. A Working Group (which WoWA has its President on) has also continued its work in assessing which of the various options would best support a return to profitability and progress against the industry's key priorities as identified at Grape and Wine 2015.

A second leaders' meeting has been scheduled for 1 December where the analysis and the views of the Working Group will be presented and discussed. The goal for the day is to get a consensus on a pathway for reform that can then be pursued.

### Taxation

The Assistant Treasurer committed to a specific Discussion Paper process on the WET rebate following the consideration of the Winemakers Federation of Australia's (WFA) 2015 Pre

Budget Submission and the setting aside of the WFA proposals in the May Budget. While WFA made progress, including securing support from WGGGA and state associations and a number of Ministers and back benchers for their proposals, it was not enough to convince Government to make changes at that time. The Discussion Paper process was a means for Government to keep the WFA proposals 'on the table' for consideration.

Since the Budget, the industry and public debate on wine taxation has broadened as individual companies and interests have lobbied Government and media on other reform options both to the rebate and to wine tax arrangements. During this time, WFA has continued to advocate for its agreed reform policies and the need for additional marketing funds.

Following the release of the discussion paper, the WET Rebate Consultation Group has met on a number of occasions and finalized its report to government. These proceedings are confidential and at the time of writing the report to government had not been made public. Members of the Group from WA include WoWA CEO Larry Jorgensen and previous Margaret River President Nigel Gallop.

### AGWA

It was a disappointing year with respect to AGWA board appointments with Janice McDonald stepping down and WA not having a replacement representative. WoWA advocated strongly to Barnaby Joyce to ensure we were represented, however due to process issues this was not forthcoming.

AGWA released its new strategic plan that spoke about the shift to "fine wine" which aligns with regional WA wines desire to market up the value chain. We will continue to pursue a partnership of an export development officer based in Perth. It still staggers belief that

anyone can effectively market and coordinate programs for WA regions and producers in Adelaide.

Discussions around industry restructuring include moving AGWA to an industry owned organisation will be of significant advantage to WA with guaranteed seats at the table.

## Wine + Health

This year has seen changes in the wine and health landscape. The Preventative Health Agency has been dismantled and the policy focus has shifted somewhat to focus on 'ice' addiction. At the same time, the ABA has commenced but is off to a predictably slow start as the industry-wide partnership works through a new working relationship.

The health lobby has also shifted focus to issues as diverse as the role of alcohol in domestic violence and the emerging link between alcohol consumption and certain cancers. One area of significant progress this year has been WFA's focus on the unique commercial and socioeconomic attributes of the wine industry compared to beer and spirits (as set out in WFA's submission to the Tax White Paper process) and this has been widely acknowledged by parliamentarians. The campaign for tax equalisation from the health lobby has lost ground in 2015.

More recently, Health Ministers have released the draft National Drug and Alcohol Strategies which are disappointing. WFA has engaged directly with the Federal Health minister and is expecting a number of changes to the NDS process and content to be made over the coming weeks.

The AWRI continues to deliver a body of research to ensure the industries advocacy continues to be evidence based. This year saw the completion of work on the price sensitivity of at risk consumers and the global body of evidence on the link between wine consumption and wellbeing. An important

analysis on the risk relativities of alcohol consumption (compared to other everyday activities) is also nearing completion.

## Senate Inquiry

On 25 March 2015, the Senate moved that the following matters be referred to the Rural and Regional Affairs and Transport References Committee for inquiry and report by 11 November 2015. On 13 August 2015, the Senate granted to extension of time for reporting until 12 February 2016.

Wines of WA consulted with Regional Associations and Producers in developing a submission to the Inquiry. In particular, WA submitted that:

- The issue of retail consolidation and resulting concentration of market power needs to be addressed.
- WET Rebate Integrity measures as endorsed by industry through the WFA policy position should be implemented immediately.
- Some of the savings to Treasury from the integrity measures should be re-invested back to industry to grow demand for Australian wine domestically and internationally.
- WA should have a Wine Australia Export Development Officer to drive market development. Regional Associations should have greater access to federal levy funding for market development.
- Foundation industry data collection must improve to provide accurate information for industry decision making processes.

Wines of WA attended the WA session of the Inquiry, providing further evidence in support of WA producers.

## Cellar Door Rebate

In May 2015, the State government announced that it would abolish the State Cellar Door Rebate effective 1<sup>st</sup> July 2015. There was no prior consultation and only begrudging discussion subsequent to the announcement. Wines of WA and Regional Associations provided significant information in support of affected Producers. The flow-on effect of the decision was clearly outlined to all relevant State members. The State government has remained firmly resolved to uphold the decision.

While the industry remains focused on internal issues such as sustainable funding for representation and development, the likelihood of being “blind-sided” by all levels of government remain.

## Liquor Control Act Reform

Some good news did arrive for WA Producers and tourism operators by way of the imminent tabling in State Parliament of amendments to the Liquor Control Act 1988. With four key amendments to the operation of a Producer’s Licence to be implemented by late 2015, businesses can look forward to greater access to market and the ability to offer a wider range of experiences to consumers.

The amendments specific to wine producers were included in a submission to the review process by Wines of WA on behalf of WA Producers. The submission was a result of consultation with Regional Associations and Producers, reflecting the needs of businesses operating in the 21<sup>st</sup> century.

While we might want more than was given, it is worth remembering that many licence classes will have greater restrictions placed on the operation of them. We have received a tick of approval as a responsible, proactive industry, providing jobs and investment in regional WA.

## Market Development

Wines of WA’s role in market development is to secure resources for WA Producers and Regional Associations as they are “the custodians” of their brands. In line with this and the objectives outlined in the WA Wine Industry Strategic Plan, Wines of WA has continued to work with DAFWA in the development of a Premium Wine Export Market Development Strategy through consultation with Producers and Regional Associations. The strategy will provide a roadmap of required resources and key activities for WA Producers and Regional Associations to develop sustainably profitable international markets. Key to the success of the strategy is a WA based Wine Australia Export Development Officer who would provide “dot-joining energy” required to ensure that all initiatives amplify results rather than duplicate effort.

The strategy will form a part of a submission for significant Royalties for Regions funding. The aim of the strategy is to affect transformational change in the industry across the south west of WA.

## Roles + Responsibilities, APC

Given the above challenges and opportunities, we should deeply consider how best to become a “unified and strategically influential industry”.

A significant proportion of our energy in 2014-15 has been focused on industry structure, and in particular, on adequate resourcing to provide the energy required to become sustainably profitable across the value chain.

In 2015-16, Wines of WA and Regional Associations will continue to work on developing an Agricultural Produce Commission model to fund wine industry development in WA.

The reality is, *successful industries invest in building success.*

## Success

While we speak of success, it is worth noting that despite the challenges discussed above, WA producers continue to receive awards and recognition confirming our proposition that we are an industry focusing on fine wine production.

Renowned WA wine-man John Jens considers James Halliday's Wine Companion to be the "most meaningful rating of Australia's wineries and their wines". JJ notes that in the 2016 edition, WA winemakers produced 6 of the 17 highest pointed rieslings, the best sauvignon blanc, the top 2 sbs/ssb blends and 18 of the top 21, 9 of the 20 best chardonnays and 6 of the 10 best cabernet sauvignons.

At the 2014 Perth Royal Wine Show, WA producers collected 9 of the 22 trophies open to all entrants. These were awarded for chardonnay, cabernet sauvignon, tempranillo, shiraz, ssb, sauvignon blanc and riesling styles and includes the trophy for best wine in show (a chardonnay). In this national show with 341 companies entering 2056 wines (677 from WA or 26%), WA won over 40% of the trophies on offer.

In noting individual achievements some will be missed, but here are a few despite that risk:

- **Mandoon Estate** – Seven trophies for best small exhibitor in show from shows across Australia, including the Perth Royal Show and Qantas Wine Show of WA and 30 gold medals from 10 shows
- **Leeuwin Estate** – Number five in Decanter Magazines 2014 "Top 100" wines of the world, one of only two Australian wines in the top 10.
- **Rob Diletti** – 2014 James Halliday Wine Companion "Winemaker of the Year"
- **Xanadu 2011 Stevens Rd Cabernet Sauvignon** - 2014 James Halliday Wine Companion "Wine of the Year"
- **Byron & Harold, Flowstone, Mandoon Estate and Swinney Vineyards** - 2014

James Halliday Wine Companion "Ten of the Best New Wineries"

All this from a production base of around 4% of the national crush.

Once again I would like to thank Larry and Jodie for all their hard work. We are enthusiastic about our future with Larry and Jodie providing great energy for producers. I again thank Anthony Wilkes, Chris Furtado, Colin Bell and Bryan Saunders (as the executive committee) for their tireless support and focus on what is best for the whole industry.

However, the greatest challenge remains ensuring an industry developed secure funding model is introduced to create certainty in running this business and regional associations properly.

Finally, I acknowledge on behalf of industry, the passing of Simon Burnell, head wine-maker at Willow Bridge Estate. He was doing what he loved, but this makes it no easier for those who loved him. Simon's energy and humour will be missed by all in the state and particularly in the Geopraphe region.

Redmond Sweeny  
President

## Treasurer's Report

The financial year just past has been a difficult one for the Association's financial position impacted by the delayed implementation of an APC funding model and the impact of a low yielding vintage.

With regard to the implementation of an APC funding model, the requirements for extensive consultation has required investment in additional back-office resource to free up our CEO. The impact of the low yielding 2015 vintage has not yet fully flowed through to our numbers due to timing of invoices but I would like to acknowledge those members who agreed to our request to hold their payments at 2014 levels.

### Revenues

Income increased by 2.6% to \$236,895 reflecting the impact of a slight reduction in Membership Fees offset by an increase in Grants & Projects.

We achieved a net gain in membership numbers of 6 thanks to the concerted efforts of our CEO and various board members to rally support for the work of WoWA and its new strategic plan (details of the wins and losses in Membership can be found in the CEO's report)

### Expenses

Overall expenses for the full year were \$240,280 being a 24% increase on the prior year. Major increases in expenditure occurred in Wages as we invested in increased hours for our Administration Officer to free-up our CEO, Increases in travel and meeting expenses, increased provision for doubtful debts and accounting and audit fees. These increases were offset in part by reductions in Rent, and general office expenses.

The Association continues to operate with Larry Jorgensen (CEO) on a full time basis and Jodie Parnell providing administrative support on a

part-time basis (0.8 FTE). Redmond Sweeney continues to providing voluntary bookkeeping support throughout the year.

### Surplus

The Association reported a small loss of \$3,384 reflecting the net impact of items noted above.

### Going Concern

WoWA continues to operate in a negative equity position and we will need to generate surpluses in following years to remedy this situation. Members are requested to read the Auditor's report and note comments on "going concern".

Implementation of an APC will be vitally important for WOWA to be able to execute its strategic plan as will be extending our affiliate member base.



Chris Furtado

Treasurer

## Chief Executive Officer's Report

One year into a fully realised restructure of Wines of WA, we have a clear understanding of the services we provide for WA wine producers. These are:

- Advocacy
- Representation
- Administration
- Communication

These are the areas in which outcomes are now measured. The unit of measurement is now, "created opportunities for the fine wine regions and producers of Western Australia".

### Advocacy

In 2014-15, Wines of Western Australia advocated for the industry on the following issues:

- Continued to facilitate industry efforts to establish an APC Producers' Committee for WA Producers. Through engagement with Regional Associations and Producers, developed a model to be considered for formal ratification by Regional Associations.
- Facilitated the development of a State position on WET Rebate reform through extensive consultation with Producers and Regional Associations. From this process, the WA wine industry provided written support for the WFA policy for WET Rebate reform.
- Developed a submission to the Taxation White Paper and the Subsequent Wet Rebate Discussion Paper. Both submissions were circulated to industry for comment and ratification prior to submission.
- Advocated directly to WA Federal MPs, the Treasurer and the Prime Minister, clearly stating WA's position on Wet Rebate reform.
- Developed a submission to the Senate Inquiry into the Australian Grape and Wine Industry. The submission was

- circulated to industry for comment and ratification prior to submission.
- Attended the WA Session of the Senate Inquiry, providing evidence in support of the WA and WFA submission on behalf of WA Producers.
- Attended the WA session of the Senate Inquiry into the China Free Trade Agreement providing evidence on behalf of WA Producers in support of all FTAs.
- Represented affected Producers to reverse the State Government decision to abolish the State Cellar Door Rebate.
- Provided input to the Liquor Control Act amendment process, working with the Department of Racing Gaming and Liquor to ensure the best outcome for WA Producers.
- Continued engagement with AGWA to secure resources to support export market development for WA wine producers.
- In collaboration with the table grape industry and Regional Associations provided comment on the decision to allow importation of table grapes from other Australian States and Territories.
- Attended industry forums discussing water usage on behalf of the wine industry.

### Representation

In 2014-15, Wines of Western Australia engaged the following government and industry bodies on the following issues:

- As a member of the WET Rebate Consultative Group, attended two meetings in Canberra with Treasury to develop a briefing paper for Government, outlining the wine industry's position on reform amendments.
- Met with Department of Foreign Affairs and Trade to discuss biosecurity issues specific to WA as relate to FTAs.
- Minister for Agriculture and the Department of Agriculture and Food, Minister for State Development and Department of State Development, advocating for increased funding for market development and industry development. Submitted application for R4R funding to support these.

- Attended Singapore Business Times Wine Awards (as guest of Winecraft Marketing). Met with TWA and DSD representatives.
- Tourism WA and Tourism Australia, attending the Australian launch of Restaurant Australia representing WA Producers (as a guest of TWA)
- Facilitated a visit to WA by Sophie Otton, wine journalist (Gourmet Travel Wine).
- Facilitated annual visit to WA for the Wine Education Centre's Singapore annexe Dux students.

## Administration

In 2014-15, Wines of WA administered the following projects on behalf of the WA wine industry:

- Compliance requirements for the International Marketing Program funding partnership with DAFWA.
- Compliance requirements for the AGWA Regional program.
- Management of the WA Wine Industry Technical Committee
- Negotiated terms for the WA wine industry service agreement with Australia Post
- Negotiated terms for the WA wine industry co-membership arrangement with CCIWA

## Communication

In 2014-15, we continued to refine our communications processes. The Wines of WA website was re-developed and simplified. As the primary focus is now communication to industry, stakeholders and government, online payment systems and sophisticated CRM systems are no longer required.

We will continue to use 4 mediums for communicating with industry.

- A ¼ e-newsletter which will provide non time sensitive information. It will consist largely of reports on what has happened with regard to advocacy and research activities. Also covered will be upcoming events and opportunities that are of value to industry participants. We

will also feature affiliate members, highlighting the services they offer to industry

- Social media which will provide day to day information. By following Wines of WA on facebook, twitter and linkedin, industry participants now receive live updates that are relevant to their business.
- For urgent, critical information, you will receive an email or text message directly from me, sent from [ceo@winewa.asn.au](mailto:ceo@winewa.asn.au)
- Eye to eye on a regular basis to share a coffee or a glass wine, depending on the time of day, discussing what you feel are the key issues affecting your business and region. I make a point of getting into the regions on a monthly basis and will continue to do so.

Additionally, I urge producers to visit [www.winewa.asn.au](http://www.winewa.asn.au) regularly as we regularly post information and upcoming events to the news-blog that feeds directly to the home page.

Finally, the art of communication is getting the correct message to the right person. This is our biggest challenge as an industry. We will continue to work on this in 2015-16. When requested, please provide updated contact details for key people in your business.

## Staff Movements

During the 2014-15 financial year, Wines of WA appointed Jodie Pannel as Administration and Membership Manager in a .8 FTE capacity. Larry Jorgensen continued as CEO in a full time capacity.

## Association Representation

### Winemakers' Federation of Australia (WFA)

Western Australian Board representatives are Anthony Wilkes (Medium Winery Membership Committee), Alexandra Burt (Winemakers' Federation Executive Council and Small Winery Membership Committee) and Redmond Sweeny (Small Winery Membership Committee).

Anthony is MD of Ferngrove and is the Vice-President of Wines of WA

Alex is a former Board member and Treasurer of Wines of Western Australia and runs her family's wine business, Voyager Estate.

Redmond is a partner in Snake and Herring, as well as being the President of Wines of Western Australia.

### Wine Grape Growers Australia (WGGA)

Colin Bell (Wines of WA Board member) continued as the WIAWA representative on WGGA during 2013/14. Colin is a viticulturist and principle AHA Viticulture has assumed the role.

In closing, I wish to acknowledge the contribution and support of the following people:

- Regional Association Committees who have provided input to the development of policies and programs to support industry development.
- Producers who have provided input to the development of policies and programs to support industry development.
- The Wines of WA Technical Committee, in particular Chair, Jim Campbell-Clause Keith Pekin and Glynn Ward.
- The Wines of WA Board of Directors, in particular President Redmond Sweeny, Vice President Anthony Wilkes, Treasurer Chris Furtado, WGGA Representative Colin Bell and Bryan Saunders.
- Jodie Pannel, Membership and Administration Manager, Wines of WA



Larry Jorgensen  
Chief Executive Officer

## Membership Report

Wines of WA currently has approximately 144 members, representing roughly of 85 percent of the State’s crush as well as a number of grape grower, distributor and affiliate members.

### Membership Targets and Performance for 2014/15

A goal was set to increase membership by 20 in 2014/15 as outlined below. This was not achieved, however, some growth did occur. While we acquired 14 members, we lost 8 for a net gain of 6. All of the resignations occurred in the small producers’ category (less than 100 tonne). While numbers in the medium producers’ category (100 – 500 tonne) dropped this was due to decreased volume for the 2015 vintage. The large producers’ category (more than 500 tonne) increased by 2 members.

The main attraction for small producers is access to Australia Post rates. For medium and large producers, advocacy and greater resourcing for market development are the main considerations for medium and larger producers.

New Producers Members	Target	Achieved
>500 tonnes	3	2
100 - 500 tonnes	7	1
<100 tonnes	10	10
<b>Total</b>	<b>20</b>	<b>14</b>

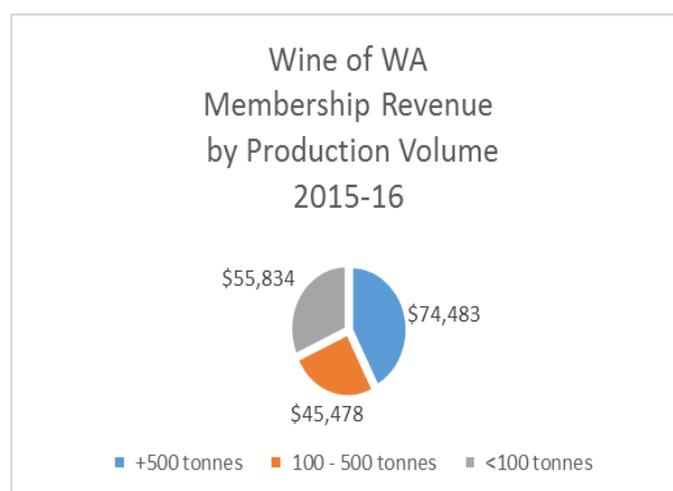
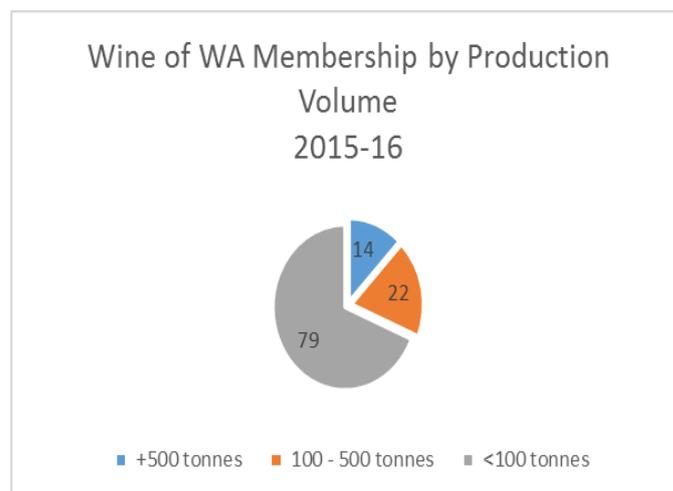
### Membership Revenue

Producer membership revenue increased by \$3000 and overall membership revenue by \$5000. As many of the new members joined in the latter half of the year (or in July 2015), some

of the effect on revenue will not be fully realised until the 205/16 fiscal year.

Also of note is the increase in Affiliate membership. We will continue to pursue opportunities in this area.

Membership numbers are skewed towards less than 100 tonnes. Membership revenue is spread across the production range although this could change if targets for growth in 2015/16 are achieved (see below in 2015/16 targets).



## Membership Targets for 2015/16

We will continue to focus on growing membership across production categories. See targets below.

We will also continue to focus on Affiliate membership. For consideration is a tiered Affiliate membership structure where increased value is provided for higher levels of membership fee. We will also look to provide more opportunities for Affiliate members to meet and speak to producer members. There must be mutual benefit in this. Affiliate members must have relevance for producers.

New Producers Members	Target
>500 tonnes	4
100 - 500 tonnes	6
<100 tonnes	10
<b>Total</b>	20

## Membership Revenue

Based on current membership, revenue should increase by \$11,000 in 2015/16, with a \$7000 increase in producer membership and \$4000 in across other categories. Most of the producer member revenue growth will come from the large producer category.

If increased membership targets are achieved conservative estimated additional increase of \$30,000 is possible. As with member growth in 204/15, this will be a team effort. The Board and WoWA staff have all contributed to converting producers and affiliates to membership.

However, it must be noted that until all membership fees are processed, we will not have an accurate understanding of the effect on revenue that the reduced harvest will have.

## Current Member Benefit Schemes

### Australia Post

Membership entitles access to the Wines of WA alliance with Australia Post whereby members can take advantage of specialised wine handling and delivery services at significantly reduced prices in both the domestic and overseas markets.

### Chamber of Commerce and Industry, WA (CCIWA)

Membership permits access to the dual Wines of WA / CCI membership agreement. This provides members with access to the full range of CCI member benefits including: advice and assistance on industrial relations, workplace agreements, worker's compensation, occupational safety and health, industry training, trade, environmental compliance and more.

### Affiliate Membership Benefits

Affiliate membership was revised in 2011 from four levels down to one, affiliate members receive the following benefits:

- **Advertising** events and new products in the WoWA E-newsletter
- **Advertising** page link, events and new products on WoWA website
- Invitation to the facebook **members only** group
- **Receive** regular issues of the WoWA E-newsletter and keeping up to date with all the latest wine industry news
- Access and notification to **networking** events and workshops with WOWA wine producers and growers

## Distributor Membership Benefits

Distributor members receive the following benefits:

- **Advertising** events and new products in the “Wine Scene” E-newsletter
- **Advertising** page link, events and new products in social media
- Invitation to the facebook **members only** group
- **Receive** regular issues of the “Wine Scene” E-newsletter and keeping up to date with all the latest wine industry news
- Access and notification to **networking** events and workshops with WOWA wine producers and growers

## Technical Report

The Wines of WA Technical Committee oversees the development and implementation of the AGWA Regional Program for WA. The Program provides grants based funding for R&D projects with specific regional relevance.

The Committee also reviews:

- biosecurity
- water security
- resource management

Committee Members for 2014 – 15 were:

Jim Campbell-Clause – AHA Viticulture  
 Dave Botting – Burch Family Wines  
 Peter Traeger – Sandalford  
 Lee Hasselgrove – Mure Viticulture  
 Ashley Wood – Cape Mentelle  
 Mark Gibberd – Curtin University  
 Dave Kelly - Curtin University  
 Jeremy Galbreath - Curtin University  
 Glynn Ward – DAFWA  
 Richard Fennessy – DAFWA  
 Keith Pekin – Perth NRM  
 Michael Considine – UWA  
 Larry Jorgensen – Wines of WA

### AGWA Regional Program 2014-15 activities;

**1. Managing vines for extreme heat and wind events:** Extreme heat and wind events have an ongoing and increasing impact on fruit quality and yield throughout all of the regions. This issue is exacerbated in the Margaret River region where the vines are predominately planted in a North - South direction with the Western face being overly exposed to the effects of the afternoon sun during heat spikes. Three of the last five vintages in the region have been significantly impacted by the heat

spikes and extreme wind events. This project will trial the effectiveness of three commercially available sunscreen spray products to manage extreme heat events. The project will also trial (same site) the effectiveness of pull up screens to manage extreme heat and wind events. David Botting from Howard Park Wines will oversee the trials at one of their HPW Margaret River vineyards. A demonstration based workshops will be carried out on that site and a follow up workshop to be held in the Swan Valley.

**2. Investigating the potential application of Unmanned Aerial Vehicle (UAV) imaging in vineyards:** While it is doubtful that UAV's and their payloads could currently replace light aircraft in acquiring late season imagery cost-effectively, there may be certain situations (e.g. cloudy weather) where the use of UAV's might be the preferred (and possibly only) option. They therefore provide a flexible alternative method for data acquisition. Of more importance, is the potential use of high resolution imagery, acquired in both a horizontal and vertical plane, for other vineyard applications. These include determining the onset of budburst and the number of inflorescences on vines early in the season, detecting the presence of disease symptoms on leaves and/or berries, assessing the degree of bunch exposure and monitoring vine water status by measuring leaf temperature.

**3. Tempranillo management:** The variety Tempranillo has gained prominence in Western Australian viticulture. The Geographe region has had success with it in local and national shows and the association has chosen it as a variety of prominence. It is also widely grown in other regions including The Great Southern, Margaret River, and the Perth Hills. It performs well under Western Australian conditions but has some management issues including very early bud-burst, excessive early vigour, and is a very heavy cropping variety. The project will help producers to determine the best viticultural management for different wine styles and help produce higher quality fruit in a more cost

effective way. Depending on outcomes from year one, this project would be carried over a four-year time frame

### Development of the 2014-15 AGWA Regional Program

The plan was developed through the West Australian wine industries technical committee and WoWA. In January 2014, Larry Jorgenson (CEO of WoWA) emailed a copy of the AGWA Regional's program guidelines to the regional associations with an explanatory note seeking their input into the 14/15 program. At the same time, technical committee members made direct contact with producers to seek their input into regional RD&E priorities.

A committee meeting was held at DAFWA's Bunbury office on the 31st of January to prioritise regional RD&E issues. This prioritisation process was based on feedback from the regional associations and direct contact with producers. Though the wine producing regions throughout WA are diverse, the selected activities for 2014/15 program aim to be of benefit to all of the regions.

The committee and Wines of WA would like to acknowledge that there is scope to improve industry input into the program and are actively seeking greater industry representation and input to the planning process for future regional programs.



WINES OF  
WESTERN AUSTRALIA  
*Extraordinary Regions*

## Board of Directors

### Producer Representatives

**Mark Warren (Producer BCD)**  
Marq Wines

**Jeff Dewar (Producer E)**  
Willow Bridge Estate

**Chris Furtado (Producer H)**  
**Treasurer**  
Voyager Estate  
(08)9385 3133

**Anthony Wilkes (Producer L)**  
**Vice President**  
Ferngrove  
(08)9363 1300

### Executive

**Larry Jorgensen**  
**CEO Wines of Western Australia**  
0448 884 161  
ceo@winewa.asn.au

### Invited

**Redmond Sweeny (Invited)**  
**President**  
Snake + Herring  
0419 487 427  
hezza@snakeandherring.com.au

**Brian Sheehy (Invited)**  
Houghton Wine Company (Accolade)

**Bryan Saunders (Invited)**

**Bruce Pearce (Margaret River Invited)**  
Pearse Viticulture

**Joanne Bradbury (Great Southern Invited)**  
3drops

### Grower Representative

**Colin Bell (Grower)**  
AHA Viticulture  
Director and Viticulturist

### Distributor Representative

**Rachel Taylor**  
Terra Wines

WINES OF WESTERN AUSTRALIA INC.  
ABN 23 095 700 543

FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2015

Liability limited by a scheme approved under  
Professional Standards Legislation

**WINES OF WESTERN AUSTRALIA INC.**  
**ABN 23 095 700 543**

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**WINES OF WESTERN AUSTRALIA INC.  
ABN 23 095 700 543**

**COMMITTEE'S REPORT**

Your committee members submit the financial report of the WINES OF WESTERN AUSTRALIA INC. for the financial year ended 30 June 2015.

**Committee Members**

The name of each member of the committee during the year and if different, at the date of the report;

Redmond Sweeny (President)  
Anthony Wilkes (Vice President)  
Chris Furtado (Treasurer)  
Larry Jorgensen (CEO)  
Bryan Saunders  
Mark Warren  
Jeff Dewar  
Brian Sheehy  
Colin Bell  
Joanne Bradbury  
Rachel Taylor  
Bruce Pearse

**Principal Activities**

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

Advocacy to confirm government, at all levels, understands the wine industry and also ensure the value of the wine industry is clearly understood by government, the community and other complimentary industry sectors.

Administration of technical and marketing program funding to provide Regional Associations and producers access to opportunities to improve business practices and market access.

Communication to ensure wine industry participants are aware of the issues that may affect their businesses.

**Significant Changes**

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

**Operating Result**

The loss of the association after providing for income tax amounted to \$(3,384.27) .

Signed in accordance with a resolution of the Members of the Committee.

**WINES OF WESTERN AUSTRALIA INC.  
ABN 23 095 700 543**

**COMMITTEE'S REPORT**

**Committee Member:**



**Redmond Sweeny (President)**

**Committee Member:**



**Larry Jorgensen (CEO)**

**Dated this 12th day of November 2015**



**WINES OF WESTERN AUSTRALIA INC.**  
**ABN 23 095 700 543**

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
<b>INCOME</b>			
Events Management		15,092	15,620
Grants & Projects		23,948	12,165
Interest Received		146	
Membership Fees		181,625	183,845
Wine Education Centre		<u>220,810</u>	<u>3,361</u>
		<u>220,810</u>	<u>214,991</u>
<b>OTHER INCOME</b>			
Other Income		3,942	
Gross profit from rental operations		<u>12,143</u>	<u>15,719</u>
		<u>16,085</u>	<u>15,719</u>
		<u>236,895</u>	<u>230,710</u>

The accompanying notes form part of these financial statements.

This report is to be read in conjunction with the attached compilation report of RSM Australia Pty Ltd.

**WINES OF WESTERN AUSTRALIA INC.**  
**ABN 23 095 700 543**

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
<b>EXPENDITURE</b>			
Accounting & Audit Fees		7,232	3,510
Amortisation - Intangibles		4,315	3,895
Bad and Doubtful Debts		7,656	(620)
Bank Charges		1,787	1,636
Cleaning & Rubbish Removal		373	403
Computer Expenses		2,381	4,777
Consultants Fees			1,000
Depreciation		3,309	3,346
Electricity & Gas		4,643	4,079
Event Management Costs			3,582
Fines			1,700
Insurance		5,107	5,507
Interest			125
Legal Costs			1,818
Loss on Sale of Fixed Assets			641
Marketing Expense		4,517	
Meeting Expenses		2,240	
Motor Vehicle Leasing			3,297
Office Expenses			2,328
Postage		1,094	1,825
Printing & Stationery		7,644	9,351
Provision for Annual Leave		2,159	
Rates		1,916	967
Rent		27,709	32,578
Staff Amenities & Training		684	137
Superannuation		12,262	7,786
Telephone		4,146	6,098
Travelling Expenses		6,928	1,649
Write-down of Stock			222
Wages		129,156	87,425
Wine Education Centre Expenses			1,557
Reconciliation Discrepancy		3,022	3,115
		240,280	193,735
(Loss) Profit before income tax		(3,384)	36,975

The accompanying notes form part of these financial statements.

This report is to be read in conjunction with the attached compilation report of RSM Australia Pty Ltd.

**WINES OF WESTERN AUSTRALIA INC.**  
**ABN 23 095 700 543**

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
<b>(Loss) Profit for the year</b>		(3,384)	36,975
Accumulated losses at the beginning of the financial year		(33,180)	(70,155)
<b>Accumulated losses at the end of the financial year</b>		(36,564)	(33,180)

The accompanying notes form part of these financial statements.

This report is to be read in conjunction with the attached compilation report of RSM Australia Pty Ltd.

**WINES OF WESTERN AUSTRALIA INC.**  
**ABN 23 095 700 543**

**BALANCE SHEET**  
**AS AT 30 JUNE 2015**

	Note	2015 \$	2014 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cashequivalents	3	27,817	14,427
Trade and other receivables	4	12,868	68,506
Inventories	5	6,933	6,933
Prepaid Expenses		<u>2,442</u>	<u>1,735</u>
<b>TOTAL CURRENT ASSETS</b>		<u>50,059</u>	<u>91,601</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	4,380	7,409
Intangible assets	7	<u>5,850</u>	<u>9,750</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>10,230</u>	<u>17,159</u>
<b>TOTAL ASSETS</b>		<u>60,289</u>	<u>108,760</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	8	<u>96,853</u>	<u>141,940</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>96,853</u>	<u>141,940</u>
<b>TOTAL LIABILITIES</b>		<u>96,853</u>	<u>141,940</u>
<b>NET ASSETS (LIABILITIES)</b>		<u>(36,564)</u>	<u>(33,180)</u>
<b>MEMBERS' FUNDS</b>			
Accumulated losses	9	<u>(36,564)</u>	<u>(33,180)</u>
<b>TOTAL MEMBERS' FUNDS</b>		<u>(36,564)</u>	<u>(33,180)</u>

The accompanying notes form part of these financial statements.

This report is to be read in conjunction with the attached compilation report of RSM Australia Pty Ltd.

**WINES OF WESTERN AUSTRALIA INC.**  
**ABN 23 095 700 543**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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The financial statements cover WINES OF WESTERN AUSTRALIA INC. as an individual entity. WINES OF WESTERN AUSTRALIA INC. is a not for profit Association incorporated in Western Australia under the Associations Incorporation Act (ACT) 1991 ('the Act').

The functional and presentation currency of WINES OF WESTERN AUSTRALIA INC. is Australian dollars.

**1 Basis of Preparation**

In the opinion of the Committee of Management, the Association is not a reporting entity since there are unlikely to exist users of the financial report who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the Act.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

**2 Summary of Significant Accounting Policies**

**Inventories**

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a specific identification basis and include direct costs and appropriate overheads, if any.

**Plant and Equipment**

Plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment of losses. Plant and equipment is depreciated on a straight line basis over the assets useful life to the Association, commencing when the asset is ready for use.

The depreciable amount of all plant and equipment is depreciated over the useful lives of the assets to the Association commencing from the time the asset is held ready for use.

**WINES OF WESTERN AUSTRALIA INC.**  
**ABN 23 095 700 543**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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**Impairment of Non-Financial Assets**

At the end of each reporting period the association determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the assets is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss , except for goodwill.

**Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the balance sheet if the association does not have an unconditional right to defer settlement of the liability for at least one year after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

**Cash and Cash Equivalents**

**WINES OF WESTERN AUSTRALIA INC.**  
**ABN 23 095 700 543**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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Cash and cash equivalents comprises cash on hand, demand deposits and short term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

**Revenue and Other Income**

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the association and specific criteria relating to the type of revenue as noted below, has been satisfied.

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

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

**Rental income**

Investment property revenue is recognised on a straight-line basis over the period of the lease term so as to reflect a constant periodic rate of return on the net investment.

**Interest revenue**

Interest revenue is recognised using the effective interest rate method.

**Rendering of services**

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Revenue from training services is generally recognised once the training has been delivered.

**Goods and Services Tax (GST)**

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

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

**WINES OF WESTERN AUSTRALIA INC.**  
**ABN 23 095 700 543**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	<b>2015</b>	<b>2014</b>
	\$	\$
<b>3 Cash and Cash Equivalents</b>		
CBA Business Transaction A/C	30,855	9,290
NAB Cheque Account	<u>(3,039)</u>	<u>5,137</u>
	27 817	<u>14 427</u>
<b>4 Trade and Other Receivables</b>		
<b>Current</b>		
Other Receivables	1,805	1,012
Trade Receivable	8,365	67,028
GST Receivable	<u>2,698</u>	<u>466</u>
	12,868	<u>68,506</u>
<b>5 Inventories</b>		
<b>Current</b>		
Stock on Hand - at Cost	<u>6,933</u>	<u>6,933</u>
<b>6 Property, Plant and Equipment</b>		
Office Equipment - at Cost	34,829	34,829
Less Prov'n for Depreciation	<u>(31,776)</u>	<u>(30,686)</u>
	3,053	4,143
Furniture & Fittings - at Cost	2,020	2,020
Less Prov'n for Depreciation	<u>(1,264)</u>	<u>(1,075)</u>
	756	945
Software Development - at Cost	7,000	7,000
Less Prov'n for Depreciation	<u>(6,429)</u>	<u>(4,679)</u>
	571	2,321
<b>Total Plant and Equipment</b>	<u>4,380</u>	<u>7,409</u>
<b>Total Property, Plant and Equipment</b>	<u>4 380</u>	<u>7 409</u>

These notes should be read in conjunction with the attached compilation  
report of RSM Australia Pty Ltd.

**WINES OF WESTERN AUSTRALIA INC.**  
**ABN 23 095 700 543**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	<b>2015</b>	<b>2014</b>
	\$	\$
<b>7 Intangible Assets</b>		
Wines of WA Brand	19,477	19,477
Less: Amortisation	(13,626)	
	5,850	
<b>Total</b>	<b>5,850</b>	<b>9,750</b>
<b>8 Accounts Payable and Other Payables</b>		
<b>Current</b>		
Trade Creditors	10,038	35,353
PAYGW Payable	2,501	2,289
Superannuation Payable	2,797	2,564
Other Creditors		376
Project Advance Payments	73,910	95,910
Provision for Holiday Pay	7,609	5,450
	<b>96,853</b>	<b>141,940</b>
<b>9 Accumulated Losses</b>		
Accumulated losses at the beginning of the financial year	(33,180)	(70,155)
(Net loss) Net profit attributable to the association	{3,384}	36,975
Accumulated losses at the end of the financial year	<b>{36,564}</b>	<b>{33,180}</b>

**WINES OF WESTERN AUSTRALIA INC.  
ABN 23 095 700 543**

**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 the opinion of the committee the financial statements as set out on pages 1 to 11:

1. Presents a true and fair view of the financial position of WINES OF WESTERN AUSTRALIA INC. as at 30 June 2015 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that WINES OF WESTERN AUSTRALIA INC. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

  
**President:**  
Redmond Sweeny

  
**CEO:**  
Larry Jorgensen

**Dated this 12<sup>th</sup> Day of November 2015**

**COMPILATION REPORT  
TO WINES OF WESTERN AUSTRALIA INC.  
ABN 23 095 700 543**

We have compiled the accompanying special purpose financial statements of WINES OF WESTERN AUSTRALIA INC. which comprise the balance sheet as at 30 June 2015, profit and loss statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the additional information contained in the detailed profit and loss.

The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

**The responsibility of the committee of management**

The Committee of Management is solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

**Our responsibility**

On the basis of the information provided by the committee of management we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting and APES 315: Compilation of Financial Information.

We have applied professional expertise in accounting and financial reporting to compile these financial statements on the basis of accounting described in the notes to the financial statements.

**Assurance Disclaimer**

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the committee of management. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

**Name of Firm:** RSM Australia Pty Ltd

**Name of Director:** 

W.A Smith

**Address:** Unit 2 / 2 Fairbairn Road Busselton WA 6280

**Dated this 26th day of October 2015**

WINES OF WESTERN AUSTRALIA INC.  
ABN 23 095 700 543

CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, Redmond Sweeny of Dunsborough, certify that:

- (a) I attended the annual general meeting of the association held on 27th October 2015.
- (b) The financial statements for the year ended 30 June 2015 were submitted to the members of the association at its annual general meeting.

Dated this 27th day of October 2015

Committee Member: \_\_\_\_\_  
Redmond Sweeny