

**FINANCIAL  
STATEMENTS**

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**STATEMENT BY CHAIRMAN, CHIEF EXECUTIVE  
OFFICER AND FINANCIAL CONTROLLER**

In our opinion, the attached financial statements for the year ended 30 June 2011 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, as amended.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Corporation will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the directors.



**Hon Roy McEwen**  
CHAIRMAN  
23/8/11



**Neil Fisher**  
EXECUTIVE DIRECTOR  
23/8/11



**Ed Parker**  
FINANCIAL CONTROLLER  
23/8/11



## **INDEPENDENT AUDITOR'S REPORT**

### **To the Minister for Agriculture, Fisheries and Forestry**

I have audited the accompanying financial statements of the Grape and Wine Research and Development Corporation for the year ended 30 June 2011, which comprise: a Statement by the Chairman, Chief Executive Officer and Financial Controller; the Statement of Comprehensive Income; Balance Sheet; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; Schedule of Asset Additions; and Notes to and Forming Part of the Financial Statements including a Summary of Significant Accounting Policies and other explanatory information.

### ***Directors' Responsibility for the Financial Statements***

The directors of the Grape and Wine Research and Development Corporation are responsible for the preparation of the financial statements that give a true and fair view in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, including the Australian Accounting Standards, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting

estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

***Independence***

In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

***Opinion***

In my opinion, the financial statements of the Grape and Wine Research and Development Corporation:

- (a) have been prepared in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, including the Australian Accounting Standards; and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including the Grape and Wine Research and Development Corporation's financial position as at 30 June 2011 and of its financial performance and cash flows for the year then ended.

Australian National Audit Office



Serena Buchanan  
Audit Principal

Delegate of the Auditor-General

Canberra  
23 August 2011

# Statement of comprehensive income

FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011 \$	2010 \$
<b>EXPENSES</b>			
<b>Expenditure on research &amp; development contracts</b>			
Commonwealth organisations		3,231,823	2,884,140
State departments		386,606	855,491
Universities / colleges		5,066,714	5,277,544
The Australian Wine Research Institute		10,180,305	11,887,579
Other organisations		3,771,083	4,597,075
<b>Total expenditure on research &amp; development contracts</b>		<b>22,636,531</b>	<b>25,501,829</b>
Employee benefits	4A	1,349,609	1,299,695
Supplier expenses	4B	856,088	905,147
Depreciation and amortisation	4C	127,617	116,252
Finance costs	4D	1,586	1,485
Write-down and impairment of assets	4E	–	3,013
Net losses from sale of assets	4F	456	1,145
Levy collection fees		244,016	264,119
<b>Total expenses</b>		<b>25,215,903</b>	<b>28,092,685</b>
<b>LESS: OWN-SOURCE INCOME</b>			
<b>Own-source revenue</b>			
Industry contributions	3 / 17	11,207,490	12,109,514
Interest	5C	337,220	323,912
Research and development expenditure refunds	5B	514,328	47,084
Other	5D	11,202	3,489
<b>Total own-source revenue</b>		<b>12,070,240</b>	<b>12,483,999</b>
<b>Net cost of services</b>		<b>13,145,663</b>	<b>15,608,686</b>
<b>Revenue from government</b>			
Australian Government matching contributions	3 / 5A	12,279,393	13,716,664
Australia's farming future: Climate change research program	5A	420,000	300,000
<b>Total revenue from government</b>		<b>12,699,393</b>	<b>14,016,664</b>
<b>Surplus (deficit) attributable to the Australian Government</b>		<b>(446,270)</b>	<b>(1,592,022)</b>
<b>Other comprehensive income</b>		<b>–</b>	<b>–</b>
<b>Total comprehensive income (loss) attributable to the Australian Government</b>		<b>(446,270)</b>	<b>(1,592,022)</b>

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

# Balance sheet AS AT 30 JUNE 2011

	Notes	2011 \$	2010 \$
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	6A	2,094,729	2,203,035
Trade and other receivables	6B	1,649,623	2,586,071
Other investments	6C	3,452,054	5,176,019
<b>Total financial assets</b>		<b>7,196,406</b>	9,965,125
<b>Non-Financial Assets</b>			
Property, plant and equipment	7A	115,108	142,827
Intangibles	7C	417,208	320,989
Other	7E	18,453	58,439
<b>Total non-financial assets</b>		<b>550,769</b>	522,255
<b>Total Assets</b>		<b>7,747,175</b>	10,487,380
<b>LIABILITIES</b>			
<b>Payables</b>			
Suppliers	8A	1,157,381	2,074,529
Research & development contracts	8B	350,652	1,764,487
Other	8C	32,145	23,311
<b>Total payables</b>		<b>1,540,178</b>	3,862,327
<b>Provisions</b>			
Employee provisions	9A	168,426	141,798
Other	9B	33,298	31,712
<b>Total provisions</b>		<b>201,724</b>	173,510
<b>Total Liabilities</b>		<b>1,741,902</b>	4,035,837
<b>Net Assets</b>		<b>6,005,273</b>	6,451,543
<b>EQUITY</b>			
Retained surplus		6,005,273	6,451,543
<b>Total Equity</b>		<b>6,005,273</b>	6,451,543

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

# Statement of changes in equity FOR THE YEAR ENDED 30 JUNE 2011

	Retained Earnings		Total Equity	
	2011 \$	2010 \$	2011 \$	2010 \$
<b>Opening balance</b>				
Balance carried forward from previous period	<b>6,451,543</b>	8,043,565	<b>6,451,543</b>	8,043,565
<b>Adjusted opening balance</b>	<b>6,451,543</b>	8,043,565	<b>6,451,543</b>	8,043,565
<b>Comprehensive Income</b>				
Surplus (deficit) for the period	<b>(446,270)</b>	(1,592,022)	<b>(446,270)</b>	(1,592,022)
<b>Total comprehensive income (loss)</b>	<b>(446,270)</b>	(1,592,022)	<b>(446,270)</b>	(1,592,022)
<b>Closing balance as at 30 June attributable to the Australian Government</b>	<b>6,005,273</b>	6,451,543	<b>6,005,273</b>	6,451,543

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

# Cash flow statement FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011 \$	2010 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Australian Government matching contributions		13,047,145	13,560,700
Industry contributions		11,228,571	12,082,080
Australia's farming future: Climate change research program		692,853	330,000
Research and development expenditure refunds		544,607	52,303
Interest		415,971	248,500
Net GST received from operating activities		2,356,967	2,519,970
Other		11,423	3,550
<b>Total cash received</b>		<b>28,297,537</b>	28,797,103
<b>Cash used</b>			
Payment to research and development organisations		(26,349,246)	(25,586,744)
Employees		(1,469,907)	(1,337,358)
Suppliers		(1,798,028)	(934,521)
Levy collection fees		(316,054)	(266,677)
<b>Total cash used</b>		<b>(29,933,235)</b>	(28,125,300)
<b>Net cash from (used by) operating activities</b>	10	<b>(1,635,698)</b>	671,803
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sales of property, plant and equipment		317	250
Proceeds from Investments		1,723,965	–
<b>Total cash received</b>		<b>1,724,282</b>	250
<b>Cash used</b>			
Purchase of property, plant and equipment		(17,189)	(36,157)
Purchase of intangibles		(179,701)	(223,465)
Purchase of Investments		–	(1,567,590)
<b>Total cash used</b>		<b>(196,890)</b>	(1,827,212)
<b>Net cash used by investing activities</b>		<b>1,527,392</b>	(1,826,962)
<b>Net increase (decrease) in cash held</b>			
		<b>(108,306)</b>	(1,155,159)
Cash and cash equivalents at the beginning of the reporting period		2,203,035	3,358,194
<b>Cash and cash equivalents at the end of the reporting period</b>	6A	<b>2,094,729</b>	2,203,035

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

## Schedule of commitments AS AT 30 JUNE 2011

	2011 \$	2010 \$
<b>BY TYPE</b>		
<b>Commitments Receivable</b>		
GST recoverable on commitments	29,598	69,466
<b>Total commitments receivable</b>	<b>29,598</b>	69,466
<b>Other commitments</b>		
Operating leases <sup>1</sup>	325,582	764,143
Payments under Research and Development contracts (Contracted) <sup>2</sup>	34,574,755	57,224,560
Payments under Research and Development contracts (Approved but not contracted)	1,050,000	1,907,504
<b>Total other commitments</b>	<b>35,950,337</b>	59,896,207
<b>Net commitments by type</b>	<b>35,920,739</b>	59,826,741
<b>BY MATURITY</b>		
<b>Commitments receivable</b>		
One year or less	15,905	35,018
From one to five years	13,693	34,448
<b>Total commitments receivable</b>	<b>29,598</b>	69,466
<b>Operating lease commitments</b>		
One year or less	174,957	385,211
From one to five years	150,625	378,932
<b>Total operating lease commitments</b>	<b>325,582</b>	764,143
<b>Other Commitments</b>		
One year or less	19,793,470	22,472,330
From one to five years <sup>3</sup>	15,831,285	36,659,734
<b>Total other commitments</b>	<b>35,624,755</b>	59,132,064
<b>Net commitments by maturity</b>	<b>35,920,739</b>	59,826,741

NB: Commitments are GST inclusive where relevant.

## Notes to schedule of commitments

1. Operating leases included are effectively non-cancellable and comprise:

**Leases for office accommodation.**

Lease payments are subject to a fixed 4% annual increase. The lease expires on 30 April 2013 and there are no further renewal options.

**Agreements for the provision of motor vehicles to senior executive officers.**

No contingent rentals exist. There are no renewal or purchase options available to the Corporation.

**Agreements for the provision of property, plant and equipment.**

No contingent rentals exist. There are no renewal or purchase options available to the Corporation.

2. As at 30 June 2011, payments under research and development contract commitments comprise amounts payable under research and development contracts where the recipient is yet to either perform the services required or meet eligibility.

The Corporation's 2010/11 Annual Operational Plan was approved by the Minister on 27 October 2010.

The Corporation's 2011/12 Annual Operational Plan was approved by the Minister on 27 May 2011.

3. The Grape and Wine Research and Development Corporation has commitments beyond 30 June 2012 which are subject to attainment of milestones and approval of the Corporation's Annual Operational Plan.

**Commitments receivable**

Commitments receivable comprise goods and services tax receivable on commitments payable.

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

## Schedule of asset additions FOR THE YEAR ENDING 30 JUNE 2011

### The following non-financial non-current assets were added in 2010–11:

	Plant and Equipment \$	Furniture and Fittings \$	Leasehold Improvements \$	Intangibles \$	Total \$
By purchase from Government and industry levies	16,200	989	0	179,701	196,890
<b>Total additions</b>	<b>16,200</b>	<b>989</b>	<b>0</b>	<b>179,701</b>	<b>196,890</b>

### The following non-financial non-current assets were added in 2009–10:

By purchase from Government and industry levies	33,477	0	2,680	223,442	259,599
Total additions	33,477	0	2,680	223,442	259,599

## Note 1: Summary of Significant Accounting Policies

### 1.1 Objective of Grape and Wine Research and Development Corporation

Grape and Wine Research and Development Corporation is an Australian Government controlled entity. The objective of Grape and Wine Research and Development Corporation is to:

- > increase the economic, environmental and social benefits to members of primary industries and to the community in general, by improving the production, processing, storage, transport or marketing of the products of primary industries;
- > achieve the sustainable use and sustainable management of natural resources;
- > make more effective use of the resources and skills of the community in general and the scientific community in particular; and
- > improve the accountability for expenditure upon research and development activities in relation to primary industries.

The Corporation is structured to meet one outcome:

To generate new information that enhances the profitability, international competitiveness and sustainability of the Australian wine industry through investment in research and development.

The continued existence of the Corporation in its present form and with its present programs is dependent on Government policy and on continuing funding by Parliament for the Corporation's administration and programs.

### 1.2 Basis of Preparation of the Financial Statements

The Financial Statements are required by clause 1(b) of Schedule 1 to the *Commonwealth Authorities and Companies Act 1997* and are general purpose financial statements.

The Financial Statements have been prepared in accordance with:

- > Finance Minister's Orders (FMOs) for reporting periods ending on or after 1st July 2010; and
- > Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars.

Unless an alternative treatment is specifically required by an Accounting Standard or the FMOs, assets and liabilities are recognised in the Balance Sheet when and only when it is probable that future economic benefits will flow to the entity or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under Agreements Equally Proportionately Unperformed are not recognised unless required by an Accounting Standard. Liabilities and assets that are unrecognised are reported in the schedule of commitments or the schedule of contingencies.

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the statement of comprehensive income when, and only when, the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

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## 1.3 Significant Accounting Judgements and Estimates

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting period.

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## 1.4 New Australian Accounting Standards

### ***Adoption of new Australian Accounting Standard Requirements***

No accounting standard has been adopted earlier than the application date as stated in the standard.

Of the new standards, amendments to standards, revised standards, and interpretations issued by the Australian Accounting Standards Board that are applicable to the current reporting period, none have had a material financial impact on the Corporation's financial statements.

### ***Future Australian Accounting Standard Requirements***

No amendments to standards, revised standards and interpretations that have been issued by the Australian Accounting Standards Board that are applicable to future reporting periods are expected to materially affect the Corporation's financial statements.

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## 1.5 Revenue

The revenues described in this Note are revenues relating to the core operating activities of the Corporation.

Revenue from the sale of goods is recognised when:

- > the risks and rewards of ownership have been transferred to the buyer;
- > the authority retains no managerial involvement or effective control over the goods;
- > the revenue and transaction costs incurred can be reliably measured; and
- > it is probable that the economic benefits associated with the transaction will flow to the entity.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date.

The revenue is recognised when:

- > the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- > the probable economic benefits associated with the transaction will flow to the entity.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance amount. Collectability of debts is reviewed as at end of reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

Australian Government matching contributions are recognised as revenue to the extent it has been received into the Corporation's Bank account or is entitled to be received by the Corporation at year end (refer to Note 3: Economic Dependency).

Industry Contributions are recognised as revenue to the extent they have been received into the Corporation's Bank account or are entitled to be received by the Corporation at year end (refer to Note 3: Economic Dependency).

## 1.5 Revenue (continued)

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Other contributions, including Australian Government grants, are recognised when:

- > the Corporation obtains control of the contribution or the right to receive the contribution;
- > it is probable that the economic benefits comprising the contribution will flow to the Corporation; and
- > the amount of the contribution can be measured reliably.

Other contributions are measured at the fair value of the contribution received or receivable.

No amount has been received or fallen due under the Parental Leave Payments Scheme.

## 1.6 Gains

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### ***Sale of Assets***

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

## 1.7 Employee Benefits

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Liabilities for short-term employee benefits (as defined in AASB 119) and termination benefits due within twelve months of the end of the reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

All other employee benefit liabilities are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

### ***Leave***

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Corporation is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will apply at the time the leave is taken, including the Corporation's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at 30 June 2011. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

### ***Superannuation***

The Grape and Wine Research and Development Corporation contributed to various complying defined contribution superannuation schemes for all employees and Directors.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final month of the year.

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## 1.8 Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Operating lease payments are expensed on a straight line basis which is representative of the pattern of benefits derived from the leased assets.

Lease incentives received are recognised as a liability. The liability is reduced by allocating lease payments between rental expense and reduction of the liability.

The Corporation has not been subject to any finance leases during the year.

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## 1.9 Research & Development (R&D) Contracts

Most research & development contracts require the research provider to perform services, provide facilities or meet eligibility criteria. In these cases, liabilities are recognised only to the extent that the services required have been performed or the eligibility criteria have been satisfied by the research provider.

In cases where research & development contracts are made without conditions to be monitored, liabilities relating to the financial year ending 30 June 2011 are recognised on signing of the contract. Other contracts are recognised in the schedule of commitments.

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## 1.10 Cash

Cash and cash equivalents includes cash on hand and any deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. Cash is recognised at its nominal amount.

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## 1.11 Financial Assets

The Corporation classifies its financial assets in the following categories:

- > held-to-maturity investments; and
- > loans and receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets are recognised and derecognised upon trade date.

### ***Effective interest method***

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis.

### ***Held-to-maturity investments***

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Corporation has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

## 1.11 Financial Assets (continued)

### **Loans and receivables**

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

### **Impairment of financial assets**

Financial assets are assessed for impairment at end of each reporting periods.

*Financial assets held at amortised cost* – if there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the surplus/deficit.

## 1.12 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or 'other financial liabilities.'

Financial liabilities are recognised and derecognised upon 'trade date'.

### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss are initially measured at fair value. Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

### **Other financial liabilities**

Other financial liabilities are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

## 1.13 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the balance sheet but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

## 1.14 Acquisition of Assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

## 1.15 Property, Plant and Equipment

### **Asset Recognition Threshold**

Purchases of property, plant and equipment are recognised initially at cost in the balance sheet, except for purchases costing less than \$300, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make-good' provisions in property leases taken up by Grape and Wine Research and Development Corporation where there exists an obligation to restore the property to its original condition. These costs are included in the value of the Corporation's leasehold improvements with a corresponding provision for the 'make-good' recognised.

### **Revaluations**

Fair values for each class of asset are determined as shown below:

Asset class	Fair value measured at:
Leasehold improvements	Depreciated replacement cost
Plant and equipment	Depreciated replacement cost
Furniture and fittings	Depreciated replacement cost

Following initial recognition at cost, property, plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amount of assets do not differ materially from the assets' fair value as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

### **Depreciation**

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Corporation using, in all cases, the straight-line method of depreciation. Leasehold improvements are depreciated on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2011	2010
Leasehold improvements	Lease term	Lease term
Plant and equipment	5 years	5 years
Furniture and fittings	10 years	10 years

## 1.15 Property, Plant and Equipment *(continued)*

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### ***Impairment***

All assets were assessed for impairment at 30 June 2011. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if Grape and Wine Research and Development Corporation were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

### ***Derecognition***

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

## 1.16 Intangibles

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Purchased software is amortised on a straight-line basis over its anticipated useful life. The useful life of Grape and Wine Research and Development Corporation's purchased software is 5 years.

The Corporation's intangibles comprise purchased software and internally-developed project management software for the Corporation's own use. The project management software will enable the Corporation to better manage the process of receiving, analysing and appraising the projects it funds. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Internally developed software is amortised on a straight line basis over two and a half years from the date that the asset is first put into productive use. Phase 1 will become fully amortised during 2011/2012. Phases 2 and 3 were moved into production on 1 July 2011 and will be amortised from this date.

All software assets were assessed for impairment at 30 June 2011.

## 1.17 Taxation

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The Corporation is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST:

- > where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- > for receivables and trade creditor payables.

## Note 2: Events after the Balance Sheet Date

No matters or circumstances have arisen since the end of the financial year which significantly affected, or may significantly affect, the operations of the Corporation, the result of those operations, or the state of affairs of the Corporation in future financial years.

## Note 3: Economic Dependency

The Corporation is dependent on Australian Government matching Contributions and Industry Contributions for its continued existence and ability to carry out its normal activities.

### **Australian Government matching contributions consist of:**

Matching funding of grape and wine research is achieved by Australian Government matching contributions to the Corporation equal to half of the expenditure of the Corporation (excluding levy collection fees), but limited to 0.5% of the estimated gross value of industry production and also the cumulative total of Industry contributions paid.

### **Industry contributions consist of:**

Grape Research and Development Levy – a levy imposed by the *Primary Industries (Excise) Levies Act 1999* in respect of fresh and dried grapes and grape juice used in the manufacture of wine and delivered to a winery for processing. This levy is collected and paid to the Grape and Wine Research and Development Corporation by the Australian Government – Department of Agriculture, Fisheries & Forestry. The levy rate is \$2 per tonne, of which 1.6 cents per tonne is paid directly to Plant Health Australia, and the remainder is paid to the Corporation.

Wine Research and Development Levy – a levy imposed by the *Primary Industries (Excise) Levies Act 1999* in respect of fresh and dried grapes and grape juice used in the manufacture of wine. The research component is collected and paid to the Grape and Wine Research and Development Corporation by the Australian Government – Department of Agriculture, Fisheries & Forestry. The levy rate is \$5 per tonne, of which 2.4 cents per tonne is paid directly to Plant Health Australia, and the remainder is paid to the Corporation.

## Note 4: Expenses

	2011 \$	2010 \$
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### Note 4A: Employee Benefits

Wages and salaries	1,224,758	1,229,402
Superannuation:		
Defined contribution plans	108,976	110,070
Defined benefit plans	–	–
Leave and other entitlements	15,875	(39,777)
Separation and redundancies	–	–
<b>Total employee benefits</b>	<b>1,349,609</b>	<b>1,299,695</b>

### Note 4B: Suppliers

<b>Goods and services</b>		
Communications	66,797	100,910
Consultants	182,132	172,574
Insurance	38,965	35,691
Office amenities	28,953	69,522
Office supplies	31,143	40,767
Other	142,401	115,607
Professional fees	47,075	63,024
Travel & accommodation	161,282	172,508
<b>Total goods and services</b>	<b>698,748</b>	<b>770,603</b>
Provision of goods – related entities	–	–
Provision of goods – external parties	44,423	40,767
Rendering of services – related entities	106,272	124,322
Rendering of services – external parties	548,053	605,514
<b>Total goods and services</b>	<b>698,748</b>	<b>770,603</b>
<b>Other supplier expenses</b>		
Operating lease rentals:		
Minimum lease payments	155,195	132,258
Workers compensation expenses	2,145	2,286
<b>Total other supplier expenses</b>	<b>157,340</b>	<b>134,544</b>
<b>Total supplier expenses</b>	<b>856,088</b>	<b>905,147</b>

# Notes to and forming part of the financial statements

FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$

## Note 4C: Depreciation and Amortisation

Depreciation:		
Plant and equipment	23,596	27,401
Furniture and fittings	8,513	9,237
Leasehold Improvements	12,026	11,912
<b>Total depreciation</b>	<b>44,135</b>	48,550
Amortisation:		
Intangibles:		
Computer software – purchased	28,130	13,210
Computer software – developed (in use)	55,352	54,492
<b>Total amortisation</b>	<b>83,482</b>	67,702
<b>Total depreciation and amortisation</b>	<b>127,617</b>	116,252

## Note 4D: Finance Costs

Unwinding of discount in respect of Make Good provisions	1,586	1,485
<b>Total finance costs</b>	<b>1,586</b>	1,485

## Note 4E: Write-Down and Impairment of Assets

Asset write downs and impairments from:		
Derecognition of property, plant and equipment	–	3,013
<b>Total write-down and impairment of assets</b>	<b>–</b>	3,013

## Note 4F: Losses from Sale of Assets

Plant and equipment:		
Proceeds from sale	317	227
Carrying value of assets sold	(773)	(1,372)
<b>Total losses from asset sales</b>	<b>(456)</b>	(1,145)

## Note 5: Income

### Revenue

	2011 \$	2010 \$
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#### Note 5A: Revenue from government

Australian Government matching contributions	12,279,393	13,716,664
Australia's farming future: Climate change research program	420,000	300,000
<b>Total revenue from Government</b>	<b>12,699,393</b>	<b>14,016,664</b>

Australia's farming future: Climate change research program income was received by the Corporation in respect of a grant from the Australian Government Department of Agriculture, Fisheries and Forestry.

The grant was unspent at 30 June 2011 and is expected to be fully expended in the financial year ended 30 June 2012.

Further amounts of revenue under the grant are expected in future periods, and completion of all obligations under the grant deed is expected by 30 June 2012.

The Corporation received no revenue under the Paid Parental Leave scheme.

#### Note 5B: Research and development expenditure refunds

Universities	307,159	19,569
State Departments	190,160	17,132
Other	17,009	10,383
<b>Total Research and development expenditure refunds</b>	<b>514,328</b>	<b>47,084</b>

#### Note 5C: Interest

Deposits	337,220	323,912
<b>Total interest</b>	<b>337,220</b>	<b>323,912</b>

#### Note 5D: Other

Other revenue	11,202	3,489
<b>Total other revenue</b>	<b>11,202</b>	<b>3,489</b>

## Note 6: Financial Assets

	2011	2010
	\$	\$

### Note 6A: Cash and Cash Equivalents

Cash at bank	664,228	146,670
Cash on hand or on deposit	400	400
Deposits at call	1,430,101	2,055,965
Term Deposits due within two months	–	–
<b>Total cash and cash equivalents</b>	<b>2,094,729</b>	<b>2,203,035</b>

Cash at bank includes an amount of \$85,302 (2010: \$59,043) which may only be used for providing services under the Department of Agriculture, Fisheries and Forestry's Australia's farming futures: Climate change research program.

The restriction will remain in place until 30 June 2012 or the services are completed if later.

### Note 6B: Trade and Other Receivables

<b>Other receivables:</b>		
Australian Government matching contributions receivable	1,226,435	1,994,188
GST receivable from the Australian Taxation Office	341,118	429,871
Industry contributions receivable	34,282	55,362
Grants receivable	22,377	–
Interest receivable	23,358	102,108
Other receivables	2,053	4,542
<b>Total receivables (net)</b>	<b>1,649,623</b>	<b>2,586,071</b>
Receivables (gross) are aged as follows:		
Not overdue	1,649,623	2,586,071
Overdue by:		
0 to 30 days	–	–
31 to 60 days	–	–
61 to 90 days	–	–
More than 90 days	–	–
<b>Total receivables (gross)</b>	<b>1,649,623</b>	<b>2,586,071</b>

All receivables are expected to be settled within 12 months. No indicators of impairment were found for trade and other receivables.

# Notes to and forming part of the financial statements

FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$

## Note 6C: Other Investments

Term deposits	3,452,054	5,176,019
<b>Total other investments</b>	<b>3,452,054</b>	<b>5,176,019</b>

All investments are current assets.

## Note 7: Non-Financial Assets

	2011	2010
	\$	\$

### Note 7A: Property, Plant and Equipment

Plant and equipment – at fair value	174,873	186,250
Accumulated depreciation and impairment losses	(108,070)	(111,278)
<b>Total plant and equipment</b>	<b>66,803</b>	<b>74,972</b>
Furniture and fittings – at fair value	100,785	99,796
Accumulated depreciation	(74,673)	(66,160)
<b>Total furniture and fittings</b>	<b>26,112</b>	<b>33,636</b>
Leasehold improvements – at fair value	137,235	137,235
Accumulated depreciation	(115,042)	(103,016)
<b>Total leasehold improvements</b>	<b>22,193</b>	<b>34,219</b>
<b>Total property, plant and equipment (non-current)</b>	<b>115,108</b>	<b>142,827</b>

All revaluations are conducted in accordance with the revaluation policy stated in Note 1.15 Property, Plant and Equipment. The last valuation of plant and equipment and furniture and fittings was completed in June 2010 by an independent valuer. There was no material difference between the carrying amount of these classes of assets and the valuation.

No indicators of impairment were found for property, plant and equipment.

# Notes to and forming part of the financial statements

FOR THE YEAR ENDED 30 JUNE 2011

## Note 7B: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment (2010–11)

	Plant and equipment \$	Furniture and fittings \$	Leasehold improvements \$	Total \$
<b>As at 1 July 2010</b>				
Gross book value	186,250	99,796	137,235	423,281
Accumulated depreciation	(111,278)	(66,160)	(103,016)	(280,454)
<b>Net book value 1 July 2010</b>	<b>74,972</b>	<b>33,636</b>	<b>34,219</b>	<b>142,827</b>
Additions:				
By purchase	16,200	989	–	17,189
By transfer	–	–	–	–
Depreciation expense	(23,596)	(8,513)	(12,026)	(44,135)
Disposals:				
By transfer	–	–	–	–
Other disposals	(773)	–	–	(773)
Derecognition	–	–	–	–
<b>Net book value 30 June 2011</b>	<b>66,803</b>	<b>26,112</b>	<b>22,193</b>	<b>115,108</b>
<b>Net book value as of 30 June 2011 represented by:</b>				
Gross book value	174,873	100,785	137,235	412,893
Accumulated depreciation and impairment losses	(108,070)	(74,673)	(115,042)	(297,785)
	66,803	26,112	22,193	115,108

# Notes to and forming part of the financial statements

FOR THE YEAR ENDED 30 JUNE 2011

## Note 7B (continued): Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment (2009–10)

	Plant and equipment \$	Furniture and fittings \$	Leasehold improvements \$	Total \$
<b>As at 1 July 2009</b>				
Gross book value	176,515	100,784	134,555	411,854
Accumulated depreciation	(103,561)	(57,584)	(91,104)	(252,249)
<b>Net book value 1 July 2009</b>	<b>72,954</b>	<b>43,200</b>	<b>43,451</b>	<b>159,605</b>
Additions:				
By purchase	33,477	–	2,680	36,157
By transfer	–	–	–	–
Depreciation expense	(27,401)	(9,237)	(11,912)	(48,550)
Disposals:				
By transfer	–	–	–	–
Other disposals	(1,372)	–	–	(1,372)
Derecognition	(2,686)	(327)	–	(3,013)
<b>Net book value 30 June 2010</b>	<b>74,972</b>	<b>33,636</b>	<b>34,219</b>	<b>142,827</b>
<b>Net book value as of 30 June 2010 represented by:</b>				
Gross book value	186,250	99,796	137,235	423,281
Accumulated depreciation	(111,278)	(66,160)	(103,016)	(280,454)
	74,972	33,636	34,219	142,827

	2011 \$	2010 \$
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## Note 7C: Intangibles

Computer software:		
Purchased at cost	126,440	109,530
Developed at cost:		
In use	137,270	137,270
Under development	344,698	181,908
<b>Total computer software (gross)</b>	<b>608,408</b>	<b>428,708</b>
Accumulated amortisation and impairment losses	(191,200)	(107,719)
<b>Total computer software (net)</b>	<b>417,208</b>	<b>320,989</b>
<b>Total intangibles</b>	<b>417,208</b>	<b>320,989</b>

All intangible assets are non-current assets.

No indicators of impairment were found for intangible assets.

No intangibles are expected to be sold or disposed of within the next 12 months.

**Note 7D: Reconciliation of the Opening and Closing Balances of Intangibles (2010–11)**

Item	Computer software – purchased \$	Computer software – developed \$	Total \$
<b>As at 1 July 2010</b>			
Gross book value	109,530	319,178	428,708
Accumulated amortisation	(32,664)	(75,055)	(107,719)
<b>Net book value 1 July 2010</b>	<b>76,866</b>	<b>244,123</b>	<b>320,989</b>
Additions:			
By purchase	16,910	162,791	179,701
By transfer	–	–	–
Impairments recognised in the operating result	–	–	–
Amortisation	(28,130)	(55,352)	(83,482)
<b>Net book value 30 June 2011</b>	<b>65,646</b>	<b>351,562</b>	<b>417,208</b>
<b>Net book value as of 30 June 2011 represented by:</b>			
Gross book value	126,440	481,968	608,408
Accumulated amortisation and impairment	(60,794)	(130,406)	(191,200)
	<b>65,646</b>	<b>351,562</b>	<b>417,208</b>

**Note 7D (continued): Reconciliation of the Opening and Closing Balances of Intangibles (2009–10)**

Item	Computer software – purchased \$	Computer software – developed \$	Total \$
<b>As at 1 July 2009</b>			
Gross book value	42,792	162,676	205,468
Accumulated amortisation	(19,656)	(20,563)	(40,219)
<b>Net book value 1 July 2009</b>	<b>23,136</b>	<b>142,113</b>	<b>165,249</b>
Additions:			
By purchase	66,940	156,502	223,442
By transfer	–	–	–
Impairments recognised in the operating result	–	–	–
Amortisation	(13,210)	(54,492)	(67,702)
<b>Net book value 30 June 2010</b>	<b>76,866</b>	<b>244,123</b>	<b>320,989</b>
<b>Net book value as of 30 June 2010 represented by:</b>			
Gross book value	109,530	319,178	428,708
Accumulated amortisation and impairment	(32,664)	(75,055)	(107,719)
	<b>76,866</b>	<b>244,123</b>	<b>320,989</b>

# Notes to and forming part of the financial statements

FOR THE YEAR ENDED 30 JUNE 2011

	2011 \$	2010 \$
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## Note 7E: Other Non-Financial Assets

Prepayments	18,453	58,439
<b>Total other non-financial assets</b>	<b>18,453</b>	<b>58,439</b>

All other non-financial assets are expected to be settled in no more than 12 months.

No indicators of impairment were found for other non-financial assets.

## Note 8: Payables

	2011 \$	2010 \$
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### Note 8A: Suppliers

Trade creditors	1,100,776	2,013,019
Accrued administration expenses	56,605	61,510
<b>Total supplier payables</b>	<b>1,157,381</b>	<b>2,074,529</b>

All supplier payables are expected to be settled within 12 months.

Trade creditors are usually settled within 7 to 21 days of all contractual requirements being satisfied.

### Note 8B: Research and Development Contracts

Accrued approved project expenses	350,652	1,764,487
<b>Total research &amp; development contracts</b>	<b>350,652</b>	<b>1,764,487</b>

All research & development contracts payable are expected to be settled within 12 months.

### Note 8C: Other Payables

PAYG tax	26,978	20,262
Salary sacrifice deductions	5,167	3,049
<b>Total other payables</b>	<b>32,145</b>	<b>23,311</b>
Total other payables are expected to be settled in:		
No more than 12 months	32,145	23,311
More than 12 months	-	-
<b>Total other payables</b>	<b>32,145</b>	<b>23,311</b>

All other payables are expected to be settled within 12 months.

## Note 9: Provisions

	2011 \$	2010 \$
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### Note 9A: Employee Provisions

Long service leave	95,392	92,237
Annual leave	73,034	49,561
<b>Total employee provisions</b>	<b>168,426</b>	141,798
Employee provisions are expected to be settled in:		
No more than 12 months	73,034	87,614
More than 12 months	95,392	54,184
<b>Total employee provisions</b>	<b>168,426</b>	141,798

### Note 9B: Other Provisions

Provision for 'Make-good'	33,298	31,712
<b>Total other provisions</b>	<b>33,298</b>	31,712

All other provisions are expected to be settled within 12 months.

<b>Carrying amount 1 July 2010</b>	<b>31,712</b>
Additional provisions made and changes in discount rate	–
Unwinding of discount	1,586
<b>Closing balance 30 June 2011</b>	<b>33,298</b>

The Grape and Wine Research and Development Corporation currently has an agreement for the leasing of premises which have provisions requiring the Corporation to restore the premises to their original condition at the conclusion of the lease. The Corporation has made a provision to reflect the present value of this obligation.

## Note 10: Cash Flow Reconciliation

	2011 \$	2010 \$
<b>Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement</b>		
<b>Cash and cash equivalents as per:</b>		
Cash Flow Statement	2,094,729	2,203,035
Balance Sheet	2,094,729	2,203,035
<b>Difference</b>	–	–
<b>Reconciliation of net cost of services to net cash from operating activities:</b>		
Net cost of services	(13,145,663)	(15,608,686)
Add revenue from Government	12,699,393	14,016,664
<b>Adjustments for non-cash items</b>		
Depreciation / amortisation	127,617	116,252
Finance costs	1,586	1,485
Write-down and impairment of assets	–	3,013
Loss on disposal of assets	456	1,145
<b>Changes in assets / liabilities</b>		
(Increase) / decrease in net receivables	936,448	(229,152)
(Increase) / decrease in other financial assets	–	–
(Increase) / decrease in prepayments	39,986	(14,216)
Increase / (decrease) in employee provisions	26,628	(36,084)
Increase / (decrease) in supplier payables	(917,148)	1,360,539
Increase / (decrease) in other payables	8,834	(1,013)
Increase / (decrease) in research & development contracts payable	(1,413,835)	1,061,856
<b>Net cash from operating activities</b>	<b>(1,635,698)</b>	<b>671,803</b>

## Note 11: Contingent Liabilities and Assets

The Grape and Wine Research and Development Corporation has not identified any quantifiable contingencies, unquantifiable contingencies or remote contingencies as at the reporting date.

## Note 12: Directors Remuneration

	2011	2010
The number of directors of the Corporation included in these figures are shown below in the relevant remuneration bands:		
less than \$150,000	8	9
<b>Total</b>	<b>8</b>	<b>9</b>
	\$	\$
Total remuneration received or due and receivable by directors of the Corporation	258,626	251,541

Remuneration of executive directors is included in Note 14: Senior Executive Remuneration.

## Note 13: Related Party Disclosures

The directors of the Corporation during the year were:

- > R McEwen (Director, Chairman)
- > J Caddy (Director, Deputy Chairman)
- > T Lee (Director)
- > J Harvey (Executive Director) \*
- > N Fisher (Executive Director) \*\*
- > AM Boland (Director)
- > H Garnett (Director)
- > T Hill (Director)
- > A Kay (Director)
- > M Retallack (Director)

\* Ceased October 2010.

\*\* Appointed November 2010.

Other than N Fisher and J Harvey, all directors were directors throughout the financial year.

The aggregate remuneration of directors is disclosed in Note 13: Director remuneration.

### Other Transactions with Director related entities

Funding was approved under R&D contracts to organisations related to directors as shown in the table below:

Name	Related party name	Relationship to related party	Approved funding under R&D contracts for the year ended 30 June 2011 \$
Mary Retallack	Retallack Viticulture Pty Ltd (contracted by Langhorne Creek Grape and Wine Inc)	Director	15,360
Dr Anne-Maree Boland	RMCG (engaged as subconsultants by Peter Day Resource Strategies)	Partner	131,455

All funding shown in the tables above was approved in accordance with the Corporation's funding policies and was made on normal terms and conditions. The directors involved took no part in the relevant decisions of the board.

## Note 14: Executive Remuneration

### Note 14A: Senior Executive Remuneration Expense for the Reporting Period

	2011 \$	2010 \$
Short-term employee benefits:		
Salary	<b>149,734</b>	220,763
Annual Leave Accrued	<b>4,562</b>	(34,051)
Performance bonus	–	–
Other <sup>1</sup>	–	3,794
Total Short-term employee benefits	<b>154,296</b>	190,506
Superannuation (post-employment benefits)	<b>13,476</b>	19,277
Other long-term benefits (Long Service Leave)	–	–
<b>Total</b>	<b>167,772</b>	209,783

*Notes:*

1. "Other" includes motor vehicle allowances and other allowances.

During the year the entity paid \$0 in termination benefits to senior executives (2010: \$0).

Note 14A excludes acting arrangements and part-year service where remuneration expensed for a senior executive was less than \$150,000.

**Note 14B: Average Annual Remuneration Packages and Bonus Paid for Substantive Senior Executives as at the end of the Reporting Period**

	As at 30 June 2011				As at 30 June 2010			
	Fixed Element				Fixed Element			
	No.	Base salary	Allowances	Total	No.	Base salary	Allowances	Total Package
Total remuneration:								
less than \$150,000	1	119,266	–	119,266	–	–	–	–
\$150,000 to \$179,999	1	155,615	–	155,615	–	–	–	–
\$180,000 to \$209,999	–	–	–	–	1	195,229	–	195,229
\$210,000 to \$239,999	1	211,009	–	211,009	–	–	–	–
<b>Total</b>	<b>3</b>	<b>485,890</b>	<b>–</b>	<b>485,890</b>	<b>1</b>	<b>195,229</b>	<b>–</b>	<b>195,229</b>

Two positions at this level were vacant as at 30 June 2010.

Variable Elements:

Variable elements were not included in the 'Fixed Elements' table above.

- (a) There is no provision for bonuses within any of the senior executives' remuneration packages.
- (b) On average senior executives were entitled to the following leave entitlements:

Annual Leave (AL): entitled to 20 days (2010: 20 days) each full year worked; Personal Leave (PL): entitled to 20 days (2010: 20 days); and Long Service Leave (LSL): in accordance with *Long Service Leave (Commonwealth Employees) Act 1976*.

Employer Superannuation contributions were paid to a complying fund and were set at 9 per cent (2010: 9 per cent) in accordance with the *Superannuation Guarantee (Administration) Act 1992* and are excluded from the table above.

**Note 15: Remuneration of Auditors**

	2011 \$	2010 \$
Remuneration to the Australian National Audit Office for financial statement audit services.	18,000	17,000
	<b>18,000</b>	17,000

No other services were provided by the Auditor-General.

## Note 16: Financial Instruments

2011	2010
\$	\$

### Note 16A: Categories of Financial Instruments

Financial Assets		
Held-to-maturity:		
Investments – Term deposits	3,452,054	5,176,019
<b>Total</b>	<b>3,452,054</b>	<b>5,176,019</b>
Loans and receivables:		
Cash and cash equivalents	2,094,729	2,203,035
Receivables – Interest receivable	23,358	102,108
Receivables – Grants	22,377	–
Receivables – Other	2,053	4,542
<b>Total</b>	<b>2,142,517</b>	<b>2,309,685</b>
<b>Carrying amount of financial assets</b>	<b>5,594,571</b>	<b>7,485,704</b>
<b>Financial Liabilities</b>		
At amortised cost:		
Payables – Suppliers	1,157,381	2,074,529
Payables – Research and Development contracts	350,652	1,764,487
Payables – Other payables	5,167	3,049
<b>Total</b>	<b>1,513,200</b>	<b>3,842,065</b>
<b>Carrying amount of financial liabilities</b>	<b>1,513,200</b>	<b>3,842,065</b>

### Note 16B: Net Income and Expense from Financial Assets

<b>Held-to-maturity:</b>		
Interest revenue	188,750	196,328
<b>Net gain/(loss) held-to-maturity</b>	<b>188,750</b>	<b>196,328</b>
<b>Loans and receivables:</b>		
Interest revenue	148,470	127,584
<b>Net gain/(loss) loans and receivables</b>	<b>148,470</b>	<b>127,584</b>
<b>Net gain/(loss) from financial assets</b>	<b>337,220</b>	<b>323,912</b>

### Note 16C: Fair Value of Financial Instruments

The net fair value of financial assets and liabilities in the financial statements are approximated by their carrying values.

## Note 16D: Credit Risk

The Corporation's maximum exposure to credit risk at the reporting date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in Note 16A: Categories of Financial Instruments

The Corporation's policy in relation to managing credit risk is to ensure that for material transactions the counter party to net financial assets has a minimum Standard and Poors long term credit rating of A.

The Corporation's cash, cash equivalents and investments are all held with the National Australia Bank Limited and Australia and New Zealand Banking Group Limited. These are the only concentrations of credit risk that the Corporation is exposed to.

During the period the Corporation has temporarily changed it's credit risk policy to ensure that all counter parties to material transactions have a Standard and Poor's long term issuer credit rating of AA and short term rating of A1+.

In addition, the Corporation has reduced its exposure to National Australia Bank Limited by placing a material portion of its cash, cash equivalents and investments with Australia and New Zealand Banking Group Limited. This proportion was approximately 43.7% at 30 June 2011.

The Corporation holds no collateral to mitigate against credit risk.

No financial assets have been found to be impaired at 30 June 2011 or at 30 June 2010.

## Note 16E: Liquidity Risk

The Corporation manages liquidity risk by preparing and reviewing detailed cash flow forecasts each month for a period of at least 3 years from the date of preparation.

The Corporation also has a reserve policy to ensure sufficient reserves are retained by the Corporation to manage short and longer term liquidity requirements.

The following table illustrates the maturities for financial liabilities.

### Maturities for non-derivative financial liabilities 2011

	within 1 year \$	1 to 5 years \$	After 5 years \$	Total \$
Supplier payables	1,157,381	–	–	1,157,381
Research and Development contracts	350,652	–	–	350,652
Other payables	5,167	–	–	5,167
<b>Total</b>	<b>1,513,200</b>	<b>–</b>	<b>–</b>	<b>1,513,200</b>

### Maturities for non-derivative financial liabilities 2010

	within 1 year \$	1 to 5 years \$	After 5 years \$	Total \$
Supplier payables	2,074,529	–	–	2,074,529
Research and Development contracts	1,764,487	–	–	1,764,487
Other payables	3,049	–	–	3,049
<b>Total</b>	<b>3,842,065</b>	<b>–</b>	<b>–</b>	<b>3,842,065</b>

The Corporation has no derivative financial liabilities in both the current and prior year.

## Note 16F: Market Risk

The Corporation holds basic financial instruments that do not expose the Corporation to certain market risks. The Corporation is not exposed to 'currency risk' or 'other price risk.'

### **Interest rate risk**

Details of the Corporation's interest bearing financial assets and liabilities are as follows:

- > Investments consist of fixed interest rate term deposits.
- > Cash and cash equivalents attract fixed and variable rates of interest.

The impact of reasonable changes in interest rates would not be material to the financial statements for the year ended 30 June 2011 or the year ended 30 June 2010.

The weighted average interest rate at 30 June on the Corporation's cash, cash equivalents and investments is shown below:

	2011	2010
Cash and cash equivalents	3.33%	2.84%
Investments	6.02%	5.99%

### **Sensitivity analysis**

The Corporation is not subject to material market risk and so no sensitivity analysis is presented.

## Note 17: Reporting by Segments and Outcomes

The Grape and Wine Research and Development Corporation operates predominantly in the grape and wine industry principally to enable appropriate research and development. The Corporation operates predominantly in one geographical area, being Australia.

The Corporation is structured to meet a single outcome; to achieve enhanced profitability, international competitiveness and sustainability of the Australian wine Industry.

### Note 17A: Net Cost of Outcome Delivery

	2011 \$	2010 \$
<b>Expenses</b>	<b>25,215,903</b>	28,092,685
<b>Income from non-government sector</b>		
Industry contributions	<b>11,207,490</b>	12,109,514
Research and development expenditure refunds	<b>514,328</b>	47,084
Other	<b>11,202</b>	3,489
<b>Total</b>	<b>11,733,020</b>	12,160,087
<b>Other own-source income</b>		
Interest	<b>337,220</b>	323,912
<b>Total</b>	<b>337,220</b>	323,912
<b>Net cost of outcome delivery</b>	<b>13,145,663</b>	15,608,686

Outcome is described in Note 1.1. Net cost shown includes intra-government costs that are eliminated in calculating the actual Budget Outcome.

All of the Corporation's revenues and expenses are classified as Departmental.

## Appendix I: Funded projects

Project Number	Title	Approved funding 2010–11
<b>Program 1</b>		
AWR 06/01	Stream 3.1 Wine and consumer needs	\$928,823.00
CSU 1002	Measuring consumer taste preference through wine shows	\$30,000.00
NWG 06/01	NWGIC Theme 5: Matching wine composition to consumers	\$865,938.56
UA 0901	Understanding and leveraging the marketing opportunities of engaging wine buyers through virtual communities and other e-based sales channels	\$55,000.00
UA 0903	Mapping the decision influencers along the wine industry supply chain	\$34,000.00
GWRDC	Project savings	-\$13,824.36
<b>Total for subprogram 1a</b>		<b>\$1,899,937.21</b>
ABS 0901	2010–12 Vineyards statistics collection	\$329,697.27
AWB 0902	GWRDC support for OIV Vice Presidency	\$34,900.00
AWR 06/01	Stream 3.2 Consumer health and safety	\$79,254.08
AWR 06/01	Stream 3.3 Technical, regulatory and trade issues	\$134,437.58
AWR 1102	Phosphorous acid residues	\$32,594.10
BAE 08/01	Australian wine grape production projections	\$80,105.00
*GWR 0908	Gross Margin Ready Reckoner enhancements	\$1,800.00
RIR 1001	Sustainable food and fibre program – Organics and ethical foods	\$9,000.00
UA 08/04	Australia's place in the world's wine markets by 2030: empirical economic analysis of wine globalisation	\$160,000.00
USA 0901	Understanding consumer perceptions of trust mark claims for Australian wine and subsequent purchase behaviour in multiple countries	\$39,500.00
<b>Total for subprogram 1b</b>		<b>\$901,288.02</b>
<b>TOTAL</b>		<b>\$2,801,225.23</b>
<b>Program 2</b>		
AWR 06/01	Stream 1.1 Defining and controlling important volatile compounds in wine and their impact on wine aroma and flavour	\$1,852,803.91
AWR 06/01	Stream 1.2 Defining and controlling key phenolic compounds and their impact on wine sensory properties	\$870,179.94
AWR 06/01	Stream 1.3 Microbial modulation of wine composition to increase wine value	\$1,004,139.99
AWR 06/01	Stream 2.1 Optimising fermentation performance	\$964,991.12
AWR 0901	Identification of the major drivers of 'phenolic' taste in white wines	\$239,945.30
UA 05/01a	Better wine through novel and better informed application of microbiology	\$130,000.00
UA 06/04	New grape and wine chemistry research initiatives to bring long-term benefits to the Australian wine industry (Formerly – Chair of Oenology – wine industry development project)	\$250,000.00
<b>Total for subprogram 2a</b>		<b>\$5,312,060.26</b>

## APPENDICES

Project Number	Title	Approved funding 2010–11
<b>Program 2 (continued)</b>		
AWR 06/01	Stream 2.2 Novel winemaking processes	\$566,031.40
AWR 06/01	Stream 2.3 Process measurement and improvement	\$717,560.10
AWR 06/01	Stream 2.4 Industry applications	\$392,430.84
AWR 06/01	Stream 2.5 Protecting the quality and integrity of Australian wine	\$616,955.60
DPI 1001	Tannin structure function relationships – A foundation for understanding mouthfeel perception	\$125,000.00
UA 1003	Smart bungs	\$85,000.00
GWRDC	Project savings	-\$2,554.50
<b>Total for subprogram 2b</b>		<b>\$2,500,423.46</b>
<b>TOTAL</b>		<b>\$7,812,483.72</b>
<b>Program 3</b>		
CSP 05/03	Rootstock breeding program	\$118,324.25
CSP 0903	Molecular and genetic strategies to reduce the susceptibility of wine grapes to fungal pathogens	\$367,638.00
CSP 0904	Advanced grapevine genetics for varietal improvement	\$424,351.00
CSP 1002	Delivering chloride- and sodium-excluding rootstocks for quality wine production	\$262,260.00
GWR 1002	Australian Vine Quality Standards Scheme – Vine assurance	\$120,000.00
GWR 1009	Rootstock breeding and associated R&D in the viticulture and wine industry	\$9,000.00
SAR 0903	Salt-tolerant rootstocks for long-term sustainability in the Limestone Coast	\$56,992.80
<b>Total for subprogram 3a</b>		<b>\$1,358,566.05</b>
CSP 05/04	Vines to wine – linking fruit quality to wine flavour and aroma (CSIRO Flagship)	\$512,825.00
CSP 0905	Understanding and managing the timing of berry ripening and the flavour-ripe/sugar-ripe nexus	\$365,213.00
CSP 1001	Improving the tannin composition of grapes	\$249,272.00
NWG 06/01	NWGIC Theme 3: Multiseasonal impacts on vine productivity and grape composition	\$672,352.83
UA 1002	Organic acid metabolism and the control of grape berry acidity in a warming climate	\$200,535.00
<b>Total for subprogram 3b</b>		<b>\$2,000,197.83</b>
<b>TOTAL</b>		<b>\$3,358,763.88</b>
<b>Program 4</b>		
CSL 1001	Cleaner production: New technology for water recycling and cleaner production	\$234,800.00
CSL 1002	Sustainable recycled winery water irrigation based on treatment-fit-for-purpose approach	\$139,348.00
CSP 0901	Achieving water use efficiency and improved drought tolerance with rootstocks	\$132,966.00
CSP 0902	Enhanced varieties and clones to meet the challenges of climate change and deliver lower alcohol wines	\$191,221.00
DAW 0901	Completing the smoke effect picture: Systems development to reduce the negative effects of smoke on grapes and wine	\$110,220.00
DPI 0901	Strategies to manage the impacts of global warming on winegrape production	\$210,000.00
GWR 0915	Recycled water – Project 1 communication and extension	\$131,455.00
GWR 1003	Provision of secretariat services to the Wine Industry Biosecurity Technical Reference Group	\$35,000.00
NWG 06/01	NWGIC Theme 2: Vine health and the environment (protecting yield)	\$714,007.72

Project Number	Title	Approved funding 2010–11
<b>Program 4 (continued)</b>		
NWG 06/01	NWGIC Theme 4: Optimising resource use and protecting the environment	\$651,950.52
SAR 0902	Managing vineyards' rootzone salinity and maximising water saving by sub-surface irrigation techniques	\$135,000.00
SAR 1001	Optimising management of Eutypa dieback	\$80,000.00
UA 1001	Building vineyard resilience through improved floor management practices	\$89,853.00
UM 1001	Development of tools to increase knowledge and capacity of growers to implement sustainable pest management solutions	\$60,000.00
UT 06/01	Effective management of botrytis bunch rot for cool climate viticulture (Project number formerly UT 06/01a)	\$3,889.00
GWRDC	Project savings	-\$94,463.86
<b>Total for subprogram 4a</b>		<b>\$2,825,246.38</b>
AWR 0902	Improving winery refrigeration efficiency	\$114,500.00
GRD 0901	Understanding frost risk in a variable and changing climate	\$55,000.00
GWR 1004	Consultancy support for Project SAR 1002	\$31,000.00
GWR 1007	Climate change workshop facilitation	\$2,700.00
GWRDC CC	Climate change grant expenses	\$5,338.00
MU 08/01	Adaptation of the Australian wine industry to climate change – Opportunities and vulnerabilities	\$85,775.55
MU 08/02	Environment – genotype interactions and the physiological processes determining fruitfulness and yield in grapevines	\$86,759.00
SAR 0901	A window into hotter and drier futures: Phenological shifts and adaptive practices	\$270,237.00
SAR 1002	Assessment of vulnerability to climate change across Australia's wine regions	\$60,000.00
UA 08/03	Integrating the carbon and water economies of grapevines for optimal management in challenging environments – WIC	\$152,127.50
<b>Total for subprogram 4b</b>		<b>\$863,437.05</b>
DPI 08/01	The three Rs – Rootstock, resistance and resilience to grape phylloxera	\$158,883.35
UM 0901	Developing tools for predicting responses of viticultural pests and their natural enemies under climate change: Modelling management and extension	\$165,171.00
<b>Total for subprogram 4c</b>		<b>\$324,054.35</b>
AFF 08/01	Science and Innovation Awards for Young People in Agriculture, Fisheries and Forestry	\$20,000.00
ARL 05/01	Australian Rural Leadership Foundation	\$50,000.00
GWR 1001	Wine Industry Leadership Program Project	\$70,000.00
GWR 1005	Review of GWRDC's leadership investments	\$46,721.40
GWR H1001	Investigation of the effects of sun damage in Semillon grapes	\$6,000.00
GWR H1002	Efficiency of alcoholic and malolactic fermentation during simultaneous and sequential fermentations and effects on organoleptic quality of Chardonnay wine	\$6,000.00
GWR H1003	Exploring the structure – function relationships of analogues of the auxin plant hormone indole-3-acetic acid (IAA)	\$6,000.00
GWR H1004	Use of exogenous tannins during extended maceration to enhance colour stability and potential longevity of Pinot Noir	\$6,000.00
GWR Ph05/05	Environmental influences on grape and aroma potential	\$47,500.00

Project Number	Title	Approved funding 2010–11
<b>Program 4 (continued)</b>		
GWR Ph06/06	Characterisation of the methyltransferase gene family in grapevine to provide insights into their potential to influence grape and wine flavour and aroma	\$2,692.00
GWR Ph07/02	The analysis of smoke-derived volatile compounds in wine	\$2,496.50
GWR Ph07/04	Temperature extremes during winemaking: Quantitation and definition of the impact on yeast activity and extraction	\$17,500.00
GWR Ph07/06	PhD support – Incursion preparedness for glassy-winged sharpshooter and the plant pathogenic bacterium <i>Xylella fastidiosa</i>	\$15,000.00
GWR Ph08/01	The role of yeast in the generation of important aroma compounds in wine	\$6,562.84
GWR Ph08/02	Irrigation with winery wastewater – Effects on soil and plant health	\$7,200.00
GWR Ph08/03	Development of an extension approach to assist winegrape growers' adaptation to climate change	\$23,000.00
GWR Ph08/04	Linking winegrape berry sensory assessment characteristics to wine quality in a changing climate	\$15,000.00
GWR Ph08/05	Conventional, organic and biodynamic management: Effects on soil properties, vine physiology and winegrape quality	\$15,000.00
GWR Ph08/07	Direct and indirect influences of partial rootzone drying (PRD) on salt uptake, ion accumulation and root–shoot interactions of grapevines	\$10,000.00
GWR Ph0901	Enhanced winemaking efficiency through foolproof MLF: Evolution of superior lactic acid bacteria	\$15,000.00
GWR Ph0902	Viability of an unknown Compound as a quality control marker in sparkling wines	\$15,000.00
GWR Ph0903	Investigating the role of the regulatory gene VvMYBA1 in flavour and aroma using transgenic grapevines	\$15,000.00
GWR Ph0904	The effect of water stress on the reproductive performance of grafted vines	\$10,000.00
GWR Ph0905	Protecting vines in stress environments – Early detection of phylloxera infestation and grapevine stress using chemical biomarkers	\$25,000.00
GWR Ph0907	The role of nutrients and plant growth regulators in grapevine reproduction	\$15,000.00
GWR Ph1001	Identifying the mechanism of chloride exclusion in grapevines	\$15,000.00
GWR Ph1003	Indigenous yeast ecology and fermentation dynamics in selected wineries of Western Australia	\$17,140.00
GWR Ph1004	The effects of genotype and root traits on chloride exclusion mechanisms in grapevine rootstocks	\$6,570.00
GWR Ph1005	Comparative system biology of <i>Oenococcus oeni</i> strains	\$17,140.00
GWR Ph1006	Contribution of grape berry lipids to wine aroma	\$13,640.00
GWR Ph1007	Why are some parasitoids of light brown apple moth so uncommon in vineyards?	\$14,065.00
GWR Ph1008	An investigation into the mitigation of extreme heat events on viticulture	\$5,713.33
GWR Ph1009	The effect of organic, biodynamic and conventional vineyard management inputs on growth and susceptibility of grapevines to botrytis rot and powdery mildew	\$5,000.00
GWR Ph1010	Microbiological and chemical characterisation of indigenous versus inoculated fermentations: The role of bacteria	\$17,140.00
GWR Ph1011	Generating robust yeast for successful fermentation in high-sugar media	\$17,140.00
RIR 0902	Youth Undergraduate Studentship Program	\$10,000.00
UA 05/01b	Better wine through novel and better informed application of microbiology	\$40,000.00

Project Number	Title	Approved funding 2010–11
<b>Program 4 (continued)</b>		
*WFA 06/01	Leadership development in the wine industry (Future Leaders)	\$45,000.00
GWRDC	Project savings	-\$1,900.00
<b>Total for subprogram 4d</b>		<b>\$689,321.07</b>
<b>TOTAL</b>		<b>\$4,702,058.85</b>
<b>Program 5</b>		
GWR 0909	Extension project evaluation services	\$9,310.00
GWRDC PMS	Project management system	\$236,274.80
GWRDC Web	Website development	\$14,526.58
NWG 06/01	NWGIC Theme 6: Knowledge management and capacity building	\$345,750.36
<b>Total for subprogram 5a</b>		<b>\$605,861.74</b>
ASV 1001	Support of the AJGWR	\$26,497.27
AWR 06/01	Stream 4.1 Extension and knowledge transfer – The development and presentation of knowledge to industry personnel	\$486,556.96
AWR 06/01	Stream 4.2 Creating delivery mechanisms for the efficient transfer of knowledge and provision of technical information to the Australian wine and grape industries	\$548,998.48
AWR 06/01	Stream 4.3 Communication services and customised information delivery	\$662,696.67
CSL 0901	Vineyard irrigation – Delivering water savings through emerging technology	\$147,987.00
CSU 1001	Spring Vine Health Field Days	\$65,825.00
CUT 1001	Optimising industry returns from existing soil and water research	\$127,500.00
GRP 0901	GWRDC Regional Plan – Riverina 2009–10 to 2011–12	\$94,850.00
GRP 0902	GWRDC Regional Plan – Greater Victoria 2009–10 to 2011–12	\$50,000.00
GRP 0903	GWRDC Regional Plan – Tasmania 2009–10 to 2011–12	\$25,000.00
GRP 0904	GWRDC Regional Plan – SA North 2009–10 to 2011–12	\$50,000.00
GRP 0905	GWRDC Regional Plan – Murray Valley 2009–10 to 2011–12	\$125,000.00
GRP 0906	GWRDC Regional Plan – SA South 2009–10 to 2011–12	\$50,000.00
GRP 0907	GWRDC Regional Plan – SA Central 2009–10 to 2011–12	\$50,000.00
GRP 0908	GWRDC Regional Plan – Greater NSW and ACT 2009–10 to 2011–12	\$50,000.00
GRP 0909	GWRDC Regional Plan – WA 2009–10 to 2011–12	\$50,000.00
GRP 0910	GWRDC Regional Plan – Queensland 2009–10 to 2011–12	\$25,000.00
GRP 0911	GWRDC Regional Plan – Riverland 2009–10 to 2011–12	\$42,000.00
GWR 0902	GWRDC extension and communication support	\$12,500.00
GWR 0903	Climate change project manager	\$30,000.00
GWR 1006	Grapevine Yield Development and Crop Estimation book	\$25,000.00
GWR 1008	GWRDC Five-Year Plan to 2017 facilitation	\$40,447.79
GWR IN1001	Grapevine viruses and phytoplasmas – Effects, testing and management	\$8,000.00
GWR IN1002	Frost management	\$8,000.00
GWR IN1003	GWRDC wine sector pest & disease debrief sessions	\$4,000.00
GWR IN1004	GWRDC wine sector pest & disease debrief sessions	\$5,520.00
GWR IN1005	Botrytis – questions and answers	\$4,830.00

Project Number	Title	Approved funding 2010–11
<b>Program 5 (continued)</b>		
GWR IN1006	Botrytis – questions and answers	\$2,934.00
GWR IN1007	Vine DNA identification	\$3,000.00
GWR IN1008	GWRDC wine sector pest & disease debrief sessions	\$5,000.00
GWRDC AWITC	Australian Wine Industry Technical Conference	\$38,859.53
GWRDC IN	Innovators' Network	\$252,434.32
GWRDC RDMS	R&D management support	\$7,245.83
GWRDC RP	Regional Program	\$5,058.40
GWRDC W&R	Workshops and reviews	\$29,678.93
GWT 1001	Participation in the International Workshop on Grapevine Downy and Powdery Mildew	\$7,600.00
GWT 1002	Development of an oenological research program, examining the effects of base wine temperature and choice of yeast, on the secondary fermentation of Tasmania sparkling wine	\$1,680.00
GWT 1003	Attendance at the International Conference on Climate Change: Impacts and Responses, July 2010, Brisbane, Australia	\$850.00
GWT 1004	Attendance at IGGP, GBG and PGRS Meetings, USA, 2010	\$1,578.92
GWT 1005	Travel sponsorship to present at the Fifth International Phylloxera Symposium and the Joint 30th International ESN Symposium, Austria	\$2,400.00
GWT 1006	Attendance at the Sensory and Consumer Science Conference, Spain	\$3,500.00
GWT 1007	Advancement of infrared techniques to estimate grapevine water stress	\$4,500.00
GWT 1008	Attendance and presentation of poster at the 18th Biennial Australasian Plant Pathology Society (APPS) Conference concurrent with the 4th Asian Conference on Plant Pathology (ACPP), 26–29 April 2011, Darwin, NT,	\$1,000.00
GWT 1009	Leveraging knowledge and future extension tools from the US National Grape and Wine Initiative (NGWI) and attendance at the 2011 Unified Wine and Grape Symposium in Sacramento, California	\$7,379.25
GWT 1010	Comparison of bitter rot bunch rot fungi in the USA and Australia and associated study tour	\$1,000.00
GWT 1011	Grapevine night-time transpiration/refill and their capacity to recover from water stress	\$1,420.00
GWT 1012	Travel to the Biodynamic Agriculture Australia AGM and Conference	\$448.00
GWT 1013	Attendance at 9th International Symposium of Oenology, Bordeaux, France and 34th World Congress of Vine and Wine, Porto, Portugal	\$3,500.00
GWT 1014	Travel support for international presenters at the 'Below ground management for quality and productivity' Phylloxera and Grape Industry Board South Australia (PGIBSA) / Australian Society of Viticulture and Oenology (ASVO) seminar 28–29 July 2011	\$5,400.00
GWT 1015	Attendance and poster presentation at the Metabolomics Society Conference, 2011	\$2,155.00
*WFA 0901	Australian Wine Environmental Stewardship coordination	\$140,000.00
GWRDC	Project savings	-\$50,000.08
<b>Total for subprogram 5b</b>		<b>\$3,294,831.27</b>
*GWRDC 5YP	Five-year Plan 2012–17	\$21,938.93
RIR 04/01	Council of Rural R&D Corporations	\$39,367.83
<b>Total for subprogram 5c</b>		<b>\$61,306.76</b>

\* Includes funding provided to the Winemakers' Federation of Australia and Wine Grape Growers Australia, the representative organisations of the GWRDC under the PIERD Act.

## Appendix II: Glossary of acronyms

<b>ABARES</b>	Australian Bureau of Agricultural and Resource Economics and Sciences	<b>NWGIC</b>	National Wine and Grape Industry Centre
<b>ABS</b>	Australian Bureau of Statistics	<b>OIV</b>	Office International de la Vigne et du Vin (International Organisation of Vine and Wine)
<b>ARLP</b>	Australian Rural Leadership Program	<b>PIERD Act</b>	<i>Primary Industries and Energy Research and Development Act 1989</i>
<b>ATR-MIR</b>	attenuated total reflection – mid-infrared	<b>PGRs</b>	plant growth regulators
<b>AWBC</b>	Australian Wine and Brandy Corporation, now Wine Australia	<b>RD&amp;E</b>	research, development and extension
<b>AWITC</b>	Australian Wine Industry Technical Conference	<b>R&amp;D</b>	research and development
<b>AWRI</b>	The Australian Wine Research Institute	<b>RDC</b>	Research and Development Corporation
<b>CAC Act</b>	<i>Commonwealth Authorities and Companies Act 1997</i>	<b>WA</b>	Wine Australia
<b>CSIRO</b>	Commonwealth Scientific and Industrial Research Organisation	<b>WFA</b>	Winemakers' Federation of Australia
<b>DAFF</b>	Department of Agriculture, Fisheries and Forestry	<b>WGGA</b>	Wine Grape Growers Australia
<b>MLF</b>	malolactic fermentation		

## Appendix III: Provider and management codes

<b>ABA</b>	Australian Bureau of Agricultural and Resource Economics	<b>GWR Ph</b>	PhD scholarships
<b>ABS</b>	Australian Bureau of Statistics	<b>GWT</b>	Researcher travel support
<b>AFF</b>	Australian Government Department of Agriculture, Fisheries & Forestry	<b>LWA</b>	Land and Water Australia
<b>ARL</b>	Australian Rural Leadership Foundation	<b>MU</b>	The University of Melbourne
<b>AWB</b>	Australian Wine and Brandy Corporation	<b>NWG</b>	National Wine and Grape Industry Centre
<b>AWR</b>	The Australian Wine Research Institute	<b>OIV</b>	Office International de la Vigne et du Vin
<b>BAE</b>	Australian Bureau of Agricultural and Resource Economics and Sciences	<b>PRO</b>	Provisor Pty Ltd
<b>CRI</b>	Cooperative Research Centre for Irrigation Futures	<b>RI</b>	Rabobank International
<b>CSL</b>	CSIRO Land and Water	<b>RIR</b>	Rural Industries R&D Corporation
<b>CSM</b>	CSIRO Mathematical and Information Sciences	<b>RT</b>	Regional Innovation and Technology Adaption program
<b>CSP</b>	CSIRO Plant Industries	<b>SAR</b>	South Australian Research and Development Institute
<b>CSU</b>	Charles Sturt University	<b>SCH</b>	Scholefield Robinson Horticultural Services
<b>CUT</b>	Curtin University of Technology	<b>UA</b>	The University of Adelaide
<b>DAW</b>	Department of Agriculture and Food, Western Australia	<b>UM</b>	The University of Melbourne
<b>DPI</b>	Department of Primary Industries, Victoria	<b>UNSW</b>	The University of New South Wales
<b>GRD</b>	Grains Research and Development Corporation	<b>USA</b>	University of South Australia
<b>GRP</b>	Regional Program	<b>UT</b>	University of Tasmania
<b>GWR</b>	Grape and Wine Research and Development Corporation	<b>WFA</b>	Winemakers' Federation of Australia
<b>GWR H</b>	Honours scholarships		

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