



FINANCIAL REPORT

For the Year Ended 30 June 2018

REPORT OF THE BOARD

The Board submits its report and the financial report of Winemakers' Federation of Australia Incorporated (Federation) for the year ended 30 June 2018.

DIRECTORS

The names of the Directors throughout the year and at the date of this report are as follows:

Mr Sandy Clark, President
Mr Angus McPherson
Ms Helen Strachan
Ms Julie Ryan (resigned June 2018)
Ms Libby Nutt
Mr Mitchell Taylor
Mr Bill Moularadellis
Mr Alister Purbrick
Ms Victoria Angove
Mr David O'Leary
Mr Redmond Sweeny (resigned November 2017)
Ms Corrina Wright
Mr Colin Campbell
Mr David Gordge (appointed May 2018)
Mr Edward Swift (appointed November 2017)

Alternates

Ms Cecelia Burgman
Mr James March
Mr Jonathan Chew
Mr Andrew Stark (appointed October 2017 - resigned May 2018)
Mr Darren De Bortoli

PRINCIPAL ACTIVITIES

The principal activity of the Winemakers' Federation of Australia Incorporated during the course of the financial year was the promotion and development of Australian wines and winemaking in Australia.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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

OPERATING RESULTS

The result of the Federation for the financial year was a surplus of \$196,127 (2017: surplus \$290,185). As at 30 June 2018 the Federation had equity of \$1,252,581 (2017: equity \$1,056,454).

EVENTS OCCURRING AFTER BALANCE DATE

The Winemakers' Federation of Australia has entered into formal discussions in regard to an amalgamation with Australian Vignerons. The amalgamation will be voted on by members and is expected to be approved at the AGM on 13 November 2018.

REPORT OF THE BOARD (Cont.)

FUTURE DEVELOPMENTS

This anticipated amalgamation of the two existing associations in accordance with section 22 of the Associations Incorporation Act 1985 (SA) (AI Act) will result in the formation of a new incorporated association. Under the AI Act, the transfer of all assets and liabilities of the Existing Associations occurs automatically; the members of the Existing Associations will automatically become members of the new association, and there is no need to separately wind up/deregister the Existing Associations after the Amalgamation as this occurs automatically.

SUBSEQUENT EVENTS

It is the opinion of the Board that the formation of the new amalgamated entity will result in a similar financial performance to that of the Winemakers' Federation, with increased costs anticipated to be offset by increased revenue from additional members.

DIRECTORS' BENEFITS

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

This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors, or the fixed salary of a full time employee of the Federation or a related body corporate.

AUDIT COMMITTEE

At the date of this report the Winemakers' Federation of Australia Incorporated had an Audit Committee consisting of M. Taylor (Director and Chair), A. McPherson (Director) and D. O'Leary (Director).

[Note: Mr M Taylor is stepping down from the WFA Board. A replacement Audit Committee member from the WFA Board is to be determined as soon as possible, and prior to the WFA AGM on 13 November 2018.]

Signed in accordance with a resolution of the Board.



Sandy Clark
PRESIDENT



DIRECTOR

Dated, this day of 2018.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WINEMAKERS' FEDERATION OF AUSTRALIA INC.

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Winemakers' Federation of Australia Inc. (the Entity), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and statement by the board.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Entity as at 30 June 2018 and financial performance and its cash flows for the year then ended in accordance with the *Associations Incorporations Act 1985*.

Basis for opinion

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

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

Emphasis of matter - Basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Entity to meet the requirements of *Associations Incorporations Act 1985*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other information

The members of the board are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the report by the board, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the board for the Financial Report

The board is responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of *Associations Incorporations Act 1985* and for such internal control as the board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

The board is responsible for overseeing the Entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

Report on other legal and regulatory requirements

In accordance with section 37(3e) of the *Associations Incorporations Act 1985*, we are required to report whether we have obtained all the information and explanations required from the entity in performing our duties as auditor. We have obtained all the information and explanations required.

BDO Audit (SA) Pty Ltd

G K Edwards
Director

Adelaide, 6 November 2018

STATEMENT BY MEMBERS OF THE BOARD

In the opinion of the Board the financial report as set out on pages 6 to 18:

- (1) Presents a true and fair view of the financial position of Winemakers' Federation of Australia Incorporated as at 30 June 2018 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
- (2) At the date of this statement, there are reasonable grounds to believe that the Winemakers' Federation of Australia Incorporated will be able to pay its debts as and when they fall due.

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



Sandy Clark
PRESIDENT



DIRECTOR

Dated, this 31st day of October 2018.

STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
Revenue	2	1,951,984	1,918,263
Employee benefits expense	3a	(1,083,056)	(968,730)
Depreciation and impairment expense	3b	(69,629)	(34,330)
Finance costs	3c	-	-
Other expenses	3d	(603,172)	(625,018)
		<u>(1,755,858)</u>	<u>(1,628,078)</u>
Surplus/(deficiency) before income tax		196,127	290,185
Income tax expense	1a	-	-
Other comprehensive income		-	-
		<u>-</u>	<u>-</u>
Total comprehensive income/(deficiency)		<u><u>196,127</u></u>	<u><u>290,185</u></u>

STATEMENT OF FINANCIAL POSITION
As at 30 June 2018

	Note	2018 \$	2017 \$
CURRENT ASSETS			
Cash and cash equivalents	4	1,522,551	1,171,356
Trade and other receivables	5	56,971	49,194
Other assets	6	19,744	31,235
TOTAL CURRENT ASSETS		1,599,266	1,251,784
NON-CURRENT ASSETS			
Property, plant and equipment	7	69,736	137,330
Financial Assets	8	2	2
TOTAL NON-CURRENT ASSETS		69,738	137,332
TOTAL ASSETS		1,669,004	1,389,116
CURRENT LIABILITIES			
Trade and other payables	9	171,213	70,996
Deferred income	10	45,313	76,791
Provisions	11	176,237	161,644
Fit-out liability	12	-	-
TOTAL CURRENT LIABILITIES		392,763	309,431
NON-CURRENT LIABILITIES			
Provisions	11	23,660	23,231
Fit-out liability	12	-	-
TOTAL NON-CURRENT LIABILITIES		23,660	23,231
TOTAL LIABILITIES		416,423	332,662
NET ASSETS		1,252,581	1,056,454
EQUITY			
Members entrance fees		10,533	10,533
Retained earnings		1,242,047	1,045,921
TOTAL EQUITY		1,252,581	1,056,454

STATEMENT OF CASH FLOWS
For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		2,088,796	2,068,704
Payments to suppliers and employees		(1,763,404)	(1,857,039)
Interest received		27,839	18,709
Interest and other finance costs paid		-	-
Net cash used in operating activities		<u>353,231</u>	<u>230,374</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(2,035)	(12,378)
Sale of property, plant & equipment		-	-
Net cash used in investing activities		<u>(2,035)</u>	<u>(12,378)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		-	-
Net cash (used in) financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash held		351,196	217,996
Cash at beginning of the financial year		1,171,356	953,360
Cash at end of the financial year	4	<u>1,522,551</u>	<u>1,171,356</u>

STATEMENT OF CHANGES IN EQUITY
30 June 2018

	Members entrance fees	Retained earnings	Reserve for Specified Projects	Total
	\$	\$	\$	\$
Balance at 30 June 2016	10,533	718,660	37,076	766,269
Surplus (deficit) attributable to members of the entity	-	290,185	-	290,185
Transfer from reserve for specified projects	-	37,076	(37,076)	-
Balance at 30 June 2017	10,533	1,045,920	0	1,056,454
Surplus (deficit) attributable to members of the entity	-	196,127	-	196,127
Balance at 30 June 2018	10,533	1,242,047	0	1,252,581

NOTES TO THE FINANCIAL STATEMENTS

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report comprises the financial statements and notes of the Winemakers' Federation of Australia Incorporated ("the Federation"). The Winemakers' Federation of Australia Incorporated is an association incorporated in South Australia under the Associations Incorporation Act (SA) 1985.

Basis of Preparation

The Federation is not a reporting entity because in the opinion of the Board there are unlikely to exist users of the financial report who are unable to command preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this "special purpose financial report" has been prepared to satisfy the Board's reporting requirements under the Associations Incorporation Act 1985.

The financial report has been prepared in accordance with the Associations Incorporation Act 1985 and the basis of accounting, but not the disclosure requirements, specified by applicable Accounting Standards and Interpretations.

Controlled entities as identified in Note 14 have not been consolidated.

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.

As disclosed in Note 15, The Winemakers' Federation of Australia has entered into formal discussions in regard to an amalgamation with Australian Vignerons. This anticipated amalgamation of the two existing associations in accordance with section 22 of the Associations Incorporation Act 1985 (SA) (AI Act) will result in the formation of a new incorporated association. Under the AI Act, the transfer of all assets and liabilities of the Existing Associations occurs automatically; the members of the Existing Associations will automatically become members of the new association, and there is no need to separately wind up/deregister the Existing Associations after the Amalgamation as this occurs automatically.

The financial statements have been prepared on a going concern basis and the value of assets and liabilities have not been amended to reflect any change associated with the anticipated merger, as it is expected that they will be realised in the normal course of operations either by The Winemakers' Federation, or by the newly incorporated association.

a) Income Tax

The Federation is exempt from income tax under Section 50-40 of the Income Tax Assessment Act 1997. Therefore in preparing the financial statements no income tax has been provided for.

b) Revenue & Other Income

Revenue from members levies is recognised when the funds are received by the Federation.

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

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

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

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

c) Impairment of Assets

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

At the end of each reporting period, the Federation reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. The assessment will include considering external sources of information and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Federation estimates the recoverable amount of the cash-generating unit to which the asset belongs.

d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Any bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

e) Employee Benefits

Provision is made for the Federation'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 settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year 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 not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

g) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

h) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by the Board and management to ensure that it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

The cost of fixed assets constructed within the Federation includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Federation and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Depreciation is recognised in the statement of comprehensive income.

The depreciation rates used for each class of depreciable asset are:

Class of fixed asset	Depreciation Rate
Leasehold Improvements	5% - 10%
Office Equipment (including leased)	5% - 50%
Furniture & Fittings	7% - 20%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

i) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Federation during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days or recognition of the liability.

j) Borrowing Costs

Borrowing cost directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

k) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

l) Critical Accounting Estimates and Judgments

Management evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Federation.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Key Estimates – Impairment

The Federation assesses impairment at each reporting period by evaluating conditions and events specific to the Federation that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

The financial report was authorised for issue on

2018 by the Board.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

	2018 \$	2017 \$
2 REVENUE		
Operating activities		
Annual subscriptions from members	1,862,725	1,792,271
Market Access Trade Grant	17,000	25,000
Market Access China Grant	-	22,950
Income from fundraising and other income	44,421	59,333
	<u>1,924,145</u>	<u>1,899,554</u>
Non-operating activities		
Interest received	27,839	18,709
	<u>27,839</u>	<u>18,709</u>
Total revenue	<u><u>1,951,984</u></u>	<u><u>1,918,263</u></u>
3 OPERATING SURPLUS/(DEFICIT)		
The operating surplus/(deficit) has been determined after the following		
a) Employee benefits expense:		
Salaries & associated expenses	911,682	850,432
Payroll tax and workcover	7,797	12,624
Superannuation	82,192	70,647
Provision annual & long service leave	29,987	19,989
Provision bonus	30,000	7,665
Fringe benefits tax	6,380	(3,390)
Training & recruitment	5,919	2,566
Other	9,098	8,197
	<u>1,083,056</u>	<u>968,730</u>
b) Depreciation		
Property, plant and equipment	22,334	34,330
Impairment of leasehold improvements	47,295	-
	<u>69,629</u>	<u>34,330</u>
c) Finance costs		
Fit-out finance costs	-	-
	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

	2018	2017
	\$	\$
3 OPERATING SURPLUS/(DEFICIT) (Cont.)		
d) Other expenses from ordinary activities		
Remuneration of auditor	9,756	10,258
Bad debt	-	-
Bank charges	2,151	1,929
Insurance	10,151	10,225
Legal fees	978	1,629
Administration expenses	37,433	93,262
Public relations	42,962	30,200
Committees	80,357	76,598
Tax campaign	6,761	37,417
Special projects	232,793	246,581
Member services	40,601	9,700
Rental expense on operating leases (accommodation and equipment)	139,230	107,219
Total other expenses	603,172	625,018
Total expenses	1,755,858	1,628,078
4 CASH AND CASH EQUIVALENTS		
Cash on hand	800	800
Cash at bank	1,521,751	1,170,556
	1,522,551	1,171,356
Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is		
Cash and cash equivalents	1,522,551	1,171,356
5 TRADE AND OTHER RECEIVABLES		
Trade receivables	110	11,247
Other receivables	64,861	45,947
Provision for impairment of receivables	(8,000)	(8,000)
	56,971	49,194
6 OTHER ASSETS		
Prepayments	19,744	31,235
	19,744	31,235

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

	2018	2017
	\$	\$
7 PROPERTY, PLANT & EQUIPMENT		
Leasehold Improvements		
Leasehold Improvements at Cost	-	297,255
Leasehold Improvements at Revaluation	185,135	-
Less: Accumulated Amortisation	(123,920)	(171,255)
	<u>61,215</u>	<u>126,000</u>
<i>As a result of the reduced tenancy under the new lease, during the year the Board revalued the leasehold improvements and impaired the value by \$47,295.</i>		
Office Equipment		
Office Equipment at Cost	50,023	65,174
Less: Accumulated Depreciation	(42,242)	(54,805)
	<u>7,781</u>	<u>10,369</u>
Furniture & Fittings		
Furniture & Fittings at Cost	24,556	26,532
Less: Accumulated Depreciation	(23,816)	(25,571)
	<u>740</u>	<u>961</u>
Total Property, Plant & Equipment	<u>69,736</u>	<u>137,330</u>
8 FINANCIAL ASSETS		
Controlled entities (Note 14)	<u>2</u>	<u>2</u>
9 TRADE AND OTHER PAYABLES		
Trade payables	116,853	21,974
Sundry payables and accrued expenses	54,360	49,022
	<u>171,213</u>	<u>70,996</u>
10 DEFERRED INCOME		
Network membership	3,750	30,633
Membership levies received in advance	1,636	30,081
Unexpended grant income:		
– Market Access China Grant	36,519	12,668
– Other education grants	3,408	3,408
Total deferred income	<u>45,313</u>	<u>76,791</u>
11 PROVISIONS		
Current employee benefits - annual and long service leave	176,237	161,644
Non-Current employee benefits - long service leave	23,660	23,231
Total employee benefits	<u>199,897</u>	<u>184,875</u>

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

	2018	2017
	\$	\$
12 CAPITAL AND LEASING COMMITMENTS		
Operating leases		
Not later than 1 year	127,412	18,752
Later than 1 year but not later than 5 years	344,887	-
Later than 5 years	-	-
Total lease liability	<u>472,299</u>	<u>18,752</u>
Fit-out finance		
Not later than 1 year	-	-
Later than 1 year but not later than 5 years	-	-
Later than 5 years	-	-
	<u>-</u>	<u>-</u>
Less: Future finance charges	-	-
	<u>-</u>	<u>-</u>
Current fit-out liability	-	-
Non-current fit-out liability	-	-
	<u>-</u>	<u>-</u>

a) The property lease of the Federation at the National Wine Centre, Adelaide expired on 31st March 2016, and continued on a month-to-month basis while negotiations on a new lease were underway. A new lease commenced on 1st July 2018, with an expiry date of 31st March 2021, in keeping with the Master Lease.

b) The property lease of the Federation's Canberra office expired on 30th November 2017, and continued on a month-to-month basis while negotiations on a new lease were underway. A new 5 year lease commenced on 1st July 2018.

	2018	2017
	\$	\$
13 CASH FLOW INFORMATION		
a) Non-cash investing and financing activities		
Other than for the fit-out financing arrangement, there were no non-cash financing or investing activities during the period.		
b) Credit Standby Arrangements with Banks		
Overdraft Facility	100,000	100,000
Unused Overdraft Facility	<u>100,000</u>	<u>100,000</u>

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

14 CONTROLLED ENTITIES

Name of Entity	Country of Incorporation	Class of Equity / Membership	Cost of Federation's Investment		Equity Holding / Interest	
			2018 \$	2017 \$	2018 %	2017 %
Wine Australia Pty Ltd - (inactive - the company did not trade during the year)	Australia	Ordinary Shares	2	2	100	100
National Wine Foundation Inc.	Australia	WFA	n/a	n/a	100	100

15 EVENTS AFTER THE REPORTING PERIOD

The Winemakers' Federation of Australia has entered into formal discussions in regard to an amalgamation with Australian Vignerons. The amalgamation will be voted on by members and is expected to be approved at the AGM on 13 November 2018.