

# VICTORIAN STRAWBERRY

## Industry Development Committee

2019 | 2020 ANNUAL REPORT



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Victorian Strawberry Industry  
Development Committee

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# Report of Operations

## Section 1: Year in Review

### Responsible Body Declaration

In accordance with the Financial Management Act 1994, I am pleased to present the Victorian Strawberry Industry Development Committee Annual Report for the year ending 30 June 2020.



**John Frisina**

**Chairperson**

**Victorian Strawberry Industry Development Committee**

**Date: 30 October 2020**

### Subsequent events

There were no events occurring after balance date which may significantly affect the Victorian Strawberry Industry Development Committee's operations in subsequent reporting periods.

## **Establishment of the Victorian Strawberry Industry Development Committee**

The Victorian Strawberry Industry Development Committee (VSIDC) is established by an Order under the auspices of the Agricultural Industry Development Act 1990. The responsible Minister for the reporting period was the Hon Jaclyn Symes MP, Minister for Agriculture.

The Victorian Strawberry Industry Development Order 2018 (the Order) was established following a successful grower poll and will operate for the four-year period 1 July 2018 – 30 June 2022.

The VSIDC was originally established in July 1992 for a period of four years (Vic) and has been in continuous operation since its inception.

The VSIDC is responsible for administering a State-based grower charge for the advancement of research, development and promotion of the Victorian strawberry industry.

## **Victorian Strawberry Industry Development Committee Objectives and Functions**

The objectives of the VSIDC are to:

- promote the best interests of the Victorian strawberry industry;
- improve the competitiveness of the Victorian strawberry industry; and
- provide the services of the committee efficiently, effectively and economically.

The VSIDC collects a grower charge from all Victorian commercial strawberry growers at the point of purchase of strawberry runner plants.

The VSIDC uses these funds to:

- carry out or fund research and development into the production, pest and disease control, post-harvest handling, plant breeding and variety evaluation of strawberries, and advise growers about research findings; and
- carry out or fund domestic marketing and promotion of fresh strawberries grown in Victoria.

## Chairperson's Report

### Introduction

I am pleased to present the Victorian Strawberry Industry Development Committee's Annual Report for the year ending 30 June 2020. This is the twenty-seventh Annual Report of the VSIDC and my first as Chairperson (and Treasurer).

### The Season in Review

The global COVID-19 pandemic has interrupted farming operations, supply chains, consumer behaviour and the labour market. The Victorian strawberry industry is not alone in this regard, and fortunately, the agriculture sector more generally seems to be faring better than many of our supply chain partners and other neighbouring industries. I expect that the financial impacts will be felt next financial year, where we will see demand stay strong, although there will be further challenges brought about by the uncertainty of labour supply and availability of airspace for export.

The weather and environment have provided some other significant challenges this year. Bushfires affected the Eastern part of our State in January 2020, which put all regional communities onto high alert during summer. Then the drought broke hard and fast. Generally, the industry struggled somewhat with an abundance of water that it has not been used to for some time. Whilst farmers will never complain about too much water, it does highlight the spectrum of weather extremes that our industry deals with.

Plantings for 2020/2021 are expected to be around 19 million runners, consistent with prior years.

### Acknowledgements

The VSIDC relies heavily on support provided by strawberry runner growers, who grow and sell strawberry runner plants and collect grower charges on the committee's behalf. Without this assistance we would be unable to operate as efficiently as we do.

I wish to thank:

- George Weda of Toolangi Certified Strawberry Runner Growers Cooperative Ltd, Toolangi, Victoria, and his staff;
- Wally and Leanne Sweet of Sweets Strawberry Runners Pty Ltd, Stanthorpe, Qld; and
- Horticulture Innovation Ltd (Hort Innovation) for their continued project funding support.

I would also like to thank my fellow committee members for their dedicated and committed voluntary efforts over the past 12 months. The Committee will see some new faces in the next year, with three new proposed members awaiting ministerial appointment. The Committee's sincere gratitude goes to Tony Molluso, Danni Small, Anthony Molluso and Amanda Ellery who were farewelled in 2020. We also welcome back Mara Putnis as the Government appointed representative.

### Conclusion

As a result of the research and development undertaken by the VSIDC, the industry continues to expand in knowledge, experience and innovation. I wish all growers a successful and prosperous strawberry season in 2020/2021. The industry's work ethic, resilience and the quality of our produce should be commended, especially under the circumstances that it is currently operating under.

**John Frisina**  
Chairperson

## **Executive Officer's Report**

The 2019/2020 period has been the first full year since I was engaged by the Committee in October of 2018. I continue to feel very welcome in the Yarra Valley and enjoy my trips there. Unfortunately, I have been unable to have as much contact with the Committee this year due to COVID-19 travel restrictions, but technology has allowed us to keep in touch and operate comparatively unaffected.

The first half of the reporting period to December ran as planned, with all projects commencing on schedule and on budget. A brief description of those projects are as follows:

### **Targeted market development and promotion**

The industry had some early success through the Marketing and Promotional Project securing some key collaborations with local media leading to heightened engagement with the VicStrawberries brand. This Project is popular every year with growers, and often attracts significant media value beyond the project's cost.

### **Industry Development Officer**

The Temperate Region Industry Development Officer project has been replaced by the National Berry Industry Development Officer Program. Berries Australia Limited have funded the VSIDC to deliver the Victorian and South Australian components of the Program on a 0.8FTE basis.

This program also encompasses other commercial grown berry varieties, which compliments the strawberry industry. Dr Angela Atkinson has been engaged to provide her highly professional capabilities in the delivery of this project. In addition to this project, the VSIDC has retained Dr Atkinson for the remaining 0.2FTE to focus on Victorian strawberry specific matters. This arrangement has allowed the VSIDC to continue to provide the same level of services to Victorian strawberry growers, while also broadening the scope and impact of the role for biosecurity, industry development and plant health issues across all states and berry varieties.

### **Victorian Strawberry Industry Certification Authority (VSICA): Pests and Disease projects**

The VSIDC contracted VSICA for the delivery of two major projects during the period:

- Step-by-step video guide: Use of biofumigant crops for management of charcoal rot and
- Farm Survey 2020: Charcoal Rot Incidence in the Victorian Strawberry Industry

These projects have built on prior work completed by VSICA that identified charcoal rot as being a major threat to the industry and in some instances can account for crop losses of up to 20%.

The VSIDC provides a unique and desirable opportunity for Victorian strawberry growers and I would encourage all industry stakeholders to be engaged in the process of research, development and promotions. I am always available to be contacted for questions, ideas and feedback.

Once again, I thank all committee members for their knowledge, guidance and ongoing support.

**Tom Cosentino**  
**Executive Officer, Secretary and Chief Financial Officer**

## Treasurer's Report

The VSIDC has enjoyed a year of relative stability in 2019/20. Grower charge receipts, other project income and expenditure are closely comparable to the budgeted figures provided at the beginning of the year. The VSIDC started the year with cash in the bank of **\$216,458** and finished the year with a bank balance of **\$229,133**. *(Please note that all financial figures in this report are exclusive of GST)*. Whilst the cash balance has grown during the period, the VSIDC has made commitments to projects for the benefit of all Victorian strawberry growers which will draw down on the cash balance during the next financial year by \$49,869.

### Income

In 2019/20, the VSIDC received total income of **\$388,184** (\$346,013 in 2018/19). This income was received from the following sources:

- Grower charge receipts at the rate of \$12.00 per 1,000 plants from four certified strawberry runner growers totalled \$211,716 (\$210,455 in 2018/19);
- Payment from Hort Innovation for the industry development officer project of \$142,909 (\$105,562 in 2018/19);
- Bank interest of \$2,813 (\$2,424 in 2018/19); and
- Miscellaneous income of \$30,745 (\$27,571 in 2018/19).

### Expenditure

VSIDC expenditure for the financial year was **\$361,954** (\$330,393 in 2018/19). This increased expenditure was largely attributable to the commencement of the two larger VSICA projects.

#### Key categories of expenditure included:

##### Administration and Corporate Expenditure

- \$60,585 (\$61,660 in 2018/19) for all costs associated with administering and managing the VSIDC, including a consultancy fee paid to the contracted Executive Officer.
- \$10,306 (\$17,466 in 2018/19) for costs associated with office consumables, insurance and other office related expenditure.
- \$12,900 (\$12,500 in 2018/19) for costs associated with the annual VAGO audit.
- \$361 (\$1,488 in 2018/19) for costs associated with Committee expenses, fees and other charges.

##### Industry Promotion and Public Relations

- The Marketing and Promotions Project represents a small component of the VSIDC's overall budget - \$57,000 in the year under review (\$45,000 in 2018/19).
- \$4,853 of expenses were incurred in relation to media training and merchandise to support the Marketing and Promotions Project.

## Research and Development

Projects in 2019/20 included:

- Step-by-step video guide: Use of biofumigant crops for management of charcoal rot and weeds – \$35,000 was paid to achieve the first two milestones of the project. It is expected that the project will be finalised in the 2021 reporting period.
- Industry Development Officer role, focusing on both Victorian strawberry and Victorian and South Australian berry issues, which includes wages and on costs and other items associated with its facilitation:
  - Victorian strawberry industry specific issues – 0.2FTE – grower charge funded.
  - National Berry Industry Development Officer Program – 0.8FTE – Berries Australia Limited funded.
- Farm Survey 2020: Charcoal Rot Incidence in the Victorian Strawberry Industry - \$42,250 was paid to achieve the first two milestones of the project. An estimated 85% of growers were surveyed prior to COVID-19 travel restrictions. It is expected that the project will be finalised in the 2021 reporting period once access to farms is regained.

## **VSIDC Reserve**

The *Agricultural Industry Development Act 1990* requires the VSIDC to report its cash reserve. The VSIDC maintains a reserve so that emerging pest or disease outbreaks can be addressed in a timely manner. At 30 June 2020, the VSIDC had a bank balance of **\$229,133** (\$216,458 at 30 June 2019).

The VSIDC had intended to reduce this reserve through expenditure on projects, however final milestone payments have been deferred to the next period as a result of COVID-19 restrictions surrounding on-farm visitors. Commitments, pending milestone completion, of \$49,869 have been made to the bio-fumigation video and charcoal rot projects.

**It is noted that the VSIDC reduced its year end liabilities by settling payables prior to 30 June.**

## **Conclusion**

The current charge for service of \$12.00 per 1,000 runner plants is modest for what is achieved. For this small investment, growers are obtaining excellent advantages over other produce items that do not have an industry-based marketing, promotional, administrative and R&D funding mechanism.

I am pleased to present a summary of the VSIDC's finances. I have no hesitation in recommending acceptance of the 2019/20 Financial Report and Statements.

**John Frisina**

**Treasurer**

## Five Year Financial Summary

	<b>2019-2020</b>	<b>2018-2019</b>	<b>2017-2018</b>	<b>2016-2017</b>	<b>2015/2016</b>
	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>
Operating Revenue	211,716	210,455	227,034	222,423	235,485
Government Contributions & Grants	142,909	105,562	140,000	140,000	119,869
Other Revenue	33,559	29,995	6,923	11,484	3,278
<b>Total Revenue</b>	<b>388,184</b>	<b>346,012</b>	<b>373,957</b>	<b>373,907</b>	<b>358,632</b>
Administration	13,341	17,466	11,624	16,018	11,084
Corporate Expenditure	70,891	75,647	79,732	85,601	43,847
Project Expenditure	277,722	237,281	291,110	294,777	214,404
<b>Total Expenditure</b>	<b>361,954</b>	<b>330,394</b>	<b>382,466</b>	<b>396,396</b>	<b>269,335</b>
Current Assets	373,503	348,441	355,120	338,140	379,751
Non-Current Assets	Nil	Nil	Nil	720	1,706
<b>Total Assets</b>	<b>373,503</b>	<b>348,441</b>	<b>355,120</b>	<b>338,860</b>	<b>381,457</b>
Current Liabilities	18,978	20,147	42,445	17,676	37,784
Non-Current Liabilities	Nil	Nil	Nil	Nil	Nil
<b>Total Liabilities</b>	<b>18,978</b>	<b>20,147</b>	<b>42,445</b>	<b>17,676</b>	<b>37,784</b>
Retained Earnings at End of Year	149,250	123,020	107,401	115,910	138,399
<b>Cash at End of Year</b>	<b>229,133</b>	<b>216,458</b>	<b>205,265</b>	<b>188,118</b>	<b>183,205</b>

## **Major Changes or Factors Affecting Performance**

Whilst grower charge receipts were steady from the 2019 to 2020 financial year, it is expected that drought, bushfires and COVID-19 will affect the performance of many operators within the Victorian strawberry industry. Impacts are likely to be realised in the next reporting period and will be associated with supply chain expenses, labour costs and competition from domestically produced berries that were grown for export markets.

The Industry Development Officer role has adapted to provide services to all commercially grown berry varieties in Victoria and South Australia. The VSIDC has entered into an agreement with Berries Australia and Hort Innovation to deliver the national project through employment of an IDO for 0.8FTE. The VSIDC has independently elected to extend the position to cater for Victorian strawberry growers specifically on a 0.2FTE basis. This has allowed for the retention of Dr Angela Atkinson on a full-time basis at an additional cost commensurate with the additional and more broad responsibilities and services that are provided. Employment costs that are associated with other berry varieties and work outside Victoria is funded by national grant income through Hort Innovation.

## **Significant Changes in Financial Position**

There were no significant changes to the VSIDC's financial position during the reporting period.

## Section 2: Governance and Organisational Structure

### The Organisational Structure and Committee as at 30 June 2020

The VSIDC comprises six members nominated by the Victorian Strawberry Growers Association (VSGA), and one State Government appointee. The VSIDC also has one employee.

The VSGA may nominate four grower representatives and two industry representatives (non-growers) with specialist expertise appropriate to the needs of the strawberry industry. The VSIDC held three meetings, plus the AGM, in 2019/20.

<u>Name of Committee member</u>	<u>Term</u>	<u>No of meetings attended (from a possible 3 held during 2019/2020 financial year)</u>
Mr Tony MOLLUSO (Chairperson) (G)	1/7/2019 – 25/9/2019	<u>2</u>
John FRISINA (Treasurer) (I) (Chairperson) (I)	1/7/2019 – 25/9/2020 26/9/2020 – 30/6/2020	<u>3</u>
Anthony MOLLUSO (G)	1/7/2019 – 20/1/2020	<u>1</u>
Dominic (Mick) MOLLUSO (G)	1/7/2019 – 30/6/2020	<u>3</u>
Mara PUTNIS (VG)	29/6/2020 – 30/6/2020	<u>0</u>
Amanda ELLERY (VG)	1/7/2019 – 29/6/2020	<u>2</u>
Dannielle SMALL (I)	1/7/19 – 21/11/2019	<u>0</u>
Mauro DE'LULIO (G)	1/7/2019 – 30/6/2020	<u>2</u>
<b>Key:</b> G = Grower Representative I = Industry Representative VG = Government Observer		

#### Committee Member Biographies:

**John Frisina** has been in his current role as Branch Manager/Agronomist with Nutrien Ag (formerly Landmark) for 20+ years, managing a team of Agronomists, Account Managers, Sales Support, Real Estate Agents and Insurance Agents. His duties include framing and managing budgets, individual performance management, key account management, professional and technical advice to primary producers. John has been a member of the Victorian Strawberry Industry Development Committee since 2001.

**Mick Molluso** is the Managing Director of Sweet Berries P/L. After being involved in a number of industries, he decided to concentrate on growing strawberries, which he has now been doing for more than 30 years in Silvan. Mick loves the idea of consumers enjoying the fruit that his family work hard to grow. Mick is an innovative grower who embraces new ideas and technologies to produce quality fruit. In addition to the VSIDC, Mick is a member of the Victorian Strawberry Growers' Association committee.

**Mauro De'Lulio** owns Pamberries which he took over from his parents. It is a small family business growing strawberries and capsicums for 25 years in Wandin. Mauro has been a VSIDC committee member for 6 years, and also sits on the Victorian Strawberry Growers' Association committee, a position he has held for more than 10 years.

**Danielle Small** recently resigned from her position at the National Australia Bank's Monbulk Branch as an AgriBusiness Analyst. Her insights into the local business landscape were highly valued by the community and through her connections in the banking sector, she was able to provide detailed information and reports to the VSIDC as required.

**Tony Molluso** grew up on his parents' farm in Silvan but left to take up a trade as an auto electrician. Years later he returned to start growing capsicums, as he says farming is in his blood. After growing capsicums for around 5 years, the family added strawberries to their production, to extend the

season. The strawberries grew, and now T & G Farms exclusively grows strawberries, both in field and hydroponically under tunnels. Tony has introduced many innovations into his farming, including his own design for low tunnels for covering the in-field crops. Tony served as chair of the VSIDC and a representative on the board of Strawberries Australia Inc.

**Anthony Molluso's** family has a long history of growing strawberries in Silvan in the Yarra Valley. Anthony is a third-generation grower, and has been running his own business, APJ Berries, alongside his parents' business for 6 years. Still working closely with his parents, Anthony has his own marketing and distribution channels.

<b>Other Attendees</b>	<b><u>Term</u></b>	<b><u>No of meetings attended</u> (from a possible 3 held during 2019/2020 financial year)</b>
Dr Angela Atkinson (Strawberry IDO)	<u>Ongoing</u>	<u>2</u>
Tom Cosentino (Consultant Executive Officer)	<u>Ongoing</u>	<u>3</u>

All voting members have signed a declaration of pecuniary interests.

As at 30 June 2020, three nominations (two grower and one industry) for membership of the VSIDC were awaiting ministerial approval:

Dr Atkinson is employed by the VSIDC and is responsible for the extension of research to the Victorian Strawberry growing community. Her work overlaps the research, development and promotional activities carried out by the Committee under the Order. As such, she attends Committee meetings to provide an 'IDO Activity Summary'. She is employed on a full-time basis by the VSIDC with funds provided by Hort Innovation through a sub-consultancy agreement with Berries Australia Ltd and through grower charges.

## **Payment to Committee Members**

Membership on the VSIDC is on a voluntary basis. No Committee members sought reimbursement for expenses during 2019/20 and as such, there were no payments made to committee members in the reporting period.

## Section 3: Workforce Data

### Public Sector Values and Employment Principles

The VSIDC is committed to applying merit and equity principles when appointing staff. The selection processes ensure that applicants are assessed and evaluated fairly and equitably on the basis of the key selection criteria and other accountabilities without discrimination.

The VSIDC operates in accordance with public sector values of Responsiveness, Integrity, Impartiality, Accountability, Respect, Leadership and Human rights. The VSIDC maintains a register of possible or perceived conflicts of interest for its staff. All employees are required to act with the utmost integrity and objectivity at all times in all dealings.

### Occupational Health and Safety

The VSIDC maintains a register of policies regarding occupational health and safety. The nature of the VSIDC's small workforce is reflected in the complexity of the policies. Policies include OH&S, sun protection, workplace bullying, smoking, alcohol and drugs, sexual harassment and first aid. Policies are reviewed annually or as required.

There were no OH&S incidents recorded during this and the previous reporting periods.

### Comparative Workforce Data

On 30 June 2020:

- The VSIDC employed one staff (1 full time equivalent), which remains unchanged as 30 June 2019.
- The proportion of women was 100%, which remains unchanged as 30 June 2019.

Employees have been correctly classified in workforce data collections.

Position Details	2019/20		2018/19	
	Number (headcount)	FTE	Number (headcount)	FTE
Industry Development Officer	1	1.0	1	1.0
Total	1	1.0	1	1.0

Demographic Data	2019/20		2018/19	
	Number (headcount)	FTE	Number (headcount)	FTE
Female	1	1.0	1	1.0
Total	1	1.0	1	1.0

Notes:

- *FTE = Fulltime equivalent hours of work*
- *All figures reflect employment levels during the last full pay period in June of each year.*

## Section 4: Other Disclosures

### Local Jobs First

The *Local Jobs First Act 2003* introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) policy which were previously administered separately. The VSIDC is required to apply the Local Job First policy in all projects valued at \$3 million or more in Metropolitan Melbourne or for state-wide projects, or \$1 million or more for projects in regional Victoria. MPSG applies to all construction projects valued at \$20 million or more. The MPSG guidelines and VIPP guidelines will continue to apply to MPSG applicable and VIPP applicable projects respectively where contracts have been entered prior to 15 August 2018.

During 2019/20, no VSIDC contracts were commenced to which the Local Jobs First Standard applied.

### Government Advertising Expenditure

The VSIDC's expenditure in the 2019-20 reporting period on government campaign expenditure did not exceed \$100 000.

### Consultancy Expenditure

In 2019-20, there were two consultancies where the total fees payable to the consultants were \$10,000 or greater. There were three consultancies where total fees payable were less than \$9,999. The total expenditure incurred during 2019-20 in relation to all consultancies was \$135,335.00 (ex. GST).

Details of individual consultancies (valued at \$10,000 or greater) in 2019/ 2020:

Consultant	Purpose of consultancy	Total approved project fee (ex. GST)	Expenditure 2019-20 (ex. GST)	Future expenditure (ex. GST)
Victorian Strawberry Certification Authority	Field research and development	\$127,119	\$77,250	\$49,869
MarketMaker Pty Ltd	Annual Promotional Campaign	\$60,000	\$57,000	\$3,000

All amounts were approved by the VSIDC and expended. Amounts include disbursements paid.

Details of individual consultancies (valued at \$9,999 or less) in 2019/20:

Consultancy Name	Activity	Value
TSA Accountants	Accounting Services	\$600
Iguana	Website Design Services	\$240
La D'Vine Pty Ltd	Website Design Services	\$245
<b>Total</b>		<b>\$1,085</b>

### Information and Communication Technology (ICT) Expenditure

For the 2019-20 reporting period, the VSIDC incurred no ICT expenses.

'ICT expenditure' refers to VSIDC's costs in providing business enabling ICT services.

## **Disclosure of Major Contracts**

The VSIDC did not enter into any major contracts (valued at \$10 million or more) during 2019/20.

## **Freedom of Information Act 1982**

Victoria's Freedom of Information Act 1982 (FOI Act) gives members of the public the right to apply for access to documents held by ministers, Victorian Government departments, local councils, public hospitals, statutory authorities and most semi-government agencies.

The FOI Act allows people to apply for access to documents held by an agency. Documents include paper and electronic documents, maps, tapes and graphs. The majority of FOI requests are from individuals asking for personal documents or documents relating to the activities of Government.

The FOI Act outlines general categories of information that are exempt from release. These include information relating to the personal affairs of third parties, information provided in confidence, information that if released might endanger the lives or physical safety of individuals, cabinet documents, information which would subject organisations to commercial disadvantage, and internal working documents the release of which would be contrary to the public interest.

### **Making a freedom of information request**

A request must be made in writing and accompanied by the application fee of \$29.60. The fee may be waived in cases where payment would cause an applicant financial hardship. Requests should be addressed to the Executive Officer of the VSIDC.

An FOI request must be specific enough to allow an agency to identify documents considered relevant to a request. Where the terms of a request are not clear enough to undertake a search, assistance will be provided to applicants to help determine the type of documents sought.

No requests for access to VSIDC documents under the Freedom of Information Act 1982 were received by the VSIDC in 2019/20. No requests for access to VSIDC documents were received by the Manager Freedom of Information, Department of Jobs, Precincts and Regions in 2019/20.

## **Compliance with Building Act 1993**

The VSIDC does not own or control any government buildings and consequently is exempt from notifying its compliance with the building and maintenance provisions of the Building Act 1993.

## **National Competition Policy**

Competitive neutrality requires government businesses to ensure where services compete, or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

The VSIDC continues to comply with the requirements of the Competitive Neutrality Policy.

## Public Interest Disclosures Act 2012<sup>1</sup>

The Public Interest Disclosures Act 2012 (PID Act) enables people to make a disclosure about corrupt or improper conduct by a public officer or a public body.

The VSIDC is a public body for the purposes of the PID Act.

### What is a public interest disclosure?

A public interest disclosure is a complaint of corrupt or improper conduct or detrimental action by a public officer or a public body.

'Improper or corrupt conduct' involves substantial mismanagement of public resources, risk to public health or safety or the environment, or corruption.

'Detrimental action' is action taken against a person in reprisal for making a public interest disclosure.

### How do I make a public interest disclosure?

You can make a public interest disclosure about [agency name] or its board members, officers or employees by contacting IBAC (details below).

The VSIDC is not able to receive public interest disclosures.

The VSIDC has established procedures for the protection of persons from detrimental action in reprisal for making a public interest disclosure about the VSIDC, its board members, officers or employees. You can access VSIDC's procedures on its website at: <https://vicstrawberry.com.au>.

Independent Broad-Based Anti-Corruption Commission (IBAC) Victoria

Address: Level 1, North Tower, 459 Collins Street, Melbourne Victoria 3000.

Mail: IBAC, GPO Box 24234, Melbourne Victoria 3001

Internet: [www.ibac.vic.gov.au](http://www.ibac.vic.gov.au)

Phone: 1300 735 135

Email: See the website above for the secure email disclosure process, which also provides for anonymous disclosures.

## Statement of Pecuniary Interests

All members of the VSIDC have completed a statement of pecuniary interests, which are held by the accountable officer – Tom Cosentino.

## Victorian Auditor General Office External Auditors

DFK Kidsons, Chartered Accountants of Level 6, 30 Collins Street, Melbourne, Victoria are agents for the Auditor General Victoria for the 2019/20 audit of accounts.

## Additional information

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below have been retained by the VSIDC and are available (in full) on request, subject to the provisions of the *Freedom of Information Act 1982*:

- a) details of publications produced by VSIDC about itself, and how these can be obtained;
- b) details of any major external reviews carried out on the VSIDC;

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<sup>1</sup> The Protected Disclosures Act 2012 was renamed and on 1 Jan2020, became the Public Interest Disclosures Act 2012

- c) details of major research and development activities undertaken by the VSIDC;
- d) details of major promotional, public relations and marketing activities undertaken by the VSIDC to develop community awareness of the entity and its services;
- e) details of changes in prices, fees, charges, rates and levies charged; and
- f) details of all consultancies and contractors, including consultants/contractors engaged, services provided, and expenditure committed for each engagement.

The information is available on request from:

Tom Cosentino

Executive Officer

VSIDC

Phone: 0450 040 634

Email: [tom@margoconsulting.com.au](mailto:tom@margoconsulting.com.au)

### **Additional Information included in annual report**

Details in respect of the following items have been included in the VSIDC's annual report, on the pages indicated below:

- g) a statement of completion of declarations of pecuniary interests by relevant officers (on page 17).

### **Information that is not applicable to the VSIDC**

The following information is not relevant to the VSIDC for the reasons set out below:

- h) a declaration of shares held by senior officers (No shares have ever been issued in VSIDC)
- i) details of overseas visits undertaken (No committee members or staff took overseas work related trips.)

## **Disclosure Index**

An index identifying the VSIDC's compliance with statutory disclosure requirements is contained at the end of this report.

## **Financial Management Compliance Attestation Statement**

I John Frisina, on behalf of the Responsible Body, certify that the VSIDC has no Material Compliance Deficiencies with respect to the applicable Standing Directions of the Minister for Finance under the Financial Management Act 1994 and Instructions.



**John Frisina**  
**Chairperson**  
**Victorian Strawberry Industry Development Committee**  
**Date: 30 October 2020**

## Financial Statements Year Ended 30 June 2020

### Declaration in the Financial Statements

The attached financial statements for the VSIDC have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance under the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2020 and financial position of the VSIDC at 30 June 2020.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on this day.



John Frisina

Chairperson

Victorian Strawberry Industry  
Development Committee

Date: 30 October 2020

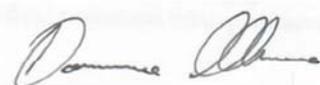


Tom Cosentino

Chief Finance Officer

Victorian Strawberry Industry  
Development Committee

Date: 30 October 2020



Mick Molluso

Committee Member

Victorian Strawberry Industry  
Development Committee

Date: 30 October 2020

## COMPREHENSIVE OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 (\$)	2019 (\$)
<b>Revenue from Operations</b>			
Grower Charge		211,717	210,455
Grants and Contributions		142,909	105,562
Interest		2,813	2,424
Other Income		30,746	27,571
<b>Total Revenue</b>		<b>388,185</b>	<b>346,012</b>
<b>Expenditure from Operations</b>			
Administration		(10,388)	(17,587)
Audit Fees	8	(12,900)	(12,500)
Committee Expenses		(361)	(1,367)
Depreciation	2.1	-	-
Industry Promotion		(61,854)	(98,157)
Research and Development		(215,869)	(139,120)
Secretarial Services		(60,585)	(61,660)
<b>Total Expenditure</b>		<b>(361,955)</b>	<b>(330,391)</b>
<b>Net Result for the Year</b>		<b>26,230</b>	<b>15,621</b>
<b>Comprehensive result for the year</b>		<b>26,230</b>	<b>15,621</b>

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

**BALANCE SHEET AS AT 30 JUNE 2020**

	Notes	2020 (\$)	2019 (\$)
<b>Current Assets</b>			
Cash and Cash Equivalents		229,133	216,459
Receivables		136,802	124,148
Prepayments		7,568	7,834
<b>Total Current Assets</b>		<b>373,503</b>	<b>348,441</b>
<b>Non-Current Assets</b>			
Office Equipment	2	-	-
<b>Total Non-Current Assets</b>		-	-
<b>Total Assets</b>		<b>373,503</b>	<b>348,441</b>
<b>Current Liabilities</b>			
Payables		12,984	16,615
Employee Provisions		5,994	3,531
<b>Total Liabilities</b>		<b>18,978</b>	<b>20,146</b>
<b>Net Assets</b>		<b>354,525</b>	<b>328,295</b>
<b>Equity</b>			
Contributed Capital		205,274	205,274
Accumulated Surplus		149,251	123,021
<b>Total Equity</b>		<b>354,525</b>	<b>328,295</b>
Commitments	3		
Contingent Assets & Liabilities	4		

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

**CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2020**

	Notes	2020 (\$)	2019 (\$)
<b>Cash Flows from Operating Activities</b>			
<b>Receipts<sup>2</sup></b>			
Grower charge		211,717	228,718
Contributions & Grants		157,200	116,118
Interest		2,813	2,424
Other		18,965	30,329
Net GST refund from ATO		9,807	11,185
		<u>400,502</u>	<u>388,774</u>
<b>Payments<sup>3</sup></b>			
Payments to suppliers and service providers		(387,828)	(377,580)
		<u>(387,828)</u>	<u>(377,580)</u>
<b>Net Cash Inflow from Operating Activities</b>	5	<b>12,674</b>	<b>11,194</b>
<b>Net Increase in Cash Held</b>			
Cash at Beginning of Year		216,459	205,265
<b>Cash at End of Year</b>		<b>229,133</b>	<b>216,459</b>

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

<sup>2</sup> Amounts presented are inclusive of applicable GST.

<sup>3</sup> Amounts presented are inclusive of applicable GST.

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 (\$)	2019 (\$)
<b>Equity</b>			
<b>Balance at beginning of the financial year</b>		<b>328,295</b>	<b>312,674</b>
Net result for the year		26,230	15,621
<b>Balance at end of the financial year</b>		<b>354,525</b>	<b>328,295</b>
<b>Represented by:</b>			
<b>Contributed Capital</b>			
Balance at beginning of the financial year		<b>205,274</b>	<b>205,274</b>
<b>Balance at end of the financial year</b>		<b>205,274</b>	<b>205,274</b>
<b>Accumulated Surplus</b>			
<b>Balance at beginning of the financial year</b>		<b>123,021</b>	<b>107,400</b>
Net result for the year		26,230	15,621
<b>Balance at end of the financial year</b>		<b>149,251</b>	<b>123,021</b>

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

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### 1. STATEMENT OF ACCOUNTING POLICIES

#### Statement of compliance

The financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards and Interpretations (AASs).

The financial statements also comply with relevant Financial Reporting Directions (FRD) issued by the Department of Treasury and Finance (DTF), and relevant Standing Directions (SD) authorised by the Minister for Finance.

In complying AASs, the entity has, where relevant, applied those paragraphs applicable to not-for-profit entities.

#### Going Concern

The Victorian Strawberry Industry Development Committee (“VSIDC”) was established by an Order of the Victorian Government under the *Agricultural Industry Development Act 1990*, whereby the “Order” will be extended on a four-year term basis, if every four years the Victorian Strawberry Growers Association (VSGA) seeks the Minister’s approval for a ballot of strawberry growers.

A ballot was undertaken in April 2018 to determine whether growers wanted the Committee to continue and sought Ministerial approval to continue the Order. The result was an endorsement of the VSIDC and the former Minister signed the documentation for the continuation of the Order in June 2018 to conclude on 30 June 2022 and as such, management consider the VSIDC to be a going concern.

#### 1 (a) Basis of preparation

The financial statements have been prepared on a historical cost basis. Cost is based on the fair values of the consideration given in exchange for assets.

The accrual basis of accounting has been used with revenues and expenses being recognised as they are earned or incurred and are brought to account in the period to which they relate.

In the application of AASs, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AASs that have significant effects on the financial statements and estimates relate to assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 1(e)).

These financial statements are presented in Australian dollars and prepared in accordance with the historical cost convention except for non-financial physical assets which, subsequent to acquisition, are measured at a revalued amount being their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair value.

Consistent with AASB 13 Fair Value Measurement, VSIDC determines the policies and procedures for both recurring fair value measurements such as plant and equipment, and financial instruments in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions.

Accounting policies are selected and applied in a manner which ensures that the resulting financial

information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2020 and the comparative information presented for the year ended 30 June 2019.

**(b) Assets**

The Committee is not a body corporate and does not have power under its legislation to purchase, hold, or dispose of real and personal property.

The items reported as assets of the Committee are owned by the responsible State Government Department but are disclosed in these financial statements on the basis that the assets represent a significant resource controlled and utilised by the Committee.

Assets are recorded at cost on acquisition. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

Office equipment assets are recognised initially at cost, and subsequently measured at fair value less accumulated depreciation and impairment. Depreciated historical cost is generally a reasonable proxy for current replacement cost because of the short lives of the assets concerned.

**(c) Depreciation**

All office equipment have finite useful lives and are depreciated. Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

Depreciation rate: 20% p.a.

**(d) Revenue**

Grower charge income is recognised when the right to receive it has been established.

Grant income represents grants received from Horticulture Innovation Australia Ltd, Berries Australia Limited.

Grant and grower charge income agreements do not include sufficiently specific performance obligations, and therefore is recognised upon receipt in line with AASB 1058 Income for not-for-profit entities.

Interest income is recognised as it accrues, using the effective interest method.

**(e) Employee Benefits**

Employee benefits are disclosed in the line item Research & Development. These include:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Wages & Salaries	98,168	70,269
Superannuation	9,092	6,887
Other Employee Costs	614	695
	<b>107,874</b>	<b>77,851</b>

Employee expenses include all costs related to employment including wages and salaries, leave entitlements and WorkCover premiums.

Liabilities for wages and salaries (including non-monetary benefits annual leave and on-costs), are all recognised in the employee provisions as 'current liabilities', because the Committee does not have an unconditional right to defer settlements of these liabilities.

As at reporting date, employees annual leave provision is as disclosed in the balance sheet. There are no long service leave liabilities at reporting date.

**(f) Receivables**

The VSIDC holds receivables with the objective to collect the contractual cash flows and are therefore subsequently measured at amortised cost using the effective interest method. Based on the nature of these receivables, the nominal cash value is deemed to approximate the amortised cost.

**(g) Prepayments**

Prepayments include payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

**(h) Payables**

These amounts represent liabilities for goods and services provided to the Committee prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

**(i) Goods and services tax**

Revenues, expenses and assets are recognised net of GST except where the amount of GST incurred is not recoverable, in which case it is recognised as part of the cost of acquisition of an asset or part of an item of expense. The net amount of GST recoverable from, or payable to, the Australian Taxation Office (ATO) is included as part of receivables or payables in the balance sheet. GST has been included in the cash flow statement.

**(j) Cash and Cash Equivalents**

For purposes of the cash flow statement, cash includes cash on hand is subject to an insignificant risk of changes in value.

**(k) Taxation**

The activities of the Committee are exempt from Income Tax under Section 50-25 of the *Income Tax Assessment Act 1997*.

**(l) Comparatives**

Where necessary the figures for the previous year have been reclassified to facilitate comparison.

**(m) Rounding of amounts**

Amounts in the financial report have been rounded to the nearest dollar.

**(n) Effects of changes in accounting policies**

**New Standards adopted as at 1 July 2019**

**AASB 16 Leases**

The Committee did not have, or enter into, any operating leases that would require recognition under AASB 16 in the 2020 financial year.

**AASB 15 Revenue & AASB 1058 Income for Not-for-Profit Entities**

The adoption of these new Standards requires the Committee to recognise revenue in line

with the performance obligations of a contract. Where sufficiently specific performance obligations do not exist, revenue is recognised upon receipt in line with AASB 1058. This has not resulted in any changes to the recognition of revenue for the Committee.

### (o) Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards and interpretations have been issued but are not effective for the 2019-20 reporting period. These accounting standards, as listed below, have not been applied to these Financial Statements:

AASB 2018-7	Amendments to Australian Accounting Standards – Definition of Material
AASB 2020-1	Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non Current
AASB 17	Insurance Contracts
AASB 1060	General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (Appendix C).
AASB 2018-6	Amendments to Australian Accounting Standards – Definition of a Business.
AASB 2019-1	Amendments to Australian Accounting Standards – References to the Conceptual Framework.
AASB 2019-3	Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform.
AASB 2019-5	Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia.
AASB 2020-2	Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities.

The Committee is in the process of analysing the impacts of these Standards. However, they are not anticipated to have a material impact.

## 2. Office Equipment

	2020 \$	2019 \$
Office Equipment	7,675	7,675
Less: Accumulated Depreciation	(7,675)	(7,675)
	<u>-</u>	<u>-</u>

### 2.1 Level 3 - Fair value determinations

Office equipment is held at fair value. When office equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the depreciated replacement cost method.

There were no changes in valuation techniques throughout the period to 30 June 2020.

## 3. Commitments

At 30 June 2020, the VSIDC did not have any commitments (commitments at 30 June 2019 were nil).

## 4. Contingent Assets and Liabilities

At 30 June 2020, the Committee members were unaware of any liabilities of a contingent nature (Contingent liabilities at 30 June 2019 were nil).

## 5. Reconciliation of result for the year to net cash inflow from operating activities

	2020 (\$)	2019 (\$)
<b>Comprehensive result for the year</b>	26,230	15,621
<b>Movement in assets and liabilities</b>		
Increase/(decrease) in Payables	(3,631)	(20,068)
Increase/(decrease) in Provisions	2,463	(2,231)
(Increase)/decrease in Receivables	(12,654)	18,262
(Increase)/decrease in Prepayment	266	(390)
<b>Net Cash (Outflow)/Inflow in Operating Activities</b>	<b>12,674</b>	<b>11,194</b>

## 6. Key Management Personnel and Related Party Transactions

### 6.1 Responsible Persons

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

#### **Responsible Minister**

The responsible minister during the 2019-20 reporting period was the Hon. Jaclyn Symes MP, Minister for Agriculture.

#### **Names**

The names of persons who were responsible persons of the Committee at any time during the financial year are as follows:

<b><u>Name</u></b>	<b><u>Position Title</u></b>
Mr Tony Molluso	Chairperson/Accountable Officer
Mr John Frisina	Chairperson/Accountable Officer and Treasurer
Mr Mauro De'Iulio	Committee Member
Mr Dominic Molluso	Committee Member
Mr Anthony Molluso	Committee Member
Dr Amanda Ellery	Government Observer
Ms Mara Putnis	Government Observer
Ms Dannielle Small	Committee Member

## 6.2 Remuneration of Responsible Persons

Remuneration received or receivable by the Accountable Officers in connection with the management of the VSIDC during the reporting period were in the following ranges:

Remuneration band:	2020	2019
\$0 - \$9,999	-	-
\$10,000 - \$19,999	-	1
\$40,000-\$49,999	-	1
\$60,000-\$69,999	1	-

## 6.3 Remuneration of Executives

The number of executive officers, other than Ministers and accountable officers, and their total remuneration during the reporting period are shown in the table on the following page. Total annualised employee equivalents (AAE) provides a measure of full-time equivalent executive officers over the reporting period.

Remuneration	2020	2019
Short-term benefits	60,585	61,660
<b>Total remuneration</b>	<b>60,585</b>	<b>61,660</b>
Total number of responsible persons	9	10
Total number of responsible persons (AAE)	1	1

The remuneration detailed above excludes the salaries and benefits the Portfolio Minister receives. The Ministers' remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Department of Parliamentary Services Financial Report.

## 6.4 Related Parties

The Committee is a wholly owned and controlled entity of the State of Victoria.

Related parties of the Committee include:

- All key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have a significant influence over);
- All cabinet members and their close family members;
- All departments and public-sector entities that are controlled and consolidated in the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

### **Key Management Personnel**

Key management personnel of the Committee include all Responsible persons as listed in Note 6.1.

#### **Compensation of KMPs**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Short term employee benefits	60,585	61,660
<b>Total</b>	<b>60,585</b>	<b>61,660</b>

### **Transactions with government related entities**

The Committee has not received any funding from any State government related entity.

### **Transactions with key management personnel and other related parties**

The following transactions with key management personnel and other related parties are noted:

- John Hasan Family Trust, (John Hasan being a former Chairperson of the VSIDC) received \$22,073 (2019: \$22,073), as rent paid by the VSIDC for property rented at 6A Union Road, Wandin and classed as the Victorian Strawberry Centre. This office complex consists of offices, Boardroom, kitchen and other facilities for the use of the Victorian strawberry industry and its staff.

## **7. Events Subsequent to Balance Date**

There are no subsequent events of which the Committee is aware that would affect the information provided within the financial report.

## **8. Audit Fees**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
VAGO for Audit of Financial Statements:	<b>12,900</b>	<b>12,500</b>

## **9. Financial Instruments**

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### **(a) Categories of financial assets**

*Financial assets at amortised cost* arise both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the VSIDC to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and

subsequently measured at amortised cost using the effective interest method less any impairment.

The VSIDC recognises the following assets in this category:

- cash and deposits; and
- receivables (excluding statutory receivables).

**(b) Categorisation of financial instruments**

Category		Carrying amount 2020 (\$)	Carrying amount 2019 (\$)
<b>Financial assets</b>			
Cash and cash equivalents	Cash and deposits	229,133	216,459
Receivables (non-Statutory)	Financial assets measured at amortised cost	136,802	124,148
<b>Financial liabilities</b>			
Payables (non-Statutory)	Financial liabilities measured at amortised cost	12,900	12,500

**(c) Risk Assessment**

The VSIDC's main financial risks include market risk and interest rate risk. The VSIDC manages these financial risks in accordance with its financial risk management policy.

The VSIDC uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Committee.

**Market risk**

The Committee's exposure to market risk is primarily through interest rate risk with currently no exposure to other price risk or foreign currency risk.

### Interest rate risk

Exposure to interest rate risk might arise primarily through the VSIDC's cash & deposits (receivables and payables are non-interest bearing). Minimisation of risk is achieved by mainly undertaking fixed rate or non-interest bearing financial instruments.

The Committee's exposure to interest rate risk is set out in the tables below.

	<i>Interest Rate Exposure</i>			
	<i>Weighted average</i>			
	<i>Effective interest rate %</i>	<i>Carrying amount</i>	<i>Variable interest rate</i>	<i>Non-interest bearing</i>
<b>2020</b>				
<b>Financial Assets</b>				
Cash & Cash Equivalents	0.01	229,133	229,133	-
<b>2019</b>				
<b>Financial Assets</b>				
Cash & Cash Equivalents	0.01	216,459	216,459	-

### Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the VSIDC has assessed that movements in interest rates over the next 12 months will have insignificant impacts on net operating result and equity.

### Fair value

The VSIDC currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts approximate to fair value due to their short-term nature or with the expectation that they will be paid in full by the end of the 2019-20 reporting period.

## Independent Auditor's Report

### *To the Members of the Victorian Strawberry Industry Development Committee*

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**Opinion** I have audited the financial report of the Victorian Strawberry Industry Development Committee (the committee) which comprises the:

- balance sheet as at 30 June 2020
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including significant accounting policies
- declaration in the financial statements.

In my opinion the financial report presents fairly, in all material respects, the financial position of the committee as at 30 June 2020 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.

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**Basis for Opinion** I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the committee in accordance with the 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 my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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<b>Other information</b>	<p>The Members of the committee are responsible for the other information, which comprises the information in the committee’s annual report for the year ended 30 June 2020, but does not include the financial report and my auditor’s report thereon.</p>
	<p>My opinion on the financial report does not cover the other information and accordingly, I do not express any form of assurance conclusion on the other information. However, in connection with my audit of the financial report, my responsibility is to read the other information and in doing so, consider whether it is materially inconsistent with the financial report or the knowledge I obtained during the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude there is a material misstatement of the other information, I am required to report that fact. I have nothing to report in this regard.</p>
<b>Members' responsibilities for the financial report</b>	<p>The Members of the committee are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Members determine 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.</p> <p>In preparing the financial report, the Members are responsible for assessing the committee’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>
<b>Auditor’s responsibilities for the audit of the financial report</b>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit 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 my 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.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"> <li>• identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.</li> <li>• obtain an understanding of internal control relevant to the audit 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 committee’s internal control</li> </ul>

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- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Members
  - conclude on the appropriateness of the Members use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the committee's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the committee to cease to continue as a going concern.
  - evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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Simone Bohan

*as delegate for the Auditor-General of Victoria*

MELBOURNE  
21 October 2020

## DISCLOSURE INDEX

The annual report of the Victorian Strawberry Industry Development Committee is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of the Department's compliance with statutory disclosure requirements.

<i>Legislation</i>	<i>Requirement</i>	<i>Page reference</i>
<b>Ministerial Directions &amp; Financial Reporting Directions</b>		
<i>Report of operations</i>		
<b>Charter and purpose</b>		
FRD 22H	Manner of establishment and the relevant Ministers	Page 5
FRD 22H	Purpose, functions, powers and duties	Page 5
FRD 8D	Objectives, indicators and outputs	Page 5
FRD 22H	Key initiatives and projects	Page 8
FRD 22H	Nature and range of services provided	Page 5
<b>Management and structure</b>		
FRD 22H	Organisational structure	Page 12
<b>Financial and other information</b>		
FRD 8D	Performance against output performance measures	Page 8
FRD 8D	Budget portfolio outcomes	N/A
FRD 10A	Disclosure index	Page 37
FRD 12B	Disclosure of major contracts	Page 16
FRD 15E	Executive officer disclosures	Page 30
FRD 22H	Employment and conduct principles	Page 14
FRD 22H	Occupational health and safety policy	Page 14
FRD 22H	Summary of the financial results for the year	Page 10
FRD 22H	Significant changes in financial position during the year	Page 11
FRD 22H	Major changes or factors affecting performance	Page 11
FRD 22H	Subsequent events	Page 4
FRD 22H	Application and operation of <i>Freedom of Information Act 1982</i>	Page 16
FRD 22H	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	Page 16
FRD 22H	Statement on National Competition Policy	Page 16
FRD 22H	Application and operation of the <i>Public Interest Disclosures Act 2012</i>	Page 17
FRD 22H	Application and operation of the Carers Recognition Act 2012	N/A
FRD 22H	Details of consultancies over \$10 000	Page 15
FRD 22H	Details of consultancies under \$10 000	Page 15
FRD 22H	Disclosure of government advertising expenditure	N/A
FRD 22H	Disclosure of ICT expenditure	Page 15
FRD 22H	Statement of availability of other information	Page 17
FRD 24D	Reporting of office-based environmental impacts	N/A
FRD 25D	Local Jobs First	Page 15
FRD 29C	Workforce Data disclosures	Page 14
SD 5.2	Specific requirements under Standing Direction 5.2	N/A
<b>Compliance attestation and declaration</b>		
SD 5.1.4	Financial Management Compliance Attestation	Page 19
SD 5.2.3	Declaration in report of operations	Page 4
<i>Financial statements</i>		
<b>Declaration</b>		
SD 5.2.2	Declaration in financial statements	Page 20

**Ministerial Directions & Financial Reporting Directions**

**Other requirements under Standing Directions 5.2**

SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	Page 25
SD 5.2.1(a)	Compliance with Ministerial Directions	Page 29
SD 5.2.1(b)	Compliance with Model Financial Report	N/A

**Other disclosures as required by FRDs in notes to the financial statements <sup>(a)</sup>**

FRD 9B	Departmental Disclosure of Administered Assets and Liabilities by Activity	N/A
FRD 11A	Disclosure of Ex gratia Expenses	N/A
FRD 13	Disclosure of Parliamentary Appropriations	N/A
FRD 21C	Disclosures of Responsible Persons, Executive Officers and other Personnel (Contractors with Significant Management Responsibilities) in the Financial Report	Page 29
FRD 103H	Non-Financial Physical Assets	Page 26
FRD 110A	Cash Flow Statements	Page 23
FRD 112D	Defined Benefit Superannuation Obligations	N/A
FRD 114C	Financial Instruments – general government entities and public non-financial corporations	N/A

*Note:*

*(a) References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are of the nature of disclosure.*

**Legislation**

<i>Freedom of Information Act 1982</i>	Page 16
<i>Building Act 1993</i>	Page 16
<i>Public Interest Disclosures Act 2012</i>	Page 17
<i>Carers Recognition Act 2012</i>	N/A
<i>Disability Act 2006</i>	N/A
<i>Local Jobs First Act 2003</i>	Page 15
<i>Financial Management Act 1994</i>	Page 25

## Glossary

<b>EO</b>	Executive Officer
<b>FMA</b>	<i>Financial Management Act 1994</i>
<b>FRD</b>	Financial Reporting Directions
<b>HIAL</b>	Horticulture Innovation Australia Ltd
<b>HAL</b>	Horticulture Australia Ltd
<b>IDO</b>	Industry Development Officer
<b>IPM</b>	Integrated Pest Management
<b>OH&amp;S</b>	Occupational Health and Safety
<b>Order</b>	Victorian Strawberry Industry Development Order
<b>QLD</b>	Queensland
<b>R&amp;D</b>	Research and Development
<b>SAI</b>	Strawberries Australia Inc.
<b>VIC</b>	Victoria
<b>VIPP</b>	Victorian Industry Participation Policy
<b>VSGA</b>	Victorian Strawberry Growers Association
<b>VSIDC</b>	Victorian Strawberry Industry Development Committee

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