



**ANNUAL REPORT  
FOR THE YEAR ENDED 31<sup>st</sup> OCTOBER 2007**

**The Australian Association of Glass Artists Limited**  
ABN 72 087 134 656  
PO Box 4018  
McKINNON, VIC, 3204  
[www.ausglass.org.au](http://www.ausglass.org.au)

## AUSGLASS DIRECTORY

### **Ausglass Directors:**

President/Chairperson: Maureen Williams, Vic [president@ausglass.org.au](mailto:president@ausglass.org.au)  
Vice-President: Simon Maberley, ACT [vicepresident@ausglass.org.au](mailto:vicepresident@ausglass.org.au)  
Treasurer: Damian Connellan, Vic [treasurer@ausglass.org.au](mailto:treasurer@ausglass.org.au)  
Secretary: Michelle Kaucic, Vic [secretary@ausglass.org.au](mailto:secretary@ausglass.org.au)  
Director/Canberra  
Conference Committee: Richard Whiteley, ACT  
Director/Canberra  
Conference Committee: Charles Higgins, ACT  
Director/Canberra  
Conference Committee: Kirstie Rea, ACT  
Director/Newsletter Editor: Simon James, NSW [newsletter@ausglass.org.au](mailto:newsletter@ausglass.org.au)  
Director: Anne Clifton, WA  
Director: James Dodson, Tas

### **Other Office Bearers:**

Website Managers: Arthur Sale, Tas  
Julien Stannus, Vic  
Minute Secretary: Anne Yule, Vic  
Membership Secretary: Damian Connellan, Vic [treasurer@ausglass.org.au](mailto:treasurer@ausglass.org.au)  
Public Officer: Damian Connellan, Vic [treasurer@ausglass.org.au](mailto:treasurer@ausglass.org.au)  
Vicki Torr Memorial Fund  
Executive Officer: Declan Somerville, SA  
State Representative Liaison  
Officer: Pauline North, WA

### **State Representatives:**

Australian Capital Territory: Nikki Main [actrep@ausglass.org.au](mailto:actrep@ausglass.org.au)  
New South Wales: Michelle Donde, Mark Elliott,  
Carmel Mollison [nswrep@ausglass.org.au](mailto:nswrep@ausglass.org.au)  
Northern Territory: Jon Firth [ntrep@ausglass.org.au](mailto:ntrep@ausglass.org.au)  
Queensland: Terry Eager, Gayle Shaw [gldrep@ausglass.org.au](mailto:gldrep@ausglass.org.au)  
South Australia: Wendy Fairclough, Jennifer  
Taylor, Kristel Britcher [sarep@ausglass.org.au](mailto:sarep@ausglass.org.au)  
Tasmania: James Dodson [tasrep@ausglass.org.au](mailto:tasrep@ausglass.org.au)  
Victoria: Brenda Page, Kristin  
McFarlane [vicrep@ausglass.org.au](mailto:vicrep@ausglass.org.au)  
Western Australia: Louise Cartledge, Greg Ash,  
Marie Fritz [warep@ausglass.org.au](mailto:warep@ausglass.org.au)

**Registered Office:** Level 5, 574 St Kilda Road, Melbourne, Victoria, 3004

**Auditors:** HLB Mann Judd (Incorporating DG Scott & Co)  
GPO Box 216, Adelaide, SA, 5001

**Bankers:** Commonwealth Bank of Australia Limited

**Ausglass Address:** PO Box 4018 McKinnon, Victoria, 3204

**Ausglass Website:** [www.ausglass.org.au](http://www.ausglass.org.au)

Australian Company Number: 087 134 656

Australian Business Number: 72 087 134 656

## PRESIDENT'S REPORT

2007 has seen a year of consolidation for Ausglass with the adoption of the new Constitution at the AGM in March and the finalisation of the Code of Conduct for Directors. It was resolved by the Board that it should be a requirement that new directors who sign the Consent to Act Form should also sign that they have read, understood and agree to abide by the Code. Both the Constitution and the Code of Conduct can be found on the website by following the Corporate Information link on the sidebar. I would particularly like to acknowledge and thank Minter Ellison Lawyers for their assistance in preparing both of these documents. 2007 also saw the organisation being granted Deductible Gift Recipient Status (DGR) and TCC status with the Australian Taxation Office.

Our main focus has been the planning and preparation for the 2008 Conference in Canberra, 'Open House'. As everyone is aware, planning a conference by a group of volunteers is an enormous task and I am deeply grateful to the Conference committee comprising Richard Whiteley, Kirstie Rea and Charles Higgins together with Mel Douglas who has made an enormous contribution. I would also like to thank all the Canberra glass community for their work in bringing the conference together. I must also give my appreciation to the Canberra Glassworks and the School of Art at the ANU who will host the conference and have been significantly supportive in the planning and preparation.

The Board is pleased to announce that planning is underway for a 2009 Conference in Tasmania. It was decided to have a conference one year after the Canberra Conference to bring us back into line with our previous two-yearly conference program as there was a gap of three years between the GAS Adelaide Conference and the Canberra conference. Ausglass celebrates its 30<sup>th</sup> Anniversary in December, 2008 and this Conference will celebrate this anniversary. A conference committee has been formed and planning is underway.

I would like to thank the Ausglass Board for their commitment and work for the organisation, each having taken up the numerous roles and offering perspectives which balance the running of the organisation. Ruth McCallum Howell has forwarded her resignation effective from December 31, 2007. Ruth has been on the Board since 2005, undertaking the position of secretary, and both I and the Board extend our thanks to her for her contribution and effort and best wishes for her future. We also welcomed Michelle Kaucic in October of this year. Michelle was co-opted onto the Board and has proven a valuable addition.

It has been a difficult year for Simon James, our newsletter Editor, who entered hospital in late July and remained there until late November. He has been keeping in touch with the Board and undertook our latest newsletter and I would particularly like to thank him for editing the Newsletter every four months and wish him well with his health in the future.

Congratulations went to Nicole Ayliffe who was the winner of the inaugural Ausglass Vicki Torr Online Gallery prize. The second Ausglass Vicki Torr Online Gallery prize is currently underway and the winner will be announced at the Conference in Canberra in January, 2008. There has been a significant increase in the number of exhibitors in the Online Gallery such that we now have nearly 70 exhibitors and the random image from the Online Gallery appearing on the homepage every time the site is visited has increased the profile of the exhibitors. I encourage all members to take advantage of the opportunity to exhibit through the Ausglass Online Gallery.

I would like to particularly thank Arthur Sale for his continuing work with the Website. Arthur's vigilance and guidance together with his computer expertise have enabled the website to grow and be maintained at a high standard.

I am also extremely grateful to Julien Stannus who assists with website matters and undertakes the maintenance of the Ausglass Online Gallery.

I would also like to thank and acknowledge the State Representatives and Pauline North, State Representative Liaison Officer, all of whom endeavour to coordinate information and bring this to the Board and members. I also thank them for their contributions to the Newsletter. This year we welcomed Brenda Page and Kristin McFarlane as State Representatives for Victoria, Gayle Shaw for Qld and Wendy Fairclough, Jennifer Taylor and Kristel Britcher for SA.

I am also grateful to Anne Yule from Minter Ellison Lawyers, our Minute Secretary. This is a most important position and we are most appreciative that she continues to do this.

Sadly this year saw the passing away of Anne Dybka, an Honorary Life Member of Ausglass. Anne had been a highly respected, long-standing contributor to the glass community in Australia and will be sadly missed.

We once again find ourselves in a strong financial position with consolidation of the basic functions of the organisation and in a strong position for growth. We look forward to receiving ideas from our membership and people interested in contemporary glass in Australia for the future.

I look forward to seeing everyone in Canberra at the Conference and the AGM in January.

## TREASURER'S REPORT

For the year ended 31 October 2007 Ausglass generated a surplus of \$21,138 before transfer of investment income to the Vicki Torr Reserve (VTR) of \$5,195. This continues the improvement achieved during the previous 30 months. The results for the current year can be compared to recent prior period results as follows:

	<b>12 months 31 October 2006</b>	<b>12 months 31 October 2006</b>	<b>16 months 31 October 2005</b>	<b>12 months 30 June 2004</b>	<b>12 months 30 June 2003</b>
Surplus/(Deficit)	21,138	26,976	33,307	(100)	(9,679)
VTR transfer	(5,195)	(3,439)	(3,359)	(3,679)	(3,576)
Surplus/(Deficit) after transfer	<u>\$15,918</u>	<u>\$23,537</u>	<u>\$29,948</u>	<u>\$(3,779)</u>	<u>\$(13,255)</u>

Ausglass has continued to improve its financial position during the current financial year albeit in comparison to the 2006 year it is a significantly reduced net surplus of \$15,918 after the transfer to of investment income to the Vicki Torr Reserve.

The fact that Ausglass has generated a surplus in a non-conference year for the second year running is an achievement and the Board of Directors in place during this year must be commended for this. The key factors contributing to the surplus for the current year were:

- Membership income has remained steady for the past two years at a little over \$24,000 in both years;
- That total expenditure of approximately \$12,000 was able to be kept below 2006 total expenditure of about the same amount. This means that the surplus generated from members revenue less operating cost was about \$12,000;
- The balance of the net surplus for the current year was from investment income attributable to Ausglass of approximately \$4,000, an increase of about \$1,600 on the previous year.

The aim now is to run the Open House Conference in Canberra so that it is at least revenue neutral, to keep other costs under control and to further build Ausglass' financial resources so as to enable Ausglass to further improve its services to members.

In the current year the cash reserves of Ausglass have been increased to \$108,700 and the Vicki Torr Fund balance now stands at \$91,000. Given that having financial strength is a key to determining what Ausglass can do for its members, it is important that Ausglass' financial base, as at 31 October 2007, be preserved and increased whenever possible. To this end the policy of the Board of Ausglass continues to be that the association should, at least, break even in non-conference years and that it should make a surplus in conference years. The challenge will be to ensure that this happens during the 2008 financial year.

The other major achievements during the current year included:

- On 14 September 2007 the Australian Taxation Office (ATO) issued a notice to Ausglass endorsing it for Charity Tax Concessions (CTC); and
- On 12 October 2007 the ATO issued a notice to Ausglass endorsing it as a Deductible Gift Recipient (DGR).

The CTC endorsement is just an official confirmation of the status that Ausglass has always assumed it had. The DGR endorsement means that Ausglass has now been placed on the Australian Register of Cultural Organisations. Both endorsements are significant in that the majority of philanthropic organisations, government bodies and educational institutions now insist on proof of CTC and DGR status before they will

provide financial assistance or provide concessionary access to their facilities. In the case of the Open House Conference one grant application was about to be automatically rejected until we were able to provide copies of the certificates issued by the ATO. Once these were provided the grant application was able to be submitted for consideration and it was subsequently approved.

Obtaining DGR certification has two potential financial benefits for Ausglass:

- It enables funding and assistance to be obtained from a wider range of funding bodies; and
- It enables tax deduction certificates to be issued to people or organisations making donations to Ausglass.

DGR does not come without its cost as there will be ongoing ATO reporting requirements and there are accounting requirements that require specific treatment of funds received for which Ausglass has issued a tax deduction certificate but, provided that we adhere to these rules, there appears to be scope for Ausglass to obtain better funding for projects that comply with Ausglass' Objectives, as set out in our constitution, and which are in compliance with the Governments intentions in issuing DGR certificates.

That's it for this year. Ausglass has made further important steps forward during the current year resulting in it further strengthening its financial position and the Board is determined, with the help of members, to maintain this position.

## **THINGS YOU SHOULD KNOW ABOUT AUSGLASS**

### **Ausglass' goals and objectives:**

Our vision is to be recognised as the foremost body for the promotion of contemporary glass in Australia. We seek to achieve this by fostering effective communication between our members and interested parties.

### **Our Organisation's structure:**

Ausglass (The Australian Association of Glass Artists) Limited is a public company limited by guarantee, which operates pursuant to its Constitution, Articles of Association and the Corporations Act 2001. Every member undertakes to contribute an amount to the company in the event that it is wound up and does not have sufficient funds to meet its debts and obligations. This guarantee is limited to \$10, and applies in the event that the company is wound up whilst he/she is a member or within one year of their membership ceasing. The company operates on a non-profit basis. This means that any profits, income or property of the company cannot be paid or distributed directly or indirectly to its members.

### **Volunteers Run Ausglass:**

The company has a Board of volunteer directors who are elected by voting members, although the directors may appoint or co-opt other directors to the Board to fill vacancies that may occur. Elected directors are appointed for a three-year term. Co-opted directors serve until the next election but may offer themselves up for re-election. To ensure that new directors are brought onto the Board, at least three directors step down each year whilst the others remain to maintain the Board's experience and stability. The board meets at a face to face meeting, at least once a year, and monthly by teleconference during the rest of the year.

The Board of Directors is responsible for running Ausglass and appoints office bearers from its ranks.

Local contact with members is maintained through volunteer State and Territory Representatives who are appointed by voting members for a period of two years. State and Territory Representatives are charged with the responsibility of implementing state/territory initiatives including activities such as member's meetings, workshops, exhibitions, etc.

The organisation does not employ any staff. It may from time to time, however, contract with consultants for various services.

## **THANKS TO**

Thanks are given to former directors, office bearers and volunteers.

Thanks to: Ruth McCallum Howell who resigned from the Board and as Company Secretary during the current year.

Our thanks also to:

- The State and Territory Representatives: Greg Ash, Kristel Britcher , Louise Cartledge, James Dodson, Michelle Donde, Terry Eager, Mark Elliott, Wendy Fairclough , Jon Firth, Marie Fritz, Nikki Main, Kristin McFarlane, Carmel Mollison, Brenda Page, Gayle Shaw and Jennifer Taylor;
- Pauline North for her work as State/Territory Representative Liaison Officer;
- Damian Connellan who has worked tirelessly for four years as our Treasurer;
- Arthur Sale and Julien Stannus for their work in supporting and upgrading the Ausglass Website;
- Richard Whiteley, Kirstie Rea and Charles Higgins and their volunteer supporters for their work in organising the Open House Conference for January 2008;
- Simon James and Anne Clifton for moderating the Ausglass Forum;
- Declan Somerville for his assistance with the Vicki Torr Memorial Fund;
- Minter Ellison Lawyers for their assistance in our successful application for Deductible Gift Recipient endorsement;
- Simon James for editing the electronic newsletter; and
- Anne Yule for undertaking the role of Minute Secretary.

These volunteers have assisted Ausglass throughout the year. Their time, like all members, is valuable. On behalf of members, Ausglass and the Directors again thank them for all their time and effort spent on duties that have assisted in the organisation of events and the running of Ausglass. Volunteer support from members is always needed and Ausglass encourages those volunteers mentioned above to continue with their efforts, as they are extremely valuable to Ausglass. Any member, person or organisation interested in contemporary glass who would like to assist in the advancement of Ausglass and its Objectives is encouraged to contact [president@ausglass.org.au](mailto:president@ausglass.org.au).

## **AUSGLASS ACTIVITIES FOR 2006-07**

Significant Ausglass events and activities that occurred during the year ended 31 October 2006 included:

- The extensive work of the Canberra Open House Conference Committee in their ongoing effort to hold a successful conference in January 2008;
- The awarding of the first Vicki Torr Online Gallery Prize to Nicole Ayliffe;
- The running of the second Vicki Torr Online Gallery Prize for emerging artists with the prize to be awarded at the Open House Conference;
- The ongoing quarterly publication of the newsletter in electronic format despite the serious illness of its editor, Simon James;
- The completion of another successful financial year making it three years in succession;
- The adoption of a Code of Conduct for Directors and Senior Executives with the considerable assistance of Minter Ellison Lawyers;
- The endorsement of Ausglass as a Deductible Gift Recipient by the Australian Government with considerable assistance of Minter Ellison Lawyers;
- The endorsement of the Association for Charity Tax Concessions by the Australian Taxation Office; and
- The ongoing upgrade of [www.ausglass.org.au](http://www.ausglass.org.au).

## **THE VICKI TORR MEMORIAL FUND**

The Vicki Torr Memorial Fund was first established in 1993 as a memorial to Australian glass artist, Vicki Torr (1949-1992). Its purpose is to reflect the philosophies of Vicki's life and work, and to this end its stated aim is to encourage excellence in Australian studio glass through the awarding of the Vicki Torr Memorial Prize. Past recipients of the prize have been: Kirstie Rae 1999, Scott Chaseling 2001, Simon Butler 2003 and the 2005 joint recipients, Cobi Cockburn and Daniela Turrin.

During 2006 The Ausglass Directors in conjunction with the Executive Officer for the Fund, Declan Somerville, instituted a new prize, The Vicki Torr Online Gallery Prize for emerging glass artists who exhibit in the Ausglass Online Gallery. It is hoped that this prize will develop into a significant prize for emerging glass artists and will help the Ausglass Online Gallery become a significant space for promoting contemporary glass practitioners. The first winner of The Vicki Torr Online Gallery Prize was Nicole Ayliffe.

## **HONORARY LIFE MEMBERSHIP**

The Ausglass Honorary Life Membership Award was first instituted in 1999. It is awarded in recognition of an outstanding contribution to this organisation and/or, more generally, the field of contemporary studio glass.

The recipient is selected by the Ausglass Board on the recommendation of its Honorary Life Membership Sub-Committee. The Committee makes its recommendations based on nominations received from members through a formal nomination process. Where an award is given it is announced at each biennial conference. The current Honorary Life Members are Maureen Cahill and Judith Le Lievre. Sadly our third Honorary Life Member, Anne Dybka, passed away during the year.

## **THE AUSGLASS NEWSLETTER**

Ausglass produces a quarterly electronic newsletter for its members and this is the major vehicle for the organisation to communicate with its members. Contributions to, and the editing of, the newsletter is provided totally by volunteers but support from members is still needed. All articles, photos and reports that may be of interest to other members can be sent to: [newsletter@ausglass.org.au](mailto:newsletter@ausglass.org.au)

## **THE AUSGLASS WEBSITE AND MEMBERS@ E-MAIL GROUP**

The Ausglass Website has become an important vehicle for Ausglass to communicate with its members and the general public and to assist Ausglass in meeting its objectives. The Website currently incorporates:

- A brief history of Ausglass and a copy of its constitution;
- A copy of the Code of Conduct for Directors;
- Copies of recent newsletters and recent annual reports;
- The Ausglass Online Gallery;
- The [members@ausglass.org.au](mailto:members@ausglass.org.au) communication system;
- The Ausglass Forum, a discussion group open to anyone interested in contemporary glass;
- Details of recent and upcoming conferences; and
- Membership information, membership update forms and membership application forms.

The Ausglass Online Gallery is open to all contemporary glass artists (other than affiliated members) who pay the appropriate annual subscription fee. Details of how to exhibit in the gallery are to be found at [www.ausglass.org.au](http://www.ausglass.org.au). Since the establishment of the Vicki Torr Online Gallery Prize the number of exhibitors in the gallery is nearing 70 and continues to grow.

Through the generous efforts of Arthur Sale the Website continues to improve and provide better information and services to members.

Ausglass has an e-mail group, [members@ausglass.org.au](mailto:members@ausglass.org.au), which enables all members who have provided their e-mail address to the membership secretary to communicate with other Ausglass members provided that they follow the instructions contained on the Ausglass Website.

## **STATE AND TERRITORY ACTIVITIES**

The State and Territory representatives have been charged by the Board with the task of identifying and coordinating member activities on a state by state basis. As part of this mandate, State and Territory Representatives endeavour to ensure that at least four state meetings take place each year. All State members are invited to attend. These meetings provide a forum for discussion of organisation or industry specific issues, and are usually accompanied by presentations on current topics by a member or industry professional.

In order to ensure that issues discussed and raised by members at state level are effectively communicated to the national body, the board has accepted Pauline North's offer to continue as the State/Territory Representative Liaison Officer. This allows an efficient channel of communication between the states/territories, and provides the Board with feedback and specific state input to national directives.

Apart from general meetings, State and Territory representatives are also encouraged to discuss other initiatives with the membership. Initiatives such as the Western Australian based Flair exhibition will continue, but initiatives can only continue with the support of the membership.

## **THE AUSGLASS CONFERENCE**

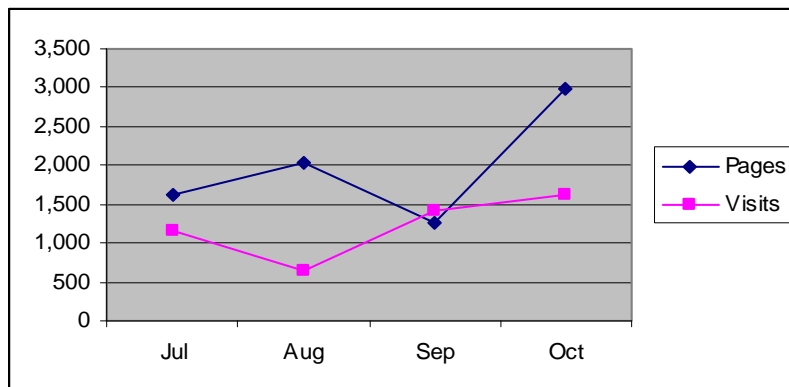
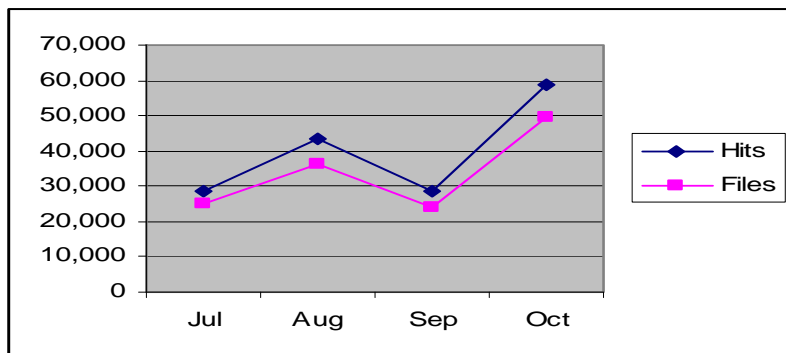
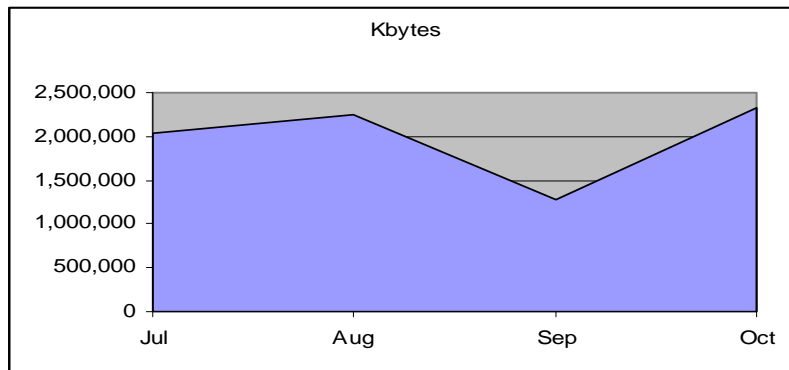
The Ausglass Conference is usually held biennially however when in 2004 a call for interest in hosting the next Ausglass conference was directed to State and Territory Representatives, Canberra ACT was selected

as the host city with the conference delayed one year to coincide with the opening of the Canberra Glassworks. A Canberra Conference committee was established and the Ausglass conference 'Open House' will be held in Canberra from January 24-27, 2008. Details of the conference can be found on the Ausglass Website.

To bring the organisation back into line with our previous two-yearly conference program, the next conference will be held in Tasmania in January, 2009. A conference committee has been formed and planning is underway.

## AUSGLASS WEBSITE TRAFFIC

Ausglass, with significant input and site development by Arthur Sale, continues to progressively upgrade our homepage. The graphs below provide a recent history of traffic on the Ausglass Website.





The reduction in traffic in September reflects a period when the Ausglass site was closed down due to a persistent SPAM attack and also due to our Internet Service Provider upgrading their servers and causing accessibility problems for a time. The overall increase in traffic over the four months ended 31 October 2007 is indicative of the increased awareness of the Ausglass site and, in particular, is a result of:

- The increasing number of members who are exhibiting in the Online Gallery;
- The traffic being generated by the Open House Conference; and
- The increased awareness of the site brought about by the [members@ausglass.org.au](mailto:members@ausglass.org.au) communication system.

## Membership

Ausglass has 293 members in Australia and internationally as follows:

<b>Membership by Location</b>		<b>Membership by Category</b>	
ACT	25	Affiliated	23
International	13	Family	30
Northern Territory	4	Honorary	2
New South Wales	65	Individual	206
Queensland	13	Life	2
South Australia	36	Student	30
Tasmania	22	Total	<u>293</u>
Victoria	72		
Western Australia	43		
Total	<u>293</u>		

**AUSGLASS (THE AUSTRALIAN ASSOCIATION OF GLASS ARTISTS) LTD**  
**ABN 72 087 134 656**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2007**

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**DIRECTORS' REPORT**

Your directors present their report on the company for the year ended 31 October 2007.

The names of the directors in office at the date of this report are:

Anne Clifton	Damian Connellan (Treasurer)
James Dodson	Charles Higgins
Simon James	Simon Maberley (Vice President)
Ruth McCallum Howell (Secretary)	Kirstie Rea
Richard Whiteley	Maureen Williams (President & Chairperson)
Michelle Kaucic (appointed 12/10/2007)	

The surplus for the year after providing for income tax amounted to \$21,138 (2006 - \$26,976 surplus). This surplus is before the allocation of a net \$4,194 to the Vicki Torr Memorial Fund (2006 - \$3,439).

A review of the operations of the company during the year ended 31 October 2007 and the results of those operations found that Ausglass did not hold its biennial conference during the current reporting period as the next Conference is not due until early 2008 in Canberra. During the current year the Board concentrated on improving communications with members, increasing the relevance and usefulness of the Ausglass website, implementing a new Constitution and further strengthening Ausglass' financial position.

On 14<sup>th</sup> September 2007 the Australian Taxation Office (ATO) issued a certificate endorsing Ausglass for Tax Charity Concessions. This endorsement does not alter the status that Ausglass has enjoyed since its inception but does make Ausglass' status formal and this should assist Ausglass when applying to funding bodies for funding. On 12 October 2007 the Australian Federal Government endorsed Ausglass as a Deductible Gift Recipient (DGR) and entered Ausglass on the Register of Cultural Organisations. A certificate formalising Ausglass' DGR status was issued by the ATO on 9 November 2007. DGR status should also assist Ausglass when approaching philanthropic organisations for funding.

No other significant changes in the entity's state of affairs occurred during the financial year.

The principal activity of the company during the financial year was to contribute to the advancement of contemporary glass in Australia. No significant change in the nature of these activities occurred during the year.

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

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

The company's operations are not regulated by any significant environment regulation under a law of the Commonwealth or of a State or Territory.

Ausglass' constitution precludes the payment of dividends and no dividends have been paid or declared since the start of the financial year.

Ausglass, as a membership based organisation has no share capital and, as such, no options to shares in the company have been granted during the financial year and there were no options outstanding at the end of the financial year.

During or since the end of the financial year the company has given an indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

**DIRECTORS' REPORT (CONTINUED)**

The company has paid premiums of \$1,216 to insure each of the directors and officers against liabilities for costs and expenses, incurred by them in defending any legal proceedings arising out of their conduct whilst acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Auditors Independence Declaration

The auditor's independence declaration for the year ended 31 October 2007 has been received and can be found on page 13 of the financial statements.

Signed in accordance with a resolution of the Board of Directors:



Director:

Maureen Williams



Director:

Michelle Kaucic

Dated this 10th day of December 2007

**AUSGLASS (THE AUSTRALIAN ASSOCIATION OF GLASS ARTISTS) LTD**  
ABN 72 087 134 656

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 OCTOBER 2007**

	Note	2007 \$	2006 \$
Revenues from ordinary activities	2	33,647	40,012
Other expenses from ordinary activities		12,509	13,036
<b>Surplus from ordinary activities before income tax</b>	3	<b>21,138</b>	<b>26,976</b>
Income tax expense relating to ordinary activities	1(b)	-	-
<b>Net surplus from ordinary activities after income tax attributable to the company</b>		<b>21,138</b>	<b>26,976</b>

**AUSGLASS (THE AUSTRALIAN ASSOCIATION OF GLASS ARTISTS) LTD**  
 ABN 72 087 134 656

**BALANCE SHEET**  
**AS AT 31 OCTOBER 2007**

	Note	2007 \$	2006 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	4	199,700	174,016
Trade and Other Receivables	5	150	95
Prepayments		1,732	-
<b>Total Current Assets</b>		<b>201,582</b>	<b>174,111</b>
<b>Total Assets</b>		<b>201,582</b>	<b>174,111</b>
<b>Current Liabilities</b>			
Trade and Other Payables	6	22,949	16,616
<b>Total Current Liabilities</b>		<b>22,949</b>	<b>16,616</b>
<b>Total Liabilities</b>		<b>22,949</b>	<b>16,616</b>
<b>Net Assets</b>		<b>178,633</b>	<b>157,495</b>
<b>Equity</b>			
Reserves		130,200	126,005
Retained Surplus		48,433	31,490
<b>Total Equity</b>		<b>178,633</b>	<b>157,495</b>

**STATEMENT OF CHANGES IN EQUITY  
 FOR THE YEAR ENDED 31 OCTOBER 2007**

	<b>Retained Surplus \$</b>	<b>General Reserve \$</b>	<b>Vicki Torr Memorial Reserve \$</b>	<b>Total \$</b>
<b>Balance at 1 July 2005</b>	7,953	39,243	83,323	130,519
Net surplus for the year	26,976	-	-	26,976
Transfer to Vicki Torr Memorial Reserve	(3,439)	-	3,439	-
Transfer from Vicki Torr Memorial Reserve	-	-	-	-
<b>Balance at 30 June 2006</b>	<b>31,490</b>	<b>39,243</b>	<b>86,762</b>	<b>157,495</b>
Net surplus for the year	21,138	-	-	21,138
Transfer to Vicki Torr Memorial Reserve	(5,195)	-	5,195	-
Transfer from Vicki Torr Memorial Reserve	1,000	-	(1,000)	-
<b>Balance at 30 June 2007</b>	<b>48,433</b>	<b>39,243</b>	<b>90,957</b>	<b>178,633</b>

**a) General Reserve**

There was no movement in the reserve during the year. The amount represents the transfer of assets from the unincorporated Association in April 2000.

**b) Vicki Torr Memorial Reserve**

The transfer from retained surplus represents the interest income earned by the fund during the year net of administration costs.

The transfer to retained surplus represents the Vicki Torr Memorial Fund's contribution to the Vicki Torr Online Gallery prize awarded during the year.

The Vicki Torr Memorial Fund, The Vicki Torr Memorial Prize and the Vicki Torr Online Gallery Prize are wholly owned by Ausglass Ltd and managed by the Executive Officer of the Fund.

The Fund monies are to only be used for;

- a) Administration of the Fund and/or Prizes.
- b) Award of a prize [or prizes] to an exhibitor, [or exhibitors] at an Ausglass Exhibition shown at an Ausglass National Conference and a separate prize for emerging artists displaying their work on the Ausglass Online Gallery.

**AUSGLASS (THE AUSTRALIAN ASSOCIATION OF GLASS ARTISTS) LTD**  
ABN 72 087 134 656

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 OCTOBER 2007**

	Note	2007 \$	2006 \$
<b>Cash Flow From Operating Activities</b>			
Receipts from customers		30,805	38,330
Interest Received		8,915	5,884
Payments to suppliers and employees		<u>(14,036)</u>	<u>(11,656)</u>
Net cash provided by operating activities	9(b)	<b><u>25,684</u></b>	<b><u>32,558</u></b>
Net Increase in cash held		25,684	32,558
Cash at beginning of year		<u>174,016</u>	<u>141,458</u>
Cash at end of year	9(a)	<b><u>199,700</u></b>	<b><u>174,016</u></b>



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2007**

**Note 1: Statement of Significant Accounting Policies**

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers Ausglass (The Australian Association of Glass Artists) Ltd as an individual entity. Ausglass (The Australian Association of Glass Artists) Ltd is a company limited by guarantee, incorporated and domiciled in Australia.

The financial report has been prepared on an accrual basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair value of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**(a) Company**

The company was incorporated to takeover and to continue the activities of The Australian Association of Glass Artists Inc.

**(b) Income Tax**

The Company is an exempt association for income tax purposes pursuant to Section 50-45 of the Income Tax Assessment Act 1997. On 14<sup>th</sup> September 2007 the Australian Taxation Office (ATO) issued a certificate endorsing Ausglass for Tax Charity Concessions. This endorsement does not alter the status that Ausglass has enjoyed since its inception. On 12 October 2007 the Australian Federal Government endorsed Ausglass as a Deductible Gift Recipient (DGR) and entered Ausglass on the Register of Cultural Organisations. A certificate formalising Ausglass' DGR status was issued by the ATO on 9 November 2007.

**(c) Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and in at call deposits with banks or financial institutions, investments in money market instruments maturing within twelve months and net of bank overdrafts.

**(d) Revenue**

Revenue from the rendering of a service is recognised upon the delivery of the service to the members. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. All revenue is stated net of the amount of the goods and services tax (GST). Membership fees relating to future financial years are now shown as income received in advance and included in the balance sheet.

**(e) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

**(f) Adoption of Australian Equivalents to International Financial Reporting Standards**

Ausglass (The Australian Association of Glass Artists) Ltd has prepared financial statements in accordance with AIFRS from 1 October 2005. The accounting policies set out above have been consistently applied to all years presented.

**AUSGLASS (THE AUSTRALIAN ASSOCIATION OF GLASS ARTISTS) LTD**  
**ABN 72 087 134 656**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2007**

	Note	2007 \$	2006 \$
<b>Note 2: Revenue</b>			
Operating activities			
- interest	2(a)	8,915	5,884
- rendering of services		24,432	31,647
- other revenue		300	2,481
Total revenue		<b>33,647</b>	<b>40,012</b>
a) Interest from:			
- Commonwealth Bank		3,720	2,445
- Commonwealth Bank, Vicki Torr Deposit		5,195	3,439
		<b>8,915</b>	<b>5,884</b>
<b>Note 3: Surplus from Ordinary Activities</b>			
Surplus from ordinary activities before income tax expense has been determined after:			
a) Expenses			
- Bad and doubtful debts		(550)	(1,795)
b) Remuneration of auditor			
- auditing		1,260	1,400
- other services		-	-
		<b>1,260</b>	<b>1,400</b>
<b>Note 4: Cash and Cash Equivalents</b>			
Cash at bank		24,350	36,288
Deposits at call		30,756	-
Cash on deposit		53,564	50,966
Vicki Torr Memorial Fund		90,957	86,762
Ausglass Fund account		73	-
		<b>199,700</b>	<b>174,016</b>
<b>Note 5: Trade and Other Receivables</b>			
<b>Current</b>			
Trade debtors		150	645
Provision for doubtful debts		-	(550)
		<b>150</b>	<b>95</b>
<b>Note 6: Trade and Other Payables</b>			
<b>Current</b>			
GST		601	72
Income received in advance		20,938	14,810
Other		1,410	1,734
		<b>22,949</b>	<b>16,616</b>

**AUSGLASS (THE AUSTRALIAN ASSOCIATION OF GLASS ARTISTS) LTD**  
**ABN 72 087 134 656**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2007**

**Note 7: Members Guarantee**

The company is limited by guarantee and has no issued share capital. If the company is wound up each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. At 31 October 2007 the number of members was 289 (2006, 288).

	<b>2007</b>	<b>2006</b>
	\$	\$

**Note 8: Remuneration and Retirement Benefits**

**a) Directors' Remuneration**

Income paid or payable to directors of the company and any related parties:	-	-
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The names of the directors who held office during the financial year were:

Anne Clifton	Damian Connellan	James Dodson
Charles Higgins	Simon James	Michelle Kaucic
Simon Maberley	Ruth McCallum Howell	Kirstie Rea
Richard Whiteley	Maureen Williams	

**(b) Retirement and Superannuation Payments**

Amounts of a prescribed benefit given during the year by the company or a related party of a director or prescribed superannuation fund in connection with the retirement from a prescribed office.

	-	-
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**Note 9: Cash Flow Information**

**a) Reconciliation of Cash**

Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the balance sheet as follows:

Cash at bank	24,350	36,288
Deposits at call	30,756	-
Cash on deposit	53,564	50,966
Vicki Torr Memorial Fund	90,957	86,762
Ausglass Fund account	73	36,288
	<b>199,700</b>	<b>174,016</b>

**b) Reconciliation of cash flow from operations with surplus from ordinary activities after income tax**

Surplus from ordinary activities after income tax	21,138	26,976
Non-cash flows in surplus from ordinary activities		
Doubtful debts	(550)	(1,795)
Changes in assets and liabilities		
Decrease in receivables	495	5,997
(Increase) in prepayments	(1,732)	-
Increase in payables	6,333	1,380
Cash flows from operations	<b>25,684</b>	<b>32,558</b>

**AUSGLASS (THE AUSTRALIAN ASSOCIATION OF GLASS ARTISTS) LTD**  
**ABN 72 087 134 656**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2007**

**Note 10: Contingent Liabilities**

As at 31 October 2007, the Company has no contingent liabilities.

**Note 11: Events Subsequent to Reporting Date**

No significant events have occurred subsequent to 31 October 2007.

**Note 12: Segment Reporting**

The company operates predominantly in one business and geographical segment being the contribution to the advancement of contemporary glass in Australia.

**Note 13: Financial Instruments**

**(a) Interest Rate Risk**

The Company's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Weighted average effective interest rate		Floating interest rate		Fixed interest rate	
	2007	2006	2007	2006	Maturing within 1 year	Maturing 1 to 5 years
<b>Financial Assets</b>	%	%	\$	\$		
Cash at bank	1.0	1.6	24,350	36,288	-	-
Deposits at call	6.5	-	30,756	-	-	-
Cash on deposit	6.5	6.2	53,564	50,966	-	-
Vicki Torr Fund	6.5	5.9	90,957	86,762	-	-
Ausglass Fund account	-	-	73	-	-	-
<b>Total Financial Assets</b>			<b>199,700</b>	<b>174,016</b>	-	-

**(b) Credit Risk**

The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the balance sheet and notes to the financial statements.

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

**(c) Net Fair Values**

The net fair value approximates carrying value.

The aggregate net fair values in carrying amounts of financial assets are disclosed in the balance sheet and in the notes to the financial statements.

**Note 14: Company Details**

**The registered office of the company is:**

5th Floor, 574 St Kilda Road  
 Melbourne  
 Victoria, 3004

**The principal place of business is:**

78 Clyde Street  
 St Kilda  
 Victoria, 3182

**AUSGLASS (THE AUSTRALIAN ASSOCIATION OF GLASS ARTISTS) LTD**  
**ABN 72 087 134 656**

**DIRECTORS' DECLARATION**

The Directors of the Company declare that -

1. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
2. In the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the company.

Signed in accordance with a resolution of the directors made pursuant to s.295 (5) of the Corporations Act 2001.

On behalf of the Directors.



Director:

Maureen Williams



Director:

Michelle Kaucic

Dated this 10th day of December 2007

Incorporating the practice of

**D.G. SCOTT & CO.**

Chartered Accountants



**AUSGLASS (THE AUSTRALIAN ASSOCIATION OF GLASS ARTISTS) LTD**  
ABN 72 087 134 656

**INDEPENDENT AUDITOR'S REPORT**

To the members of Ausglass (The Australian Association of Glass Artists) Ltd:

We have audited the accompanying financial report of Ausglass (The Australian Association of Glass Artists) Ltd, which comprises the balance sheet as at 31 October 2007, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

*Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material

misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

*Independence*

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

*Auditor's Opinion*

In our opinion:

- (a) the financial report of Ausglass (The Australian Association of Glass Artists) Ltd is in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the company's financial position as at 31 October 2007 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

**HLB MANN JUDD**  
**(SA Partnership)**  
**Incorporating the practice of DG Scott & Co.**  
**Chartered Accountants**



**TREVOR D HIRTH**  
**PARTNER**

Adelaide  
17<sup>th</sup> December 2007

**AUSGLASS (THE AUSTRALIAN ASSOCIATION OF GLASS ARTISTS) LTD**  
**ABN 72 087 134 656**

**AUDITORS' INDEPENDENCE DECLARATION**  
**UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**  
**TO THE DIRECTORS OF AUSGLASS**  
**(THE AUSTRALIAN ASSOCIATION OF GLASS ARTISTS) LTD**

As lead auditor for the audit of Ausglass (The Australian Association of Glass Artists) Ltd for the year ended 31 October 2007, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

**HLB MANN JUDD**  
**(SA Partnership)**  
**Incorporating the practice of DG Scott & Co.**  
**Chartered Accountants**



**TREVOR D HIRTH**  
**PARTNER**

Adelaide, 17<sup>th</sup> December 2007



**AUSGLASS (THE AUSTRALIAN ASSOCIATION OF GLASS ARTISTS) LTD**  
**ABN 72 087 134 656**

**DIRECTORS' REPORT**  
**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 OCTOBER 2007**

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
<b>INCOME</b>		
Advertising in the newsletter	300	500
Interest received	8,915	5,884
Members subscriptions	24,432	24,026
Exhibition and workshop revenue	-	9,602
Total Income	<u>33,647</u>	<u>40,012</u>
<b>EXPENDITURE</b>		
Accountancy fees	300	336
Auditor's remuneration	1,260	1,400
Bank charges	693	1,025
Bookkeeping	420	-
Doubtful and bad debts	(550)	(1,795)
Exhibition and workshop payments	-	2,887
Filing fees	105	-
Insurance	4,161	3,326
Internet and web expenses	296	727
Miscellaneous expenses	576	291
Newsletter expenses	-	700
Postage	59	906
Photocopying, printing and typing	1,192	976
Prize - Vicki Torr Memorial	-	364
Prize - Vicki Torr Online Gallery	1,000	-
State representative expenses	624	-
Subscriptions	90	604
Telephone	-	175
Travel	2,283	1,114
Total Expenditure	<u>12,509</u>	<u>13,036</u>
<b>Surplus from ordinary activities before income tax</b>	<u><b>21,138</b></u>	<u><b>26,976</b></u>