

ausglass

WWW.AUSGLASS.ORG.AU

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

AN UPDATE FROM THE AUSGLASS PRESIDENT

This year has been exciting and challenging for Ausglass and a period of restructure. Emphasis has been placed on reducing expenditure, investigating and researching the restructuring of the Ausglass board, instigating and organising pre and post conference events to coincide with the G.A.S. Conference. The essential component for which Ausglass was first established, facilitating communication between glass artists working within Australia has been our priority in the day to day operation of the organisation. Over the last two years the board has endeavoured to reduce the running costs of the organisation and I am pleased with the results that the Board has achieved over the past financial year. Thanks must go to Daniela Turrin and Damian Connellan past and present treasurers. Their expertise has been invaluable, as they have continued on from the hard work of previous treasurers. With the establishment of an Ausglass Budget, running costs for the organisation can be investigated and acted upon with improved results. The board will continue to instigate new procedures and policies for improving the efficiency of Ausglass thus decreasing the deficit. With directors located throughout Australia, we have continued to rely on the state/territory representatives for communication with members and meeting their requirements. The state/territory representatives play an important and vital role within Ausglass and I would like to thank them for their efforts and time. I do appreciate that time is a scarce and valuable commodity and as such I would like to thank members either as a director, state/territory representative or as a willing volunteer who has donated their time. I would like to take this opportunity to urge everyone to become involved as the viability and energy of this organisation ultimately depends on all of us working as a team. I would encourage everyone to dedicate some

time (however, little) to a project or event, and to contact any board member, state/territory representative or myself.

We are a community a community that brings together a diverse range of people practising in studio glass at many different levels together with collectors, galleries and interested parties. On becoming a national organisation we resolved to strengthen our community and begin to realise a goal "to be recognised as the foremost body for the promotion of glass artists and crafts people in Australia". As we continue toward this goal the need for membership interest and involvement is a crucial factor in the viability of the organisation.

THINGS YOU SHOULD KNOW ABOUT AUSGLASS

Our organisation's goals and objectives

Our vision is to be recognised as the foremost body for the promotion of glass artists and crafts people 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 registered in South Australia, which operates pursuant to its Constitution and Articles of Association.

It is a company limited by guarantee. Every member therefore undertakes to contribute an amount to the company in the event that it is wound up and does not have sufficient funds to meet various prescribed debts and obligations. This obligation 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 to its members.

Volunteers run Ausglass

The company has a Board of volunteer directors, the majority of whom are elected by those members who are eligible to vote, although the directors may occasionally appoint or co-opt other directors to the board. Elected directors are appointed for a three-year term. Co-opted directors serve until the next elections but may offer themselves up for re-election. At least three directors step down each year to ensure that new directors are included while maintaining the Board's experience and stability. The Board meets at a face-to-face meeting, at least once a year, and by tele-conference, at least two times a year.

The directors have elected an Executive from their number comprising the President, Vice-President, Secretary and Treasurer. The Executive is charged with the responsibility of conducting the day-to-day operations of the company in accordance with policy set by the Board. The Executive meets formally by tele-conference at least six times a year and corresponds by e-mail or telephone on a regular basis.

Local contact with members is maintained through Volunteer State Representatives who are appointed by voting members at the annual general meeting held at each biennial conference. State Representatives are charged with the responsibility of implementing state initiatives including activities such as members' meetings, workshops, exhibitions etc.

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

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YOUR REPRESENTATIVES DURING 2003-04

The Executive Directors,
as at 30 June 2004, were:

<u>President</u>	Janeen Toner VIC
<u>Vice-President</u>	Laurie Young VIC
<u>Secretary</u>	Bethany Owen ACT (replacing Vivien Pollnow)
<u>Treasurer</u>	Damian Connellan VIC (replacing Daniela Turrin)

Other directors as at 30 June 2004

<u>Chairperson</u>	Gerry King SA
<u>Other Directors</u>	Megan Bottari ACT, Marcus Hughes QLD Beth Newman SA, Yvette Van Berkel SA

Office bearers as at 30 June 2004

<u>Newsletter</u>	Pauline Delaney
<u>Coordinator</u>	Vacant (from May 2003, replacing Jenny Verne-Taylor)
<u>Website Managers</u>	Arthur Sale and David Turner (from June 2003, replacing Glenistair Hancock)
<u>State Representative Liaison Officer</u>	Pauline North WA (not as a director)
<u>Ausglass2 Moderators</u>	Pauline Delaney (replacing Jenny Verne- Taylor) Arthur Sale and Pauline Mount
<u>Minute Secretary</u>	Beth Newman (from February 2004, replacing Cara Pinchbeck)
<u>Acting Membership Secretary</u>	Damian Connellan (replacing Daniela Turrin)
<u>GAS. Liaison Officer</u>	Gerry King (from February 2004, replacing Janeen Toner)
<u>Public Officer</u>	Damian Connellan (from April 2004, replacing Daniela Turrin)
<u>Executive Officer, Vicki Torr Memorial Fund</u>	Daclan Somerville

State representatives as at 30 June 2004

Australian Capital Territory	Mel Douglas
New South Wales	Susie Barnes
Northern Territory	Jon Firth
Queensland	Terry Eager and Marcus Hughes
South Australia	Gabriella Bisetto
Tasmania	Marilyn Raw
Victoria	Laurie Young
Western Australia	Pauline North

THANKS TO

Special thanks to former directors and office
bearers and Volunteers:

Daniela Turrin (Treasurer) Jenny Verne Taylor (Vice-President and Newsletter Coordinator) Vivian Pollnow (Secretary) B Jane Cowie (Past President), Tim Shaw (State and Territory Representative), Peter Bowles, Ede Horton, Phillip Stokes and Susie Barnes for the considerable time and effort that they have expended on behalf of Ausglass. The board would also like to thank Pauline North for her duties as State/Territory Representative. The board would also like to thank Pauline North for her duties as State/Territory Representative. Also, many thanks to our previous bookkeeper, Philippa Chiswell for her services beyond the call of duty. Arthur Sale for his knowledge, experience and time in redesigning the Ausglass Website and assisting the board in numerous changes connected with ausglass2 and David Turner as Webmaster. And thanks to the Newsletter team of Pauline Delaney, Crystal Stubbs and Julien Stannus who stepped in to help at short notice and did a great job. A special thanks to State and Territory Representatives, Gabriella Bisetto SA, Pauline North WA, Laurie Young VIC, Jon Firth NT, Mel Douglas ACT, Susie Barnes NSW, Marilyn Raw TAS and Terry Eager and Marcus Hughes QLD for their time and effort throughout the year.

AUSGLASS ACTIVITIES FOR 2003-04

There are many volunteers who have contributed their time and energy to organising Ausglass activities throughout the year. State and Territory Representatives have been extremely active in organising events within their states and territories. Flair 2004 a Perth initiative was again staged and was extremely successful in continuing to raise the profile of Studio Glass within Perth and Australia. Workshops have also been organised in Sydney and Perth, a major effort by Susie Barnes and Pauline North.

THE VICKI TORR MEMORIAL FUND

The Vicki Torr Memorial Fund was first established in 1993 as a memorial to Australia 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 as to encourage excellence in Australian studio glass. Past recipients have been Kirstie Flay 1999, Scott Chaseling 2001 and Simon Butler 2003.

HONORARY LIFE MEMBERSHIP

The 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 AUSGLASS NEWSLETTER

Communication between members within the boundaries of a limited budget involves more involvement, support and effort than usually required as it is with the newsletter. The newsletter has been and always will be the major vehicle for the organisation to impart information to the members. The Ausglass board will be researching various options in regard to the newsletter to ensure its continuation.

THE AUSGLASS WEBSITE AND AUSGLASS2 E-MAIL GROUP

The Ausglass Website incorporates information on the history of Ausglass and membership details and most importantly includes an on-line gallery, which provides members with an opportunity to showcase their work. The gallery is open to all members (other than affiliated members) who are entitled to include an artist profile, up to two images of their work, contact details and a Website link. Unfortunately, the gallery is currently not being utilised to its full potential. Members should make full use of this benefit as the 35th G.A.S. Conference approaches. The board was unsuccessful in obtaining funding for the revamp of the Website but through the hard work of Arthur Sale, the Website has been redesigned. The board is still in search of a Webmaster to maintain the Website as David Turner who kindly donated to undertake this position did so on a temporary basis. Any person interested in this position please contact admin@ausglass.org.au. In the event that a replacement is not found the Website as a resource will be unable to continue. The Website

that will soon display information pertaining to the pre and post events organised around the G.A.S. Conference and will be the main avenue for obtaining information pertaining to this. With the G.A.S. Conference scheduled for May 2005 the board has focused their efforts on organising events that will benefit members and Australian studio glass.

The e-mail group, Ausglass2, was established in 2001 and the number of members subscribing to the group has steadily grown to 260 members. Ausglass2 is a channel for quickly and cost effectively disseminating Ausglass-generated information about matters such as changes to Ausglass policy, conference issues, and upcoming opportunities within the organisation. And changes to the Website as well as user-generated notices about matters ranging from workshops to open days, job opportunities, requests for information and the occasional virus-alert. There are two moderators to ensure that information is appropriate and the group is used in an equitable and efficient manner monitor content on the e-mail group.

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. The state 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 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 appointed Pauline North as the state representative liaison officer. This also allows an efficient channel of communication between the states, and provides the Board with a sounding post for specific state input to national directives.

Apart from general meetings, State Representatives are also encouraged to discuss other initiatives with the membership. Many of these initiatives will bear fruit in the coming year, including workshops, exhibitions and open days in at least four states.

THE G.A.S. CONFERENCE

Ausglass has taken the decision to forego its 2005 biennial conference in order to host the annual Glass Art Society conference in Adelaide in May 2005.

The Glass Art Society (or G.A.S.), based in the United States, has over 3,500 members from 52 countries and has a history of 33 successful annual conferences. Most of these conferences have been held in the United States, although in recent years conferences have taken place in Japan and most recently in the Netherlands. Involvement from Ausglass members will ensure the success of the 35th G.A.S. Conference "Matters of Substance" hosted by Ausglass.

Ausglass and its members will be pivotal to the success of this very important conference and the two organisations have entered into an agreement to benefit all involved. Ausglass has organised a number of events throughout the country, with a view to ensuring that the whole of the membership, as well as our international visitors, has an opportunity to become involved on a national basis. The pre and post conference events combined with the scheduled conference events will showcase Australian and international artists.

This collaboration provides a unique opportunity. Ausglass members will be able to attend the conference at the G.A.S. member's registration fee. As Ausglass the organisation will benefit financially from members attendance at the conference.

TREASURER'S REPORT

Ausglass managed to complete the year ended 30 June 2004 with a small loss of \$100. This is a significant improvement on the prior two years which incurred losses of \$9,679 (2003) and \$14,051 (2002) respectively. Given that 2004 is a non-conference year this has been quite an achievement and may indicate that Ausglass has started the climb out of its unsatisfactory financial position.

The improved result has come about as a result of a concerted effort by the Board over the last twelve months to control and eliminate cost wherever possible. This may also have affected the ability of Ausglass to provide services to members because, if the cost of an activity could not generate the income to cover that cost then the activity probably did not happen. I would like to thank our previous treasurer and bookkeeper Daniella Turin and Philippa Chiswell for the effort that they put in to assist in keeping costs down and the good state in which they kept Ausglass' financial records.

The improved result has also been helped by the activities of some State Representatives and State branches but sadly, not all. Ausglass, in particular, thanks our Western Australian and New South Wales Branches and their representatives. Pauline North has been active in producing a WA Directory, running workshops and holding an exhibition. Susie Barnes has also organised successful workshops that were of value to NSW members. No doubt both of them would also like to thank Pauline Delaney for her involvement in the workshops in both states. The

Board is particularly conscious that active and involved State Branches and State Representatives significantly contribute to the relevance of Ausglass for its members and those states, that are active, provide support to Ausglass because the membership base in such states is usually strong. Despite Ausglass' limited financial resources the Board considers that any surplus generated by a state branch from its activities should be available to that state for it to promote itself further and maintain its activities and relevance to the members it represents and supports.

Reflective of my comments above, the accumulated losses at the 30 June 2004 stood at \$25,495 and Ausglass remains an organisation that has only limited financial capacity. Over 85% of Ausglass' cash resources are reserved for the specific purpose of supporting the Vicki Torr Memorial. The Vicki Torr Foundation is an initiative that has a overwhelming support both within and outside Ausglass but it does highlight the fact that, despite having some cash reserves, it would not take much to render Ausglass impotent.

I have indicated to the Board that, for Ausglass to increase its relevance to its members, it must improve its financial position. This is, of course, not an easy task but 2005 is a conference year (albeit Ausglass is only hosting the GAS Conference in Adelaide). As such the focus of the Board and all Ausglass members should be to generate a good surplus from the various activities and initiatives that Ausglass is supporting around the conference. Our thanks go to those members, particularly in SA, who have been diligently working away in assisting the GAS Conference to happen. If it can be a financial success for Ausglass then it will enable us to carry through to the 2007 conference and, at the same time, enable us to provide resources and services to members. The particular focus here being the need to increase the resources available through the Website.

The other initiative that needs to be progressed over the next twelve months is the revamping of Ausglass' constitution so that it not only reflects what members expect of it but enables Ausglass to apply for, and be placed on, the Register of Charitable Organisations. If we are able to achieve this and, as a result, obtain Gift Status under the Income Tax Act then donations to Ausglass (including donations to the conference auctions) should then be able to be claimed by the donors as a tax deduction. The benefit of this should be that this would provide Ausglass and The Vicki Torr Fund with another avenue for improving their financial position.

I look forward to a successful GAS Conference and being able to report to you next year that Ausglass' financial position has improved further.

DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2004.

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

Gerry King (Chairman)	Janeen Toner (President)
Damian Connellan (Treasurer)	Laurie Young (Vice President)
Bethany Owen (Secretary)	Marcus Hughes
Beth Newman	Yvette van Berkel
Megan Bottari	

Since 1 July 2003 the following directors have retired from the Board:

Peter Anthony Bowles	Ede Horton
Jennifer Helen Verne-Taylor	Tim Shaw
Vivien Pollnow	Daniela Turrin
Phillip Stokes	Susie Barnes
Barbara Jane Cowie	

The Board would like to thank the retiring Directors for their contributions to Ausglass.

The loss for the financial year after providing for income tax amounted to \$100 (2003 \$9,679 loss).

A review of the operations of the company during the financial year and the results of those operations found that there was no biannual conference held during the current year (the last conference was held in Fremantle, WA in 2003). The company incurred a small loss during the current year, a significant improvement on the prior year.

No 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 Australian studio glass. 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 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.

No dividends have been paid or declared since the start of the financial year.

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.

DIRECTORS' REPORT (CONTINUED)

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:

The company has paid premiums of \$1,532 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.

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

Director: Janeen Toner

Director: Damian Connellan

Dated this 26th day of October 2004

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2004

	Note	2004 \$	2003 \$
Revenues from ordinary activities	2	51,770	224,619
Other expenses from ordinary activities		51,870	(234,298)
Profit from ordinary activities before income tax	3	(100)	(9,679)
Income tax expense relating to ordinary activities	1(b)	-	-
Net (loss) from ordinary activities after income tax attributable to members of the company		(100)	(9,679)
Total changes in equity other than those resulting from transactions with owners as owners		(100)	(9,679)

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2004**

	Note	2004 \$	2003 \$
Current Assets			
Cash Assets	4	97,913	91,598
Receivables	5	5,484	12,061
Total Current Assets		103,397	103,659
Total Assets		103,397	103,659
Current Liabilities			
Payables	6	6,185	6,347
Total Current Liabilities		6,185	6,347
Total Liabilities		6,185	6,347
Net Assets		97,212	97,312
Equity			
Reserves	8	122,707	107,504
(Accumulated Losses)	9	(25,495)	(10,192)
Total Equity		97,212	97,312

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2004**

	Note	2004 \$	2003 \$
Cash Flow From Operating Activities			
Receipts from customers		61,768	202,508
Interest Received		4,010	3,994
Payments to suppliers and employees		(59,463)	(220,644)
Net cash provided by operating activities	12(b)	6,315	(14,142)
Net Increase/(decrease) in cash held		6,315	(14,142)
Cash at beginning of year		91,598	105,740
Cash at end of year	12(a)	97,913	91,598

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 20

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.

(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 less than two 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).

(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 statement of financial position are shown inclusive of GST.

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

Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the beginning of the next financial year.

The company's management, along with its auditors, are assessing the significance of these changes and preparing for their implementation.

The Directors are of the opinion that there will be no key differences in the company's accounting policies with the adoption of IFRS.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

	Note	2004 \$	2003 \$
Note 2: Revenue			
Operating activities			
- interest	2(a)	4,010	3,994
- rendering of services		30,791	197,166
- other revenue		16,969	23,459
Total revenue		<u>51,770</u>	<u>224,619</u>
a) Interest from:			
- Commonwealth Bank		331	418
- Commonwealth Bank Vicki Torr Deposit		3,679	3,576
		<u>4,010</u>	<u>3,994</u>
Note 3: Loss from Ordinary Activities			
Loss from ordinary activities before income tax expense has been determined after:			
a) Expenses			
- Bad and doubtful debts		4,718	8,888
b) Remuneration of auditor			
- auditing		1,000	800
- other services		-	-
		<u>1,000</u>	<u>800</u>
Note 4: Cash Assets			
Cash on hand		200	700
Deposits at call		5,374	5,099
Vicki Torr Memorial Fund		83,464	80,846
Cash at bank		8,875	4,953
		<u>97,913</u>	<u>91,598</u>
Note 5: Receivables			
Current			
Trade debtors		6,199	20,053
Provision for doubtful debts		(2,345)	(9,777)
		<u>3,854</u>	<u>10,276</u>
Sundry debtors		-	335
Other debtors		1,630	1,450
		<u>5,484</u>	<u>12,061</u>
Note 6: Payables			
Current			
Input tax credits		(387)	(14,752)
GST payable		902	20,035
Income received in advance		1,250	1,064
Other		4,420	-
		<u>6,185</u>	<u>6,347</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

Note 7: Members Guarantee

The company is limited by guarantee. 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 30 June 2004 the number of members was 357 (2003, 353).

Note 8: Reserves

		2004 (\$)	2003 (\$)
General Reserve	9(a)	39,243	39,243
Vicki Torr Memorial Reserve	9(b)	83,464	68,261
		122,707	107,504

a) General Reserve

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

b) Vicki Torr Memorial Reserve

Movements during the year

Opening balance		68,261	63,552
Transfers from retained profits		15,203	4,709
Closing balance		83,464	68,261

The movement represents the income earned during the year net of administration costs.

The Vicki Torr Memorial Fund and The Vicki Torr Memorial 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 Prize.
- b) Award of a prize [or prizes] to an exhibitor, [or exhibitors] at an Ausglass Ltd Members Exhibition shown at an Ausglass National Conference.

Note 9: Retained Profits

Retained profits at the beginning of the financial year	(10,192)	4,196
Net loss for the year	(100)	(9,679)
Transfer to the Vicki Torr Memorial reserve	(15,203)	(4,709)
(Accumulate loss)/ retained profits at the end of the financial year	(25,495)	(10,192)

Note 10: Remuneration and Retirement Benefits

a) Directors' Remuneration

Income paid or payable to all directors of the company and any related parties:

-	8,000
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Number of directors whose income from the company or any related parties was within the following bands:

	No.	No.
\$0 - \$9,000	-	1

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

Note 10: Remuneration and Retirement Benefits (continued)

The names of the directors who held office during the financial year were:

Gerry King (Chairman)	Marcus Hughes	Ede Horton (retired)
Janeen Toner (President)	Yvette van Berkel	Tim Shaw (retired)
Laurie Young (Vice President)	Peter Anthony Bowles (retired)	Daniela Turrin (retired)
Damian Connellan (Treasurer)	Jennifer Helen Verne-Taylor (retired)	Susie Barnes (retired)
Bethany Owen (Secretary)	Vivien Pollnow (retired)	
Beth Newman	Phillip Stokes (retired)	
Megan Bottari	Barbara Jane Cowie (retired)	

2004 2003
\$ \$

(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.

Note 11: Financial Instruments

(a) Interest Rate Risk

The Company's exposure to interest rate risk, which is the risk that a financial instrument's 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 Within 1 year	Rate Maturing 1 to 5 years
	2004	2003	2004	2003		
Financial Assets	%	%	\$	\$		
Cash at bank	Nil	Nil	7,815	4,953	-	-
Deposits at call	4.28	3.91	5,374	5,099	-	-
Vicki Torr Fund	3.58	4.55	84,524	80,846	-	-
Total Financial Assets			97,713	90,898	-	-

(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 statement of financial position 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 statements of financial position and in the notes to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

	2004 (\$)	2003 (\$)
Note 12: 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 statement of financial position as follows:		
Cash on hand	200	700
Deposits at call	5,374	5,099
Vicki Torr Memorial Fund	84,524	80,846
Cash at bank	7,815	4,953
	97,913	91,598
b) Reconciliation of cash flow from operations with profit from ordinary activities after income tax		
Loss from ordinary activities after income tax	(100)	(9,679)
Non-cash flows in profit from ordinary activities		
Doubtful debts	(7,432)	8,888
Changes in assets and liabilities		
(Increase)/decrease in receivables	14,009	(18,117)
Increase/(decrease) in payables	(162)	4,766
Cash flows from operations	6,315	(14,142)

Note 13: Contingent Liabilities

As at 30 June 2004, the Company has no contingent liabilities.

Note 14: Events Subsequent to Reporting Date

No significant events have occurred subsequent to 30 June 2004 requiring amendment to the accounts.

Note 15: Segment Reporting

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

Note 16: Company Details

The registered office of the company is:

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

The principal place of business is:

12 Fulham Close
Hampton Park
Victoria, 3976

DIRECTORS' DECLARATION

The directors of the company declare that:

- 1 The financial statements and notes, as set out on pages 5 to 11 are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2004 and of the performance for the year ended on that date of the company.
2. 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.

This declaration is made in accordance with a resolution of the Board of Directors.

Director: Janeen Toner

Director: Damian Connellan

Dated this 26th day of October 2004

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF AUSGLASS**

Scope

We have audited the financial report of Ausglass (The Australian Association of Glass Artists) Ltd for the financial year ended 30 June 2004 as set on pages 5 to 12. The company's directors are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form opinion whether in all material respects, the financial report is presented fairly in accordance Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent our understanding of the company's financial position, and performance as represented by the results of their operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

In our opinion, the financial report of Ausglass Limited is in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2004 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001 and;
- (b) other mandatory professional reporting requirements in Australia.

Name of Firm: D G Scott & Co.
Chartered Accountants

Name of Partner: Dean M Standish

Address: Level 2, 83-89 Currie Street
ADELAIDE SA 5000

Dated this 26th day of October 2004