



**ANNUAL REPORT  
FOR THE YEAR ENDED 31<sup>st</sup> OCTOBER 2006**

**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	<a href="mailto:president@ausglass.org.au">president@ausglass.org.au</a>
Vice-President:	Simon Maberley, ACT	<a href="mailto:vicepresident@ausglass.org.au">vicepresident@ausglass.org.au</a>
Treasurer:	Damian Connellan, Vic	<a href="mailto:treasurer@ausglass.org.au">treasurer@ausglass.org.au</a>
Secretary:	Ruth McCallum Howell, Vic	<a href="mailto:secretary@ausglass.org.au">secretary@ausglass.org.au</a>
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	<a href="mailto:newsletter@ausglass.org.au">newsletter@ausglass.org.au</a>
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	<a href="mailto:treasurer@ausglass.org.au">treasurer@ausglass.org.au</a>
Public Officer:	Damian Connellan, Vic	<a href="mailto:treasurer@ausglass.org.au">treasurer@ausglass.org.au</a>
Vicki Torr Memorial Fund Executive Officer:	Declan Somerville, SA	
State Representative Liaison Officer:	Pauline North, WA	

### **State Representatives:**

Australian Capital Territory:	Nikki Main	<a href="mailto:actrep@ausglass.org.au">actrep@ausglass.org.au</a>
New South Wales:	Michelle Donde, Mark Elliott, Carmel Mollison	<a href="mailto:nswrep@ausglass.org.au">nswrep@ausglass.org.au</a>
Northern Territory:	Jon Firth	<a href="mailto:ntrep@ausglass.org.au">ntrep@ausglass.org.au</a>
Queensland:	Terry Eager	<a href="mailto:qldrep@ausglass.org.au">qldrep@ausglass.org.au</a>
South Australia:	Currently Vacant	<a href="mailto:sarep@ausglass.org.au">sarep@ausglass.org.au</a>
Tasmania:	James Dodson	<a href="mailto:tasrep@ausglass.org.au">tasrep@ausglass.org.au</a>
Victoria:	Laura Healey	<a href="mailto:vicrep@ausglass.org.au">vicrep@ausglass.org.au</a>
Western Australia:	Louise Cartledge, Greg Ash, Marie Fritz	<a href="mailto:warep@ausglass.org.au">warep@ausglass.org.au</a>

**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

2006 has been a year of achievement for Ausglass. I can only bless that I took on the Presidency with a strong Board with active and passionate new Directors and the stability, untiring work and dedication of our Treasurer, Damian Connellan. Each board member brings to Ausglass a different perspective and has taken up their role effortlessly and with a grace that can only be admired. We have been fortunate that Simon James, our Newsletter Editor, makes such a large commitment in bringing out the Newsletter every three months. His contribution to our financial position in arranging, gratis, our teleconferences is also acknowledged and appreciated.

We are now in a stronger financial position, and as such, Ausglass has had the opportunity to move forward and consolidate. Without a conference this year, it was envisaged that the Board would concentrate on strengthening management practices and implementing more effective ways to bring both existing and additional services to the members and put in place a structure to continue to do so. With the introduction of members@ausglass, communication from the Board to members and from members to members is now seamless. I hope members are finding it uncomplicated to use.

2006 was the year that we launched the Ausglass Forum, introduced the Vicki Torr Online Gallery Prize, completed a review of the Constitution and commenced planning for the 2008 Conference.

At our yearly face-to-face meeting we undertook strategic planning, discussing the aims and objectives of the organisation and incorporating these into our draft constitution. Many people have been indispensable in developing the new constitution and I particularly would like to acknowledge Dianne Sisak and Rose Iannacone from Minter Ellison Lawyers who prepared the draft constitution and subsequent changes and the Ausglass members who reviewed the initial draft together with Damian Connellan who had the initiative for change and diligence in coordinating this achievement. The draft constitution together with a memorandum explaining the reasons for the review and what changes have been proposed have been up on the website for a little while now and I encourage members to review these. I also strongly encourage each of you to vote in favour of the adoption of the draft constitution at the forthcoming Annual General Meeting.

The incentive for introducing the Vicki Torr Online Gallery Prize was to raise the profile of the Online Gallery and encourage students and emerging artists to increase their public profile by placing their work on the Ausglass On-line Gallery. We also saw this as an opportunity to increase the numbers of Ausglass members displaying their work on the Ausglass On-line Gallery. We also took this opportunity to have a random image from the Online Gallery to be placed on the homepage every time the site is visited thus increasing the likelihood of Australian and overseas Galleries and collectors using the Ausglass site to keep abreast of contemporary glass in Australia and benefiting all members of Ausglass. These initiatives have resulted in a significant increase in the number of exhibitors in the Ausglass Online Gallery such that we now have more than 60 exhibitors. I encourage all other 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. We have asked much of Arthur this year with the introduction of members@ausglass, the Vicki Torr Online Gallery Prize and the establishment of the Ausglass Forum. Arthur's vigilance and guidance together with his computer expertise have enabled many of our changes to be realised.

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.

My deepest appreciation goes to Pauline North, Estelle Dean and Trudy Hardman for the organisation of the successful Flair 06 exhibition in Perth. This exhibition has raised the profile of contemporary glass in Western Australia and raised income for Ausglass.

I am also grateful for Anne Yule from Minter Ellison Lawyers who has taken up the role as Minute Secretary. This is a most important position and we are most appreciative that she has agreed to do this.

All of this has only been achievable due to the efforts of the previous Board and untiring work of Janeen Toner who has seen Ausglass through a financially difficult period in previous years. I would like to express my respect and admiration for Janeen's effort. We now find ourselves in a strong financial position and having consolidated the basic functions of the organisation as well as the implementation of new services to

members, we are now able to move forward. It is hoped that these initiatives will enable the organisation to grow and reflect the excellence of contemporary glass, both nationally and internationally.

We can now approach 2007 with confidence and increasing anticipation of the next conference, Open House, to be held in Canberra in late January 2008. We recently welcomed onto the Board, Richard Whiteley, Kirstie Rea and Charles Higgins who make up the committee that will take us to the next conference. Members should keep an eye on the website on which progress reports on the conference, its programs, demonstrators, lecturers and exhibitions will be provided. Updates will also be included in the quarterly newsletters. The initial draft program put forward by the Conference Committee is exciting and I trust that I will see many of you enjoying yourselves there.

## TREASURER'S REPORT

For the year ended 31 October 2006 Ausglass generated a surplus of \$26,976 before transfer of investment income to the Vicki Torr Reserve of \$3,439. This continues the improvement achieved during the sixteen month period ended on 31 October 2005. The results for the current year can be compared to recent prior period results as follows:

	<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>	<b>12 months 30 June 2002</b>
Surplus/(Deficit)	\$26,976	\$33,307	\$(100)	\$(9,679)	\$(14,051)

Ausglass is now in its strongest financial position since it became an incorporated association in April 2000 and took over the assets of the then unincorporated association.

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

- A surplus of a little over \$5,000 was generated from the successful Flair 06 Members Exhibition held early in 2006. Pauline North and her team in Western Australia are to be congratulated on their effort. The success of Flair 06 is a demonstration of what can be achieved when a recurring event establishes its own momentum in the community;
- That expenditure not related to the exhibition was able to be controlled and reduced from \$24,800 for the sixteen month period ended 31 October 2005 to \$9,800 for the year ended 31 October 2006;
- Offset by a fall in subscription income as membership fell from a peak of 418 at the time of the 2005 GAS Conference to a current membership of 288 reducing membership income by more than \$6,000.

The reason that operating cost has been able to be reduced in the current year is twofold:

- The increased use of the internet has enabled Ausglass to reduce cost and, at the same time, increase its efficiency in communicating with members. A significant reduction in the cost of printing and distributing the newsletter was also achieved as a result of sending out the newsletter electronically (our thanks to Simon James for the sterling effort he has put into getting the electronic newsletter out on a quarterly basis); and
- The access to a conference call facility has enabled Ausglass to significantly reduce the cost of Board meetings (once again our thanks to Simon James for organising this facility with AAPT).

Those of you who have visited the Ausglass home page recently will have noticed that Arthur Sale has made a number of changes that have helped significantly increase the traffic on the website. Recent innovations include:

- The [members@ausglass.org.au](mailto:members@ausglass.org.au) e-mail system that allows all members to seamlessly communicate with each other;
- The Forum which allows participants to exchange ideas and information and judging by the number of people visiting this section of the site it is gradually building momentum; and
- The Vicki Torr Online Gallery Prize for emerging artists which has helped increase the number of exhibitors in the Online Gallery from an historic average of 30 hardcore believers to 60 and growing.

Arthur deserves our appreciation for the effort he has made to expand and increase the relevance and usefulness of [www.ausglass.org.au](http://www.ausglass.org.au). These improvements are significantly increasing the amount of visits to the Ausglass website - please refer to the section on the website elsewhere in the Annual Report which demonstrates how website traffic is changing. Further changes and additions to the website are planned to

increase its functionality and usefulness and members are encourage to visit the site and participate. Any suggestions of improvements or additional features are most welcome.

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 2006, be preserved and increased whenever possible. To this end it is 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. In the current year the cash reserves of Ausglass have been increased to \$87,000 which brings them into line, and in balance, with the Vicki Torr Fund balance of \$86,700.

That's it for this year. Ausglass has made further important steps forward during the current year resulting in it being in a more stable 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 the following directors who resigned from the Board during the current year: Janeen Toner, George Aslanis, Elizabeth Newman, Julie Parker, Laurie Young and Emma Borland. Our special thanks go to Janeen Toner who was not only president of Ausglass for three years but also tirelessly served on the Board for two three year terms.

Our thanks also to:

- The State and Territory Representatives: Anne Clifton, Estelle Dean, James Dodson, Michelle Donde, Terry Eager, Mark Elliott, Jon Firth, Trudy Hardiman, Laura Healey, Nikki Main, Carmel Mollison and Pauline North;
- Pauline North for her work as State/territory Representative Liaison Officer;
- Damian Connellan who has worked tirelessly for three years as our Treasurer;
- Arthur Sale and Julien Stannus for their work in supporting and upgrading the Ausglass Website;
- Pauline North, Estelle Dean and Trudy Hardman for the organisation of the successful Flair 06 exhibition in Perth;
- Pauline Delaney for being Ausglass2 moderator until its demise and Simon James and Anne Clifton for moderating the new Ausglass Forum;
- Declan Somerville for his assistance with the Vicki Torr Memorial Fund;
- Minter Ellison Lawyers for their assistance in drafting the new constitution to be placed before the members at the upcoming Annual General Meeting;
- 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 2005-06**

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

- The Flair 06 Exhibition that was held in Perth early in 2006;
- The establishment of the Vicki Torr Online Gallery Prize for emerging artists with the first prize to be awarded in early 2007;
- The publication of the newsletter in electronic format and successfully re-establishing its quarterly schedule with the appointment of Simon James as editor;
- The election of a new Board of Directors in March 2006 and the appointment of Maureen Williams as President;
- The completion of a successful financial year making it two years in succession;
- The review of, and drafting of, a new constitution by Minter Ellison Lawyers (which is expected to be voted on by members at the next Annual General Meeting);
- The establishment of a new e-mail communication system, [members@ausglass.org.au](mailto:members@ausglass.org.au), exclusively available to members;
- The setting up of the Ausglass Forum to enable the electronic sharing of ideas between parties interested in contemporary glass; 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 Ray 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.

## 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. Current Honorary Life Members are: Maureen Cahill, Anne Dybka and Judith Le Lievre.

## 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;
- 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.

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 has reached 58 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 now has a new 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. This new communication system replaced the previous group e-mail network, ausglass2.

## 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.

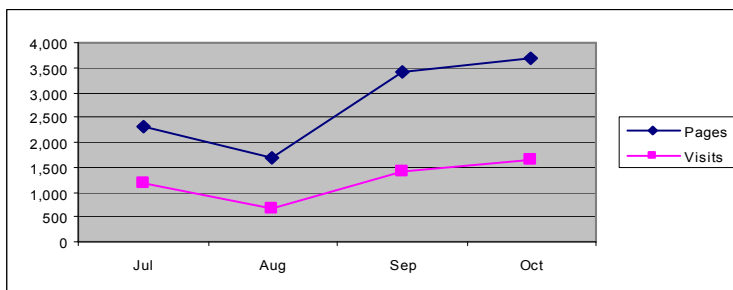
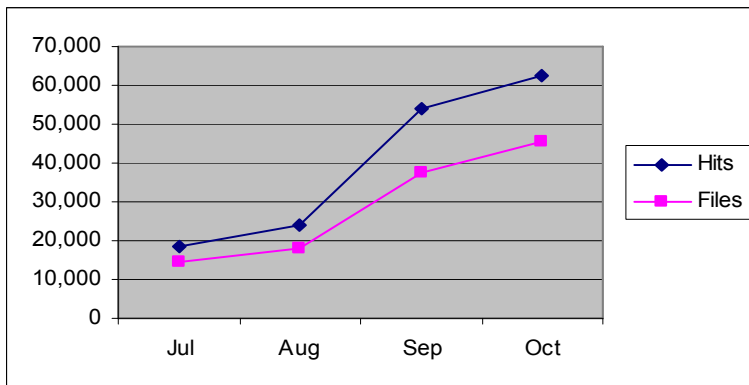
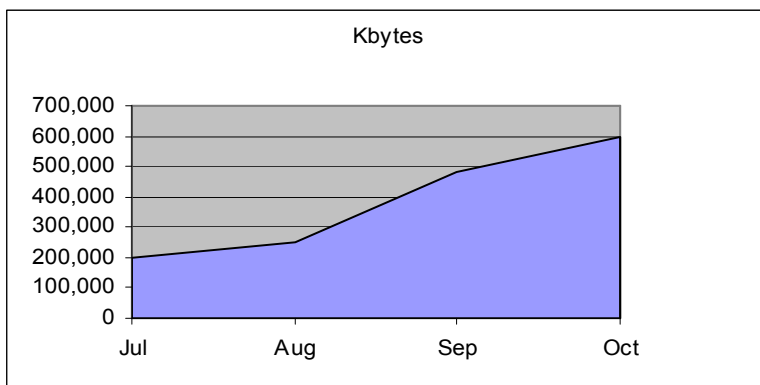
## THE AUSGLASS CONFERENCE

In 2004 a call for interest in hosting the 2008 Ausglass conference was directed to State and Territory Representatives. Canberra, ACT was selected as the host city with the conference to coincide with the opening of the Canberra Glass Works in January 2008.

A Canberra Conference Committee has been established and planning is well under way for this conference. Details of the conference can be found on the Ausglass Website.

## AUSGLASS WEBSITE TRAFFIC

Since the middle of the year Ausglass, with significant input and site development by Arthur Sale has been progressively upgrading our homepage. The graphs below show the impact that this has had on traffic on the Ausglass Website.



The increase in traffic over the four months ended 31 October 2006 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 Forum; and
- The increased awareness of the site brought about by the [members@ausglass.org.au](mailto:members@ausglass.org.au) communication system.

The average time spent on the website by each visitor is three and a half minutes with nearly 7% of all visitors spending 15 minutes or more on the site and 1% spending more than an hour on the site. The major area of interest is viewing of members' artwork in the Online Gallery and participating in the Forum. Both areas can be expected to generate increasing traffic as members and the general public become more aware of their existence.

64% of visits in the period to 31 October 2006 came from bookmarks and direct input of the Ausglass' address, 29% were generated by search engines and 7% of visits came from other websites that have a link to the Ausglass homepage.

Interestingly a number of Ausglass members were included in the top 10 key phrase and key word searches of the Ausglass website. These members were Scott Chaseling, Richard Clements, Cobi Cockburn and Brenda Page and demonstrate the potential for a member to increase their online profile by exhibiting in the Ausglass Online Gallery.

More enhancements are expected to be made to the Ausglass webpage with the aim of increasing traffic on the website, increasing awareness of Ausglass itself and increasing the awareness of the general public of members who exhibit in the Ausglass Online Gallery. This plan will be greatly enhanced if more members take up their right to exhibit in the gallery and if members actively participate in the Forum so please make sure that you don't miss out and get involved.

## Membership

Ausglass has 288 members in Australia and internationally as follows:

<b>Membership by Location</b>		<b>Membership by Category</b>	
ACT	19	Affiliated	29
International	10	Family	24
Northern Territory	4	Individual	186
New South Wales	63	Life	3
Queensland	11	Student	46
South Australia	35	Total	<u>288</u>
Tasmania	16		
Victoria	78		
Western Australia	52		
Total	<u>288</u>		

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

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2006**

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

**DIRECTORS' REPORT**

Your directors present their report on the company for the year ended 31 October 2006.

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)

Since 1 November 2005 the following directors have retired from the Board:

George Aslanis	Emma Borland
Julie Parker	Janeen Toner
Laurie Young	Beth Newman

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

The surplus for the year after providing for income tax amounted to \$26,976 (2005 - \$33,307 surplus for the sixteen month period ended 31 October 2005). This surplus is before the allocation of \$3,439 to the Vicki Torr Memorial Fund (2005 - \$3,359).

A review of the operations of the company during the year ended 31 October 2006 and the results of those operations found that Ausglass did not hold its biannual 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, reviewing the Ausglass Constitution and strengthening Ausglass' financial position.

On 23 June 2005 the Australian Securities and Investments Commission made an order, pursuant to subsection 340 (1) of the Corporations Act 2001("the Act"), relieving Ausglass of the need to comply with paragraph 323D (2) (b) of the Act and allowing Ausglass to complete a 16 month financial reporting period ending 31 October 2005. This annual financial report is, therefore, the first twelve month reporting period since ASIC approved the change. Comparative figures included in this Annual Report are, therefore, for a sixteen month period.

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 (THE AUSTRALIAN ASSOCIATION OF GLASS ARTISTS) LTD**  
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**DIRECTORS' REPORT (CONTINUED)**

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:

The company has paid premiums of \$1,278 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 2006 has been received and can be found on page 14 of the financial statements.

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

Director:

Director:

Maureen Williams

Damian Connellan

Dated this 4<sup>th</sup> day of February 2007

**AUSGLASS (THE AUSTRALIAN ASSOCIATION OF GLASS ARTISTS) LTD**  
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**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 OCTOBER 2006**

	Note	2006 (12 Months) \$	2005 (16 Months) \$
Revenues from ordinary activities	2	40,012	100,052
Other expenses from ordinary activities		13,036	66,745
<b>Surplus from ordinary activities before income tax</b>	3	<u>26,976</u>	<u>33,307</u>
Income tax expense relating to ordinary activities	1(b)	-	-
<b>Net surplus from ordinary activities after income tax attributable to the company</b>		<u>26,976</u>	<u>33,307</u>
<b>Total changes in equity</b>		<u>26,976</u>	<u>33,307</u>

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

**BALANCE SHEET**  
**AS AT 31 OCTOBER 2006**

	Note	31 October 2006 \$	31 October 2005 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	4	174,016	141,458
Trade and Other Receivables	5	95	4,297
		<b>174,111</b>	<b>145,755</b>
<b>Total Current Assets</b>		<b>174,111</b>	<b>145,755</b>
<b>Total Assets</b>		<b>174,111</b>	<b>145,755</b>
<b>Current Liabilities</b>			
Trade and Other Payables	6	16,616	15,236
		<b>16,616</b>	<b>15,236</b>
<b>Total Current Liabilities</b>		<b>16,616</b>	<b>15,236</b>
<b>Total Liabilities</b>		<b>16,616</b>	<b>15,236</b>
<b>Net Assets</b>		<b>157,495</b>	<b>130,519</b>
<b>Equity</b>			
Reserves	8	126,005	122,566
Retained Surplus	9	31,490	7,953
		<b>157,495</b>	<b>130,519</b>
<b>Total Equity</b>		<b>157,495</b>	<b>130,519</b>

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

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 OCTOBER 2006**

	<b>Note</b>	<b>31/10/2006</b> <b>(12 Months)</b> \$	<b>31/10/2005</b> <b>(16 Months)</b> \$
<b>Cash Flow From Operating Activities</b>			
Receipts from customers		38,330	109,618
Interest Received		5,884	5,518
Payments to suppliers and employees		<u>(11,656)</u>	<u>(71,591)</u>
Net cash provided by operating activities	12(b)	<u>32,558</u>	<u>43,545</u>
Net Increase in cash held		32,558	43,545
Cash at beginning of year		<u>141,458</u>	<u>97,913</u>
Cash at end of year	12(a)	<u>174,016</u>	<u>141,458</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2006**

**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 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 statement of financial position.

**(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) First-time 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. In accordance with the requirements of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards, adjustments resulting from the introduction of AIFRS have been applied retrospectively to 2005 comparative figures excluding cases where optional exemptions available under AASB 1 have been applied. These accounts are the first financial statements of the company to be prepared in accordance with AIFRS. The accounting policies set out above have been consistently applied to all years presented. No adjustments to the 2005 comparative figure have been required in the preparation of this report.

**NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 OCTOBER 2006**

	Note	31/10/2006 (12 Months) \$	31/10/2005 (16 Months) \$
<b>Note 2: Revenue</b>			
Operating activities			
- interest	2(a)	5,884	5,518
- rendering of services		31,647	71,063
- other revenue		2,481	23,471
Total revenue		40,012	100,052
a) Interest from:			
- Commonwealth Bank		2,445	2,159
- Commonwealth Bank, Vicki Torr Deposit		3,439	3,359
		5,884	5,518
<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		(1,795)	750
b) Remuneration of auditor			
- auditing		1,400	2,000
- other services		-	-
		1,400	2,000
<b>Note 4: Cash and Cash Equivalents</b>			
Deposits at call		-	5,626
Cash on deposit		50,966	-
Vicki Torr Memorial Fund		86,762	83,323
Cash at bank		36,288	52,509
		174,016	141,458
<b>Note 5: Trade and Other Receivables</b>			
<b>Current</b>			
Trade debtors		645	6,642
Provision for doubtful debts		(550)	(2,345)
		95	4,297
<b>Note 6: Trade and Other Payables</b>			
<b>Current</b>			
GST		72	(74)
Income received in advance		14,810	14,310
Other		1,734	1,000
		16,616	15,236

**NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 OCTOBER 2006**

**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 31 October 2006 the number of members was 288 (2005, 356).

	<b>31/10/2006</b>	<b>31/10/2005</b>
	<b>(12 Months)</b>	<b>(16 Months)</b>
	\$	\$

**Note 8: Reserves**

General Reserve	9(a)	39,243	39,243
Vicki Torr Memorial Reserve	9(b)	86,762	83,323
		126,005	122,566

a) General Reserve

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

b) Vicki Torr Memorial Reserve

Movements during the year			
Opening balance		83,323	83,464
Allocation to Vicki Torr Prize		-	(3,500)
Transfers from retained surplus		3,439	3,359
Closing balance		86,762	83,323

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

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.

**Note 9: Retained Surplus**

Retained surplus/(accumulated deficit) at the beginning of the financial year		7,953	(25,495)
Net surplus for the year		26,976	33,307
Transfer from Vicki Torr Memorial Reserve		-	3,500
Transfer to the Vicki Torr Memorial reserve		(3,439)	(3,359)
Retained surplus at the end of the financial year		31,490	7,953

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2006

31/10/2006 (12 Months) \$	31/10/2005 (16 Months) \$
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**Note 10: Remuneration and Retirement Benefits**

**a) Directors' Remuneration**

Income paid or payable to all 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	Simon Maberley
Ruth McCallum Howell	Kirstie Rea	Richard Whiteley
Maureen Williams		
George Aslanis (retired)	Emma Borland (retired)	Beth Newman (retired)
Julie Parker (retired)	Janeen Toner (retired)	Laurie Young (retired)

**(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 11: Change of Financial Year**

On 23 June 2005 the Australian Securities and Investments Commission made an order, pursuant to subsection 340 (1) of the Corporations Act 2001("the Act"), relieving Ausglass of the need to comply with paragraph 323D (2) (b) of the Act and allowing Ausglass to complete a 16 month financial reporting period ending 31 October 2005. This annual financial report to 31<sup>st</sup> October 2006 is, therefore, the first twelve month reporting period since ASIC approved the change. Comparative figures included in this Annual Report are, therefore, for a sixteen month period.

**NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 OCTOBER 2006**

	<b>31/10/2006</b>	<b>31/10/2005</b>
	<b>(12 Months)</b>	<b>(16 Months)</b>
	<b>\$</b>	<b>\$</b>
<b>Note 12: Cash Flow Information</b>		
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:		
Deposits at call	-	5,626
Cash on Deposit	50,966	-
Vicki Torr Memorial Fund	86,762	83,323
Cash at bank	36,288	52,509
	174,016	141,458
b) Reconciliation of cash flow from operations with surplus from ordinary activities after income tax		
Surplus from ordinary activities after income tax	26,976	33,307
Non-cash flows in surplus from ordinary activities		
Doubtful debts	(1,795)	-
Changes in assets and liabilities		
Decrease in receivables	5,997	1,187
Increase in payables	1,380	9,051
Cash flows from operations	32,558	43,545

**Note 13: Contingent Liabilities**

As at 31 October 2006, the Company has no contingent liabilities.

**Note 14: Events Subsequent to Reporting Date**

No significant events have occurred subsequent to 31 October 2006 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 contemporary glass in Australia.

**NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 OCTOBER 2006**

**Note 16: 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	
	2006 (12 mths) %	2005 (16 mths) %	31 October 2006 \$	31 October 2005 \$	Maturing within 1 year	Maturing 1 to 5 years
<b>Financial Assets</b>						
Cash at bank	1.57	0.03	36,288	52,509	-	-
Deposits at call	-	4.60	-	5,626	-	-
Cash on deposit	6.15	-	50,966	-	-	-
Vicki Torr Fund	5.90	4.03	86,762	83,323	-	-
<b>Total Financial Assets</b>			<u>174,016</u>	<u>141,458</u>	-	-

**(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.

**Note 17: 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

**DIRECTORS' DECLARATION**

The directors of the company declare that:

- 1 The financial statements and notes, as set out on pages 3 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 31 October 2006 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:

Maureen Williams

Director:

Damian Connellan

Dated this 4<sup>th</sup> day of February 2007

**INDEPENDENT AUDIT REPORT**

**TO THE MEMBERS OF**

**AUSGLASS (THE AUSTRALIAN ASSOCIATION OF GLASS ARTISTS) LIMITED**  
**A.C.N. 087 134 656**

**Scope**

We have audited the financial report of Ausglass (The Australian Association of Glass Artists) Ltd for the year ended 31 October 2006 as set on pages 3 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 31 October 2006 and of its performance for 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:**

Trevor D Hirth

  
.....

**Address:**

Level 2  
83-89 Currie Street  
ADELAIDE SA 5000

*Dated this 5th day of February 2007*

## AUDITOR'S INDEPENDENCE DECLARATION

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

As lead engagement partner for the audit of Ausglass (The Australian Association of Glass Artists) Ltd for the period ended 31 October 2006, I declare that, to the best of my knowledge and belief, there have been:

- i) no contraventions of the independence requirements of the Corporation Act in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

**D G Scott & Co**  
**Chartered Accountants**



**Trevor D Hirth**  
**Partner**

*Signed this 5th day of February 2007*