

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given of the matters to be addressed at the 2022 Annual General Meeting (AGM) of Australian Dairy Farmers Limited (ADF) and will be held:

Date: Thursday 24 November 2022
Time: 10.30 am: Commencement of AGM (AEDST)
Venue: Livestreamed – via VERO

BUSINESS OF THE MEETING

Voting Options: All members eligible to vote on resolutions will have two (2) options available to them:

1. Via the online Vero Voting portal using the following link <https://ausdairy.verovoting.com.au/> which will be open and available from 10.30 am (AEDST) Monday 31 October 2022 and closes on Monday 21 November 2022 at 10.30 am (AEDST); or
2. A valid and completed proxy form received by the due date.

Ordinary Business

Item 1: 2021 AGM Minutes

To consider and, if thought fit, pass **the following resolution** as an **ordinary resolution**:

Resolution 1 *That the Minutes of the 2021 Australian Dairy Farmers Limited AGM be considered for approval.*

Item 2: Financial Statements and Reports

To receive and consider the Financial Report of Australian Dairy Farmers Limited including the Report of the Directors and Auditor for the financial year ended 30 June 2022.

Item 3: Election of Business Director

Note: Three (3) nominations for one (1) Business Director position were received. The options available in which eligible members can cast their online vote for *Director elections*, are either directly or via a valid proxy. The election of the Business Director will be conducted by ballot on a first past the post basis. The candidate who receives the most ‘for’ votes than ‘against’ votes after resolutions 2, 3, and 4 will be elected as the Business Director, noting that the candidates’ names are listed in the order in which their application was received.

To consider and, if thought fit, pass either Resolution 2, Resolution 3 or Resolution 4 by way of ballot (in accordance with clause 4.2.7 of the Constitution), via online voting or by proxy as an **ordinary resolution**:

Resolution 2 *That Mr. Rick Gladigau, who nominated for the position of Business Director in accordance with the Company’s Constitution, clause 4.2.3 (a), and being eligible and having been assessed by an Independent Panel **as suitable** to stand, be re-elected a Director of the Company.*

Resolution 3 *That Mr. Ian Morris, who nominated for the position of Business Director in accordance with the Company’s Constitution, clause 4.2.3 (a), and being eligible and having been assessed by an Independent Panel **as suitable** stand, be elected a Director of the Company.*

Resolution 4 *That Mr Glenn Britnell, who nominated for the position of Business Director in accordance with the Company’s Constitution, clause 4.2.3 (a), and being eligible and having been assessed by an Independent Panel **as not suitable** be elected a Director of the Company.*

Please see the accompanying Candidate Profile Statements with this Notice of Meeting for further information.

Voting Exclusion: Only Business Members whose rights have not been suspended under clause 2.4.3 of the Constitution and their proxies, attorneys and properly appointed representatives are entitled to vote on the election of Directors. Life Members and State Members their proxies, attorneys or representatives are not entitled to vote on the election of Directors.

Item 4: Use of Income and Assets

To consider and, if thought fit, **pass the following resolution** as an **ordinary resolution**:

Resolution 5 (a) *That, in accordance with the ADF Constitution, clause 1.4.4 (a), the aggregated maximum compensation level to be paid to Directors to remains unchanged as set at \$150,000 per annum, with an additional 10% contingency allowance to cover events or activities undertaken by Directors outside of scheduled activities or events*

and

(b) *That, in accordance with the ADF Constitution, clause 1.4.4 (b), the aggregated maximum compensation level to be paid to National Councillors remains unchanged as set at \$20,000 per annum*

A proxy form is enclosed to assist those members that are unable to vote via the Vero Voting online platform.

To be valid, properly completed proxy forms must be received by the Vero Voting no later than 10.30 am (AEDST) on Monday 21 November 2022 three (3) full business days prior to the AGM) by:

- Post to:
 - Vero Voting
Attn: Tyler Mitchell
Unit 5, Ground Floor,
100 Railway Road,
SUBIACO WA 6008.
- Email to: admin@verovoting.com.au

By order of the Board,



Fred Jones
Company Secretary
31 October 2022

The Explanatory Statement, Proxy Form and attachments form part of Notice of Meeting.

EXPLANATORY STATEMENT

Member approval of resolutions is required for the purposes of the Constitution and the Corporations Act 2001 (*Cth*) (**Corporations Act**). This Explanatory Statement has been prepared to provide you with material information to enable you to make an informed decision on the business to be conducted at the Annual General Meeting of Australian Dairy Farmers Limited (the **Company**).

Note: Voting options will be available to eligible members via:

- Online voting facilitated via VERO open to members from 10.30 am Monday, 31 October 2022 (AEDST) until 10.30 am Monday 21 November 2022 (AEDST).
- Valid online proxy vote, submitted to the Company Secretary by 10.30 am Monday, 21 November 2022.

Item 1: (Resolution 1): 2021 AGM minutes

A copy of the 2021 AGM Minutes is enclosed and will be tabled at the meeting and considered for approval and respective execution.

Item 2: FY21 Audited Financial Statements and Reports

The Company's consolidated financial statements for the year ended 30 June 2022, comprising of the Company's Director and Auditors Reports will be put to the meeting for consideration. Whilst there is no requirement for members to approve these reports, representatives from our auditors Dobbyn + Carafa will be available at the meeting to answer any questions about the financial report of the Company for the reporting period.

ADF's financial statements incorporate the financials for Australian Dairy Farmers Limited. These financial statements are in accordance with the requirements of the Australian Accounting Standards.

Item 3: (Resolutions 2, 3 and 4) Election of Business Director

In accordance with the Company's Constitution, clause 4.2.2 (a) & (b), the Board must comprise of at least four (4) Business Directors, provided there are no more than two (2) Business Directors from any one (1) state.

One (1) Business Director vacancy exists. As more nominations have been received than positions vacant, the Board has determined to carry out a ballot for the election of the Business Director, via online voting or by submitting a valid proxy form.

Three (3) candidates have nominated.

Messer's Rick Gladigau and Ian Morris have been assessed and endorsed by the ADF National Council as meeting the skills criteria for election to the Board and offer themselves for nomination to be elected as a Director of the Company.

Mr Glenn Britnell having been assessed by the Independent Panel as convened by the ADF National Council was deemed as not meeting the skills criteria as set by the Board and was therefore considered as not suitable for the position. However, being eligible, Glenn offers himself for nomination to be elected as a Director of the Company.

A written statement from the Independent Panel's assessment for each candidate (as required under clause 4.2.8 (f)) is also enclosed with this Notice for your further information.

Item 4: (Resolution 5) Use of Income and Assets

In accordance with the ADF Constitution, clause 1.4.4, requires that:

The Company may not make any payment to or give any benefit to its Directors or National Councillors other than:

- a) Sitting fees for attending meetings or otherwise carrying out the duties of a Director provided that the aggregate of all such fees paid or payable does not exceed the maximum amount determined by the Business Members and the State Members in general meeting;
- b) Sitting fees for attending meetings or otherwise carrying out the duties of a National Councillor, provided that the aggregate of all such fees paid or payable does not exceed the maximum amount determined by the Business Members and the State Members in general meeting.

At the request of the Board, an Independent Panel (Panel) was convened in June 2017 to determine sitting fees to be paid to Directors and make a recommendation to the Board as to the aggregated amount that should satisfy the request by the Board for a fair and equitable approach in providing a level of compensation to the Directors for their time, effort and commitment to ADF.

The Panel recommended that the total aggregated compensation level for Directors be set at \$150,000 per annum, an amount considered by the Panel to be sufficient to cover the remuneration of Directors. The Board determined, which members subsequently approved, that a 10% contingency should be applied to the Panel's recommended amount to cover expenses incurred by Directors for extraordinary activities or events.

The Board has determined that the approved remuneration paid to Directors is to remain unchanged at an aggregated amount of \$150,000 per annum with a 10% contingency allowance.

The Board further considered the approved sitting fees currently paid to the National Councillors and determined that the maximum amount paid to National Councillors is to remain unchanged and the aggregated amount be set at \$20,000 per annum. Note: The Board determined that given the financial position of the Company, an independent review of the fees paid was not warranted this financial year [however will be assessed in future years to ensure currency for the Company's ability to attract and retain talent].

The Board recommends that members vote in favour of Resolution 5.

PROXY FOR THE MEETING:

State Members

The State members for the purpose of the AGM are:

- Victorian Farmers Federation, through its commodity group United Dairyfarmers of Victoria;
- N.S.W. Farmers Association, through its Dairy Committee;
- Queensland Dairyfarmers' Organisation Limited;
- South Australian Dairyfarmers Association;
- Tasmanian Farmers and Graziers Association Limited, through its Dairy Council; and
- Western Australian Farmers Federation (Inc), through its Dairy Council.

A representative / proxy must be appointed by the State Member and this appointment noted on the attached form. Please return the valid proxy form via mail to the attention of Tyler Mitchell - Vero Voting Unit 5, Ground Floor, 100 Railway Road, SUBIACO WA 6008, or via email to admin@verovoting.com.au no later than 10.30 am (AEDST) on Monday 21 November 2022, three (3) full business days before the date and time of the AGM.

Business Members

Business Members not attending the Meeting may nominate a valid proxy to attend in their place.

Please return a valid proxy form via mail to the attention of Tyler Mitchell - Vero Voting Unit 5, Ground Floor, 100 Railway Road, SUBIACO WA 6008, or via email to admin@verovoting.com.au no later than 10.30 am (AEDST) on Monday 21 November 2022, three (3) full business days before the date and time of the AGM.

ENCLOSURES:

- **2021 AGM Minutes**
- **FY22 Audited Financial Statements and Reports:**
Audited Financial Statements for the financial year ending 30 June 2022, which comprises of the Directors Report, Directors Statement and the Audit Report for Australian Dairy Farmers Limited.
- **Written statements from the Independent Panel's assessment of each Business Director Candidate and resumes for:**
 - Mr Rick Gladigau
 - Mr Ian Morris
 - Mr Glenn Britnell
- **ADF Proxy Form**

MINUTES OF THE AUSTRALIAN DAIRY FARMERS (ADF) 2021 ANNUAL GENERAL MEETING (AGM)

Livestream – via VERO

Thursday 25 November 2021

10.30 AM

Item	Opening of Meeting	Action
	Agenda for the Meeting	
	<p>The Chair tabled the Notice of Meeting and outlined the agenda for the Annual General Meeting.</p> <p>The Chair noted that the Notice was dispatched to all members in accordance with with formal requirements and considered the Notice to have been taken as read.</p> <p>The Chair outlined the procedure for the meeting and voting with regards to the items of business and those resolution which would be voted on by ballot.</p> <p>The Chair welcomed all present and introduced those invited to the meeting to support the official proceedings.</p> <p>A quorum was confirmed, and the Annual General Meeting was declared officially open at 10.30am</p>	
1.	Resolution 1 - Minutes of previous Annual General Meeting	
	<p>The Chair moved to the reading of item of business #1, Resolution 1, to all parties present at the meeting.</p> <p>The Minutes of the 2020 Australian Dairy Farmers Limited AGM, held 22 November 2020, were tabled for approval.</p> <p>Resolution 1 to approve the minutes held from the previous Annual General Meeting (22 November 2020) was CARRIED by a show of hands.</p> <p>The Chair signed the approved minutes as a true and correct record.</p> <p>The Chairman provided his address to the members and then invited David Inall to present the CEO's address, outlining the Company's performance during the year and provide a forward outlook on activities to be addressed by the business, which was noted</p> <p>The Chair moved to the next item of business.</p>	
2.	ADF Financial Statements and Reports	
	<p>The Chair moved to the reading of item of business #2 to all parties present at the meeting and tabled the ADF Consolidated Financial Statements and Reports in respect of the year ended 30 June 2021.</p> <p>The Chair noted that in alignment with the Corporations Act and Company's Constitution, the Company's financial accounts and reports are required to be laid before the members but does not require that a vote from members be taken on them.</p> <p>The Chair provided members an opportunity to comment and ask questions, noting there had not been any formal questions lodged with the Company or its auditors prior to the commencement of this meeting in relation to the financial accounts and reports.</p> <p>The Chair addressed questions received in relation to the audited Financial Accounts and Reports. There being no further questions, the Chair moved to the next item of business.</p>	

Item	Opening of Meeting	Action
3.	Resolution 2 - Election of Independent Director	
	<p>The Chair moved to the reading of item of business #3, Resolution 2, to all parties present at the meeting.</p> <p>The Chair outlined that the election of Independent Director would be conducted by a show of hands and confirmed members who are entitled to vote.</p> <p>It was noted that in accordance with the Company's Constitution, the Board must comprise of at least four Business Directors, provided there are no more than two Business Directors from any one state and no more than one Independent Director.</p> <p>It was further noted the incumbent Independent Director, Ms Victoria Taylor retires at the conclusion of the AGM and was not seeking re-election.</p> <p>Mr Andreas Clark, having been assessed by an independent panel as being eligible and subsequently recommended from the Board, has nominated to be elected.</p> <p>Mr Andreas Clark was invited to speak to the members and outline his reasons for seeking to be appointed an Independent Director.</p> <p>The Company's independent governance advisor counted the votes.</p> <p>Resolution 2 for the election of Mr Andreas Clark, who has been recommended for the position of Independent Director was CARRIED by a show of hands. The Chair moved to the next item of business.</p>	
4.	Resolutions 3, 4, 5, 6, 7 & 8 Election of Business Director	
	<p>The Chair moved to the reading of item of business #4, Resolution 3, 4, 5, 6, 7 & 8, to all parties present at the meeting.</p> <p>The Chair noted that in alignment with the previous item of business and in accordance with the Company's Constitution, the Board must comprise of at least four Business Directors, provided there are no more than two Business Directors from any one state and no more than one Independent Director and only one vacancy existed for the position of Business Director.</p> <p>It was noted two (2) Business Director vacancies exist and the Board has determined to carry a ballot for the election of the Business Director, with six (6) candidates having been nominated and endorsed as meeting the skills criteria as set by the Board.</p> <p>It was noted Messers John Verstedden, Colin Thompson, Daryl Hoey, Robert Brokenshire, Ben Bennett and Heath Cook have been assessed and endorsed by the National Council and Board as meeting the skills criteria for election to the Board and offer themselves for nomination to be elected a Director of the Company.</p> <p>All candidates were invited to speak to the members and outline their respective reasons for seeking to be appointed a Business Director.</p> <p>The Chair outlined that the election of Business Directors to fill the two (2) vacant positions, would be conducted by a ballot and confirmed members entitled to vote.</p> <p>It was further noted results would be made available once votes had been finalized and counted by the Company's independent governance advisor.</p> <p>The Chair moved to the next item of business, while the count was being conducted.</p>	

5.	Resolution 9 - Use of Income and Assets	
	<p>The Chair moved to the reading of item of business #5, Resolution 9, to all parties present at the meeting.</p> <p>The Use of Income and Assets was CARRIED by a show of hands, and based on the results, it was RESOLVED that:</p> <ul style="list-style-type: none"> a) The aggregated maximum compensation level to be paid to Directors to remain unchanged and is set at \$150,000 per annum, plus an allowance for a 10% contingency to cover unforeseen events or activities undertaken by Directors outside of scheduled activities or events; and b) That the aggregated maximum compensation level to be paid to National Councillors remain unchanged at \$20,000 per annum. <p>The Chair outlined the voting would be conducted by a show of hands and counted by the Company's independent governance advisor from both State Members and Business members and counted by the Company's independent governance advisor.</p> <p>Resolution 9 (part a) to approve the aggregated maximum compensation level paid to Directors to be set at \$150,000 per annum, plus an allowance for a 10% contingency to cover events or activities undertaken by Directors outside of scheduled activities and events, was CARRIED by a show of hands</p> <p>Resolution 9 (part b) to approve the aggregated maximum compensation level paid to National Councillors to (remain unchanged and) be set at \$20,00 per annum, was CARRIED by a show of hands</p> <p>The Chair moved to the next item of business.</p>	
6.	Resolution 10 Special Resolution – Amendment to the ADF Constitution	
	<p>The Chair moved to the reading of item of business #6, Resolution 10, to all parties present at the meeting, noting the proposed Amendment to the ADF Constitution, as tabled, was a special resolution.</p> <p>It was noted a copy of the amended Constitution marked up to show the proposed changes, accompanied with the Explanatory Memorandum which sets out the proposed changes, was tabled and taken as read.</p> <p>The Chair outlined that the voting of Resolution 9 would be conducted by a ballot and confirmed members entitled to vote. It was further noted for the motion to succeed, it requires 75% of State Members and 75% of Business Members to vote in support of the Special Resolution.</p> <p>It was noted results would be made available once votes had been finalized and counted by the Company's independent governance advisor.</p> <p>The Chair addressed questions in relation to the Resolution and moved to the next item of business, while the count was being conducted.</p>	
6.	General Business	
	<p>The Chair asked the Company's governance advisor and returning officer to provide the outcome from the ballots.</p>	

	<p>The tallied ballot votes for Resolutions 3-8, identified the following outcomes:</p> <p>Resolution 3 – <i>That Mr John Verstedden, who nominated for the position of Business Director in accordance to the Company’s Constitution, clause 4.2.3(a) and being eligible and having been assessed by an Independent Panel, as suitable and endorsed by the Board to stand, be elected a Director of the Company is <u>NOT CARRIED</u>.</i></p> <p>Resolution 4 – <i>That Mr Colin Thompson, who nominated for the position of Business Director in accordance to the Company’s Constitution, clause 4.2.3(a) and being eligible and having been assessed by an Independent Panel, as suitable and endorsed by the Board to stand, be elected a Director of the Company is <u>NOT CARRIED</u>.</i></p> <p>Resolution 5 – <i>That Mr Daryl Hoey, who nominated for the position of Business Director in accordance to the Company’s Constitution, clause 4.2.3(a) and being eligible and having been assessed by an Independent Panel, as suitable and endorsed by the Board to stand, be elected a Director of the Company is <u>NOT CARRIED</u>.</i></p> <p>Resolution 6 – <i>That Mr Robert Brokenshire, who nominated for the position of Business Director in accordance to the Company’s Constitution, clause 4.2.3(a) and being eligible and having been assessed by an Independent Panel, as suitable and endorsed by the Board to stand, be elected a Director of the Company is <u>NOT CARRIED</u>.</i></p> <p>Resolution 7 – <i>That Mr Ben Bennett, who nominated for the position of Business Director in accordance to the Company’s Constitution, clause 4.2.3(a) and being eligible and having been assessed by an Independent Panel, as suitable and endorsed by the Board to stand, be elected a Director of the Company is <u>CARRIED</u>.</i></p> <p>Resolution 8 – <i>That Mr Heath Cook, who nominated for the position of Business Director in accordance to the Company’s Constitution, clause 4.2.3(a) and being eligible and having been assessed by an Independent Panel, as suitable and endorsed by the Board to stand, be elected a Director of the Company is <u>CARRIED</u>.</i></p> <p>It was declared that the ballot outcome identified Mr Ben Bennett and Mr Heath Cook be elected as Business Directors of Australian Dairy Farmer Limited.</p> <p>The Chair congratulated both successful candidates.</p> <p>The final ballot vote for Resolution 10 identified the following outcome:</p> <p>Resolution 10 – <i>That the marked-up version of the Constitution of Australian Dairy Framers Limited attached to the Notice of Meeting be adopted as the Constitution of the Company with effect from the close of the meeting and the Company Secretary be authorized and empowered to do all things necessary to give effect to the adoption of the Constitution is <u>NOT CARRIED</u>.</i></p>	
7.	Meeting Close	
	<p>The Chair then opened the meeting to questions from members. Questions raised on the current levy, were answered.</p> <p>There being no further business the Chair declared the meeting closed at 11.58am and thanked all members, guests and visitors for attending the 2021 Annual General Meeting.</p>	

Signed as a true and accurate record of the meeting

.....
Chairman

.....
Date

mgi doobyn carafa

Australian Dairy Farmers' Limited

ABN 76 060 549 653

Financial report
For the year ended 30 June 2022



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AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

DIRECTORS' REPORT

The directors present their report together with the financial report of Australian Dairy Farmers' Limited (ADF) for the year ended 30 June 2022 and auditor's report thereon. This financial report has been prepared in accordance with Australian Accounting Standards.

Directors names

The names of the directors in office at any time during or since the end of the year are:

Terry Richardson (term completed 25 November 2021)

Victoria Taylor (term completed 25 November 2021)

Colin Thompson (term completed 25 November 2021)

Rick Gladigau

Brian Tessmann

Ben Bennett (appointed 25 November 2021)

Heath Cook (appointed 25 November 2021)

Andreas Clark (appointed 25 November 2021)

The directors have been in office since the start of the year to the date of this report unless otherwise stated.

Results

The surplus from operating activities of the organisation for the year amounted to \$490,393 and the total deficit was \$2,187,823 (2021: \$285,655 surplus from operating activities; total surplus was \$2,376,650).

Review of operations

The organisation continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Significant changes in state of affairs

There were no significant changes in the organisation's state of affairs that occurred during the financial year, other than those referred to elsewhere in this report.

Short-term and long-term objectives and strategies

The organisation's short-term objectives are to:

- Develop and deliver a strong member value proposition to state and business members of ADF.

The organisation's long-term objectives are to:

- Improve the long-term social and economic wellbeing of dairy farmers.

AUSTRALIAN DAIRY FARMERS' LIMITED
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- Provide strong leadership and representation for the continued growth of internationally competitive, innovative and sustainable dairy farm businesses.

Principal activities

ADF is the national policy and advocacy body working to improve the productivity and sustainability of dairy farming in Australia.

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

After balance date events

There are no after balance date events for the year ended 30 June 2022.

Indemnity guarantee

There is no indemnity guarantee for the year ended 30 June 2022.

Likely developments

The organisation expects to maintain the present status and level of operations.

Environmental regulation

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

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

DIRECTORS' REPORT

Terry Richardson	Owner/Partner Dairy Farm - Pungarehu Farms in Deans Marsh, Western Australia Director – Australian Dairy Industry Council (resigned 25 November 2021) Member – Victorian Farmers Federation Gardiner Foundation Processor Member
Victoria Taylor	Deputy Chair – Rice Marketing Board for the State of New South Wales Owner – Flourish Communications (sole trader) Director – Australian Dairy Industry Council (resigned 25 November 2021) Non-Executive Director – Horticulture Innovation Australia Ltd Chair of the Governance Committee, Centre for Entrepreneurial Agri-Technology (ANU/CSIRO JV) Startup Mentor, Canberra Innovation Network
Colin Thompson	Owner/Partner – Silvermere Holsteins, Cowra NSW Member – NSW Farmers Association Chair – NSW Farmers' Association Dairy Committee Director – Australian Dairy Industry Council (resigned 25 November 2021)
Rick Gladigau	Owner/Partner – R.T. & T.L. Gladigau, Dairy Farm at Mt Torrens S.A. Director – Gladigau Family Trust T/A Gladigau & Sons, Dairy Farm at Mt Torrens S.A. Director – SA Dairyfarmers Assoc. Director – Australian Dairy Industry Council
Brian Tessmann	Manager/Partner dairy farm in South Burnett Region, Queensland Director – Australian Dairy Industry Council Member – EastAUSmilk
Ben Bennett	Trustee of Kiwi calve business trust President of Corogamite UDV/VFF Branch Director – Australian Dairy Industry Council (appointed 25 November 2021) Member – United Dairyfarmers Victoria
Heath Cook	Director – Australian Dairy Industry Council (appointed 25 November 2021) Manager / owner Misery Mountain Dairy Dorrigo NSW Supply agreement with Norco Director – Norco Co-operative Member – Sub-tropical Dairy Member – NSW Farmers' Association
Andreas Clark	Board member – Pembroke School Inc Board member – Operation Flinders Inc Director – Hampstead Health Pty Ltd and HR Superclinic Pty Ltd Director CCW Cooperative Ltd Director – Plenary Health Co Pty Ltd and Plenary Health Finance Holdings Pty Ltd (from 15 December 2021) Director – Bremerton Vintners Pty Ltd

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

Meetings of directors

Directors	Directors Meetings		Audit Committee Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Terry Richardson (term completed 25 November 2021)	3	3	-	-
Colin Thompson (term completed 25 November 2021)	3	3	-	-
Victoria Taylor (term completed 25 November 2021)	3	3	1	1
Rick Gladigau	9	9	1	1
Brian Tessmann	9	9	-	-
James Campbell (ARCC Independent Member)	-	-	2	2
Ben Bennett (appointed 25 November 2021)	6	6	-	1
Heath Cook (appointed 25 November 2021)	6	6	1	1
Andreas Clark (appointed 25 November 2021)	6	6	1	1

Indemnification of officers

During the financial year, ADF purchased Directors & Officers Liability cover which insures all Directors and Officers of ADF. The premium paid is commercially sensitive and is therefore not disclosed.

Indemnification of auditors

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an auditor of the organisation.

Auditor's independence declaration

A copy of the auditor's independence declaration in relation to the audit for the financial year is provided with this report.

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

DIRECTORS' REPORT

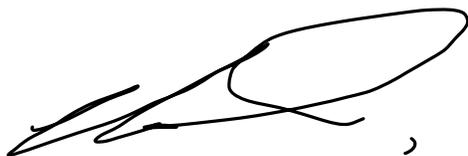
Proceedings on behalf of the organisation

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

Signed on behalf of the board of directors.



Director: _____
Rick Gladigau



Director: _____
Heath Cook

Dated this 20th day of October 2022

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS AND MEMBERS OF AUSTRALIAN DAIRY FARMERS' LIMITED

As lead auditor for the audit of Australian Dairy Farmers' Limited for the year ended 30 June 2022. I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Regulation 2013* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Australian Dairy Farmers' Limited.

A handwritten signature in black ink that reads "Abhishek" with a flourish underneath. The signature is enclosed in a hand-drawn oval.

Abhishek Sharma

Audit Partner

Dated this 27th day of October 2022

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Revenue and other income			
Other revenue	3	<u>2,285,781</u>	<u>2,184,529</u>
		<u>2,285,781</u>	<u>2,184,529</u>
Less: expenses			
Employment expenses	4	(756,597)	(785,943)
Remuneration	4, 12	(137,317)	(126,093)
Administration expenses		(391,366)	(227,502)
Affiliation fees		(148,233)	(100,000)
Employee provisions		(79,390)	(50,698)
Occupancy expenses		(73,273)	(60,863)
Policy and representation		-	-
Project expenses		(100,205)	(39,012)
Depreciation and amortisation	4	(7,152)	(5,738)
Grant Expenses		<u>(101,855)</u>	<u>(503,025)</u>
		<u>(1,795,388)</u>	<u>(1,898,874)</u>
Surplus/(Deficit) from ordinary activities		<u>490,393</u>	<u>285,655</u>
Other income/(expenses)			
Unrealised gains/(loss) from available for sale financial assets		<u>(2,678,216)</u>	<u>2,090,995</u>
Total other income/(expenses)		<u>(2,678,216)</u>	<u>2,090,995</u>
Other comprehensive income/(expenses)		-	-
Total comprehensive income/(expenses)		<u>(2,187,823)</u>	<u>2,376,650</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
Current assets			
Cash and cash equivalents	5	1,627,456	1,920,467
Receivables	6	114,735	60,580
Other Assets	8	<u>13,953,811</u>	<u>15,885,452</u>
Total current assets		<u>15,696,002</u>	<u>17,866,499</u>
Non-current assets			
Property, plant and equipment	7	<u>21,022</u>	<u>26,630</u>
Total non-current assets		<u>21,022</u>	<u>26,630</u>
Total assets		<u>15,717,024</u>	<u>17,893,129</u>
Current liabilities			
Payables	9	526,257	593,930
Provisions	10	<u>207,649</u>	<u>147,204</u>
Total current liabilities		<u>733,906</u>	<u>741,134</u>
Non-current liabilities			
Payables	9	-	-
Provisions	10	<u>34,843</u>	<u>15,897</u>
Total non-current liabilities		<u>34,843</u>	<u>15,897</u>
Total liabilities		<u>768,749</u>	<u>757,031</u>
Net Assets		<u>14,948,275</u>	<u>17,136,098</u>
Equity			
Retained earnings	11	2,748,974	4,936,797
Other Reserves		<u>12,199,301</u>	<u>12,199,301</u>
Total Equity		<u>14,948,275</u>	<u>17,136,098</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Note	Retained Earnings \$	Total Equity \$
Balance as at 1 July 2020		2,696,732	14,896,033
Surplus/(Deficit) for the year		<u>2,376,650</u>	<u>2,376,650</u>
Total comprehensive income/(loss) for the year		<u>5,073,382</u>	<u>17,272,683</u>
Adjustment to retained earnings for previous years		(136,585)	(136,585)
Other Reserves		<u>-</u>	<u>-</u>
Balance as at 30 June 2021	11	<u><u>4,936,797</u></u>	<u><u>17,136,098</u></u>
Balance as at 1 July 2021			
Surplus/(Deficit) for the year		<u>4,936,797</u>	<u>17,136,098</u>
Total comprehensive income/(loss) for the year		<u>(2,187,823)</u>	<u>(2,187,823)</u>
Adjustment to retained earnings for previous years		-	-
Other Reserves		<u>-</u>	<u>-</u>
Balance as at 30 June 2022	11	<u><u>2,748,974</u></u>	<u><u>14,948,275</u></u>

The accompanying notes form part of these financial statements.

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022	2021
		\$	\$
Cash flow from operating activities			
Receipts from customers		683,415	1,166,549
Payments to suppliers and employees		(2,461,359)	(2,525,478)
Interest received		-	-
Net cash provided by operating activities	13(b)	(1,777,944)	(1,358,929)
Cash flow from investing activities			
Receipts from investing activities		(1,369,386)	2,780,848
Proceeds on sale of investments		51,542	178,000
Purchase of property, plant and equipment		(1,544)	(14,000)
Available for sale assets		2,804,321	(4,253,790)
Net cash provided by / (used in) investing activities		1,484,933	(1,308,942)
Cash flow from financing activities			
Distribution to associates		-	-
Net cash used in financing activities		-	-
Reconciliation of cash			
Cash at beginning of the financial year		1,920,467	4,588,338
Net increase / (decrease) in cash held		(293,011)	(2,667,871)
Cash at end of financial year	13(a)	1,627,456	1,920,467

The accompanying notes form part of these financial statements.

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report – Simplified Disclosures, prepared for use by the directors and members of the organisation. The directors have determined that the organisation is not a reporting entity.

The financial report is for the entity Australian Dairy Farmers' Limited as an individual entity. Australian Dairy Farmers' Limited is a company limited by guarantee, incorporated and domiciled in Australia. Australian Dairy Farmers' Limited is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report has been prepared in accordance with all applicable Accounting Standards, with the exception of the disclosure requirements of the following Accounting Standards:

AASB 7:	Financial Instruments: Disclosures
AASB 124:	Related Party Disclosures
AASB 132:	Financial Instruments: Presentation
AASB 136:	Impairments of Assets

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report:

(a) Basis of preparation of the financial report

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

(b) Revenue

Revenue recognition

ADF has applied AASB 15: Revenue from Contracts with Customers (AASB 15) and AASB 1058: Income of Not-for-Profit Entities (AASB 1058) using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118: Revenue and AASB 1004: Contributions. The details of accounting policies under AASB 118 and AASB 1004 are disclosed separately since they are different from those under AASB 15 and AASB 1058, and the impact of changes is disclosed in Note 1.

Revenue from the rendering of services is recognised upon the delivery of the service to the customers.

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Operating grants, donations and bequests

When ADF receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15.

When both these conditions are satisfied, ADF:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, ADF:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (e.g. AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer)
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, ADF recognises income in profit or loss when or as it satisfies its obligations under the contract.

Interest income

Interest revenue is recognised when it becomes receivable on a proportional basis taking in to account the interest rates applicable to the financial assets.

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

(c) Fair value of assets and liabilities

ADF measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price ADF would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability.

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to ADF at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and ADF's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(d) Income tax

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(e) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(f) Property, plant and equipment

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

Plant and equipment

Plant and equipment is measured on the cost basis.

Depreciation

The depreciable amount of all property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held ready for use.

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Class of fixed asset	Depreciation rates	Depreciation basis
Leasehold improvements at cost	15%	Straight line
Office equipment at cost	15%	Straight line
Computer equipment at cost	25%	Straight line

(g) Leases

At inception of a contract, ADF assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by ADF where it is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

ADF has reviewed its contracts containing leases and has not recorded any right-of-use assets and corresponding lease liability as the lease is less than 12 months.

(h) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when ADF becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that ADF commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, ADF made an irrevocable election to measure the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Entity's accounting policy.

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Employee benefits

(i) Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Long-term employee benefit obligations

Liabilities arising in respect of long service leave and annual leave which is not expected to be settled within twelve months of the reporting date are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date.

Employee benefit obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

(j) Goods and services tax (GST)

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

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

(k) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

(l) Revenue from Contracts with Customers

We have reviewed ADF in consideration to the changes in revenue recognition under AASB 15 and have concluded that it is not applicable as current operations do not deal with long term contracts with customers as detailed in the standard.

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 2: ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT OPERATIVE AT 30 JUNE 2022

There are no other Accounting Standards and interpretations which have not been considered as at 30 June 2022.

	2022	2021
	\$	\$
NOTE 3: REVENUE AND OTHER INCOME		
Interest income	25,100	15,907
Cash flow boost	-	37,500
Distribution income	1,521,844	1,000,752
Other income	738,837	1,130,370
	<u>2,285,781</u>	<u>2,184,529</u>

NOTE 4: OPERATING SURPLUS

Surplus/(deficit) before income tax has been determined after:

Depreciation	7,152	5,738
Employee benefits		
Short term benefits	893,914	912,036
	<u>901,066</u>	<u>917,774</u>

NOTE 5: CASH AND CASH EQUIVALENTS

Cash on hand	32	32
Cash at bank	1,627,424	1,920,435
	<u>1,627,456</u>	<u>1,920,467</u>

NOTE 6: RECEIVABLES

CURRENT

Trade debtors	<u>114,735</u>	<u>60,580</u>
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AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$	2021 \$
NOTE 7: PROPERTY, PLANT AND EQUIPMENT		
Leasehold improvements		
At cost	136,753	136,753
Accumulated depreciation	<u>(125,903)</u>	<u>(123,803)</u>
	<u>10,850</u>	<u>12,950</u>
Plant and equipment		
Office equipment at cost	181,261	181,261
Accumulated depreciation	<u>(173,124)</u>	<u>(170,588)</u>
	<u>8,137</u>	<u>10,673</u>
Computer equipment at cost	37,921	36,377
Accumulated depreciation	<u>(35,886)</u>	<u>(33,370)</u>
	<u>2,035</u>	<u>3,007</u>
Total plant and equipment	<u>21,022</u>	<u>13,680</u>
Total property, plant and equipment	<u><u>21,022</u></u>	<u><u>26,630</u></u>
NOTE 8: OTHER ASSETS		
CURRENT		
Prepayments	7,869	17,191
Rental Bond	-	-
Distribution Receivable	7,503	13,607
Deposits Paid	630	630
Accrued Income	1,354,853	416,472
Available for sale financial assets	<u>12,582,956</u>	<u>15,437,552</u>
	<u>13,953,811</u>	<u>15,885,452</u>
NOTE 9: PAYABLES		
CURRENT		
Unsecured liabilities		
Trade creditors	99,254	75,744
Sundry creditors and accruals	427,003	518,186
Loan from associates	<u>-</u>	<u>-</u>
	<u>526,257</u>	<u>593,930</u>
NON CURRENT		
Loan from associates	<u>-</u>	<u>-</u>

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
NOTE 10: PROVISIONS		
CURRENT		
Employee benefits	207,649	147,204
Other	-	-
	<u>207,649</u>	<u>147,204</u>
NON CURRENT		
Employee benefits	<u>34,842</u>	<u>15,897</u>
Aggregate employee benefits liability	<u>242,491</u>	<u>163,101</u>
NOTE 11: RETAINED EARNINGS		
Retained earnings at the beginning of year	4,936,797	2,696,732
Adjustment for retained earnings for previous years	-	(136,585)
Net Surplus/(deficit)	<u>(2,187,823)</u>	<u>2,376,650</u>
Net retained earnings	<u>2,748,974</u>	<u>4,936,797</u>
NOTE 12: REMUNERATION		
Presidents fees	75,000	75,000
Directors fees	31,517	24,483
Independent director	25,300	18,400
Independent ARCC member	5,500	5,475
Sitting Fees	-	2,735
	<u>137,317</u>	<u>126,093</u>

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
NOTE 13: CASH FLOW INFORMATION		
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position is as follows:		
Cash at bank	1,627,424	1,920,435
Cash on hand	<u>32</u>	<u>32</u>
	<u>1,627,456</u>	<u>1,920,467</u>
(b) Reconciliation of cash flow from operations with surplus		
Surplus/(deficit) from ordinary activities	490,393	285,655
Less: Adjustments for investing activities in operating activities	<u>(2,242,373)</u>	<u>(1,014,849)</u>
Adjusted surplus / (deficit) from ordinary activities	(1,751,980)	(729,194)
Adjustments and non-cash items		
Depreciation	7,152	5,738
Changes in assets and liabilities		
(Increase) / decrease in receivables	(54,155)	(3,131)
(Increase) / decrease in other assets	9,322	50,103
Increase / (decrease) in payables	(67,673)	(719,235)
Increase / (decrease) in provisions	<u>79,390</u>	<u>36,790</u>
Cash flows from operating activities	<u>(1,777,944)</u>	<u>(1,358,929)</u>

NOTE 14: COMMITMENTS

LEASE COMMITMENTS – OPERATING

Committed at reporting date but not recognised as liabilities, payable:

Within one year	-	59,238
One to five years	-	-
More than five years	<u>-</u>	<u>-</u>
	<u>-</u>	<u>59,238</u>

ADF entered into a new rental agreement on 23 June 2021 which was to commence on the 1 July 2021 and end on the 30 June 2022. However, due to the COVID-19 restrictions ADF has been unable to relocate to the premises up until February 2022. All the lease commitments have been based on the facts available during the preparation of the financial statements.

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 15: EVENTS SUBSEQUENT TO REPORTING DATE

There are no matters or circumstances, which have arisen since 30 June 2022 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2022, of the organisation, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2022, of the organisation.

NOTE 16: ORGANISATION DETAILS

The registered office of the organisation is:

Australian Dairy Farmers' Limited

Farrer House

Level 4

24 Collins Street

MELBOURNE VIC 3000

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

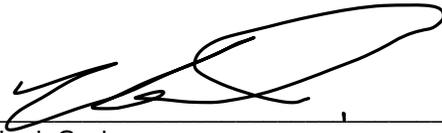
DIRECTORS DECLARATION

The directors have determined that the organisation is not a reporting entity and that this general purpose financial report – simplified disclosures should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

1. In the opinion of the directors, the financial report and notes as set out on pages 9 - 22, presents fairly the organisation's financial position as at 30 June 2022 and performance for the year ended on that date of the organisation in accordance with the accounting policies outlined in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the organisation 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: _____
Rick Gladigau


Director: _____
Heath Cook

Dated this 20th day of October 2022

AUSTRALIAN DAIRY FARMERS' LIMITED
ABN 76 060 549 653

COMPILATION REPORT
TO AUSTRALIAN DAIRY FARMERS' LIMITED

We have compiled the accompanying general purpose financial statements – simplified disclosures of Australian Dairy Farmers' Limited, which comprise the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income and the statement of changes in equity for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the general purpose financial statements – simplified disclosures have been prepared is set out in Note 1.

The Responsibility of the Directors

The directors of Australian Dairy Farmers' Limited are solely responsible for the information contained in the general purpose financial statements – simplified disclosures, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the directors we have compiled the accompanying general purpose financial statements – simplified disclosures in accordance with the basis of accounting as described in Note 1 to the financial statements and APES 315 *Compilation of Financial Information*.

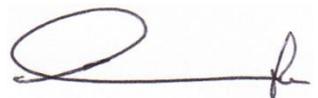
We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The general purpose financial statements – simplified disclosures were compiled exclusively for the benefit of the directors who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the general purpose financial statements – simplified disclosures.

MGI Dobbyn Carafa Pty Ltd
Level 15, 412 St Kilda Road
Melbourne



ANTHONY CARAFA

Dated this 20th day of October 2022

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS OF AUSTRALIAN DAIRY FARMERS' LIMITED

Opinion

We have audited the financial report of Australian Dairy Farmers Limited, which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended, notes to the financial report including a summary of significant accounting policies, and the director's declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of Australian Dairy Farmers Limited as at 30 June 2022, and its financial performance and its cash flows for the year ended on that in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Guidelines of *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

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

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

Information Other than the Financial Report and Auditor's Report Thereon

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Board and Those Charged with Governance for the Financial Report

Board is responsible for the preparation and fair presentation of the financial report in accordance with those requirements of the Financial Reporting Framework in accordance with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Regulation 2013 relevant to preparing such a financial report, and for such internal control as board determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the organisation's preparation and fair presentation of the financial report audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by the board.
- Conclude on the appropriateness of board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the organisation to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the organisation's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads "Abhishek". The signature is enclosed within a hand-drawn oval shape.

Abhishek Sharma

Partner

Dated this 27th day of October 2022

ADF Business Director Candidate Assessment – Rick GLADIGAU

Candidate	Interview overview
Rick GLADIGAU	<p>Mr Gladigau described his motivation for re-applying for the role as an ADF director citing his long experience with dairying advocacy and passion for the industry and his view that more needs to be achieved in uniting the industry. Mr Gladigau described his first eight months as president challenging and feels that he is now getting more comfortable in the role.</p> <p>Mr Gladigau described his vision for the industry to be one of collaboration and communication – talking with one voice. Mr Gladigau considers there to be great value in building a closer relationship with Dairy Australia (DA) and maximising the resources of State bodies to assist each other.</p> <p>When asked to describe how ADF is currently viewed Mr Gladigau considered that it is a well-respected organisation, particularly with government and that open communication channels exist with many national politicians.</p> <p>Mr Gladigau stated that ADF looks to their members to bring to the attention of ADF issues that are important to them through the State bodies and described not having the ability to have a clear and honest communication stream directly with farmers as an issue.</p> <p>Mr Gladigau stated that ADF is currently underfunded and needs funds to increase staff numbers and improve the capacity to advocate on issues.</p> <p>In describing the major challenges facing the Board, Mr Gladigau described competing priorities within the board itself to be a challenge, with strong personalities having different priorities on issues and the need to collaborate to achieve outcomes.</p> <p>Mr Gladigau stated that sustainable funding to be a high priority, along with retaining State bodies as members and the need to work with everyone and collaborate to achieve this. Mr Gladigau declared that ADF is too reliant on State membership fees and some States have funding issues of their own and their ability to pay the fees is compromised by their lack of members.</p> <p>Structural reform is considered by Mr Gladigau to be an area that is still to be addressed by the board and industry partners but questioned whether there was the appetite amongst the board and the industry generally to initiate the changes needed.</p> <p>Mr Gladigau understands the role of a director to be to follow good governance, develop the strategic plan for the organisation, manage the risk register and the organisations finances. Skills in understanding policy positions is necessary when considering risk to the organisation.</p> <p>When asked what specific attributes he would bring to the board, Mr Gladigau stated that he has strong skills in policy development, is a strategic thinker and has sound financial knowledge. Mr Gladigau stated that he is generally risk averse.</p>

Cont.

In describing his areas which could be improved, Mr Gladigau considered that his skills in dealings with media could be improved with training and be more aware of the different views held by others and work collaboratively with them. Mr Gladigau sees himself as approachable and a relationship builder yet acknowledged that his organisational skills could be improved.

When describing his understanding of corporate governance, Mr Gladigau considers understanding the roles and responsibilities of a director, having sound financial acumen, and knowing the risks to the organisation to be important.

In describing his personal values, Mr Gladigau considers himself to be honest and respectful of others and work collaboratively with persons that have a better knowledge and understanding of issues facing farmers in some regions.

Mr Gladigau believes there is a need for some structural reform at ADF through constitution change, as it would be preferable for States to have wider representation on the Board rather than a larger National Council.

When asked to describe his understanding of the role of the National Council, Mr Gladigau stated that the National Council's primary role is to recommend policies to the Board for management to advocate to government. The Board's role is to consider the policy and potential risk to the organisation. The PAG's role is to develop policy for the Council to consider.

Mr Gladigau stated that the composition of the Council comprises members appointed by the respective State members and that Councillors should be putting forward the State policy positions and not their own personal views.

When considering risks to ADF, Mr Gladigau stated that financial concerns and State member retention were key to ADF's ongoing future success. The need to find alternative funding streams is considered important and the continued membership of all States is also an issue, as without all States in as members ADF would no longer be a truly national advocacy organisation.

When asked his view of national leadership, Mr Gladigau stated that it was important to build strong relationships with government and acknowledged that the role can be a steep learning curve when you are representing the industry on many committees and organisations and are required to be across so many issues.

At times when support or guidance is needed, Mr Gladigau stated that his family is his first support where he will discuss issues and work through them. Mr Gladigau also relies on the advice of the ADF CEO and management and declared that he has a good relationship with all.

ADF Business Director Candidate Assessment Matrix – Rick Gladigau

	Not demonstrated	Acceptable	Clearly demonstrated	Comments
Relevant background / experience			✓	
Motivation			✓	
Financial knowledge			✓	
Industry knowledge			✓	
Governance			✓	
Risk management			✓	
Strategic thinking and planning			✓	
Stakeholder knowledge / engagement			✓	
Relationship management / influencing		✓		
Leadership		✓		Acknowledged in responses given that he would benefit from undertaking professional development programs
Critical Thinking / Judgement / Analysis		✓		
Culture fit			✓	
Overall fit			✓	
General comments / concerns	Rick provided many examples of where he is suitable for the role and the panel considered that he met the overall criteria sought. Responses to some questions were not as strong as the panel expected of an incumbent director e.g. around leadership and suggest that he would benefit from further development and mentoring.			

Definitions

Not demonstrated - limited understanding, minimal contribution and demonstrated experience

Acceptable - demonstrated knowledge and involvement or contribution

Clearly demonstrated - sound understanding, relevant experience and demonstrated application at a leadership level/role

Richard Gladigau

P.O. Box 1693 Mt Torrens S.A. 5244

Email: rtgladigau@internode.on.net

Career Profile

I grew up on my parent's dairy farm and when I left school at the end of 1981, I was employed as a farm hand on their farm. I did some seasonal work on a Potato farm for a couple years for some experience, but dairying is what I wanted to do. I became a share farmer after a couple of years and in 1988 travelled to Canada as a trainee on an Agricultural exchange program for 9 months. I returned to the family farm and managed the dairy side of the business. In 1993 a dairy property became available next to a runoff property that my parents owned and they encouraged me to purchase it and start my own dairy. I am still dairying on this property.

I was nominated as a Ward rep for ACF for the Birdwood region in 1998 after ACF had purchased Dairy Vale. I had always had an interest in farming beyond the farm gate and this position helped me gain a better understanding of the dairy business post farm gate and dairy in Australia. I eventually was elected to the DFMC board in 2013.

I resigned from the DFMC board and as a supplier in August 2016, as I had successfully negotiated a supply contract with a local cheese maker, Udder Delights, to supply all of my milk to them. I was the first supplier from our region and today there are 6 local farms supplying milk to them under this contract.

I am passionate about what I believe in and this has led me to hold various positions on committees and boards that I have an interest in. This has helped me to gain experience in Leadership, Governance, Negotiating and working with a diverse group of people.

Key skills & Attributes

Listen to both sides of an argument to gain a better perspective.

Negotiation

Consider possible results/repercussions from actions.

Believe in good Governance and operating under the constitution of the business.

I am passionate about what I believe in.

Keen sense of humour.

Supportive of Board and staff.

Employment Experience

Dairy Farmhand: B.K & B.H. Gladigau 1982-1985

Seasonal work on Potato growing/ packaging: Wuttke farms, 1982, 1983

Dairy Share farmer: B.K. & B. H. Gladigau 1986- 2003

Agricultural Exchange Trainee, Vermillion, Alberta, Canada, 1998 (9 months) Dairy, Beef and Cropping

Dairy Farm owner: R.T. Gladigau 1993-1998

Dairy Farm Owner: R.T. & T.L Gladigau 1998-present

Experience

ADF Board Nov 2019- present

ADF President Nov 2021-present

ADIC Chair Nov 2021- present

ADF Board Rep- Levy Poll 2022

Director Gladigau & Sons: 2014- present

SADA board member: 2007- 2021

SADA board Treasurer: 2016- 2021

ACF (Dairy Farmers) Ward rep: 1998 -2000

Dairy Farmers Milk Co-op, State ward rep Chair: 2009-2013

Dairy Farmers Milk Co-op Board, Director (S.A.): 2013 – 2016

Dairy Farmers Milk Co-op, Milk pricing Committee Chair: 2013-2016

ADFC board member: 2013- 2014

ADF member: Oct 2014 Member Number: 131118

ADF Markets, Trade and Value chain PAG: 2015-2019

NFF Trade Committee, Primary Producers SA rep: 2017- 2019

Mt. Torrens & Districts Dairy Discussion Group participant.

Participant in first S.A. TAFE On farm training Scheme: 1992-1995

Governing council student rep S.A. TAFE On farm training scheme: 1992-1996

Spring Head Lutheran Church Council Chair: 2005-2009

Spring Head Lutheran Church Council Vice Chair: 2013-2021

Spring Head Lutheran School Council: 2018-present

Spring Head Lutheran School Council Chair: 2019- present

Upper Torrens Land Management Program Board member (Community Rep): 2004-2017 (program ceased)

Referees

Andrew Curtis

Anthony Pearce

CEO, SADA

Owner /Partner

0419037569

Hills Farm Supplies 046700061

ADF Business Director Candidate Assessment – Ian MORRIS

Candidate	Interview overview
<p>Ian MORRIS</p>	<p>Mr Morris declared his motivation to apply for the Business Director position being his very strong and known interest in the dairy industry, and keen interest in policy development including the Australian Dairy Plan. Mr Morris cited his extensive experience in governance and knowledge of strategic initiatives.</p> <p>When asked what his vision for ADF to be Mr Morris considers ADF to be the peak body representing farmers on a wide range of issues to government and has a positive view of where the industry can go.</p> <p>Mr Morris would like to see a strong and profitable industry with leaders asking people to follow. Mr Morris believes that there is not a clear analysis of policy development or communication back to members..</p> <p>In considering the current view of ADF Mr Morris believes that ADF is quite well respected for some of the work they do. With 400 odd ADF members and 4,600 dairy farmers, issues are brought to ADF through these members and the State bodies and vice-versa, yet there is not clear communication streams to reach all farmers.</p> <p>Mr Morris believes the major challenges for the ADF Board to be that dairy leaders declared that the current structures are no longer fit for purpose. The government needs strong advocacy bodies to assist in developing policy and the industry needs to drive structures that resonate with members.</p> <p>In describing his understanding of the role of a director, Mr Morris believes ethics, acting honestly, forming a collaborative partnership with board members that allows for robust policy development. Mr Morris added that fiduciary duties and being accountable and responsible to the board as a whole is necessary.</p> <p>Mr Morris cited his previous experience on boards and stated that the attributes he would bring to the board to be policy development experience, financial knowledge and understanding of strategic plan development.</p> <p>Areas where Mr Morris believed were not his strongest to be his communication skills and talking with the press and an acceptance that you can't know everything. Mr Morris stated that he has extensive experience as a bureaucrat putting forward issues to government at senior levels.</p> <p>When describing his understanding of corporate governance, Mr Morris stated that boards need to make decisions, act in an ethical manner, be honest and transparent in decision making and be accountable to the members, adding that a director must be prepared to resign if they cannot accept a decision made by the board.</p>

Cont.

Mr Morris stated that some issues before the ADF board have not been dealt with sufficiently, as he has written papers about structural reform, yet he has not met with or engaged with ADF or DA on his reform proposal.

When asked of his understanding between the National Council and board, Mr Morris believes that members do not see the output from PAGs, nor do they have an understanding of the discussions had within the PAGs. Mr Morris believes that all information on PAGs to be entirely confidential to State members, National Council and board and that this is inappropriate.

Mr Morris understands that the National Council is responsible for developing policy and forwarding to the board for approval.

Asked his view on national leadership of the industry and the role of ADIC, Mr Morris declared that there are times when whole of industry needs to come together to address whole of industry issues, although it is appropriate for a difference of views at times between farmers and processors.

In describing g the role of a director, Mr Morris considers risk management to be one of the key issues from an ADF director perspective and the rapidly declining membership numbers of State bodies. Funding of ADF is an issue and ADF is under-resourced with few staff numbers. Mr Morris wants to take a positive role in dealing with changing the industry structures.

When asked what the key priority areas for the ADF board are, Mr Morris believes encouraging all farmers to be members of ADF to be key and engaging with all farmers. Mr Morris believes that farmers need to have all of the information available to the board.

Mr Morris added that leaders need to lead and that good discussions are had at the ADIC Sustainability Committee meetings and plenty of good work is done by the committee with regard to climate change.

In describing how he would get and foster good board relationships, Mr Morris believes that by being open and honest on issues, working as a team, listening and encouraging open debate to build consensus as actions he would take.

ADF Business Director Candidate Assessment Matrix – Ian Morris

	Not demonstrated	Acceptable	Clearly demonstrated	Comments
Relevant background / experience			✓	
Motivation	✓			Strong interest in the dairy industry yet from the answers provided his motivation to apply indicated personal interest in a few key issues
Financial knowledge			✓	
Industry knowledge	✓			Examples provided did not demonstrate an understanding of the broader industry structures and workings
Governance			✓	
Risk management			✓	
Strategic thinking and planning			✓	
Stakeholder knowledge / engagement	✓			Limited examples provided to support an understanding of farmers issues and concerns
Relationship management / influencing	✓			Did not demonstrate that he had a broad network and has established relationships with dairy regions within his State
Leadership		✓		
Critical Thinking / Judgement / Analysis			✓	
Culture fit		✓		
Overall fit		✓		
General comments	<p>Ian responses and examples provided were limited to a narrow view of the issues facing the industry, and focused specifically around structural reform of industry bodies and his views may not be accepted by all stakeholders.</p> <p>Whilst Ian demonstrated sound knowledge of governance and his skills in financial acumen the panel questioned his motivation for standing.</p>			

Definitions

Not demonstrated - limited understanding, minimal contribution and demonstrated experience

Acceptable - demonstrated knowledge and involvement or contribution

Clearly demonstrated - sound understanding, relevant experience and demonstrated application at a leadership level/role

IAN MORRIS: ONE PAGE CURRICULUM VITAE

Education: BEc (Hons) Degree La Trobe University 1974

50% of Masters in Public Policy at ANU 2000 (With Distinctions done as part of Sabbatical focused on policy reform within federal and decentralized structures)

Dairy Membership

Australian Dairy Farmers
United Dairy Farmers of Victoria
Corangamite UDV Branch Secretary
Dairy Australia
South West Dairy Cooperative

Positions:

2006 – Present Dairy Farmer and Independent Development Consultant. Very active in the activities of UDV and ADF and writing several reports on aspects of the Australian Dairy Plan (particularly profitability issues) and organizational issues/dairy industry structure. Written papers on the draft dairy plan and associated profitability issues and dairy Industry Structure proposals in response to Commitment 1 of the Dairy Plan

2002 – 2006 World Bank (Sydney) Human Development Coordinator Timor Leste, Papua New Guinea and Pacific Islands

1994-2002 World Bank (Washington DC) Senior Human Resource Specialist South Asia

1990-1994 Full-time Consultant World Bank

1986-1990 Freelance Consultant Economist. Working for World Bank, Asian Development Bank, AusAid, British aid in 10 countries and the Tasmanian Government.

1984-1986 First Assistant Secretary Department of Finance and Planning Government of PNG (responsible for financing the government budget).

1982-1984 Assistant Director, Programs Branch, National Planning Office, Papua New Guinea. (Responsible for evaluating and proposing to government the development budget.

1979-1984 Economist and Principal Economist of the manpower Planning and Education Unit of the National Planning Office of Papua New Guinea.

1974-1979 Tutor/Lecturer in Economics, University of Papua New Guinea (taught agriculture economics, development economics and standard micro and macro economics.

1974-1975 Tutor in Economics, La Trobe University (whilst working on thesis on agricultural change in Pakistan).

ADF Business Director Candidate Assessment – Glenn BRITNELL

Candidate	Interview overview
Glenn BRITNELL	<p>Mr Britnell describe his motivation in applying to be his passion for the industry and is keen to see growth with a clear direction for the future of the industry.</p> <p>In describing his vision for the industry, Mr Britnell considered that his vision may not align with other farmers and stated that there is a need to get famers on board and involved in having a say in where the industry is headed. Mr Britnell is concerned at the drop in farm numbers going from 20k when he commenced in the industry to now under 5k.</p> <p>When asked what his view of ADF was and how it is viewed by the industry, Mr Britnell considered that ADF was becoming more relevant but needed fresh ideas and that some tweaking was needed.</p> <p>Mr Britnell believes rising costs, green laws and European markets entering Asia are major challenges that the ADF Board needs to consider. Mr Britnell considers that communicating with farmers in a cohesive manner and actively listening will assist ADF in meeting these challenges.</p> <p>With regard to his understanding of the role of a director Mr Britnell believes that making good decisions on behalf of the industry is important. The attributes that Mr Britnell believes he would bring to the Board to help achieve this is his ability to work cohesively with the board.</p> <p>Mr Britnell considers his strengths to be his wide network and cites areas that may need to be developed as corporate governance and improve his of understanding policy development.</p> <p>In describing his personal values and ethics Mr Britnell considers himself to be an honest and moral person who wants to do good and sees the world as good. Mr Britnell believes himself to be a person that operates with integrity.</p> <p>A clear understanding of the relationship between the National Council and Board was not provided and the separate governance roles of the PAGs, Council and Board.</p> <p>When asked to describe hie view of national leadership and the roles of ADF and ADIC, Mr Britnell stated that they need to convey the view of the farmers to government to make a better and stronger industry through the State bodies.</p> <p>Mr Britnell considers that the responsibilities of a director include maintaining integrity with stakeholders and listening and gaining consensus on matters and communicating back to Dairy Australia (DA), State bodies and ADF members.</p> <p>In describing what financial reports should regularly be viewed by a director Mr Britnell considered it important to see the running costs of ADF and the income received from levies.</p>

Cont.

Asked to consider what are the key items to look for in financial reports Mr Britnell stated that the balance of accounts to be important and to ensure that funds are spent in the right areas. Mr Britnell declared that liabilities are what you owe, and assets are what you own, and you want to see growth.

When asked to consider what the key risks for ADF to be Mr Britnell considered that ADF becoming irrelevant to farmers by not doing the right thing. Mr Britnell also stated that it is important for State bodies to have strong membership as advocacy is struggling right through the industry.

Mr Britnell stated that he has contributed to the strategic plan of a group concerned with windfarms with a community engagement committee he was a member of. The group were seeking assurances from the company to ensure noise levels were not excessive and set-up listening posts to monitor. Mr Britnell did not specifically state what his role was in the development of the plan.

Mr Britnell considered his strengths to be questioning positions and complementing the group as a whole. Weaknesses might be considered as others not listening to his position and taking advantage of the opportunity.

In describing when he has changed the views of others on a Board or committee, Mr Britnell described a time on the Vic. West Dairy Board where he listened to the views of others and maintained connections with others and showed interest in the issues and views within their region.

When asked to consider what the ADF Board should focus on in the next 12-months, Mr Britnell stated that costs to farm businesses are key, i.e. costs of urea, diesel etc., maintaining strong connections with government and DA, staying relevant and making good decisions.

In considering the challenges of the current biosecurity issues facing the industry Mr Britnell believes that ADF needs to advise the government the effects a disease incursion would have on the industry and seek reassurances from the government and convey these back to members.

Mr Britnell believes that the dairy industry can adjust to ensure resilience by moving to where the markets are and constantly reviewing these. Mr Britnell also stated that there is a need to stop the people leaving the industry and not forget the support industries that are affected also when the industry is reduced.

When asked of his understanding of the ADIC Board and the work they do Mr Britnell stated that he has no knowledge or understanding of the ADIC at all.

Mr Britnell stated that he was open to undertaking some formal courses to improve his understanding of the role and responsibilities of a director and governance.

ADF Business Director Candidate Assessment Matrix – Glenn Britnell

	Not demonstrated	Acceptable	Clearly demonstrated	Comments
Relevant background / experience		✓		
Motivation		✓		
Financial knowledge	✓			Response lacked understanding of financial reports available to Boards
Industry knowledge	✓			Lacked understanding of the various bodies or roles that they play
Governance	✓			No clear understanding of requirements
Risk management	✓			Risk consideration not included in responses given
Strategic thinking and planning	✓			Response lacked depth of knowledge expected of a director
Stakeholder knowledge / engagement	✓			Responses lacked understanding of the various bodies within the industry and what role they play
Relationship management / influencing	✓			Not at the level expected
Leadership	✓			
Critical Thinking / Judgement / Analysis	✓			
Culture fit	✓			
Overall fit	✓			
General comments	<p>Glenn presented as a candidate that holds in high regard the values of honesty and integrity and values listening to farmers and stakeholders and respecting the views of others.</p> <p>However, Glenn did not demonstrate his understanding of many key aspects of being a director of a national organisation and the need to have a wide network to source information from. Glenn would benefit from greater experience in State and policy development bodies to improve his knowledge of industry structures and internal workings of same.</p> <p>Glenn's knowledge of governance and the fiduciary duties of a director, strategic thinking, analysis and risk management were not demonstrated satisfactorily.</p> <p>The Panel considered Glenn not to be a suitable candidate at this time.</p>			

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Not demonstrated - limited understanding, minimal contribution and demonstrated experience

Acceptable - demonstrated knowledge and involvement or contribution

Clearly demonstrated - sound understanding, relevant experience and demonstrated application at a leadership level/role

RESUME

GLENN BRITNELL

D.O.B 12.1.1964

FULL NAME: GLENN CHARLES BRITNELL

ADDRESS: 178 WICKHAM ROAD, WOOLSTHORPE, VIC 3276

FAMILY: SEPARATED, 4 ADULT CHILDREN

WORK EXPERIENCE:

- Commenced dairying in 1997
- Share farmed for 3 years
- Purchased first dairy farm in 2000
- Purchased second farm in 2005
- Purchased third farm in 2006
- Milking 1050 cows
- Employed 5 full time employees and contractors to make up the balance
- Complete restructure required in 2019 due to marriage breakdown
- Downsized to one farm with one employee currently

SKILLS DEVELOPED:

Strategic Planning: Planning operations of dairy farms

Financial Management: Compilation of yearly budgets. Measuring data and KPI performances.

Policy Development: President of Warrnambool UDV Branch 2005 involving all aspects of this role. This branch was subsequently shut down and the current Wannon Branch of the UDV was created.

Involved in policy creation regarding animal welfare, and the Australian Dairy Plan.

When my ex-wife became a politician in 2015 I learned the background of policy creation through my supportive role in working with other politicians.

During this time my awareness grew as to how to connect with other members of parliament regarding policy development.

Current Community Engagement: Member of the Community Engagement Committee on the windfarm project in my local area involving the Moyne Shire Council.

Organized a meeting in my local township regarding the Woolsthorpe windfarm aiming to address windfarm concerns.

Leadership: The great south coast governance program over 12 months. This course covered numerous aspects towards all facets of leadership.

Advance in Dairy Leadership development program. This program was dairy specific.

Colin Mckenna

Midfield Meats Woolsthorpe

Mb 0408 529 149

David Parkinson

Dairy Farmer Koroit

Mb 0429 024 849

Australian Dairy Farmers Limited

ABN 76 060 549 653

2022 ANNUAL GENERAL MEETING OF MEMBERS

Thursday 24 November 2022 10.30am (AEDST)

MEMBER PROXY VOTING FORM APPOINTMENT OF PROXY

Instructions: If you cannot attend the meeting but still wish to vote, insert relevant details where indicated below, provide a check in the boxes to indicate the manner in which you wish to vote for a resolution, and then lodge the form with the Company Secretary in accordance with the lodgement details below.

ADF Member number: #.....

I/We,
INSERT NAME OF MEMBER/S ABOVE (State or Business Member/s)

of.....
INSERT ADDRESS ABOVE

being a member of the abovementioned Company, entitled to attend and vote at the Annual General Meeting, hereby appoint:

.....
INSERT NAME OF PROXY HOLDER ABOVE*

of
INSERT ADDRESS ABOVE

Or the Chairman of the Annual General Meeting (tick this box if appointing the Chairman as your proxy)

NOTE: Please write the name of the person in the space provided above you are appointing as your proxy or failing the person being named, or if no person is named as my/our proxy and to vote for me/us on my/our behalf in accordance with the instructions below. If you do not appoint a proxy, and if no directions have been given, the Chair of the meeting will be appointed your proxy to vote on your behalf as they see fit and at any adjournment or postponement of the Annual General Meeting. The meeting is being livestreamed, commencing at 10.30 am (AEDST) on THURSDAY 24 November 2022.

Please note that if you mark the 'abstain box' in relation to any Resolution, you are directing your proxy not to vote on your behalf on poll and your votes will not be counted in computing the required majority on a poll.

Voting on General Business at the Annual General Meeting

Item 1 – 2021 AGM Minutes

To consider and, if thought fit, pass the following resolution as an **Ordinary Resolution**:

Resolution 1

That the Minutes of the 2021 Australian Dairy Farmers Limited AGM be considered for approval.

FOR AGAINST ABSTAIN

Item 3 – Election of Business Director

NOTE: Three (3) nominations for one (1) Business Director position were received. The options available in which eligible members can cast their online vote for Director elections, are either directly or via a valid proxy. The election of the Business Director will be conducted by ballot on a first past the post basis. The candidate who receives the most 'for' votes than 'against' votes for resolutions 2, 3 and 4 will be elected as the Business Director, noting that the candidates' names are listed in the order in which their application was received.

To consider and, if thought fit, to pass either Resolution 2, Resolution 3 or Resolution 4 by way of ballot (in accordance with clause 4.2.7 of the Constitution), via online voting or by proxy as an **Ordinary Resolution**:

Australian Dairy Farmers Limited

ACN 060 549 653

Resolution 2

That Mr. Rick Gladigau, who nominated for the position of Business Director in accordance with the Company's Constitution, clause 4.2.3 (a), and being eligible and having been assessed by an Independent Panel **as suitable** to stand, be re-elected a Director of the Company.

FOR AGAINST ABSTAIN

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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To consider and, if thought fit, to pass **the following resolution** as an **Ordinary Resolution**:

Resolution 3

That Mr. Ian Morris, who nominated for the position of Business Director in accordance with the Company's Constitution, clause 4.2.3 (a), and being eligible and having been assessed by an Independent Panel **as suitable** to stand, be elected a Director of the Company.

FOR AGAINST ABSTAIN

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

To consider and, if thought fit, to pass **the following resolution** as an **Ordinary Resolution**:

Resolution 4

That Mr. Glenn Britnell, who nominated for the position of Business Director in accordance with the Company's Constitution, clause 4.2.3 (a), and being eligible and having been assessed by an Independent Panel **as not suitable** to stand, be elected a Director of the Company.

FOR AGAINST ABSTAIN

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Item 4 – Use of Income and Assets

To consider and, if thought fit, pass **the following resolution** as **Ordinary Resolution**:

Resolution 5

That the aggregated maximum compensation level to be paid to Directors be set at \$150,000 per annum, plus an allowance for a 10% contingency to cover events or activities undertaken by Directors outside of scheduled activities or events.

FOR AGAINST ABSTAIN

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

and

FOR AGAINST ABSTAIN

That the aggregated maximum compensation level to be paid to National Councillors be set at \$20,000 per annum.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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SIGNATURE OF MEMBER(S):

Date:

.....

.....

.....

Individual or Member 1

Joint Individual or Member 2

Joint Individual or Member 3

*President or *Director/s of the State Member Organisation
Signed in accordance with the State Members Constitution
#Delete and amend wording as applicable

To lodge your proxy form please complete and send to the attention of **Tyler Mitchell** at **Vero Voting** as follows:

Received by **NOT LATER THAN: 10.30 am (AEDST) on Monday 21 November 2022** - via mail: Unit 5, Ground Floor, 100 Railway Road, SUBIACO WA 6008, or via email to admin@verovoting.com.au.