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About Australian Dairy Farmers

Australian Dairy Farmers (ADF) is a not-for-profit organisation which is the recognised national peak Industry Representative Body (IRB) for dairy farmers from all dairy producing states across Australia. ADF's mission is to provide strong leadership and representation to allow for the continued growth of internationally competitive, innovative and sustainable dairy farm businesses.

Dairy policy and advocacy

We work with our Policy Advisory Groups (PAGs), National Council and leading experts to develop the policies that Australian dairy farmers need. See page 27 for more on how PAGs and National Council work.

We partner with the Australian Dairy Products Federation (ADPF) to form the Australian Dairy Industry Council (ADIC), a united whole-of-chain approach in areas of mutual benefit, to create a more prosperous and sustainable future by advocating to government, industry and the community.

We support the Australian Dairy Sustainability Framework, a pioneering initiative in dairy sustainability.

Industry Representative Body for Dairy

ADF is the formal dairy farmer IRB with several organisations including:

Dairy Australia (DA)

- Group B Member of Dairy Australia
- Oversight e.g. Dairy Services Levy Poll
- Strategic & Policy Direction of Dairy Australia

Animal Health Australia (AHA)

- Dairy Member of Animal Health Australia
- Emergency Animal Disease Response

Department of Agriculture, Fisheries and Forestry (DAFF)

- Sustainable Biosecurity Funding Advisory Panel
- Dairy member

SAFEMEAT

- Dairy member of SAFEMEAT
- Partnership between industry and government
- Safety; traceability; disease management; chemical use

National Farmers Federation (NFF)

- The dairy commodity member

Our Members

ADF's membership base includes State Dairy Farming Organisations (SDFO's) and direct farmer members, representing all dairy producing states of Australia.

The following six SDFOs work in collaboration with ADF to foster a strong and united voice for dairy farmers nationally:

- New South Wales Farmers (NSW Farmers)
- eastAUSmilk
- South Australian Dairyfarmers' Association (SADA)
- TasFarmers Dairy Committee
- United Dairyfarmers of Victoria (UDV)
- Western Australia Farmers Federation (WAFarmers) Dairy Committee

ADF provides further support through its representative structure, comprising the ADF Board, National Council, Policy Advisory Groups and associated taskforces and working groups. For more information on National Council and PAGs please see pages 27 and 28.



President's report

My overwhelming focus in this the first year of my presidency has been to provide a strong voice for grass roots dairy farmers, ensuring that dairy has a seat at the table and that we are on the front foot, advocating for what they need.

A part of this is getting out and speaking to farmers right across the country, and that's what we've done. Since taking on the role in late 2023, I've criss-crossed the country from the Atherton Tablelands in Queensland down to Northern Tasmania, and from Newcastle in New South Wales across to Denmark in the south of Western Australia.

The farmers I've met with have had all different business structures and sizes, but they've all made it clear to me they want to see a strong, united voice for dairy farmers.

Anyone who knows me, knows I'm a straight talker who likes to call it as it is. Don't sugar coat something and call it a Jaffa is the message I've been sending to Canberra. We need transparency and honesty, and we need a fair go for our farmers.

Don't talk down to us or at us – talk with us.

It's that simple.

This is a pivotal time for the dairy industry and our farmers, and it's more important than ever we get the right settings in place for farmers – in trade, biosecurity, on-farm practices, environment and more.

In the face of strong head winds, with falling milk prices, rising costs and extreme climatic conditions, we must ultimately make sure that dairy farmers can run viable businesses. The fate of our industry depends upon what we do next.

That's why getting the governance and the financial sustainability of ADF is critical, and it has been and will continue to be a big focus for our Board. Where the rubber hits the road is the management, so one of our key

priorities is to ensure we're in a position to fund the roles we need to get the job done.

Our Board of Directors bring a range of skills and experience that ideally position us to steer the ship that is our national peak body, and I'm grateful to them for the support they have provided across the year. Our National Council and Policy and Advisory Group Chairs and members have also continued to play an integral role in the success of ADF.

I'm also thankful to Stephen Sheridan, our Chief Executive Officer (CEO). There are not many professionals who can cover the span that he does. He is a seasoned campaigner, and a steady hand. He is exactly who we need to be leading the organisation, supported by the indomitable Fred Jones, our Company Secretary and Operations Manager. It's also been terrific to bring on board Nathan Pope, as our Policy Manager.

Finally, I want to pay tribute to our farmers and especially those that speak up and fly the flag for dairy. They're the ones toiling, producing the product that is essential for feeding the nation.



Ben Bennett

President, Australian Dairy Farmers

CEO's report

The past year has been one of both challenges and progress for ADF. Our focus has remained on securing a stronger future for the dairy industry by both enhancing ADF's core capabilities and sustainability, while simultaneously being active in policy development and advocacy across a wide range of issues important to dairy farmers. These issues span the breadth of pre-farm gate research and development to on-farm operations, domestic and international markets, government regulation, sustainability and biosecurity.

Industry strategic review

A key focus in agriculture throughout FY2024 has been the role of advocacy organisations. ADF proactively engaged in this space, launching a review with our state members to improve our capacity and sustainability. It's essential to recognise that peak bodies like ADF have responsibilities beyond advocacy. We also perform 'industry good' functions, such as overseeing research and development organisations (in our case, Dairy Australia) and managing critical biosecurity functions, especially in the event of an Emergency Animal Disease (EAD) outbreak—such as Foot and Mouth Disease (FMD), Lumpy Skin Disease (LSD), or potentially High Pathogenic Avian Influenza (HPAI).

ADF members believe these peak body 'industry good' functions should be funded through compulsory dairy levies. While the former Federal Agriculture Minister, the Hon. Murray Watt MP, did not commit to this, it was encouraging to hear him affirm at the March 2024 Dairy Symposium: "How you resource and structure your representative bodies is a matter for you, the producers—the people out on the farm day in, day out doing the hard yards".

The review process and a dispute with our largest state member has proved challenging, and I'd like to thank all the dairy farmers and stakeholders who have stood by ADF. It is reassuring that despite these challenges, ADF retains the support of the majority of grass roots dairy farmers to help ensure a united voice for the dairy industry.

Engagement and advocacy

In FY2024, we made a concerted effort to improve our media profile and member engagement. Building on this, in FY2024 we strengthened our policy and advocacy work, including a more robust presence in Canberra, highlighted by the 2024 appointment of a Canberra-based Policy Manager, Nathan Pope.

Farmer and industry engagement

ADF has made significant strides in engaging directly with farmers and industry leaders. This year, we hosted the Dairy Industry Leaders Breakfast at International Dairy Week, sponsored the Australian Dairy Conference in Melbourne, engaged with the 'top 40 herds', and helped facilitate the Ministerial Dairy Symposium in March. We have also participated in SDFO conferences and visited dairy farms in every major dairy-producing state, including Tasmania, Queensland, Western Australia, South Australia, New South Wales, and Victoria.

These visits and events have helped us better capture region-specific challenges and refine our policy and advocacy efforts accordingly.

Policy advocacy and industry good

Our advocacy work in FY2024 has been reflected in several national campaigns designed to ensure that the voices of dairy farmers are heard. Highlights include:

- Working closely with Trade Minister, the Hon. Don Farrell MP and Agriculture Minister the Hon. Murray Watt MP, as well as Dairy Australia and other stakeholders, to address concerns around the European Union Free Trade Agreement (EU FTA). For more see page 10
- Defending the Dairy Code of Conduct, resisting processor-driven attempts to amend the Code in ways that could weaken its integrity. For more see page 11
- Supporting calls for a mandatory Food and Grocery Code, which was ultimately announced by the government. For more see page 11

- Prioritising biosecurity in the face of threats of FMD, LSD and HPAI, actively working with Animal Health Australia and other stakeholders to prepare for possible incursions. For more see page 12
- Joining with other industry bodies to successfully oppose the Federal Government's Biosecurity Protection Levy which would have imposed an additional burden on farmers. For more see page 11

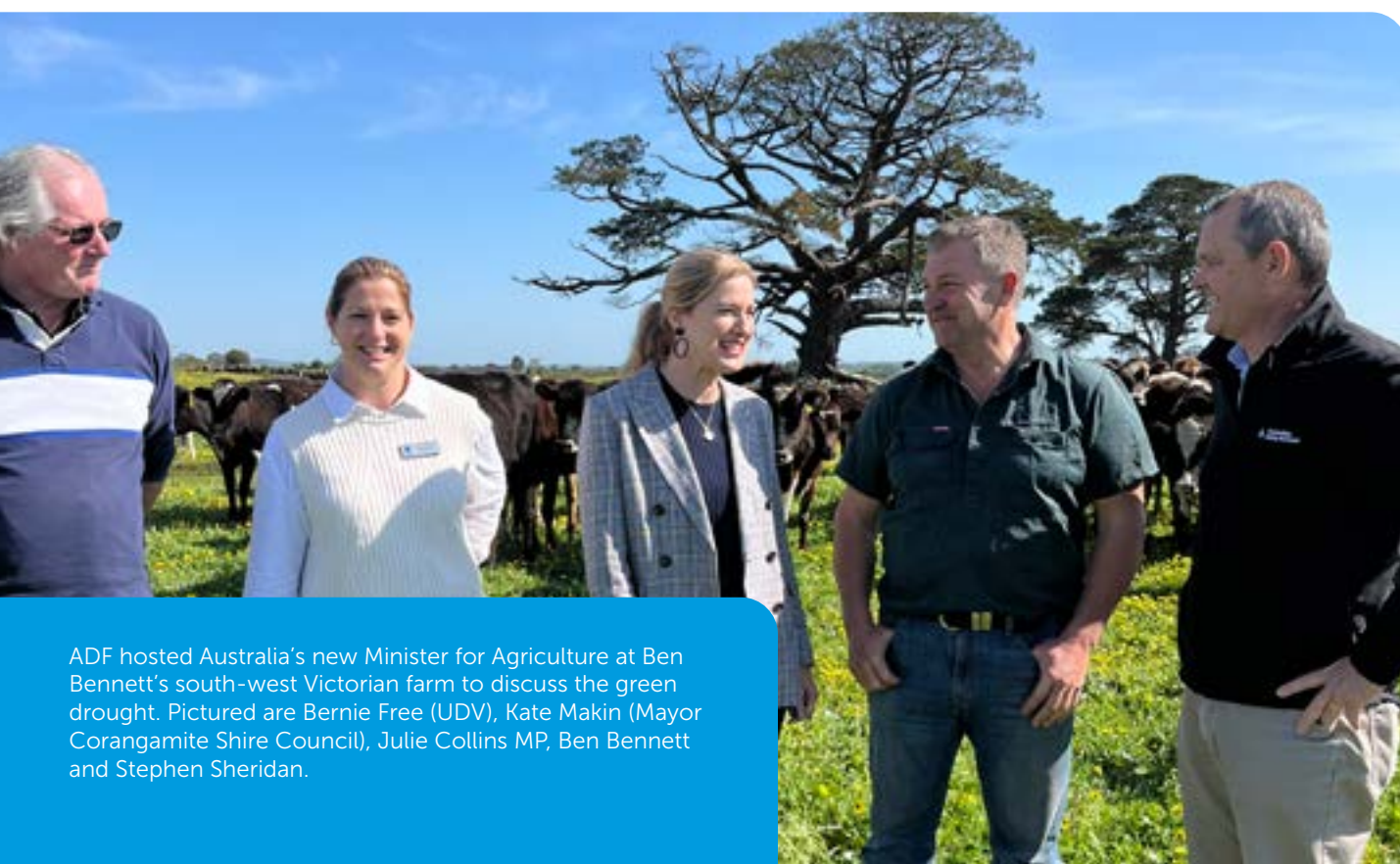
Looking ahead

While challenges remain for both ADF and the dairy sector, there are many reasons for optimism. I am proud to work in a sector that is passionately supported by its farmers – who produce a highly nutritious food staple that has greater than 95% share of the Australian market as well as being a sought-after export product. Continued collaboration with government, industry bodies, and the farmers themselves will be key to facing future challenges and building a stronger, more sustainable ADF and dairy industry.

Thank you for your continued support and engagement. Together, we can secure a prosperous future for Australian dairy.



Stephen Sheridan
CEO, Australian Dairy Farmers



ADF hosted Australia's new Minister for Agriculture at Ben Bennett's south-west Victorian farm to discuss the green drought. Pictured are Bernie Free (UDV), Kate Makin (Mayor Corangamite Shire Council), Julie Collins MP, Ben Bennett and Stephen Sheridan.

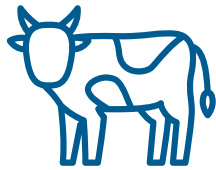
Annual Highlights

1. ADF leadership worked closely with Trade Minister the Hon. Don Farrell MP and Agriculture Minister the Hon. Murray Watt MP, as well as Dairy Australia and other stakeholders, to address concerns around the European Union Free Trade Agreement (EU FTA). Our goal was to safeguard Australian dairy products, particularly concerning market access and the impact of EU Geographic Indicators. Ultimately, the EU FTA was not signed – a success for the dairy industry.
2. ADF stood firm in support of the Dairy Code of Conduct, resisting processor-driven attempts to amend the Code in ways that could weaken its integrity. Specifically, we opposed the introduction of a clause allowing milk supply agreements to be linked to a variable price index, which could circumvent the floor price. ADF will continue to garner farmer's views and advocate for the Code in the upcoming FY2025 review.
3. The ACCC's approval of Coles' entry into dairy processing raised ADF's concerns about increased market power for major retailers. We opposed this move because of the vertical integration and market dominance it could afford Coles. While we were unsuccessful in blocking the decision, ADF was active in the Ministers' Food & Grocery Code roundtable and supported calls for a mandatory Food and Grocery Code, which was ultimately announced by the government.
4. Biosecurity remains a top concern for the industry with FMD and LSD prevalent in our northern neighbours along with the potential for High Pathogenic Avian Influenza (HPAI). ADF has been actively working with Animal Health Australia and other stakeholders to prepare for possible Emergency Animal Disease incursions. We have engaged in response exercises, awareness campaigns, and initiatives to improve on-farm biosecurity and milk tanker decontamination protocols.
5. The proposed Biosecurity Protection Levy by the Federal Government was opposed by ADF and other industry bodies. It was a positive outcome that the levy was blocked in the Senate, as it would have imposed an additional burden on farmers, who already contribute significantly to biosecurity funding. Given that farmers are not the 'risk creators' in these incursions, we deemed it unreasonable to impose further levies on them.



Ben Bennett and Stephen Sheridan at the Federal Government's Food and Grocery Code roundtable, convened by Minister for Agriculture Murray Watt and Dr Craig Emerson

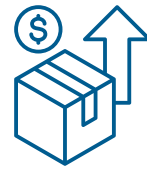
State of the industry*



8.8

Billion

Litres of milk produced



\$3.3

Billion

Value of exports



33,500

Dairy industry workforce



\$6.1

Billion

Value of farmgate production



3rd

largest rural industry

* "Dairy in Australia - DAFF." Accessed August 27, 2024. <https://www.agriculture.gov.au/agriculture-land/farm-food-drought/meat-wool-dairy/dairy#industry-bodies>.

Industry representation, policy and advocacy

ADF is the Peak Industry Representative Body (PIRB), or peak body, for dairy farmers right across Australia. As such ADF has two core functions:

1. A formal 'representative' function to act on behalf of dairy farmers with key bodies such as Dairy Australia, Animal Health Australia and SAFEMEAT; and
2. A policy and advocacy function, to determine effective policy positions on behalf of dairy farmers and advocate for those positions.

As a result, we represent dairy farmers across a broad range of advisory bodies, develop policy and advocate on important issues that benefit dairy farmers – not just our members.

In FY2024, ADF intensified its multifaceted advocacy efforts, focusing on critical areas such as water resource management, workforce sustainability, trade negotiations, industry codes, and regulations.

Through proactive engagement with stakeholders, government bodies, and the media, ADF firmly established itself as a steadfast advocate for the dairy industry. The organisation ensures that the voices of Australian dairy farmers are heard and that policies reflect their needs and challenges. This commitment is evident in ADF's detailed submissions, strategic alliances, public campaigns, and media engagements.

Water advocacy

Murray-Darling Basin Plan and water buybacks

ADF maintained a robust stance on water-related issues, particularly concerning the Murray-Darling Basin Plan and government water buyback schemes. ADF actively lobbied Ministers and Senators opposing the Federal Government's Water Amendment (Restoring Our Rivers) Bill 2023 given the impacts it would have on the dairy industry and regional communities, as well as opposing subsequent proposed buybacks that would exacerbate water scarcity, drive up water prices, and

threaten the viability of dairy operations in the region.

ADF also continued championing the dairy industry's concerns in the delivery of the Murray Darling Basin Plan, particularly on the impact of water buybacks to agricultural productivity and rural livelihoods. ADF's submission emphasised the need for balanced approaches that support environmental objectives without compromising the agricultural sector.

ADF actively participated in water-focused committees alongside the National Farmers' Federation and other peak bodies. In collaboration with the ADIC, ADF co-authored a position paper in September 2023, calling for a halt to further water recovery initiatives in the Murray-Darling Basin. The paper underscored the disproportionate impact of water recovery strategies on dairy communities and urged the government to consider alternative measures.



Australian Dairy Farmers chief executive officer Stephen Sheridan, South Australian Dairyfarmers Association representative Andrew Curtis and ADF policy manager Nathan Pope.

Data is flowing

By Geoff Adams

Australian Dairy Farmers executives have been touring southern Victoria and the Southern Riverina to gather feedback on how water issues are affecting dairy farmers.

The group includes ADF policy manager Nathan Pope, who is a former Kyabram resident.

They attended the launch of the Shepparton Irrigation Region's land and water management plan on August 26.

Credit: Country News

Workforce Development

Addressing labour shortages

The Australian dairy industry continues to face challenges in securing a sustainable workforce, especially in regional and remote areas. ADF has been a key voice in advocating for policy reforms to address these shortages. In June 2023, ADF participated in the Minister for Agriculture's Workforce Taskforce, presenting data on the critical need for skilled and unskilled labour on dairy farms.

Advocacy on visa programmes

ADF made substantial contributions to policy discussions on regional migration. In a submission to the Department of Home Affairs in July 2023, ADF advocated for adjustments to the Working Holiday Maker visa programme. The organisation highlighted concerns that changes to the 88-day work requirement could limit the availability of international labour critical to farm operations.

Engagement with government agencies

ADF has been in active dialogue with the Department of Home Affairs and Jobs and Skills Australia to push for reforms in immigration policies. In August 2023, ADF representatives met with the Hon Matt Thistlethwaite MP Assistant Minister for Immigration to discuss the effective utilisation of regional occupation lists. The goal was to better identify skills shortages in specific regions, ensuring that immigration and workforce policies are tailored to meet the local needs of dairy farmers.

Trade negotiations

European Union Free Trade Agreement (EU FTA)

ADF played an instrumental role in trade negotiations with the European Union. In October 2023, when the Australian government decided to pause negotiations on the proposed free trade agreement, ADF publicly supported the decision. Then ADF President Rick Gladigau appeared on national media outlets, including ABC News and metropolitan news media articulating the industry's stance.



Geographical indications dispute

A significant sticking point in the negotiations was the EU's insistence on imposing geographical indications that would restrict Australian producers from using certain product names like 'feta' and 'parmesan'. ADF commissioned an independent economic analysis, which revealed that such restrictions would cost the Australian dairy industry up to \$95 million annually. The findings were presented in a detailed report submitted to the Department of Foreign Affairs and Trade in September 2023.

Australian Dairy Sustainability Framework

Commitment to sustainability in dairy

Sustainability remains a cornerstone of dairy's strategic goals. In August 2023, the updated Australian Dairy Sustainability Framework was unveiled, setting ambitious industry-wide cross-sectoral goals and targets under four key pillars: reducing environmental impact; improving wellbeing; best care for animals; and enhancing livelihoods. The announcement was made during the annual Dairy Sustainability Summit, which attracted a significant number of participants, including farmers, policymakers, and sustainability experts.

Policy contributions and global alignment

ADF made significant contributions to government inquiries on climate-related financial disclosures and policies to prevent greenwashing. In September 2023, ADF submitted feedback to the Australian Securities and Investments Commission (ASIC) on proposed guidelines for environmental claims. These initiatives align with the United

Nations Sustainable Development Goals and aim to build community confidence in the dairy industry's commitment to sustainable practices.

Annual summit

At the framework's annual summit in late May, more than 100 stakeholders including dairy farmers, processors, policy makers and retailers explored the trends that shaping the future for sustainable food and how the dairy value chain might respond to them. Their input provided dairy with a clearer view of the future for food and dairy's role in a sustainable diet.

Collaboration between stakeholders from across the dairy value chain as well as those from outside industry is a cornerstone for the development and implementation of the framework.

Codes of Conduct

Defending the Dairy Code of Conduct's integrity

The Dairy Code of Conduct has been a focal point of ADF's advocacy. In response to attempts to dilute its provisions, ADF submitted a comprehensive response to the Department of Agriculture, Fisheries and Forestry (DAFF) in June 2023. The submission successfully supported ADF's efforts to delay proposed amendments that would have undermined the Code's intent to provide transparency and fairness in contractual negotiations between processors and farmers.

Addressing misconceptions around food inflation

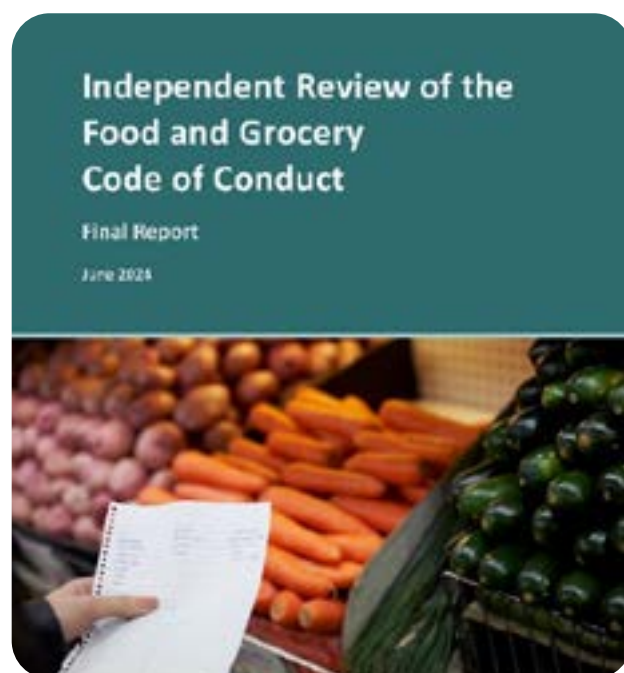
The Dairy Code faced misplaced criticism for allegedly contributing to food inflation. ADF countered these claims in July 2023, clarifying that the Code does not set prices but provides the regulatory framework that farmers and processors must abide by. Price discrepancies are driven by international supply-demand dynamics rather than the Code itself. ADF lobbied the Minister for Agriculture and Federal Government regarding the necessity of the Dairy Code, as well as refuting claims in the media which were picked up by major news outlets, including The Sydney Morning Herald, The Guardian and rural and agricultural press.

Food and Grocery Code made mandatory

ADF welcomed the Federal Government's commitment to implement all 11 recommendations contained in an independent review of the Food and Grocery Code.

This will involve mandating the Code, which will improve market transparency and certainty creating a more level playing field for all suppliers.

ADF had earlier called for the Code to be mandated in submissions to the Senate Select Committee on Supermarket Prices and direct consultations with the Australian Competition and Consumer Commission (ACCC).



Supermarket engagement

Opposition to Coles' acquisition of Saputo's Plants

One of ADF's major campaigns this year was opposing Coles acquiring Saputo milk processing plants in Victoria and New South Wales. ADF argued that this move would increase Coles' market power, leaving dairy farmers exposed to the potential for reduced price transparency and reduced competition. Despite strong opposition from ADF and other industry stakeholders, the ACCC approved the acquisition in August 2023.

Advocacy for regulatory reforms

In response to the ACCC's decision, ADF intensified its advocacy for stronger regulatory frameworks particularly given the ACCC's own recommendations from its Perishable Agricultural Goods Inquiry. ADF made strong submissions to Senate Select Committee on Supermarket Prices and Dairy Code review emphasising the need to protect dairy farmers from anti-competitive practices and ensure a fairer distribution of profits along the supply chain.

Partnership with Dairy Australia

Strategic alignment

ADF has been working closely with Dairy Australia to set strategic priorities for research, development, and extension (RD&E). In July 2023, the two organisations signed a Memorandum of Understanding (MoU) to collaborate on projects aimed at improving farm productivity and sustainability. The partnership focuses on areas such as animal welfare, biosecurity, and technological innovation.

ADF leaders gathered in Melbourne in April to provide feedback to help shape Dairy Australia's annual operating plan for the coming year.

This is one of the many 'industry good' roles that ADF provides, ensuring farmers' levy investment in Dairy Australia is focused on the key policy, research and development issues that matter to them.

Strategic review of ADF's role

As part of a broader strategic review, ADF is assessing its role and funding model to ensure it continues to provide peak body representation for dairy farmers effectively. The review, initiated in August 2023, involved consultations with members, stakeholders, and industry experts. The outcomes will help determine the future structure and sustainability of ADF as it balances its dual roles of advocacy and industry service delivery.

Biosecurity

Biosecurity remains a priority issue for ADF and agriculture more generally.

With Foot and Mouth disease (FMD) and lumpy skin disease (LSD) now closer than ever to Australia's shores, and the likely impact on the dairy sector from High Pathogenic Avian Influenza (HPAI) that will inevitably arrive, ADF continues its work towards improved industry preparedness.

Exercise Milky Way

In partnership with Animal Health Australia (of which ADF is a member) the dairy sector conducted Exercise Milky Way in late 2023 to test documented arrangements designed to guide government and industry joint



responses to an incursion of FMD. From this exercise, the following projects were identified as crucial to improving preparedness:

- 1. Milk tanker in-field decontamination.** For milk to be collected from non-quarantined farms in restricted zones, tankers will need to be decontaminated when entering and exiting certain areas, yet no standard operating procedure for such decontamination exists. With funding from Agriculture Victoria's Livestock Biosecurity Funds Grant Program, ADF is conducting a project to correct this anomaly.
- 2. Tracking personnel and vehicle movements on and off farms.** ADF and Dairy Australia are assisting a private company, ExoFlare, in trialling QR-based technology for real-time tracking of movements on to and off of dairy farms. Assuming a successful pilot in late 2024, this technology will be made available to the entire dairy-farming sector.
- 3. Training of Liaison – Livestock Industry (LLI) officers.** The dairy sector currently has an inadequate number of LLI trainees for callup in the event of an Emergency Animal Disease (EAD) incursion. LLI officers provide an essential link between industry and government at state and local levels as part of disease management, control and eradication. ADF is leading a boosted training program from late 2024 that will see six to eight additional training sessions around key dairy-producing areas of Australia.
- 4. Renewed Emergency Response Plan.** ADF has rewritten its EAD Emergency Response Plan and, in conjunction with DA and the processing sector, will test the new plan for adequacy in coming months.

Continued collaboration

ADF remains engaged on biosecurity with other sector groups through the DA-chaired EAD Industry Response Team, with Animal Health Australia and its industry members through its Industry Forum; and with government via its Sustainable Biosecurity Funding Panel and ad hoc groups like the LSD Working Group that has steerage of the National Lumpy Skin Disease (LSD) Action Plan.

Lumpy Skin Disease (LSD)

Regarding the threat from LSD, ADF has joined with other agriculture sector peak industry bodies in approving the importation to Australia of live LSD virus for high-security diagnostic- and vaccine-related work at the Australian Centre for Disease Preparedness (ACDP). At industry's request, ACDP will also be undertaking an assessment of insect competency relating to the virus being transferred from animal to animal. Special attention will be given to the competency of *culicoides* sp., cattle tick and buffalo fly, all of which are common in northern and eastern Australia.

Also relating to LSD, ADF applied in late 2022 for the disease to be reclassified as a Category 2 disease under the Emergency Animal Disease Response Agreement (EADRA). In short, LSD is currently listed as a Category 3 disease, meaning the cost of responding to any outbreak would be shared between industry and governments. Two similar capripox viruses that affect sheep and goats are listed as Category 2 diseases that, in the event of an outbreak, are funded 80% by government and 20% by industry. ADF argued all three capripox virus diseases should be treated equally. For re-categorisation to be accepted, all signatories to the EADRA must agree. The matter is still being assessed.

Avian influenza

The outbreak in the United States of H5N1 has led to the widespread loss of birds and has been found in a range of mammals including dairy cattle and, to a limited extent, humans. Australia remains the only continent free of this virus. With its spread being primarily via migratory birds, most observers believe it is a matter of time before it reaches Australia. On the dairy sector's behalf, ADF and Dairy Australia are closely monitoring developments in the US and working with government and other affected sectors to ensure Australia is as prepared as possible for any potential incursion.

Policy and advocacy submissions

ADF made submissions on behalf of Australia's dairy farmers on a range of policy reviews and inquiries. These were made both individually and in partnership with the Australian Dairy Products Federation (ADPF) as the Australian Dairy Industry Council (ADIC) on issues that impact the whole of industry. The submissions and advocacy work has ensured that dairy farmers' voices are heard at the highest levels of decision-making, positioning the industry for continued success amid evolving challenges.

Summary of ADF submissions

Submission, ADF Submission to the ACCC on Coles' proposed acquisition of Saputo facilities	June 2023
Submissions, Imposition and Collection Survey; Disbursement Survey; and Excise Levies Regulations – Modernising the Agricultural Levies Legislation	June 2023
Submission, ADF response to ACCC Statement of Issues re Coles	August 2023
Submission, ADF Submission Application for recategorisation of LSD	September 2023
Submission, ADF Submission to the design and implementation of the Biosecurity Protection Levy	October 2023
Submission, ADF Submission, Streamlining Agricultural Levies	December 2023
Submission, Senate Select Committee on Supermarket Prices	February 2024
Submission, Independent Review of the Food and Grocery Code of Conduct	February 2024
Correspondence, Sustainable Biosecurity Funding Advisory Panel	March 2024
Submission, ADF Submission Dairy Code Review	April 2024
Submission, Inquiry into the Agriculture (Biosecurity Protection) Levies Bill 2024 [Provisions] and related bills	April 2024
Submission, Public consultation: Neomycin – proposed decisions on reconsideration	April 2024
Submission, ADF and Dairy Australia, Jobs and Skills Australia targeted for consultation Core Skills Occupations List	May 2024
Submission, Renewing the Australian Animal Welfare Strategy	June 2024
Correspondence, Inquiry into Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024	June 2024

Summary Australian Dairy Industry Council (ADIC) submissions

Submission, DCCEEW Consultation Delivering the Murray Darling Basin Plan	July 2023
Submission, ADIC Submission Senate Inquiry into Greenwashing	June 2023
Submission, ADIC response Climate Change Authority's consultation Setting, Measuring and Achieving Emissions Reduction	July 2023
Submission, ADIC submission Simplified Trade System	July 2023
Submission, ADIC Australian Dairy Industry Council submission to Productivity Commission Murray-Darling Basin Plan: Implementation Review 2023	July 2023
Submission, ADIC Submission to CPTPP PIR	August 2023
Submission, ADIC Response to ACCC Draft Guidance into Greenwashing	September 2023
Submission, ADIC Submission Productivity Commission Interim Report	August 2023
Submission, ADIC Sustainable Finance Strategy Consultation	December 2023
Submission, ADIC Submission Climate Related Financial Disclosures	July 2023
Submission, ADIC Submission to the Ag and Land Emissions Sector Plan	December 2023
Submission, ADIC Response to the draft framework for delivering the 450gl	March 2024
Submission, ADIC Submission Electricity and Energy Sector Plan	May 2024
Submission, ADIC Submission National Water Reform	May 2024
Submission, ADIC Submission into the role of Australian agriculture in Southeast Asian Markets	May 2024



Media, communication and events

As the peak body for dairy farmers, ADF's role includes both representing and advocating on behalf of farmers. ADF has been raising its profile with respect to media issues. We also communicate regularly with members, via a number of events and mediums including the Australian Dairyfarmer Magazine and our eNewsletter.

Media

ADF secured considerable media attention in FY2023, helping propel the stories of farmers into the public eye.

We achieved this through:

- Publishing 11 media releases
- Responding to more than 50 media requests
- Strategically engaging with media outlets to help highlight issues that matter to Australian dairy farmers
- Providing content for six issues of The Australian Dairyfarmer magazine
- Regular member eNewsletters and alerts
- More than 750 media mentions reaching millions of Australians

Top online media coverage

The story with the largest number of estimated views was one by ABC Rural, headlined Fonterra Australia joins other major dairy processors in slashing farm gate milk prices. This story had 21,000 estimated views.¹

Another well-viewed story 'Mixed response to call for a Christmas boycott of Coles and Woolworths' appeared in The New Daily in November. It explored a consumer's calls for shoppers to boycott Coles and Woolworths in the lead-up to Christmas, retaliating against

their healthy profits amid a cost-of-living crisis. ADF pointed out that while supermarket profits might have been strong, dairy farmers generally weren't enjoying such good conditions.

Australia's negotiations with the EU around a stalled free trade deal also kept ADF in the media spotlight early in the financial year. Reporter Charlie Peel honed in on ADF's concerns about the dud deal. The story was viewed by an estimated 1,608 people.

¹ Note: reach data is provided by SimilarWeb, via Meltwater media monitoring service. Reach refers to the potential audience based on the number of monthly unique visitors to each news source. Part-way through the financial year, SimilarWeb introduced an 'estimated views' measurement, which is more accurate.



Top print media appearances

ADF secured extensive print media coverage in FY2024, including on the front page of The Weekly Times and within The Australian.

Numerous articles also appeared in smaller local publications in dairy regions across the country.

Top radio appearances

ADF was frequently featured on radio across the country, from specialist rural programs through to commercial news bulletins in Sydney and Melbourne. Including duplicates (stories syndicated across multiple stations), we notched up more than 500 appearances. Whether it was speaking with Warwick Long from Japan where Australia-EU Free Trade Agreement discussions were underway, or talking Food and Grocery Code with Triple M, we made sure farmer interests were front and centre on Australian airwaves.

Top TV appearances

ADF represented dairy farmer interests on television in FY2024. Some of our national prime time spots included former President Rick Gladigau speaking with ABC News Breakfast about the stalled Australia-EU Free Trade Agreement, and current President Ben Bennett's appearance on a Nine News story reporting on processor calls to reform the way milk prices are set.



Social media

ADF's approach to social media broadly reflects its three key communications pillars – supporting policy goals, providing clear industry leadership, and inspiring dairy farmers. ADF posts content that relates to each of these, while also engaging with other accounts where appropriate.

In FY2024, ADF maintained a presence on Facebook, LinkedIn and X (formerly Twitter). It also posts updates on behalf of the Australian Dairy Industry Council (ADIC).

X (Twitter)

ADF's X account maintained 2,775 followers and posted a number of updates throughout the financial year. The one with the most reach showcased research which found increasing dairy intake in aged care could save the health system \$66m annually.



Facebook

ADF's Facebook page has a considerable number of followers and had good reach during the financial year.

The top performing post came out of the industry breakfast at International Dairy Week in January. It reached 5,300 people. Meanwhile, a post congratulating Terry Richardson on winning ADIC's Outstanding Service Award for 2023 had the most likes and reactions.

LinkedIn

ADF's LinkedIn page has more than 900 followers and reached at least 13,000 people last financial year.

The page's audience has grown strongly, increasing by more than 15% in the first half of the 2024 calendar year.

Member communications

The Australian Dairyfarmer magazine

The Australian Dairyfarmer Magazine is published by Australian Community Media (ACM) on ADF's behalf. Several thousand copies of the magazine are printed and distributed to all dairy farmers in Australia, six times per year.

Last year ADF's stories covered a range of topics from trade and economics (Australia-EU Free Trade Agreement) to water, policy, and the dairy supply chain.

Every dairy farmer in Australia is entitled to receive a free copy of the magazine. We regularly encourage farmers who do not receive the magazine to reach out and request a free subscription.

eNews and eAlerts

ADF regularly provides its members with updates on its activities via email. These take the form of an eNewsletter (longer-form, covering multiple issues) or a shorter Member Alert, communicating one or two more urgent issues.

We distributed seven editions of our eNewsletter and five additional Member Alerts over the course of the year.

Events

International Dairy Week

As a part of International Dairy Week, held in January in Tatura, ADF hosted an Industry Leaders Breakfast that brought people from across the industry together to hear about emerging virtual fencing technology in Australia's dairy industry.

Guest speakers Brett Good (Halter) and Pradeep Badavath (Aurora Dairies), who discussed how the technology works and their experiences using it on-farm.

Brett and Pradeep were also joined by Australian Dairyfarmer magazine Editor, Carlene Dowie for a panel discussion.

Australian Dairy Symposium

The Dairy Symposium was held in March, convened by the Federal Government to discuss the state of Australian dairy, and to ensure sustainable funding for the industry in the years to come.

We welcomed then Federal Minister for Agriculture the Hon Murray Watt MP's acknowledgement at the event that reform of dairy farmers' peak industry representative structure was a "passionate" and "front of mind" issue for many farmers and that farmers were best placed to decide how they are represented.

The symposium, which was a pledge by the government at the last federal election, tackled issues facing the industry, including productivity and growth, and sustainability and climate.

Australian Dairy Conference

ADF participated in the Australian Dairy Conference in Melbourne in March.

It was a chance to catch up with dairy farmers

and industry leaders from all over the country.

Along with the rest of the crowd, we were taken aback by Ukrainian Agri Council Chief Andriy Dykun's presentation outlining the challenges of dairying amid a war.

The 'challenges' as Andriy depicted them put our own into a whole new context!

We appreciated all the farmers who stopped by the ADF coffee cart and took the time to engage with their national dairy policy and advocacy body.

Member Meetings & Conferences

ADF participated in SDFO meetings and conferences whenever possible. Examples include the NSW Farmers Dairy Committee Annual Conference and the WAFarmers Dairy Committee Annual Conference.

These provide a great opportunity to talk with farmers from across the states in both informal and semi formal settings, hearing issues from the farmers themselves while also presenting back to broader audiences on the representative and lobbying activities of ADF.



Ben Bennett and Stephen Sheridan with the President of the Association of Milk Producers of Ukraine, Andriy Dykun at the Australian Dairy Conference

Visiting the regions

There's no better way to get an understanding of the issues people are facing than to put yourselves in their shoes.

That's why ADF President Ben Bennett and CEO Stephen Sheridan travelled the length and breadth of the country, meeting with farmers and getting a strong understanding of their priorities.

Highlights included:

1. Touring the Atherton Tablelands with eastAusMilk, visiting a number of farmers and hearing firsthand the issues of dairying in that part of the world
2. Travelling across northern Tasmania with TasFarmers, visiting farms and having dinner to discuss the issues facing dairy farmers in the south.
3. Spending an interesting and engaging week in Western Australia with the West Australian Farmers Federation's Dairy Council chatting to dairy farmers from Albany in the south up to Margaret River and Harvey. We got to meet some great people and find out more about new technology, including robotic dairies and iPhone controlled solar irrigation.
4. In South Australia attending the opening of the Hi-Tech Rotary Dairy at Amdena Dairy and the launch of the SA Dairy Industry Action Plan by the Hon. Peter Malinauskas MP, Premier of South Australia with the South Australian Dairy Association.



ADF CEO Stephen Sheridan presents at a WA Farmers function



ADF President Ben Bennett visits Brian (left) and Michele Lawrence (right) in Tasmania.



ADF visits Ourway Holstiens in the Atherton Tablelands, Queensland

Funding

ADF's activities during FY2024 were funded through three investment streams:

- State Dairy Farming Organisation (SDFO) membership fees.
- Investment income
- A funding agreement with the federal government to deliver specific projects.

Through their membership, SDFOs provide funding to support ADF and its delivery of national policy, advocacy and representation. The amount of funding contributed by each state is dependent on the volume of milk produced as a percentage of national milk production.

ADF uses income generated by investments in annual budgets. Responsible management of the funds is an ongoing priority as the revenue produced income of \$859,760 net of fees (exclusive of franking credit reimbursement) and unrealised gains in the portfolio value of \$537,578

As at 30 June 2024, the ADF investment Fund had a valuation of \$12,389,857.

ADF Financial Statements are provided for members on page 39 of this report and highlight ADF's responsible management of members' funds. For the 2023-24 financial year, ADF managed to return a small operating surplus of \$6,502 and total surplus of \$517,431 with the addition of unrealised gains through investing activities of \$510,929.



ADF President Ben Bennett presents the 2023 Pat Rowley Outstanding Service Award to Terry Richardson

Board of Directors

As the primary governance body of Australian Dairy Farmers (ADF), the Board's principal responsibility is to oversee, approve and monitor the strategic direction of the organisation.

Seeking strategy direction from the National Council – ADF's state representative body – and ADF's Policy Advisory Groups (PAGs), the Board ensures activities undertaken by ADF meet the shared national priorities of dairy farmers across Australia, and the views of key stakeholder groups are taken into account.

The ADF Board plays a crucial role in electing the President and National Council members and selecting the ADF Independent Director and Chair of each PAG. The Board is also responsible for monitoring the integrity of financial reporting, overseeing risk management and legal compliance, and providing guardianship of corporate values.



Ben Bennett

President

(from December 2023)

The President of Australian Dairy Farmers, Ben Bennett is an agricultural professional with decades of corporate, industry and on-farm experience. He is dedicated to representing Australian dairy farmers from the ground up.

Ben grew up on a dairy farm in New Zealand and spent 13 years in meat processing businesses in New Zealand, India and Australia. He gained experience on the factory floor right through to executive management, in areas as diverse as procurement to international marketing exposure and quality control to whole-of-business consulting.

Ben relocated to Australia 16 years ago, establishing a dairy farming enterprise in south-west Victoria that has given him first-hand insights into the opportunities and challenges facing Australian dairy farmers.

Ben has a Bachelor of Technology, Biotechnology and Bio Process Engineering from Massey University in New Zealand, as well as post graduate qualifications in agriculture and financial management.



David Beca

Independent Director

David has over 30 years' experience acting as a non-executive or executive director in small, medium and large agricultural businesses, including in a cooperative dairy processing business and a publicly listed dairy farming business. He has hands-on practical farming experience in dairy, beef, and sheep production, and corporate management experience in dairy, beef, and crop production. David also has experience in agribusiness software development and marketing, on-farm and business consultancy, and animal feed procurement and sales. He has completed a range of benchmarking projects in Australia and published papers on farm production systems and business profitability.

In addition to his experience of working in a number of states in Australia, David has also been in leadership positions or overseen agribusiness operations in New Zealand, Uruguay, Chile, Romania, Poland, and Russia. His particular area of interest is the identification of key drivers of business performance and the development of merit-based organisational culture.



Andreas Clark

Independent Director

(stepped down December 2023)

Andreas is an experienced non-executive director and senior executive having recently served as Chief Executive Officer of Wine Australia from 2014 to 2021. Prior to joining Wine Australia, Andreas was a diplomat with the Department of Foreign Affairs and Trade in Canberra and Brunei and has worked as a lawyer in private practice and in-house with an ASX-listed company. Andreas holds non-executive director roles with CCW Cooperative Ltd, Bremerton Vintners Pty Ltd, Hampstead Health Pty Ltd, Pembroke School Inc and Operation Flinders Inc. Andreas holds a Master of Laws from the Australian National University and Bachelor of Economics and Bachelor of Laws (First Class Honours) from Flinders University. He has also completed a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia and the Authentic Leadership Program at Harvard University. He is also a Graduate of the AICD Company Directors Course.



Heath Cook

Director

Heath was elected to the Australian Dairy Farmers Board of Directors in 2021 for his passion of creating a profitable and sustainable dairy industry. Heath entered the dairy industry 17 years ago, following a successful career as process superintendent at Australia's then-largest goldmine. He purchased in the picturesque hills of Dorriggo and established Misery Mountain Dairy, which currently milks 350 cows. As an advocate for youth in dairy, he is proud to have recently adopted a share farming model with a young local family. Throughout his career, Heath has sat on numerous boards and committees which has given him critical insight into good governance.



Rick Gladigau

Director

(stepped down as President December 2023)

Rick Gladigau has been involved in dairy farming for over 40 years and in dairy advocacy for over 25. He grew up on his family's dairy farm in the Adelaide Hills and was employed there as a farmhand upon leaving school. Rick has broad experience, having worked on a potato farm and processing business and as a dairy share farmer. He trained in Canada as part of an agricultural exchange program before returning to manage his family's dairy farm. He purchased his own dairy farm in 1993. Rick joined the ADF Board in 2019. He had previously served on the Economics and Trade PAG. He was a ward representative for Australian Co-operative Foods and a member of the Dairy Farmers Milk Co-operative Board of Directors from 2013 to 2016. Rick was a board member of the South Australian Dairyfarmers' Association from 2007 to 2021.



Brian Tessmann

Director

(stepped down December 2023)

Brian Tessmann is a Queensland dairy farmer from the South Burnett area. Jointly running the family operation with his brother, the farm has been in the Tessmann family for four generations and milks 150 cows. Brian has a long history with the Queensland Dairyfarmers Organisation (QDO). Since being appointed as District Secretary in 1995, he was then elected to the QDO Board and State Council in 2000 and in 2003 became the Vice President. Brian has been President of QDO since 2009, as well as a Director on the ADF Board and National Council. Over this period, Brian has also held various roles at both state and national levels. Brian joined the board in November 2020.



Matthew Trace

Director

(joined December 2023)

Matthew Trace has a strong passion for dairy farming and dairy advocacy. Dairying on the Sunshine Coast in QLD with his family and a share farmer, he runs a pasture-based operation across two properties reliant on irrigation.

He has served on a range of dairy industry boards and committees including QDO, Subtropical Dairy and the Dairy Levy Poll advisory committee. He was also a key player in the formation of eastAUSmilk.

With a focus on outcomes and the determination to make the tough decisions, he is committed to strong representation for dairy farmers and aspires to see a growing and prosperous Australian dairy industry.

National Council

ADF's National Council plays a crucial role providing input to the organisation's strategic direction and policy focus areas.

The National Council is responsible for developing policy for the ADF Board's consideration and advising the Board of opportunities to improve the implementation of the ADF Strategic Plan. The National Council is a larger body that also keeps the ADF Board informed of member issues.

The National Council also oversees the Policy Advisory Groups (PAGs), providing valuable insight and support on new and emerging issues amongst the three PAG areas.

Members

Ben Bennett (Chair)
Mark Billing (stepped down November 2023)
Evan Campbell (stepped down November 2023)
Geoff Cox
Craig Dwyer (stepped down November 2023)
John Keely (stepped down November 2023)
Ann Gardiner (stepped down November 2023)
Malcolm Holm
Bruce Knowles (stepped down November 2023)
Paul Mumford (stepped down November 2023)
Ian Noakes
Phil Ryan
Matthew Trace (stepped down November 2023)
Joe Bradley (joined November 2023)
Ben Vagg (stepped down November 2023)
Bernie Free (joined Nov 2023)
Ian Morris (joined November 2023)
Robert Campbell (joined November 2023)
Greg Brooks (joined November 2023)
Bridget Goulding (joined November 2023)
Neil Gannon (joined November 2023)
Jasmine Kneebone (joined November 2023)

Company Secretary

Fred Jones

Meetings

The National Council met three times during the 2023/24 financial year:

- July 2023
- September 2023
- October 2023
- December 2023

Audit risk and compliance committee

Members

Heath Cook (Chair)
James Campbell (Independent Member – stepped down May 2024)
Andreas Clark (stepped down November 2023)
David Beca (appointed December 2023)
Fred Jones (Secretariat)

Meetings

The committee met twice during the 2023/24 financial year

- October 2023
- May 2024

Policy Advisory Groups

Policy Advisory Groups (PAGs) play a key role in setting ADF's advocacy objectives and driving policy formulation. They also help to ensure dairy interests are properly represented at a domestic and international level.

ADF has three policy focus areas, each with a dedicated PAG comprised of elected state farmer members. These groups are led by a farmer appointed Chair, working in collaboration with ADF policy officers to discuss priorities and strategic direction. PAGs recommend policy settings to ADF via the National Council and also act in an advisory capacity providing feedback to Dairy Australia, State Dairy Farmer Organisations (SDFOs), and other bodies like the National Farmers' Federation and the Australian Dairy Products Federation.

PAGs are appointed by the ADF Board every year to ensure ADF business members with the right skills, talent and interest are represented, meeting up to three times a year. While PAGs are not the primary decision-making bodies at ADF, the advice and perspective that they provide is invaluable in shaping ADF's National Council and Board policy direction and advocacy efforts.

In FY2023, the PAGs met in November and April to provide direction around ADF's policy priorities.

Both meetings provided for fruitful discussion and informed our approach to policy development, as well as guiding input into Dairy Australia's Annual Operating Plan.

The groups discussed everything from the Dairy Code review, Food and Grocery Code, dairy nutrition, surplus calves and more.

Farm Operations

Chair: Andrew Aldridge

The Farm Operations PAG aims to maintain and improve Australia's animal health and welfare system, as well as the industry's emergency response capability, through cooperative programs aligned with other industries and governments.

ADF cares deeply about the health and wellbeing of their animals, and this PAG works hard to ensure that this is recognised by government, regulators, retailers, animal groups and, most importantly, consumers. The Farm Operations PAG provides guidance on current issues and regulations.

Economics and Trade

Chair: Paul Mumford

The Economics and Trade PAG is committed to improving dairy farm profitability and ensuring sustainable growth for Australian dairy production. This PAG also deals with issues relating to market insights, collective bargaining, health and nutrition, sustainable farm input costs, competitive domestic and international market access, and food safety.

People and Communities

Chair: Ann Gardiner

The People and Communities PAG drives ADF's policy development and advocacy in the crucial area of people, workforce capacity, and on-farm wellbeing and safety. The PAG's scope includes policy areas supporting the attraction, development and retention of a highly skilled workforce for the dairy industry. Key functions include developing strategies to promote dairy industry participation, build leadership capacity and address workforce and skills shortages.

Our Team



Stephen Sheridan
Chief Executive Officer

Stephen's passion for agriculture comes from his farm upbringing prior to studying and developing his career in agriculture. Stephen has extensive experience in agriculture working with industry and the farming community. He worked with one of Australia's largest corporate agribusinesses, gaining experience in various roles along the supply chain including: quality assurance, logistics, trading, domestic and export markets, and government relations. He then moved to the not-for-profit sector continuing to work directly with farmers as well as industry and government at the Victorian Farmers Federation (VFF) in various roles including as Chief Executive Officer. Stephen is a director with Rural Financial Counselling Service Victoria West, and his formal qualifications include a degree in Agricultural Economics, Post Graduate Diploma in Applied Finance & Investment, and Graduate of the Australian Institute of Company Directors.



Fred Jones
*Operations Manager and
Company Secretary*

Fred Jones brings a wealth of experience in both operational and project management to ADF, having worked in commercial and retail environments for more than 35 years with Coles and other iconic retail brands. Fred has extensive knowledge of budget preparation, auditing and compliance management, and is also tasked with managing human resource functions and maintaining internal policies and procedures. Fred holds qualifications from the Governance Institute of Australia and Australian Institute of Company Directors.



Nathan Pope

*Policy Manager
(from June 2024)*

Nathan has over 25 years of experience in stakeholder engagement and policy development, including 14 years working in strategic policy and regulation with DAFF in Canberra.

Growing up in Kyabram, Victoria, Nathan's early exposure to the local dairy and horticulture industries instilled in him a lifelong passion for supporting farmers and rural communities.

Nathan's experience includes working as an advisor with the Minister and Parliamentary Secretary for Agriculture, Fisheries, and Forestry at Parliament House, Canberra. Additionally, working on high-profile government taskforces, including the Dairy Code of Conduct Taskforce, Levies Modernisation Taskforce, Regional Investment Corporation, Sugar Code of Conduct Implementation and Review Taskforce, and the reform of the Organic Exports Program.

Nathan holds qualifications in Business Management (Monash University), Project Management (CIT) and with the Australian Institute of Company Directors. He has extensive training in standards, regulation, administration and government, including as Lead Food Safety Auditor.



Craig Hough

*Director Policy & Strategy
(until September 2023)*

Craig Hough has a career of leading high value/risk policies, strategies, investigations and projects in government, industry and not-for-profit organisations. He has exceptional analytical, conceptual and communication skills with a track record of outstanding performance in the agriculture, mining, disability, corrections and local government sectors. In the agriculture sector Craig led business plans, industry strategies, multimillion dollar international-level initiatives and corporate improvement programs. He holds a Master of Business Administration, a Master of Social Science (Policy and Management) and Bachelor of Arts (Criminal Justice Administration).



Patrick Kok

Accounts Manager

Patrick Kok has worked in finance for 30 years, including with the United Nations Office for Project Services, and in publishing, marketing, fashion and membership industries. Patrick is committed to improving and maintaining transparency in ADF's operations. He holds an accounting degree from the United Kingdom.



Justin Toohey

*Animal Health, Welfare and
Biosecurity Advisor*

Justin has nearly 35 years' experience in policy development, implementation and advocacy for the Australian livestock industry. He has been the Executive Director for Cattle Council of Australia, Chief Executive Officer for Red Meat Advisory Council, the Chair of Animal Health Australia's Industry Forum and the Chair of the Advisory Group for the University of Queensland's The Animal Welfare Collaborative.

Justin has been a director of his own consulting company since 2002 and has, among other things, been engaged as an Advisor to peak national livestock bodies on matters of animal health, welfare, biosecurity and industry systems. His current primary advisory role is with Australian Dairy Farmers.

Member reports

NSW Farmers Association

The past year has seen NSW Farmers deliver significant outcomes for the betterment of dairy farmers in the state.

Biosecurity Protection Levy

A key issue for our sector has been opposing the Australian Government's proposed Biosecurity Protection Levy, which would have seen yet another cost burden placed on businesses already doing it tough with the environment of ever-increasing input costs and milk price issues. The legislation being blocked in the Australian Senate is a crucial win for dairy farmers not only in New South Wales, but across Australia.

Virtual fencing

There has been significant interest from members in realising the advantages of virtual fencing technology. Together with Dairy NSW and Dairy Australia, NSW Farmers appeared before a NSW Parliamentary Inquiry into a proposed bill that, if passed, would permit the technology for use on farms in New South Wales where it is currently prohibited. The interest this advocacy drew was significant to the point that the Dairy Committee successfully moved a motion at our 2024 Annual Conference to broaden the Association's support for the technology to be available to producers of livestock other than dairy cattle.

Industry meetings

Our committee has been engaging in a range of industry meetings at both a state and federal level. Within New South Wales, committee members have participated in meetings to advance our members' interests through the NSW Government's Dairy Industry Consultative Committee, Dairy Emergency Leadership Group and the National Livestock Identification System Advisory Group. We have also been represented in industry meetings of the Northern Dairy Industry Action Plan and federally, a committee member participated in Exercise Milky Way, which considered the movement of milk in the event of an emergency animal disease response.

Water

Water has been a key focus for NSW Farmers. The association is seeking the resumption of the 30% Coastal Harvestable Rights while the catchment analysis is undertaken, as there is no scientific or analytical basis for the arbitrary 10% rule to be reinstated. The Murray Darling Basin issue continues to be a key policy and advocacy area, with government targets not considering the impact on communities and food production areas of New South Wales, particularly in dairying regions.

Flood recovery

NSW Farmers has been working to progress the Storm and Flood Industry Recovery Program's project called Better Preparedness, Lower Risk and Higher Resilience in Dairy over the past 12 months. The project, which is funded by the NSW Department of Primary Industries and Regional Development, seeks to gather data to inform recommendations that deliver solutions to key issues in the New South Wales dairy industry related to infrastructure following the 2021 flood events that devastated dairying regions across the state, as well as to resolve worker accommodation issues and improved access to, and resilience of, utilities (e.g. water, internet, electricity) in future natural disasters. The next phase of the project is to finalise mapping to support key decision making relative to resolving these issues, and the final phase will deliver a final report by December 2024.

Priorities for the year ahead

Priorities for the year ahead include:

- Finalisation of the Storm and Flood Industry Recovery Program, Better Preparedness, Lower Risk and Higher Resilience in Dairy project by December 2024.
- Continued advocacy to see virtual fencing permitted on farms in New South Wales, as it is in some other states.
- Focus on overcoming the milk price disparity within New South Wales, where up to 50% difference occurs between the north and south.

- Resolve matters pertaining to federal representation of dairy farmers to deliver improved policy outcomes.

eastAUSMilk

General update

We had the second full year of operation by eastAUSmilk where we built on our foundations and grew membership in NSW.

Weather conditions this year started dry in most areas but turned very wet in late 2023. A number of significant disasters occurred including in the NSW south coast, north Queensland and the Scenic Rim area where support from the Federal and state governments has enabled dairy farmers to recover somewhat from the damage caused by excessive wet. Farmers are just starting to get back on their feet in many areas but in North Queensland the wet continues.

The farm-gate prices were up slightly this year largely in line with cost increases. The fear of falling pricing in Victoria has many farmers on edge about future years.

Milk production

The Queensland dairy industry is set to produce around 280 million litres of milk in FY2024, which is almost the same as in FY2023. In NSW, the dairy industry will produce approximately 1040 million litres of milk for the FY2024 financial year, which is an increase around of 5 percent from the previous period. More favourable weather conditions would have seen higher production in both NSW and Queensland.

Plans and programs

The Queensland Dairy Plan is being developed during 2024 and expected to be completed by the end of the year. The industry is determined to stop the decline and turn production around. It is expected that the plan will be completed by the end of 2024 with clear direction for the industry.

The Australian Dairy Carbon Calculator (ADCC) project for Norco commenced in January 2024. Seventy ADCCs required were completed by the end of June 2024.

The Farm Business Resilience Program (FBRP) is subcontracted through DAFF and commenced in December 2021. The project is funded through the Future Drought Fund and supports producers to prepare for future droughts. Milestone nine has been completed and seven FBRPs and one workshop have been completed since the start of the reporting period in November 2023, with five FBRPs and one workshop remaining before May 2024, when the final reporting for the project is due.

Government relations and good governance

It's been a very busy year for government relations, with substantive submissions made to inquiries into the Dairy Code and the Food and Grocery Code, and several inquiries into the behaviour of supermarkets. The Dairy Code consultation will give the Commonwealth a necessary understanding of the issues to be raised when the formal review of the Code commences in September.

A November 2023 report from the House of Representatives Standing Committee on Agriculture, Australian Food Story: Feeding the Nation and Beyond, called for a national dairy food strategy, and we have pressed Commonwealth and state governments to support that recommendation.

Relations have been continued and expanded with the newer Commonwealth and New South Wales governments, with multiple meetings with public service and political stakeholders.

Multiple representations have been made to governments about their inadequate responses to natural disasters. Work is well underway on development of a Queensland Dairy Industry Plan, as a step towards the long-discussed Northern Dairy Industry Plan.

A substantial governance training session was delivered for the Board in February, government relations updates are provided to members via Queensland Country Life and our newsletter every couple of weeks, and draft election rules have been prepared for board consideration.

The biggest issue on the table at the moment is the attitude within most governments that

there is a functioning competitive market in the dairy industry, and that this means governments should not interfere. We need to keep reminding them that market in which much of our membership operates is distorted and dysfunctional, and cannot be relied on to produce an efficient or fair industry.

Finances and financial benefits

An operational cash flow surplus of \$97,023 was recorded.

There are a range of services that have direct financial benefits for members. These include:

- Ongoing assistance to members on an individual and 'as needed' basis in a range of areas, including legal and industrial support (including issues relating to farm employment)
- Ongoing assistance to members to prepare and submit grant and funding applications;
- Discounted NLIS tags
- Assistance, where appropriate, with biosecurity testing and development of farm biosecurity plans relating to BJD, ticks and other agricultural biohazards
- Cheaper power bills through MIC, an electricity broker, gaining substantially cheaper electricity bills (non-Ergon users only)
- 6c/L discount on Mobil fuel in Queensland
- Further commercial relationships will continue to be investigated by eastAUSmilk and will be communicated to members as they are finalised.

Priorities for the year ahead

All involved at eastAUSmilk will continue to advocate, provide services and projects for our members. We hope that the weather is more kind to farmers in the upcoming year and that prices increase to a sustainable level for farmers.

South Australian Dairyfarmers' Association

The past 12 months have been particularly satisfying for the South Australian Dairyfarmers' Association (SADA), as we successfully achieved key milestones and saw several strategic initiatives come to fruition.

South Australian Dairy Industry Action Plan 2024-2029

In April we were honoured to announce the launch of the South Australian Dairy Industry Action Plan 2024-2029, unveiled by Premier Peter Malinauskas and Minister Clare Scriven. This strategic plan, building on the successes of the 2019-2024 plan, sets a clear pathway for the next five years, with a focus on positioning South Australia as a leader in premium dairy products. The plan's development involved close collaboration with industry participants, regulators and government, ensuring a unified approach to our shared goals.

10 years of SADA Fresh Milk

In October we proudly celebrated the 10th anniversary of SADA Fresh Milk. Over the past decade, this initiative has returned more than \$1.2 million to the dairy industry, funding vital projects such as Cows Create Careers. This program has played a pivotal role in educating the next generation about the dairy industry, ensuring the sustainability and growth of our sector.

Bovine Johne's Disease Program

The successful transition of the Bovine Johne's Disease (BJD) Program from the Department of Primary Industries and Regions (PIRSA) and Regions management to SADA has been another highlight. This smooth transition underscores our capability to manage essential industry programs, ensuring their continued effectiveness and alignment with industry needs.

Advocacy and industry engagement

SADA has been actively involved in numerous submissions and consultations over the past year. Notably, our work on the Grocery Code alongside ADF, the Water Allocation Plans for the Lower Limestone Coast with Primary Producers SA, and our contributions to the Murray Darling Basin discussions with National Water reference groups have been critical in advocating for our members. Additionally, our submissions to the Excess Calves Taskforce further emphasise our commitment to addressing the evolving needs of our industry.

Effluent management and environmental compliance

Environmental stewardship remains a key

priority. Despite the challenges posed by peak industry demands for effluent management plans, SADA has made significant progress in this area. We have engaged in a series of productive meetings with the EPA to ensure that our members comply with all regulations, thereby promoting sustainable farming practices across South Australia.

Cattle Industry Fund Management

A significant achievement this year was the transition of the Cattle Industry Fund (CIF) management to SADA, now with its own dairy component. This new agreement allows for the separation of beef and dairy cattle contributions, ensuring that future expenditure recommendations are appropriately targeted to meet the specific needs and priorities of each sector.

Conclusion

These achievements reflect SADA's unwavering commitment to advancing the interests of South Australian dairy farmers. As we look ahead, we remain focused on building on these successes and driving further growth and sustainability within our industry. Thank you for your continued support and dedication to the South Australian dairy sector.

Priorities for the year ahead

South Australia continues to lead the way in sustainability. Our state's dairy industry exemplifies how agricultural practices can align with environmental stewardship and social responsibility. This commitment is central to the SA Dairy Industry Action Plan and the broader Australian Dairy Sustainability Framework, setting a standard for future agricultural practices.

The plan highlights our strategic goals for sustainable growth and innovation, with a focus on reducing environmental impact, improving animal welfare, and securing economic stability for dairy farmers. Initiatives promoting efficient water use, waste reduction, and renewable energy adoption underscore our commitment to a sustainable future.

The year ahead offers both challenges and opportunities as our member businesses navigate milk price issues and increasing costs while keeping an eye to development, water surety and workforce availability.



A student trying out the VR goggles at the Careers Expo.

Tasmanian Farmers and Graziers Association

FY2024 was a mixed bag for the Tasmanian dairy industry. While production reached record highs, challenges such as rising costs, supply chain disruptions, climate challenges, and global market fluctuations impacted profitability.

Milk production in Tasmania grew to 934.3 million litres, surpassing the previous year's record of 906.4 million litres. The state's milk accounted for 11.2% of the national milk pool, solidifying its position as a major dairy producer.

Surplus calves processing

Looking back however, the year was fraught with challenges. Late in 2023, news came to light about the conduct of many abattoirs in the state, with the only processor of surplus calves having its export licence stripped indefinitely. With the processing of autumn calves out of the equation, farmers were challenged on what path to take, however reasoned negotiation by the dairy council coupled with a high degree of goodwill enabled TasFarmers to secure State Government funding for new infrastructure that would see the processing of these calves continue for years to come. With TQM resuming business as usual in late winter, the FY2025 season looks promising.

Surplus calves eID exemption

In addition to these challenges, the industry was alerted to a change in legislation that would see the exemption for surplus calves to be eID tagged removed. This ongoing issue has been at the centre of attention for TasFarmers Dairy Council and DairyTas. With a push to extend the removal date of January 2025, to either the end of the year, or at the least, June 2025. A rebate on the tags to ease producers into the reform has also been formally requested.

Climate

Finally, Tasmania's climate this year brought about unprecedented challenges. With one of the driest seasons on record, the entire state was set to endure many challenges that saw farmers make business saving decisions, albeit extremely distressing decisions. Growers rallied around each other, showing the

community support of farmers in Tasmania. There were extensive efforts for fodder to be brought onto King Island, which was arguably hit the hardest, and the movement of stock off the island reached record highs. What came of this saw processors in the state at maximum capacity, straining the resources on farm for those that could not destock, and mounting the pressure on shipping routes that were at the mercy of ongoing union activity. Fortunately, however, through the support of industry and government, dairy farmers rebounded strongly and are confident moving forward.

Conclusion

In closing, FY2024 was a turbulent one for the Tasmanian dairy industry, marked by both record production and significant challenges. While the industry demonstrated resilience in the face of supply chain disruptions, climate challenges, and global market fluctuations, the year was not without its setbacks. The abattoir issues and subsequent processing challenges, climate concerns, and the pending removal of eID tagging exemptions for surplus calves, presented significant hurdles for producers. However, through collective action, government support, and the resilience of the dairy community, the industry has emerged stronger.

Priorities for the year ahead

Looking forward to this upcoming financial year there is confidence in the dairy farming community that this season will be profitable. Late rains in winter and a solid spring break sets the foundation for the next few months leading into 2025. What lies ahead in the new year will bring challenges mentioned previously with new Biosecurity Regulations around eIDs in surplus calves, as well as the ever-present threat of activists sparking concerns within the community. TasFarmers Dairy Council will be looking to be proactive in these spaces, leaning on government and industry to prepare farmers for the challenges ahead.

A lower milk price this year is set to challenge dairy farmers. While increased productivity and a normal/good season coupled with some reduced costs can alleviate this somewhat, most farmers will see a reduced profit margin. TasFarmers is ready to support the dairy industry whatever the FY2025 season brings.

West Australian Farmers Federation

State of the industry in Western Australia (WA)

WA had a very long hot dry summer, with many records broken. Dairy farms ran short of summer stock feed and many farm dams ran dry.

Farmgate milk prices have been reasonable this year in WA, but input costs especially for bought-in fodder have been high. Despite the difficulties, milk production has actually been rising month-by-month and year-to-date. This is a tribute to the hard work of our dairy industry. To reflect these increased costs we need a mechanism to retrieve that from the market place. The fact we cannot shows that we have market failure.

We are still looking at 20% of farmers exiting due to retirement, so we need to continue to improve our industry's position. I believe that setting up the WA Dairy Industry Working Group and the networking that this group achieves has played a big role in improving our stability.

WA Dairy Industry Five Year Development Plan

The WA Dairy Industry Working Group (WADIWG) has a WA Dairy Industry Five Year Development Plan. Our vision is: The WA dairy industry has a reputation for best practice, innovation and sustainability, enabling growth and building confidence in our industry to ensure its long term viability.

WADIWG is made up of representatives from: WAFarmers Dairy Council, Western Dairy, Dairy Australia, DPIRD, Lactalis, Brownes and Bega. This year, consultants BlueSee developed an implementation plan with specific projects identified such as a WA dairy technology transition plan and resourcing for a strategic marketing and communications plan.

A Dairy Producers Committee?

This year the Dairy Council has thrown its weight behind creating a Dairy Producers Committee under the Agricultural Produce Commission Act. We believe if we can get this independent dairy policy advocacy organisation established it will go a long way towards better a better resourced and more powerful WA dairy industry. Due to declining

funds, a Dairy Producers Committee is the only real option for strong, well-funded dairy advocacy in WA.

WAFarmers Dairy Conference and AGM, July 2023, Abbey Beach Resort, Busselton

The WAFarmers Dairy Conference was held on Thursday, 20 July, at the Abbey Resort, with well over 120 attentive participants. The Conference was emceed by Dairy Councillor Phil Depiazzi. The Hon. Jackie Jarvis MP opened the conference and congratulated the industry on its progress with the WA Dairy Industry Five Year Development Plan.

We had a great lineup of speakers including the impressive NSW dairy farmer Nicole Saunders talking about how she and her husband won three top farm business awards in the last year. Craig Hough and Stephen Sheridan from ADF gave us a national policy update.

At the AGM Ian Noakes was re-elected President, and Peter Evans was elected Vice President. We also had a fruitful discussion about the WA Farm Employees award.



Minister Jacki Jarvis and the WA Dairy Industry Working Group at the 2023 Dairy Conference

Dairy Regional Roundabout

WAFarmers Dairy Council completed its annual Regional Roundabout during 15-18 April, 2024. We met over meals with farmers from the South Coast, Northcliffe, Margaret River, Capel and Harvey. Catherine O'Keeffe APC CEO joined us on the Roundabout and helped answer the curly questions about a proposed Dairy Producers Committee. ADF also joined us for several of the meetings.

Dairy Pavilion, Perth Royal Show

The WA Dairy Pavilion is a remarkable showcase that celebrates our region's dairy heritage and our exceptional products. The WA Dairy Pavilion was again recognised as the best pavilion at the Perth Royal Show. This accolade not only reflects the exceptional quality of our dairy products but also underscores the hard work and commitment that coordinator Louise Cashmore, key dairy farmers, the DA/Western Dairy team and our own WAFarmers staff team put into this event.

Advocacy

The WAFarmers Dairy Council has had a busy advocacy year yet again, working with ADF on national dairy issues, and with WAFarmers on cross-commodity issues. At a state level the Dairy Council:

- Engaged in the process to include Dairy in the amended WA Farm Employees Award

(1985), which we believe will be good for the reputation of our industry.

- Made a submission supporting Harvey Water's proposal to upgrade the Collie River Irrigation scheme.
- We argued successfully for a practical approach to the storage of tyres on-farm.
- Argued for a workable approach for farmers in the new Firearms Legislation.
- Strongly supported overturning the ban on Live Sheep Exports, with submissions and media releases.
- Made multiple radio and television interviews explaining the state of the industry and our needs, and sent numerous releases to the print media.

Priorities for the year ahead

Our main concerns are about the continuing number of exits from the industry and the difficulty in new entrants being able to afford to join. We know there are people looking to start but finding available land and then the capital cost of establishing a dairy is prohibitive.

We are looking forward to establishing a Dairy Producers Committee in WA in the hope that this will help secure a positive future for our industry.



Stephen Sheridan chats with Northcliffe farmers at the 2024 Regional Roundabout

Financial report

for the year ended 30 June 2024

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Director's report

The directors present their report together with the financial report of Australian Dairy Farmers' Limited (ADF) for the year ended 30 June 2024 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:

- Ben Bennett
- Rick Gladigau
- Heath Cook
- Brian Tessmann (resigned 23 November 2023)
- Andreas Clark (resigned 23 November 2023)
- Matthew Trace (appointed 23 November 2023)
- David Beca (appointed 11 December 2023)

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 \$6,502 and the total surplus was \$517,031 (2023: \$16,292 surplus from operating activities; total surplus was \$1,036,872).

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

Director's report

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 2024.

Indemnity guarantee

There is no indemnity guarantee for the year ended 30 June 2024.

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.

Director's report

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 (resigned 23 November 2023) Member – EastAUSmilk
Ben Bennett	Trustee of Kiwi calve business trust Director – Australian Dairy Industry Council Member – United Dairyfarmers Victoria
Heath Cook	Director – Australian Dairy Industry Council Manager / owner Misery Mountain Dairy Dorrigo NSW Supply agreement with Norco Director – Norco Co-Operative Limited Member – Sub-tropical Dairy Member – NSW Farmers' Association
Andreas Clark	Board member – Pembroke School Inc Director – Hampstead Health Pty Ltd and HR Superclinic Pty Ltd Director – Australian Dairy Industry Council (resigned 23 November 2023) Director - CCW Cooperative Ltd Director – Plenary Health Co Pty Ltd and Plenary Health Finance Holdings Pty Ltd Director – Bremerton Vintners Pty Ltd
Matthew Trace	Director – Australian Dairy Industry Council (appointed 23 November 2023) Director – Norco Co-Operative Limited
David Beca	Director – Red Sky Agricultural Pty Ltd Director – BecaZuur Consulting Pty Ltd

Director's report

Meetings of Directors				
	Directors Meetings		Audit Committee Meetings	
Director	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
Rick Gladigau	14	14	–	–
Ben Bennett	14	14	–	–
Heath Cook	14	13	2	2
Andres Clark (resigned 23 November 2023)	5	5	1	1
Brain Tessmann (resigned 23 November 2023)	5	5	–	–
Matthew Trace (appointed 23 November 2023)	9	8	–	–
David Beca (appointed 11 December 2023)	7	7	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.

Director's report

Proceedings on behalf of the organisation

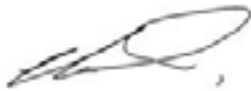
No person has applied for leave of Court to bring proceedings on behalf of the organisation or intervene in any proceedings to which the organisation is a party for the purpose of taking responsibility on behalf of the organisation for all or any part of those proceedings.

Signed on behalf of the board of directors



Director:

Ben Bennett



Director:

Heath Cook

Dated this 28th day of October 2024

Auditor's independence declaration

for the year ended 30 June 2024

As a lead auditor for the audit of Australian Dairy Farmers' Limited for the year ended 30 June 2024, 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 Act 2012 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.



Abhishek Sharma
Engagement Partner – Audit and Assurance

Dated this 28th day of October 2028

Statement of profit or loss and other comprehensive income

for the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue and other income			
Other revenue	3	1,970,860	2,011,197
		<u>1,970,860</u>	<u>2,011,197</u>
Less: expenses			
Employment expenses		(654,776)	(828,969)
Remuneration	13	(129,051)	(133,705)
Administration expenses		(676,839)	(505,489)
Affiliation fees		(96,672)	(55,000)
Employee provisions		(18,641)	47,008
Occupancy expenses		(51,103)	(59,596)
Project expenses		(147,093)	(136,435)
Depreciation and amortisation	5	(4,313)	(6,561)
Grant expenses		(185,870)	(316,158)
		<u>(1,964,358)</u>	<u>(1,994,905)</u>
Surplus/(Deficit) from ordinary activities		<u>6,502</u>	<u>16,292</u>
Other income/(expenses)			
Unrealised gains/(expenses) from available for sale financial assets		510,529	1,020,580
Total other income/(expenses)		<u>510,529</u>	<u>1,020,580</u>
Other comprehensive income/(expenses)		<u>–</u>	<u>–</u>
Total comprehensive income/(expenses)		<u>517,031</u>	<u>1,036,872</u>

Statement of financial position

for the year ended 30 June 2024

	Note	2024 \$	2023 \$
Current Assets			
Cash and cash equivalents	6	1,977,227	2,054,413
Receivables	7	146,419	69,348
Other assets	9	14,677,768	114,200,106
Total current assets		<u>16,801,414</u>	<u>16,323,867</u>
Non-current assets			
Property, plant and equipment	8	15,398	16,642
Total non-current assets		<u>15,398</u>	<u>16,642</u>
Total assets		<u>16,816,812</u>	<u>16,340,509</u>
Current liabilities			
Payables	10	165,478	190,760
Provisions	11	149,842	148,686
Total current liabilities		<u>315,320</u>	<u>339,446</u>
Non-current liabilities			
Provisions	11	672	15,916
Total non-current liabilities		<u>672</u>	<u>15,916</u>
Total liabilities		<u>315,992</u>	<u>355,362</u>
Net Assets		<u>16,500,820</u>	<u>15,985,147</u>
Equity			
Retained earnings	12	4,301,519	3,785,846
Other reserves		12,199,301	12,199,301
Total Equity		<u>16,500,820</u>	<u>15,985,147</u>

Statement of changes in equity

for the year ended 30 June 2024

	Note	Retained Earnings \$	Total Equity \$
Balance as at 1 July 2022			
Surplus/(Deficit) for the year		2,748,974	14,948,275
Total comprehensive incoming/(loss) for the year		<u>1,036,872</u>	<u>1,036,872</u>
Adjustment to retained earnings for previous years	12	–	–
Other Reserves		–	–
Balance as at 30 June 2023		<u>3,785,846</u>	<u>15,985,147</u>
Balance as at 1 July 2023		3,785,846	15,985,147
Surplus/(Deficit) for the year		517,031	517,031
Total comprehensive incoming/(loss) for the year		<u>517,031</u>	<u>517,031</u>
Adjustment to retained earnings for previous years		(1,358)	(1,358)
Other Reserves		–	–
Balance as at 30 June 2024	12	<u>4,301,519</u>	<u>16,500,820</u>

Statement of cash flows

for the year ended 30 June 2024

	Note	2024 \$	2023 \$
Cash flow from operating activities			
Receipts from customers		563,102	1,055,854
Payments to suppliers and employees		(2,622,767)	(2,410,558)
Interest received		—	—
Net cash provided by operating activities	14(b)	(2,059,665)	(1,354,704)
Cash flow from investing activities			
Receipts from investing activities		2,603,067	2,704,001
Proceeds on sale of investments		(1,08,500)	271,000
Purchase of property, plant and equipment		(3,069)	(2,181)
Available for sale assets		(509,019)	(1,191,159)
Net cash provided by / (used in) investing activities		1,982,479	1,781,661
Cash flow from financing activities			
Distribution to associates		—	—
Net cash used in financing activities		—	—
Reconciliation of cash			
Cash at beginning of financial year		2,054,413	1,627,456
Net increase / (decrease) in cash held		(77,186)	426,957
Cash at end of financial year	14(a)	1,977,227	2,054,413

Notes to financial statements

for the year ended 30 June 2024

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.

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.

Notes to financial statements

for the year ended 30 June 2024

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.

Notes to financial statements

for the year ended 30 June 2024

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.

Notes to financial statements

for the year ended 30 June 2024

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.

Notes to financial statements

for the year ended 30 June 2024

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.

Notes to financial statements

for the year ended 30 June 2024

NOTE 2: ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT OPERATIVE AT 30 JUNE 2024

There are no other Accounting Standards and interpretations which have not been considered as at 30 June 2024.

NOTE 3: REVENUE AND OTHER INCOME

	2024 \$	2023 \$
Interest income	163,693	88,397
Distribution income	947,407	905,885
Other income	859,760	1,016,915
	<u>1,970,860</u>	<u>2,011,197</u>

NOTE 4: AUDITOR REMUNERATION

Audit and assurance services

Audit or review of the financial report	30,115	26,675
	<u>30,115</u>	<u>26,675</u>

NOTE 5: OPERATING SURPLUS

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

Depreciation	4,313	6,561
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Employee benefits

Short term benefits	783,827	962,674
	<u>788,140</u>	<u>969,235</u>

NOTE 6: CASH AND EQUIVALENTS

Cash on hand	32	32
Cash at bank	1,977,195	2,054,381
	<u>1,977,227</u>	<u>2,054,413</u>

NOTE 7: RECEIVABLES CURRENT

Trade debtors	743,751	327,851
Less: Expected credit loss	(597,332)	(258,503)
Net trade debtors	<u>146,419</u>	<u>69,348</u>

Notes to financial statements

for the year ended 30 June 2024

	2024 \$	2023 \$
NOTE 8: PROPERTY, PLANT AND EQUIPMENT		
Leasehold improvements		
At cost	136,753	136,753
Accumulated depreciation	(130,103)	(128,003)
	<u>6,650</u>	<u>8,750</u>
Plant and Equipment		
Office equipment at cost	181,261	181,261
Accumulated depreciation	(177,981)	175,659)
	<u>3,280</u>	<u>5,602</u>
Computer equipment at cost	43,712	40,102
Accumulated depreciation	(37,704)	(37,812)
	<u>5,648</u>	<u>2,290</u>
Total plant and equipment	<u>15,398</u>	<u>16,642</u>
Total property, plant and equipment	<u><u>15,398</u></u>	<u><u>16,642</u></u>
NOTE 9: OTHER ASSETS CURRENT		
Prepayments	8,065	16,696
Grants Receivable/(Payable)	(145,971)	12,159
Distribution Receivable	716	446
Deposits Paid	630	630
Accrued Income	919,021	672,771
Available for sale financial assets	13,895,308	13,497,404
	<u>14,677,678</u>	<u>14,200,106</u>
NOTE 10: PAYABLES CURRENT		
Unsecured liabilities		
Trade creditors	108,496	20,932
Sundry creditors and accruals	56,982	169,828
	<u>165,478</u>	<u>190,760</u>

Notes to financial statements

for the year ended 30 June 2024

	2024 \$	2023 \$
NOTE 11: PROVISIONS CURRENT		
Employee benefits	149,842	148,686
	<u>149,842</u>	<u>148,686</u>
NON CURRENT		
Employee benefits	672	14,916
	<u>672</u>	<u>14,916</u>
Aggregate employee benefits liability	<u>150,514</u>	<u>164,602</u>
NOTE 12: RETAINED EARNINGS		
Retained earnings at beginning of year	3,785,846	2,748,974
Adjustment for retained earnings for previous year	(1,358)	–
Net Surplus/(deficit)	517,031	1,036,872
Net retained earnings	<u>4,301,519</u>	<u>3,785,846</u>
NOTE 13: REMUNERATION		
Presidents fees	91,672	82,875
Directors fees	16,121	18,785
Indepent director	15,708	26,520
Independent ARCC member	5,550	5,525
	<u>129,051</u>	<u>133,705</u>

Notes to financial statements

for the year ended 30 June 2024

	2024 \$	2023 \$
NOTE 14: 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	1,977,195	2,054,381
Cash on hand	32	32
	<u>1,977,227</u>	<u>2,054,413</u>
(b) Reconciliation of cash flow from operations with surplus		
Surplus/(deficit) from ordinary activities	6,502	16,292
Less: Adjustments for investing activities in operating activities	(2,120,802)	(988,571)
Adjusted surplus / (deficit) from ordinary activities	<u>(2,114,300)</u>	<u>(972,279)</u>
Adjustments and non-cash items		
Depreciation	4,313	6,561
Changes in assets and liabilities		
(Increase) / decrease in receivables	(77,070)	45,387
(Increase) / decrease in other assets	166,761	(20,986)
Increase / (decrease) in payables	(25,282)	(335,497)
Increase / (decrease) in provisions	(14,087)	(77,890)
Cash flows from operating activities	<u>(2,059,665)</u>	<u>(1,354,704)</u>

Notes to financial statements

for the year ended 30 June 2024

NOTE 15: EVENTS SUBSEQUENT TO REPORTING DATE

There are no matters or circumstances (except that members should note Australian Dairy Farmers (ADF) is currently in a dispute with Victorian Farmers Federation (VFF) over the timing of VFF's resignation from ADF. This matter is currently before the Supreme Court of Victoria and ADF expects it to be resolved within 2025) which have arisen since 30 June 2024 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2024, of the organisation, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2024, of the organisation.

NOTE 16: ORGANISATION DETAILS

The registered office of the organisation is:

Australian Dairy Farmers' Limited

Level 3

HWT Building

40 City Road

SOUTHBANK VIC 3006

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.

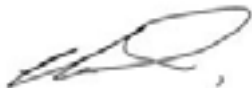
1. In the opinion of the directors, the financial report and notes as set out on pages 9 - 22, presents fairly the organisation's financial position as at 30 June 2024 and performance for the year ended on that date of the organisation in accordance with the accounting policies outlined in Note 1 to 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 andwhen they become due and payable.

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



Director:

Ben Bennett



Director:

Heath Cook

Dated this 28th day of October 2028

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 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flow 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

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 28 day of October 2024

Independent auditor's report

to the directors and members of Australian Dairy Farmers' Limited

Report on the Audit of the Financial Report

We have audited the financial statements, being a general purpose financial statements – simplified disclosures, of Australian Dairy Farmers' Limited (the Entity), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the director's declaration as set out in the financial statements.

In our opinion, the accompanying financial statements of the entity, is in all material aspects, in accordance with the reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012, including:

- a) giving a true and fair view of the entity's financial position as at 30 June 2024 and of its performance and its cash flows for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent described in Note 1 and the applicable regulations (where applicable).

Basis for Unqualified 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 Statements 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 (including Independence Standards) (the Code) that are relevant to our audit of the financial statements in Australia. We have also fulfilled our other responsibilities in accordance with the Code.

We confirm that the independence declaration required by the applicable laws and legislation, which has been given to those charged with governance of the Entity, would be in the same terms if given to those charged with governance at the time of this audit report.

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

Emphasis of Matter-Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements has been prepared for the purpose of fulfilling the directors financial reporting responsibilities under the relevant rules and regulations. Our report is intended solely for Australian Dairy Farmers' Limited and its members and should not be distributed or used by parties other

Independent auditor's report

to the directors and members of Australian Dairy Farmers' Limited

Other Information

The directors are responsible for the other information. The other information comprises the information included in the financial statements for the year ended 30 June 2024, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 the directors of the Entity ("the directors") for the Financial Statements

The directors of the Entity are responsible for the preparation and fair presentation of the financial statements and has determined that the basis of preparation and accounting policies described in Note 1 to the financial statements is appropriate to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and is appropriate to meet the needs of the members. The directors responsibility also includes such internal controls as the directors determine is necessary to enable the preparation and fair presentation of the financial statements that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statements.

Independent auditor's report

to the directors and members of Australian Dairy Farmers' Limited

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

- Identify and assess the risks of material misstatement of the financial statements, 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 controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors 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 Entity'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 statements 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.



ABHISHEK SHARMA

Engagement Partner – Audit and Assurance

Date: 28 October 2024

