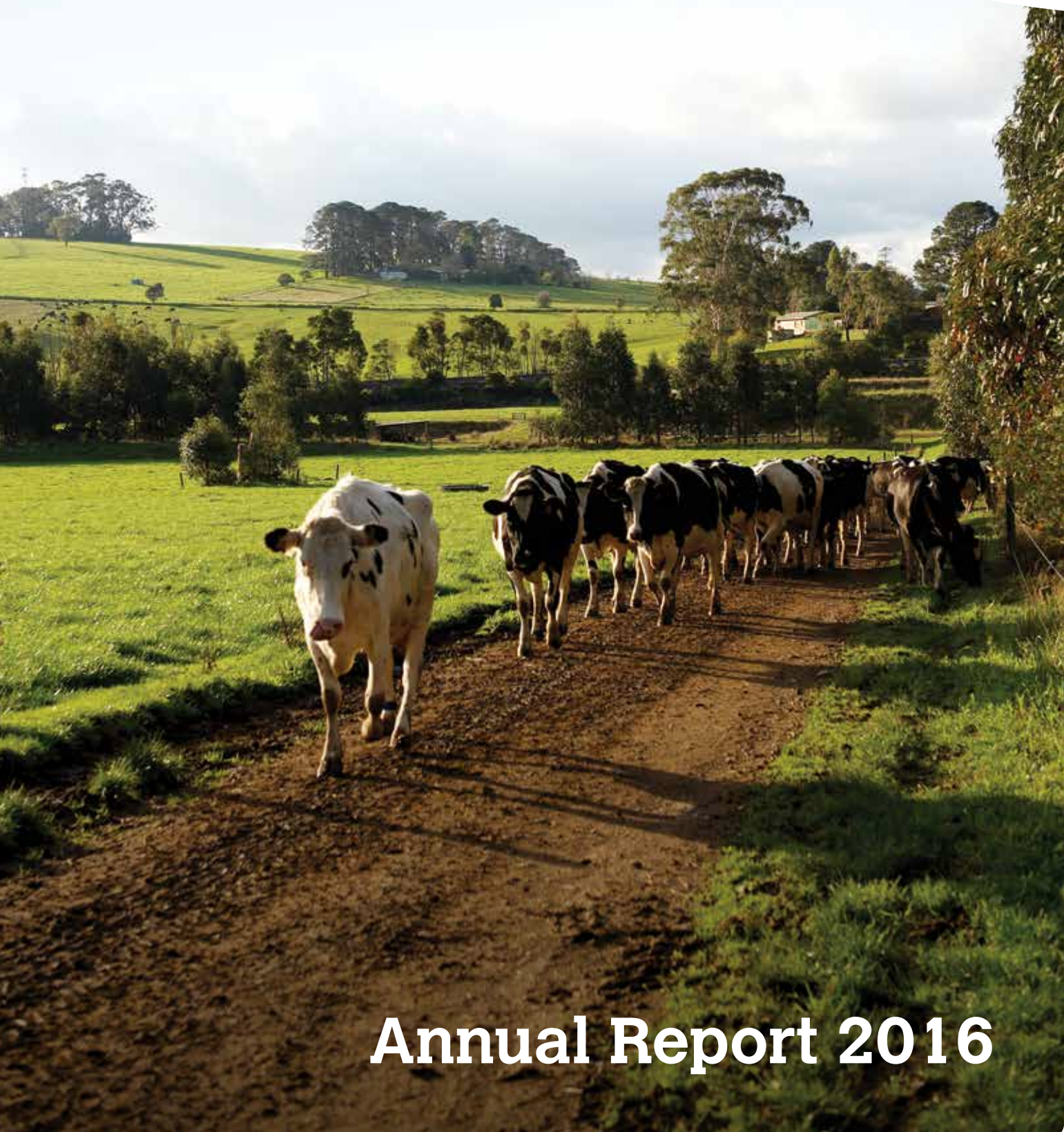




Your Levy at Work



# Annual Report 2016

**Disclaimer**

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In 2016 the DairySA team was responsible for over 20 regional projects in SA dairy regions, engaging dairy farmers and industry members in over 110 industry activities and events.

# Chairman's report

The past year has seen DairySA delivering a bigger and more meaningful impact on more farms across the State, providing practical and relevant programs for dairy farmers and their businesses. The Board has been mindful of staying aligned with its core role to provide farmer-driven projects and services, whilst overlaying this framework with tailored, responsive and timely support. This supported many in the SA dairy community to manage and ride the storms that were to present in the latter half of the year.

However, it was the closing months of the 2016 Financial Year that presented some of the most challenging times ever experienced in the dairy industry. Without much warning, milk prices dropped quickly and considerably, putting increasing pressure on many dairy farm businesses. Against this background there were some slight positive shifts in input costs to offset these challenges – with potential decreases in feed prices, fertiliser and fuel – and going forward it's a matter of capitalising on these positives whilst managing the challenges.

The ongoing promotion, delivery and support for DairyBase in SA has continued to reap benefits for dairy businesses across the State and its success is testament to the team heading in the right direction. Using DairyBase as a cornerstone to focus projects on profitability is part of DairySA's long-term business strategy.

DairySA's Central Conference in McLaren Vale and Innovation Day in Mount Gambier were once again highlights of the DairySA calendar. Both showcased world class RDE &E projects and importantly created an excellent opportunity to connect industry representatives, colleagues and friends – vital in challenging times. DairySA's Innovation Day focus on 'Herd Innovation and Business Inspiration' was admirably met by keynote speaker Dr Jim Spain from the US, together with Limestone Coast dairy farmer Andrew Cavill, resulting in overwhelmingly positive feedback.

DairySA's work has continued to have a solid impact on South Australia's dairy farms. One of the most satisfying elements of my role this past year has been seeing the tangible outcomes for farmers and their businesses, a reminder that all our work is directly related to farm profitability. DairySA is mindful that there is no 'one size fits all' for the dairy industry. Through elements such as DairyBase our programs are tailored to meet the demands and expectations of individual businesses, resulting in the most meaningful and useful results for farmers.

In short, we have continued to 'get on with the job'.



My thanks to the DairySA Team who work tirelessly to bring practical, relevant and tailored projects and services to the farm-gate and to the Board who remain committed to ensuring DairySA has farm profitability at its core, and whose skills, dedication and enthusiasm for a healthy dairy industry make it a pleasure to be part of.

**Michael Connor**  
Chairman, DairySA

**'Through elements such as DairyBase our programs are tailored to meet the demands and expectations of individual businesses, resulting in the most meaningful and useful results for farmers.'**

## Our role

DairySA is one of eight Regional Development Programs (RDPs) funded by Dairy Australia and the dairy service levy. DairySA exemplifies the dairy services levy at work, locally.

DairySA is committed to delivering regionally focused, farmer driven, practical activities and information to support farm profitability and sustainability across South Australia.

Some roles of DairySA include:

- › providing funding for research, development, education and extension (RDE&E) activities in SA
- › developing projects and workshops based on dairy farmers' feedback (what they want, when they want it)
- › managing specific RDE&E projects for South Australian dairy farmers
- › coordinating dairy farmers' events
- › seeking leverage funds to ensure the dairy service levy is maximised in South Australia.

**DairySA's focus is RDE&E and it is not a lobbying or political body.**



## Our region

The DairySA Regional Development Program covers all dairying regions in South Australia.

There are 252 dairy farms in South Australia, clustered amongst the Adelaide Hills, Barossa Mid-North, Fleurieu, Lower Murray and South East.

Each region features a unique set of climatic conditions, natural resources, infrastructure, processing, service industries and growth capabilities, and thus face different challenges and opportunities.

The 2015–2016 farm statistics from the Dairy Authority of South Australia indicate a drop in farm numbers from the previous year (-3.17%), bringing the total number of farms in South Australia to 244. Cow numbers decreased by 2.16%.



### 2015/2016 Dairy Farm Overview

	2016	2015		2016	2015	
	Farms	Farms	Change	Cows	Cows	Change
Region	No.	No.	%	No.	No.	%
Central-Adelaide Hills	20	22	-9.09%	2,834	3,369	-15.88%
Fleurieu Peninsula	57	59	-3.39%	13,654	13,940	-2.05%
Upper South East	11	12	-8.33%	4,795	5,040	-4.86%
Lower South East	89	93	-4.30%	38,996	39,748	-1.89%
MurraySwamps	31	30	3.33%	7,873	7,823	0.64%
MeningieLakes	16	16	0.00%	7,458	7,458	0.00%
Mid North	20	20	0.00%	4,524	4,521	0.07%
<b>Totals</b>	<b>244</b>	<b>252</b>	<b>-3.17%</b>	<b>80,134</b>	<b>81,899</b>	<b>-2.16%</b>

Source: Dairy Authority of South Australia

## Our board

A Board of Directors governs DairySA. The Board meets bi-monthly. The role of the Board is to ensure that the work of DairySA and the funding received by the organisation are directed to regionally relevant research and development.

The DairySA board members are:

**Michael Connor**  
Dairy Farmer, Chairperson

**Glenn Dohnt**  
Dairy Farmer, Vice Chairperson

**Ian Freebairn**  
Dairy Farmer

**Greg Gilbert**  
Independent Director

**Meaghan Johnston**  
Independent Director

**Ty Maidment**  
Dairy Farmer

**Travis Telford**  
Dairy Farmer

**Angus Williams**  
Dairy Farmer

**Gary Zweck**  
Dairy Farmer

**Frank Young**  
Independent Director

**Verity Ingham**  
Executive Officer



*The DairySA board*



# Our people

DairySA is committed to the delivery of the best possible dairy research, development, extension and education services for South Australia dairy farms. DairySA comprises a dedicated team who strive to deliver professional programs and tangible positive outcomes for dairy farms and their people.

## The DairySA team are:

### **Verity Ingham**

Executive Officer and  
Project Management

### **Kylie Boston**

Project and Discussion  
Group Coordinator

### **David Kuchel**

Discussion Group  
Network Coordinator

### **Monique White**

NRM Specialist and  
Project Coordinator

### **Bec Hehir**

Extension Coordinator

### **Deana Mildren**

Project Coordinator

### **Penny Schulz**

Project Coordinator  
(concluded June 2016)

### **Vanessa Clarke**

Administration and Project Support

### **Louise Stock**

Communications and Project  
Coordinator (concluded June 2016)

Additional contractors and specialists are employed by DairySA as required to ensure timely, relevant and professional delivery of projects.



DairySA team

# What we do

## A snap shot

Project	Funding source/s	Project overview
<b>Animal Health programs</b>	Dairy Australia DairySA	Includes Dairy Australia farm production workshops such as Heifers on Target, Healthy Calves, Lameness, InCalf, Cool Cows etc.
<b>Cows Create Careers</b>	DairySA, DA and sponsors	Cows Create Careers is a national project that operates in four DairySA regions. It promotes dairy careers and education opportunities for students (years 7–11) in the dairy industry by introducing the dairy industry to secondary schools.
<b>DairyBase</b>	DairySA Dairy Australia	Promotion, delivery and support for DairyBase roll-out and delivery in SA.
<b>Dairy Business Bootcamp</b>	DairySA SA Dairy Industry Fund YDNA	Dairy Business Bootcamp delivered a series of workshops that developed the financial, physical and mental fitness of South Australian young dairy farmers, to enable them to lead or contribute to successful and healthy dairy farm businesses.
<b>DairySA Comms – print, electronic and social</b>	DairySA and projects	DairySA provides a range of targeted communication activities to engage the SA dairy farm community. Communication channels used include print, electronic and social media.
<b>DairySA Discussion Groups</b>	DairySA and group members	DairySA supports discussion groups across the state through co-funding coordination and group activities. These groups are farmer-driven and the group sets the topics/agendas and plans on an annual basis. Coordinators provide the framework and process for successful group interaction and learning.
<b>Dairy Farm Monitor Project</b>	Dairy Australia	An annual collection of on-farm data that provides farmers, service providers and the industry at large a qualitative set of farm-level data that is recognised as independent and objective. Twenty SA farms involved. Annual regional report collated and disseminated.
<b>DairySA Conference and Innovation Day</b>	DairySA and sponsors	DairySA has coordinated Innovation Days and Conferences for over ten years. Always a great opportunity for the SA dairy industry to learn about new opportunities and innovations and connect with their colleagues and friends.
<b>Farm Safety Steering Group and Walks</b>	Dairy Australia	A group of farmers providing advice and input into extension and resources for increased uptake and focus on best practice dairy farm safety.
<b>Hills and Fleurieu Forage Network</b>	Dairy Australia	Aims to improve pasture consumption and business profitability in the Central dairy region of SA, by assisting local farmers to more effectively integrate new forage strategies into their businesses.
<b>Legendairy</b>	Dairy Australia	Legendairy in SA includes coordination and support for the Legendairy Ladies Lunch, promotional trailers, promotion of Legendairy farmers and involvement in the Legendairy Capital program as well as support and involvement in local community events.
<b>Mount Torrens Soil Moisture Monitoring</b>	NRM SAMDB NRM AMLR DairySA	Establish and monitor pasture and fertiliser strip trials to consider pastures that achieve current industry needs and particularly climate impacts including the shorter growing season and lower rainfall that is being experienced.
<b>NCDEA/TafeSA Regional Promotions Coordinator</b>	Dairy Australia	A coordinator linking DairySA, NCDEA and TAFE SA. This will focus on increasing farmers awareness of training opportunities through TAFE SA and NCDEA. The role will provide some coordination support for TAFE SA in exploring regional training opportunities (in all SA regions) and forming groups ready for training.

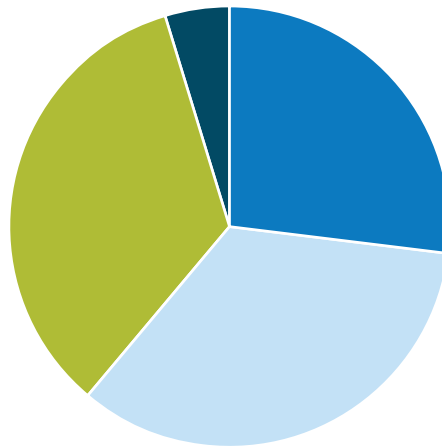
Project	Funding source/s	Project overview
<b>Precision Ag in Dairy</b>	NRM SA MDB	The key objective of this project is to demonstrate the applicability and appropriateness of various PA tools to improve resource use efficiency on an existing dairy farm at Mt Compass. The project trials and demonstrates five PA techniques in demonstration dairy pasture paddocks including determining the variation of pH, organic carbon, salinity, nitrogen and moisture storage potential across the demonstration paddocks and compare with conventional measurements.
<b>Profitable Dairying</b>	Dairy Australia	This project aims to deliver comprehensive knowledge of the practices that can profitably reduce GHG emissions from dairying. These will be embedded in the context of every-day farm management decisions so that farmers and service providers can confidently select the most appropriate option(s) for their farm. In SA this project includes FarmLink, FertSmart, InCalf and Forage Skills programs.
<b>SA MDB DDGs – Linking to NRM</b>	NRM SAMDB	This project will support six Dairy Discussion Groups (DDG) and one Agronomy Network Group to meet and learn about sustainable agricultural issues and techniques pertinent to their region.
<b>SE Volumetric Conversion Extension</b>	DairySA	A series of workshop and technical support for the transition to volumetric water licensing for SE SA farmers.
<b>Small Dairy Processor Cluster Network</b>	PIRSA	The key project included a niche dairy processor industry based Thought Leader Group, the inaugural Niche Dairy Processor Forum, a series of technical workshops and the “Uniquely Dairy” video clips.
<b>Succession and Transition Planning program</b>	DairySA	DairySA provided funding to SA farms, via application, to support them in the transition or succession planning process.
<b>Workforce Development</b>	Dairy Australia	The People in Dairy SA is two-year project that provides focused support for the use and adoption of the ESKi and The People in Dairy tools. Project activities will include ESKi folder promotion and dissemination; one-to-one ESKi on-farm follow-ups; People Focus workshops annually focusing on DA workforce development topics and resources; appraisal of Employment Made Easy (eMe) pilot from GippsDairy to determine relevance for SA.
<b>Workshops, forums, tours and sponsorship</b>	Dairy Australia DairySA	Workshops, forums and tours are coordinated on an as needs basis. The topics and/or destinations are based on feedback, interest and input from the dairy farm community.
<b>Variable rate irrigation – exploring the business case</b>	SA Dairy Industry Fund DairySA NRM SE	This project explores what is the return on investment for installing (to new or to existing infrastructure) VRI technology – will this technology increase DM/ha production or will it produce the same DM/ha with reduced water volume?
<b>Young Dairy Network SA</b>	DairySA	YDN SA is a state-wide network established by DairySA to deliver information and activities of relevance to young people in the SA dairy farming community.



# Our funding

In 2015–2016, Dairy Australia allocated \$260,000 core funding to DairySA and an additional \$328,600 allocated from Dairy Australia program delivery in South Australia. DairySA continued to develop and deliver programs and significantly leveraged cash (\$330,305) and in-kind contributions from other sources. Board, management and Governance costs of the business were 17% of the total budget.

Major sources of external funds were accessed through the Department of Agriculture, PIRSA, NRM Boards, the SA Dairy Industry Fund and various businesses.



	\$
Dairy Australia core funding	260,000
Dairy Australia programs	328,600
External funding	330,305
Reserves and in-kind	43,979

Total investment in dairy related programs through DairySA totalled \$962,884.



# Financial report 2015/16

## Dairy SA Regional Development Program Inc

### Statement by Members of the Committee

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial report as set out on pages 3 to 6:

1. Presents fairly the financial position of Dairy SA Regional Development Program Inc as at 30 June 2016 and its performance for the financial year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Dairy SA Regional Development Program Inc will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:

*Michael Connor*

---

*Glenn Doherty*

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Dated this 18th day of October 2016

# Financial report 2015/16 (cont.)

## Dairy SA Regional Development Program Inc

### Committee's Report

Your committee members submit the financial report of Dairy SA Regional Development Program Inc for the financial year ended 30 June 2016.

#### Committee Members

The names of Committee members throughout the financial year and at the date of this report are:

Michael Connor, Glenn Dohnt, Greg Gilbert, Meaghan Johnston, Ty Maidment, Travis Telford, Angus Williams, Frank Young, Gary Zweck, Verity Ingham and Ian Freebairn.

#### Principal Activities

The principal activities of the association during the financial year were research and development for a profitable dairy industry.

#### Significant Changes

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

#### Operating Result

The operating result from the association's activities was a surplus of \$56,046.

#### Related Party Transactions

In accordance with section 35(5) of the Associations Incorporation Act 1985, the committee of Dairy SA Regional Development Program Inc hereby states that during the financial year ended 30 June 2016:

- (A) i) no officer of the Association;  
ii) no firm of which an officer is a member; and  
iii) no body corporate in which an officer has a substantial financial interest, has received or become entitled to receive a benefit as a result of a contract between the officer, firm or body corporate and the association.
- (B) no officer of the Association has received directly or indirectly from the Association any payment or other benefit of a pecuniary nature.

#### After Balance Date Events

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

Signed in accordance with a resolution of the members of the committee.

*Michael Connor*

---

*Glenn Dohnt*

---

**Dairy SA Regional Development Program Inc**

**Income and Expenditure Statement  
For the Year Ended 30 June 2016**

	2016	2015
	\$	\$
<b>Income</b>		
Consulting Fees		
Total Dairy Australia Income	562,761	495,299
PIRSA Income	100,000	53,600
Project Funds	35,000	20,000
DWLBC/NRM Board	73,586	61,500
Sponsorship Income	41,844	51,205
Farmer Registration Fees	19,631	22,115
Interest Received	9,729	5,865
Other /Income - Extension Materials	61	930
Reimbursements (DA & Other)	14,990	14,240
<b>Total Income</b>	<b>880,602</b>	<b>724,754</b>
<b>Expenses</b>		
Accommodation Fees	6,376	5,532
Advertising	22,822	25,536
Auditor's Remuneration	5,100	4,900
Bank Charges	1,904	444
Consultancy Fees	526,049	518,249
Catering	10,319	(9,625)
Fees, Licences & subscriptions	90	90
Attendance Fees	27,523	19,070
Insurance	6,696	6,693
Office Expenses	3,354	2,379
Payroll Expenses	36,978	30,448
Postage, Printing and Stationery	3,867	5,205
Professional Development	10,180	54,584
Project Operating Expenses	21,424	
Seminar Expenses	124,648	92,057
Telephone	1,133	2,007
Travelling Expenses	16,057	22,523
Bad Debt	36	1,032
<b>Total Expenses</b>	<b>824,556</b>	<b>781,124</b>
<b>Profit/ (Loss) from Ordinary Activities</b>	<b>56,046</b>	<b>(56,370)</b>

The accompanying notes form part of the financial statements

# Financial report 2015/16 (cont.)

## Dairy SA Regional Development Program Inc

### Balance Sheet As at 30 June 2016

		2016 \$	2015 \$
<b>Current Assets</b>			
<b>Cash</b>	<b>Note</b>		
ANZ Business Extra Account		47,884	117,524
Rabo Plus Account		437,663	428,090
<b>Total Cash</b>		<b>485,547</b>	<b>545,614</b>
<b>Receivables</b>			
Trade Debtors		32,861	40,750
<b>Total Receivables</b>		<b>32,861</b>	<b>40,750</b>
<b>Total Current Assets</b>		<b>518,408</b>	<b>586,364</b>
<b>Total Assets</b>		<b>518,408</b>	<b>586,364</b>
<b>Current Liabilities</b>			
<b>Creditors and Borrowings</b>			
Accounts Payable		(13,413)	-
Accruals		71,402	106,428
GST Paid/Collected		1,318	14,085
PAYG Payable		3,288	1,611
Superannuation payable		870	608
<b>Total Creditors &amp; Borrowings</b>		<b>63,465</b>	<b>122,732</b>
<b>Other Current Liabilities</b>			
Revenue Received in Advance		50,265	115,000
<b>Total Other Current Liabilities</b>		<b>50,265</b>	<b>115,000</b>
<b>Total Current Liabilities</b>		<b>113,730</b>	<b>237,732</b>
<b>Total Liabilities</b>		<b>113,730</b>	<b>237,732</b>
<b>Net Assets</b>		<b>404,678</b>	<b>348,632</b>
<b>Members Funds</b>			
Retained Profits	2	404,678	348,632
<b>Total Members Funds</b>		<b>404,678</b>	<b>348,632</b>

The accompanying notes form part of the financial statements



**Dairy SA Regional Development Program Inc**

**Notes to and forming part of the Financial Statements  
For the year ended 30 June 2016**

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

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act of South Australia 1985. The committee has determined that the Association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act of South Australia and the following applicable Accounting Standards:

AASB 110: Events Occurring After Reporting Date

AASB 1031: Materiality

No other applicable accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The report is prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

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

**(a) Income Tax**

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

**(b) Goods and Services Tax**

Revenues and expenses are recognised net of the amount of goods and services tax (GST) except where the amount of GST is not recoverable or payable to the Australian Taxation Office.

Receivables and Payables are recognised inclusive of GST.

The net amount of GST recoverable from or payable to the Australian Taxation Office is shown separately in the Balance Sheet.

# Financial report 2015/16 (cont.)

## Dairy SA Regional Development Program Inc.

### Notes to and forming part of the Financial Statements For the year ended 30 June 2016

#### Note 2: Retained Profits

	2016	2015
Retained profits at the beginning of the financial year	348,632	405,002
Net profit (loss) attributable to members	56,046	(56,370)
Net retained profits prior to opening balance errors	<u>404,678</u>	<u>348,632</u>

## Our thanks

DairySA gratefully acknowledges the support of the following organisations:

- Dairy Australia
- South Australian Dairyfarmers' Association
- Government of South Australia Primary Industries and Regions SA
- Dairy Authority of South Australia
- B-d Farms Paris Creek
- Parmalat
- Lion
- Murray Goulburn Cooperative
- United Dairy Products
- Warrnambool Cheese & Butter





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