

MURRAY DAIRY ANNUAL REPORT

2020/21



The Murray Dairy region has the most diverse dairy farming systems anywhere in the world. All of Australia's major milk processors operate in the region, along with several specialised processors. The industry in the region employs over 8,000 people either on-farm, in manufacturing and via a strong supporting service sector.





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ABOUT MURRAY DAIRY

Murray Dairy is a not for profit regional development program (RDP) led by farmers from the Murray Dairy region. Murray Dairy is funded by Dairy Australia via the dairy service levy, with matching investment from the Australian Government. Murray Dairy also attracts funding from other dairy and agricultural bodies such as the Geoffrey Gardiner Foundation, Victorian and NSW state governments and a number of other regional partners.

Each year Murray Dairy invests and delivers in a wide range of research, development, extension and education programs for farmers and the broader dairy industry. Priorities for program delivery are identified via a number of industry led engagement activities and incorporated into an annual operating plan which outlines resource allocation for the year.

Murray Dairy is a not for profit regional development program (RDP) led by farmers from the Murray Dairy region. For every \$1.00 of levy funding a further \$4.00 of additional funding was leveraged via other investment sources in 2020/21.

THE MURRAY DAIRY BOARD

Murray Dairy is run by a Board of Directors.

An independent selection panel recommends appointments to the Board. The recommendations are based on criteria relating to skills, experience and a strong commitment to positive industry leadership.



Andrew Tyler Chair

Dairy Farmer,
Tongala



Mark Bailey

Manager Water Resources,
GMW



Karen Moroney Chair
July 2020 – Oct 2020

Dairy Farmer,
Eskdale



Tom Acocks

Dairy Farmer,
Rochester



Tony McCarthy Deputy Chair

Dairy Farmer,
Dhurringile



Rachael Napier

Dairy Farmer,
Deniliquin



Andrew Mann Treasurer

Senior Regional Associate,
Agricultural Capital
Management



Dustin Kemp

Dairy Farmer,
Lockington



Chris Thomas

Managing Director,
CT Consulting

OUR STAFF



Jenny Wilson

Chief Executive Officer (FT)



Melva Tyson

Regional Extension Officer (PT)



Lisa Birrell

Regional Extension Officer (PT)



David Lee

Communications Coordinator
(FT)



Ross Read

Regional Extension Officer (FT)



Megan Bicknell

Project and Administration
Officer (PT)



Lachlan Barnes

Regional Extension Officer (FT)



Liz Byrne

Project and Administration
Officer (PT)



Lisa Menhenett

Regional Extension Officer (FT)

Contract



Russell Holman

Regional Extension Officer –
Our Farm, Our Plan (FT)



Bec Wyper

Regional Extension Officer –
YDN Coordinator (FT)



Amy Fay

Strategic Project Manager (PT)



Linda Kelly

Project Manager –
Rural Skills Connect (FT)



Shane Byrne

Shane Byrne
Program Development
Manager – Farm Systems (FT)

GROUPS AND COMMITTEES

Murray Dairy supports a number of dairy industry groups and committees either through direct funding, a facilitation or coordination support role. These include:

- 10 Discussion Groups
- 8 Dairy Business Network Groups
- 4 Young Dairy Network Groups
- Regional Extension and Education Committee
- Regional Network Groups (Riverina, Eastern, Western, Central)
- Alpine Valleys Dairy Pathways Project Steering Committee
- Murray Dairy Young Dairy Network
- Project-specific Steering Committees



CHAIR'S REPORT

The year 2020/21 for dairy in the Murray region will be remembered as a year of dramatic change. Our climatic conditions went from an extreme of drought and subsequent bushfires to possibly one of the best growing seasons in memory. Of course it goes without saying that Covid 19 has certainly changed how we functioned on farm, in our communities and it has impacted how Murray Dairy has been able to engage with our industry.

As I travel throughout the region and talk to farmers it is pleasing to see investment in on farm improvements a strong sign that confidence has returned. Thankfully we have been able to rebuild business optimism, profitability and most importantly we are able to enjoy farming again.

This year we released our 2020–23 strategic plan with our vision of “Fostering a confident, valued and profitable dairy industry” with three strategic priorities for the region”

- 1 promote adoption of innovation and industry best practice
- 2 foster partnerships, networks and increase regional industry recognition
- 3 attract retain and develop quality people

All three priorities are front of mind for the board and the Murray Dairy team as we actively strive to address these priorities over next few years.

A number of exciting projects have commenced, and a vast amount of planning and development has been undertaken in the past twelve months during lockdowns and times of restricted industry engagement. Of note is the Fodder for the Future project designed to meet our regions feedbase needs with a focus on improving quality fodder crops. Other project highlights included a grain sorghum and maize comparison trial, continuation of Smarter Irrigation for Profit 2 trial, soil moisture monitoring and agronomy program and regional tours with the Young Dairy Network and the Finance sector.

The release of the Australian Dairy Plan was a much anticipated strategy for our industry and whilst disappointed that commitment one re-imaging our industry structures stalled, it is pleasing to see progress across all of the other commitments including commitment four which has a focus on farm business skills to improve profitability and better manage risk. To this end we saw a National rollout of Our Farm, Our Plan a valuable program for all farmers in future business planning.

Whilst difficult in the Covid environment our Board has continued to take the opportunity to rotate our meetings around the region and we were fortunate enough to spend some time in the North East and talking with farmers recovering from the horrendous bushfires experienced in early 2020. Our Directors have also continued to engage through the regional network groups both online and in person.

The direct engagement with farmers across our sub regions gives the board members an opportunity to hear firsthand how important dairy is to us all and discuss priorities that ensure the current needs of the dairy industry are being met. As a board we value these discussions and it helps us make better decisions in the Board room on how levy funds are best invested.

In closing I would like to thank my fellow directors Tony McCarthy (Deputy Chair) Tom Acocks, Rachael Napier, Dustin Kemp, Chris Thomas, Andrew Mann and Mark Bailey for their unwavering support, commitment and passion for the dairy industry.

To our two retiring Directors thank you to dairy farmer director Tony McCarthy and specialist skills director Chris Thomas after serving six years on the board. They have been invaluable in providing a strategic lens and encouraging advocates for our dairy industry in the region. On behalf of the Murray Dairy team I would like to wish them both well in their future endeavours.

To our CEO Jenny Wilson, this past year has been challenging with Covid restrictions and our traditional management of teams, programs and projects has been thoroughly tested. Technology has enabled some level of connectivity and the board recognise the enormous effort by yourself and the team in ensuring our organisation continues to deliver value to the industry.



A handwritten signature in black ink, appearing to read 'A Tyler', written in a cursive style.

Andrew Tyler Chair





CEO'S REPORT

In the 2020/21 period Murray Dairy has sustained the delivery of valued services to the dairy industry in the Murray region. The impacts of Covid-19 on the delivery of Murray Dairy services certainly made for a challenging year and rapid adaption of our service offering, however, Murray Dairy has remained focused and continued to invest in accelerating the rate of transition and the uptake of new knowledge, innovation and best practice.

Particularly important was the development and release of Murray Dairy's Strategic Plan, with three important priorities defining our services and annual operating plan. These are: 1. Promote adoption of innovation and industry best practice, 2. Foster partnerships, networks and increase regional industry recognition and 3. Attract, retain and develop quality people.

Regional projects have been established and delivered through collaborative partnerships and investments; some of these include:

- Establishment of Fodder for the Future 2.5 year project funded through the Murray Darling Basin Economic Development Fund exploring quality and quantity parameters in winter and summer cereals for the dairy industry and in partnership with the cropping industry.
- Final year of the accelerating the adoption of Farm Business Management skills funded through the Dairy Industry Fund NSW.
- New Generation Skills for the dairy industry funded through Regional Development Victoria.
- Goulburn Murray Irrigation District – Rural Skills Connect project.
- Optimising summer cropping management through improved data collection using soil moisture probes and supporting agronomy program.
- Development of on-line water modules funded by DELWP as part of the Plan2Farm project.
- Summer Grain Sorghum and Maize Comparison trial in partnership with Irrigated Cropping Council funded through Dairy Australia.
- Focus Topic Project exploring intensive housing systems and grazing in a water constrained environment funded through Dairy Australia.

There were a number of key events held throughout the year including:

- Young Dairy Network Tour – exploring intensive farming systems
- Regional Bankers tour exploring industry investment in infrastructure
- Hosted Murray Darling Basin representatives – on-farm tour and
- Murray Muster – Digging Deeper

Where possible Murray Dairy continued to deliver core programs and services including across the themes of Profitable and Adaptable Farming systems, Farm Business Management, Feedbase, Animal Nutrition, Land, Water, Climate, Animal Performance, Networks & Partnerships, Promoting the Industry, Regional Emergency Response and People.

Through Dairy Australia funding, groups have continued to be an important investment in supporting peer to peer learning with over 300 businesses engaged in discussion groups, Dairy Business Network group or Young Dairy network group.

Murray Dairy's partnerships continue to grow strongly and we have been particularly excited to partner with a number of grower groups this year assisting us on building on our feedbase knowledge and networks.

Murray Dairy engages with over 40 different government and non-government agencies. It is through these important partnerships that dairy levy funds are leveraged by a further \$4 which brings additional resources and technical expertise to the region to support our dairy industry.

I would particularly like to thank our chair Andrew Tyler, the Board, staff as well as our partners and industry stakeholders for their continued support in enabling our organisation to provide quality and valued services for the dairy in the Murray region.



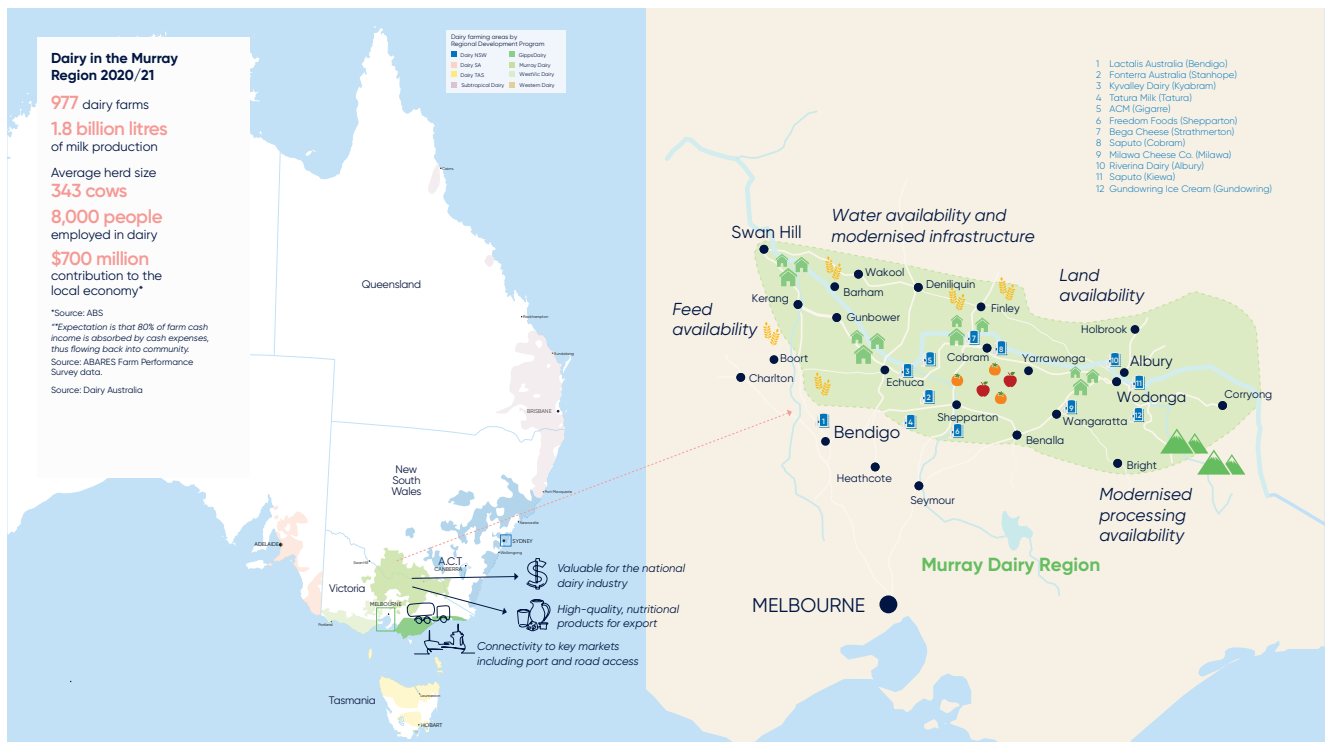
A handwritten signature in black ink, appearing to read 'Jenny Wilson'.

Jenny Wilson Chief Executive Officer

OUR REGION

The Murray Dairy region covers a diverse geographical landscape that encompasses the Goulburn Murray Irrigation District – including the Murray, Ovens and Goulburn River systems – high rainfall areas and the Great Dividing Range east to Corryong, and the drier, flatter Mallee landscape toward Swan Hill in the west and across the river into southern NSW.

The Murray Dairy region is one of the largest dairy regions within Australia. The diversity of geography and climate across the region is matched by the diversity in farming systems. A range of farm business models operate within the region from low cost entry-level options to high production large scale operations, and everything in between.





KEY TRENDS

Dairy plays a major role in Murray region communities, employing more than any other agricultural sector and contributing well over \$700 million to the local economy. Every \$1 million of dairy production generates 6.5 FTE ongoing jobs.

In addition, dairy supports numerous auxiliary services including advisors, vets, dairy machinery and irrigation equipment specialists, agricultural stores, financial services and agronomists. Dairy businesses in the Goulburn Murray Irrigation District (GMID) and southern NSW Riverina have access to relatively cheap, productive land, a modernised water system and diverse feed sources to maintain a supply of high-quality milk.

Dairy businesses in the North-East subregion reap the benefits of high business equity and reliable, plentiful rainfall supporting pasture based systems.

All major processors are present in the Murray region, as well as a diversity of smaller milk companies supplying specialised markets. The region is strategically well located to transport milk and dairy products around Australia and export to major international markets.

The Murray Dairy industry is in transition, which presents challenges as well as opportunities. The region, and consequently its dairy industry, has changed significantly since the Millennium drought (1997-2009). Change drivers include rising input costs, volatile milk prices and challenging commodity markets. In the GMID and Riverina subregions, specific change drivers include water policy reforms, climate change and volatile seasonal conditions. In the North-East, farms are transitioning out of dairy when handed down to the next generation; few landholders sell, creating a barrier to new entrants and investors. Change is most apparent in the GMID, where the intensively irrigated, pasture-based systems of the past have diversified into more extensive, diverse systems capable of growing, sourcing and storing feed.

Recently, land use has also shifted away from dairying towards cropping, mixed farming and grazing; many of these land uses, however, supply a supporting feedbase that underpins the region's diverse dairy farm systems.

Despite pressure on multiple fronts, dairy has proved remarkably resilient. It remains a widespread land use and is a critically important component of the regional economy. Resilience is embedded in the diverse farm systems reflecting each subregion's strengths. Diversity of climate and farm systems means season and market shocks do not affect all farmers alike; instead, where one subregion may be disrupted, others continue business as usual. Resilience is also evident in Murray Dairy farmers becoming highly skilled in risk management, strategic planning, agronomy and operating in new fields such as the water market.

Confidence in the future is evident in new entrants/investors and the emerging next generation, who only know the new operating environment and farm accordingly. Dairy farmers are now experienced in adapting feed systems in response to volatile climate, water and market trends.

The Murray region benefits from a strong industry culture of farmer-to-farmer learning, nurturing skills, welcoming new ideas and people.

Finally, the Murray region is strategically well located to buy feed with low freight costs from cropping businesses within and nearby the dairy regions. Good soils, temperatures and a longer growing season support year-round milk production.

While the future operating environment is likely to be characterised by increasing variability and volatility, requiring adaptive management at all industry levels, the industry has already demonstrated a capacity to evolve and adjust to these change drivers.



OUR ORGANISATION

Vision

Fostering a confident, valued and profitable dairy industry.

Mission

Murray Dairy leading in the development and delivery of trusted, timely and relevant dairy services to meet farmer and broader industry needs.

Our objectives

- 1 To be a centre of excellence for diverse, adaptable and profitable production systems qualified by regional, national and international expertise.
- 2 Promote the adoption of practices that improve farmer and industry outcomes accounting for the region's wide range of geographical, climatic, market and regulatory environments.
- 3 Foster partnerships, networks and increase recognition, to enhance opportunities, benefits and community support for the industry.
- 4 To ensure we have access to quality people with the right skills to advance our industry.

Strategic priorities

In recognition of the key trends, issues and opportunities in our region, the following priority areas have emerged:

1 Promote adoption of innovation and industry best practices

Statement of intent Murray Dairy will deliver agile services that meet the needs of the region's diverse production systems.

2 Foster partnerships, networks and increase regional industry recognition

Statement of Intent Murray Dairy will enhance productive partnerships and networks and increase the industry's recognition to ensure the industry is well resourced, engaged and valued.

3 Attract, retain and develop quality people

Statement of Intent Murray Dairy will invest to ensure a perpetual supply of diverse, highly skilled and talented people for the dairy industry.

OUR VALUES

Murray Dairy's four organisational values and behaviours outline how we will go about achieving our vision and strategic objectives. They create a long-term framework that is not negotiable even when times are tough. The organisational values are under the auspice of the Murray Dairy Code of Conduct, which sets the standard by which the values and behaviours are implemented and defines expectations for all Murray Dairy engagement.

Leadership behaviours

- 1.1 We have a clear strategic vision.
- 1.2 We celebrate our successes.
- 1.3 We respect, encourage and support learning and development.
- 1.4 We embrace a work health and safety-first mindset.

Responsive behaviours

- 2.1 We deliver outcomes on time and as agreed.
- 2.2 We understand and respond to the needs of the region's dairy farm businesses.
- 2.3 We collaborate with partner organisations to deliver the best outcomes.
- 2.4 We are well connected with relevant local, regional, national and international organisations.

Integrity behaviours

- 3.1 We maintain an ethics-based culture with continued monitoring and oversight by the Board.
- 3.2 We hold ourselves accountable for our actions.
- 3.3 We receive and give feedback to strengthen the organisation.
- 3.4 We respect others and encourage a diversity of views.

Innovation behaviours

- 4.1 We actively seek and embrace new ideas and different ways of doing business.
- 4.2 We learn from our mistakes.
- 4.3 Our culture of continuous improvement is shaped by open minds to change and innovation.
- 4.4 We search for innovation that is timely, relevant and adaptable to our needs

MURRAY DAIRY ACHIEVEMENT REPORT

2020/21



INTRODUCTION

The dairy industry in Victoria's Murray region is rapidly adapting its feed systems in response to volatile climate, water and market trends. This has been assisted by more favourable conditions over the past two seasons with lower input costs and higher milk prices. While the future operating environment is likely to continue to be characterised by increasing climate variability and volatility, requiring adaptive management at all industry levels, the industry has demonstrated a capacity to evolve and adjust to these change drivers.

Murray Dairy has continued to invest in accelerating this rate of transition and the uptake of new knowledge, innovation and best practice. The challenge remains for Murray Dairy to provide the information farmers need to support their current and future business models. Effective risk management is key, ensuring farmers buffer their risks through flexible, adaptive farm systems, and lift profitability by capitalising on efficiency gains. Murray Dairy will continue to support all aspects of dairy business operations, including developing the people who run them.

Diversity of delivery methods has been a key to Murray Dairy's success with increasing online education and training opportunities, personalised and targeted course offerings, continued use of peer-to-peer learning through groups and networks, and upskilling the service sector who provide critical communication channels to our farmer base.

The impacts of Covid-19 on the delivery of Murray Dairy services certainly made for a challenging year and rapid adaptation of our service offering. On the upside, we were able to focus on development of new programs, refresh some of our existing ones and implement a stronger online presence. The downside was a disrupted year of in-person engagement which is fundamental to the model of peer-to-peer learning in a familiar and safe environment such as out on farm. We were fortunate in that we managed to still deliver some key events and regional tours between the Covid restriction periods including the highly successful Young Dairy Network Tour and the Murray Muster (Digging Deeper).

This report outlines Murray Dairy's achievements for the 2020/21 year in further detail.

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KEY PROJECTS, COURSES AND WORKSHOPS

Murray Dairy's investment and delivery is aligned with industry priorities identified in our Strategic Plan 2020-2023 and subsequent Annual Operating Plan 2020-2021.

Our investment themes are Profitable and Adaptable Farming Systems, Farm Business Management, Feedbase, Animal Nutrition, Land, Water, Climate, Animal Performance, Networks and Partnerships, Promoting the Industry, Regional Emergency Response and People.



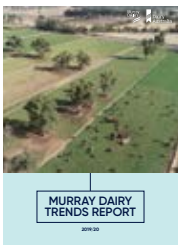
THEME – PROFITABLE AND ADAPTABLE FARMING SYSTEMS

Investment in this area aims to identify best management practices in operating the diverse farming systems that exist in the Murray region. We aim to describe and promote opportunities for efficiency gains within diverse farming systems and integrate research outcomes into defined adoption pathways. Focus of current activities includes testing peer-to-peer learning and development extension as well as looking to explore socio-economic cost-benefits of operating diverse farming systems.

Murray region profitable and adaptable farming systems program

- There have been a variety of activities undertaken in supporting farmers and the industry in adapting farm systems across the region including:
- Partnership with AgVic examining the economic impacts of transitioning from grazed to intensive systems
- Two focus theme projects with peer groups of farmers and subject experts investigating housed cows and operating a robust dairy business in a volatile water market
- Partnering with Gardiner Foundation and private consultancy to launch a desktop study into the conclusions of intensive system economic research from Europe and the USA for the Australian context

Murray Dairy Trends Report 2019-20



The Murray Dairy Trends Report was developed in response to the significant changes Murray Dairy businesses are undergoing to adapt to climate change and a rapidly changing operating environment.

Drawing on relevant data and analysis, this annual report monitors change

and trends in the Murray Dairy region to inform research, extension and other service industries. The report provides a desktop review and update of Murray region dairy data and statistics, charting land use and irrigation trends, stakeholder tracking surveys, milk production, farm numbers, farm system and feedbase trends.

The inaugural report was released in 2020 containing figures from 2019/20, and an updated report with 2020/21 data is planned for release in late 2021.

Update on farm system transition case studies

More than 12 months on from making big farm system changes, we have revisited some of the businesses to see how they have continued to adapt their farming systems and to discover what they have learnt along the way.



The Fitzgerald family of Tongala have continued to learn and refine their system, purchasing extra equipment to make mixing feed easier and faster. The family has had to rotate through sacrifice paddocks to lessen the lameness issues that occurred when they tried to balance the diet and lessen the extra walking when grazing. A concrete feedpad is now further down their priority list.



The Gardiner family of Bamawm transitioned from a pasture grazing system to feeding in concrete troughs. Without investing in any more infrastructure or machinery, the family is now focused on growing the feedbase and investing in feed and water inventory to provide a buffer against future droughts.

Focus Topic Project – Systems

Using the Focus Farm concept as an extension design template, Murray Dairy has focused on tracking farm system adaptation over a two-year period. Two groups of 10 participating farming businesses used technical experts for key topic areas to further develop and broaden their industry knowledge. The first focus group looked at aspects of operating a fully housed dairy operation. The second group explored options to create a robust business operating in a volatile water market. The project also included stand alone research examining

the influence of farming systems on greenhouse gas emission volumes, conclusions of USA and European confined systems economic research for Australian dairy farms, and farmer case studies on the implications of system adaption.

By focusing on specific adaptations that farmers are making in response to the external and internal influences affecting their businesses, the project had broad industry appeal beyond the farmer groups and research partners involved.



THEME – FARM PERFORMANCE

The focus of this investment is to increase the business capability of dairy farmers and industry stakeholders and enable them to respond to the challenges and opportunities within their businesses. To run a sustainable business requires a thorough understanding of business performance, risk management, and a clear direction for the business to head. The Farm Performance activities are all aimed at providing this understanding – from basic office set-up and in-field record keeping through to strategic planning and performance analysis.

Focus Farm Project – North East

The Murray Dairy North East (NE) Focus Farm with Paul and Jess Furze of was established in 2019–21 in Tallangatta Valley. Led by farm business consultant Phil Shannon, a support group consisting of fellow farmers and service providers used the two-year project to explore all aspects of the farm big and small.

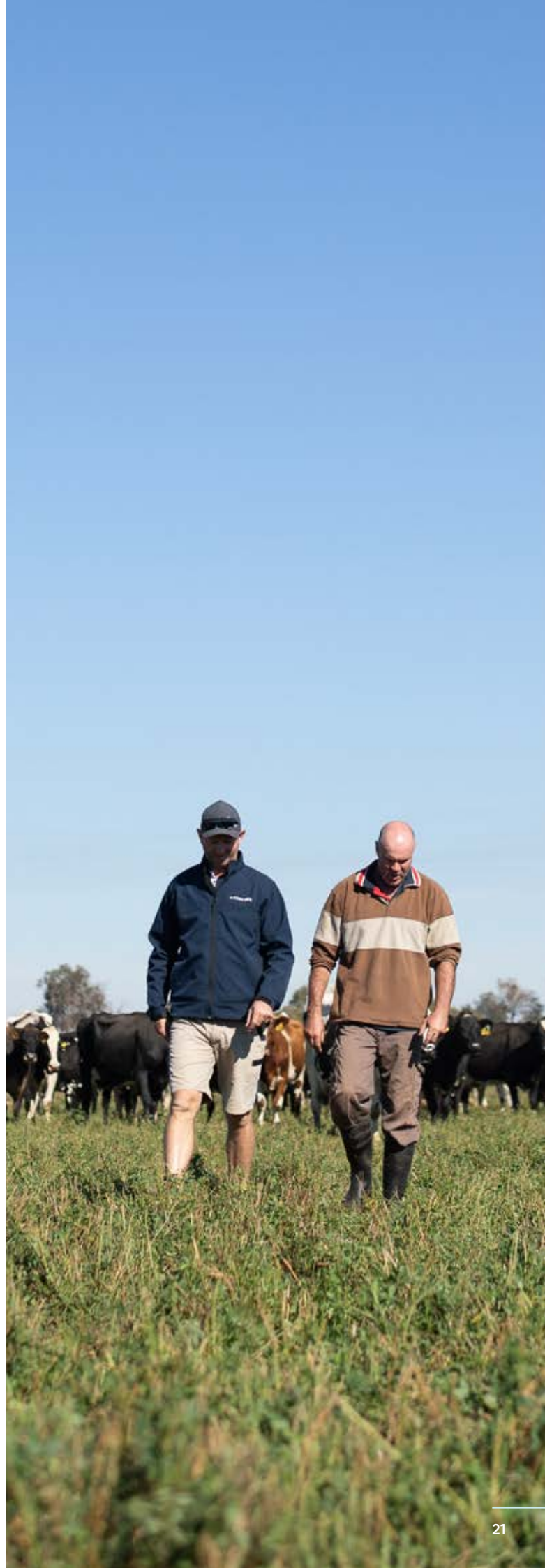
Topics explored by the NE Focus Farm covered reproduction and included a re-working of the lead feed diet, increasing the utilisation of irrigation water on farm, and flexibility in using or selling water temporarily based on the water market against value of using it on farm.

Late in 2020 the Focus Farm Project ended following the sale of the farmland by the landowner who was leasing the milking platform to Paul and Jess. The sale was a joint decision with Paul and Jess discussing the options for their business and agreeing with the owners that the current value of the land and the projected Return on Assets of Paul and Jess' business meant the sale made sense for both parties.

In March 2021 Murray Dairy launched an expression of interest process to find a new Focus Farm for the North East. After a thorough selection process we are delighted to have selected Alice and Justin Colclough of Tallangatta South as our NE Focus Farm for the coming two years. The project is being led by dairy farm advisor Geraldine Perkins and a good mix of farmers and service providers have agreed to join the support group.

Accelerating Adoption of Farm Business Management Project

Funded through the Dairy Industry Fund NSW, this project aims to design and deliver Farm Business Management (FBM) opportunities to farmers and service providers based on guidance from market research into the barriers to adoption of industry standard FBM skills. The market research component has been completed by the University of Southern Queensland (USQ) and the second phase training for service providers and pilot



FBM programs have also been completed. The market research determined there was adequate effort and resources being made available to dairy farmers in NSW, but there was a gap in the targeting, messaging and delivery mechanisms. The final stage of the project will look to provide training for 120 dairy farm businesses across NSW in farm business management by December 2021 and this is already on target for completion. Combining the USQ research, learnings from the pilot and the online improvements made by Dairy Australia due to Covid-19, the lack of critical mass and suitable levels of uptake of farm performance programs appears to be well addressed through this project, with implications for national Farm Performance projects.

Our Farm, Our Plan

Dairy Australia

Proudly supported by **GARDINER FOUNDATION**

Got your game plan?

Set your farming and personal goals with **Our Farm, Our Plan**

Whatever your goals are for your farm, family or future, now there's a simpler way to reach them. Developed for Australian dairy farmers, Our Farm, Our Plan will help you put your big ideas down on paper and get everyone on your farm on the same page.

Ways to get started today:
Contact the Murray Dairy office
Visit dairyaustralia.com.au/ofop
Call 03 5833 5312

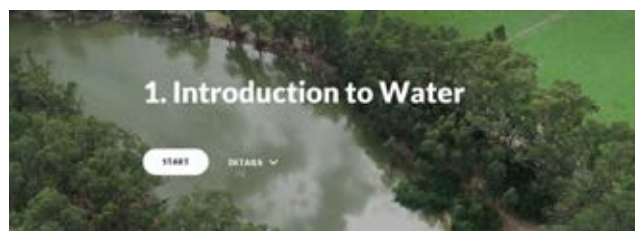
Our Farm, Our Plan is an industry-led response identified as part of Australian Dairy Plan (ADP) commitments to provide farmers the opportunity to participate in 1:1 and/or group activities that assist them to develop strategic plans using a range of industry-developed and piloted tools and processes.

A goal of the ADP is to ensure that every farmer has a plan by 2025, with additional tools having been made available to achieve this, including the Farm Fitness Checklist.

Murray Dairy has also actively recruited new resources to coordinate and deliver the project to align coordination efforts nationally and with the ADP delivery and requirements.

Throughout 2020/21 period, one group with a total of six participants engaged in OFOP course, with another three groups scheduled for early in the financial year of 2021/22.

Plan2Farm – Water modules



Overseen by the Department of Environment, Land, Water and Planning (DELWP) and funded through the Plan2Farm project, four specifically designed online modules are enabling farmers to make better informed decisions regarding water use in their businesses.

The modules were designed following the Dairy Farmer Water Market Survey commissioned by Dairy Australia in 2020. This survey highlighted that dairy farmers have a high level of water market knowledge but are very susceptible to water price and water allocation fluctuations. In order to remain profitable in a volatile water environment, the survey results suggested farmers needed to increase their skills to a high level in order to operate successfully in the water market.

The survey highlighted two key areas for extension for Murray Dairy:

- 1 Ensuring farmers have access to the information and resources they need to develop this higher level of skill and knowledge, particularly crucial for farmers new to the region or new to irrigated farming and;
- 2 Provide farmers with the theory and process for developing robust tactical and strategic water plans in order to run a robust business that can cope with fluctuating water price, water allocation, seasonal variations and varying terms of trade. This is particularly useful for farmers with a high exposure to the temporary water market.

The success of the water modules was tested against the two extension criteria highlighted in the survey. There was a diversity in experience, size of operation and amount of water owned compared to annual use (exposure to temporary market) from participants. The modules were easily interpreted by participants and all found elements useful regardless of their background. For many, the first two modules were largely already known concepts, however in the main, participants could see the value of them if they had not possessed the knowledge.

One farmer was happy to be quoted saying, *“Anyone who steps on my farm needs to know this, you should give this training to the bankers, agros and salesmen”.*

The final two modules covered areas that have been acknowledged as being of vital importance but rarely consciously thought about.

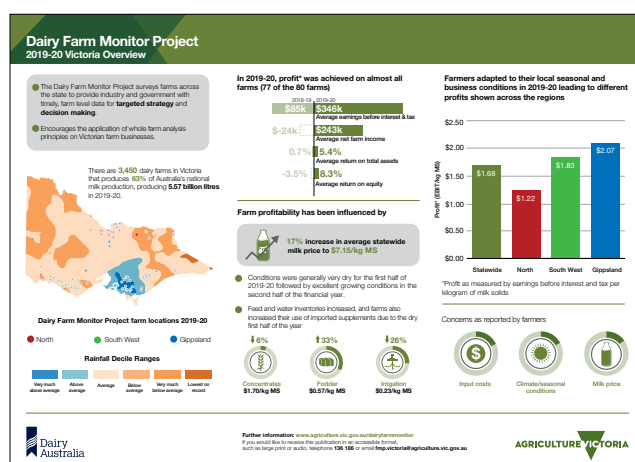
One participant said, *“This is stuff I have in the back of my mind, I’m always thinking about how much water I’d like and what I’m going to do with the water I have. This made me sit back and consider the full picture, what is the best use of my water today and how can I ensure I get the water I need to match the farm I want to run in the future. Writing it down was scary but now I have a plan to work at it.”*

Farm business analysis and farm business fundamentals

Both farm business analysis and farm business fundamentals were offered online in 2020/21 due to Covid-19. Murray Dairy contributed to the re-working of the in-person programs to make them useable for remote participants. The concepts of the two programs underpin the Dairy Business Network Groups comparative analysis days and are also conducted formally and informally to introduce new group members to the underpinning fundamentals of comparative analysis, and to maintain or improve the knowledge of existing participants. Farm Business Analysis can provide a solid base to understand impacts that investment, feedbase change and other major farm decisions will have on individual business performance.

Dairybase, which has been used by many groups for comparative analysis and keeping long term individual farm performance records, now has a companion tool Farm Business Snapshot. Extension workshops for the tool are yet to be developed but will be rolled out shortly. The Farm Business Snapshot provides a more user-friendly option with fewer inputs required and a simple traffic light system report. This is designed to lower the barrier for farmers wanting to assess farm performance and will lead to easier transition into Dairybase if more detailed analysis is desired.

Dairy Farm Monitor Project



The Dairy Farm Monitor Project (DFMP) report presented the latest farm performance statistics in an online event in 2020. Integral to this was Murray Dairy collecting data from six local farms which was used alongside the existing farm monitor farms in the Murray Dairy region and around the state. A presentation of the farm monitor results, providing regional, state and national perspectives, was held and supported by staff from Agriculture Victoria. The event covered key factors influencing dairy performance and provided a presentation of Dairy Farm Monitoring Project results, including financial and production analysis, of 75 dairy farms spread evenly across the three dairy regions of Victoria.



THEME – FEEDBASE AND ANIMAL NUTRITION

The focus of this investment is to provide knowledge and skills to improve the variety and quality of forages grown, managed and optimised through feed conversion.

Silage webinars

Murray Dairy ran a series of webinars focused on growing and harvesting quality silage. The first was “Quality cereal silage – getting the most from your cereal silage” with David Lewis, Technical Services Manager from Lallemand. David highlighted the importance of getting the best quality cereal silage into a stack or bale including harvest timing, whole-plant dry matter at harvest, sealing of the stack and the bale, length of chop, managing density and the role of inoculants. A total of 38 participants joined the webinar.

EVALUATION

Participants indicated their knowledge shifted from 6 out of 10 prior to the session to 8 out of 10 after participating in the webinar. They rated the presentation and quality of the information 9 out of 10.

A three-part webinar series ran which included:

- “Growing corn silage for 20 plus” which engaged Jason Scott, National Corn and Microbial Manager for Pioneer Seeds and Regional Sales Manager for the Southern Region, to ensure farmers maximised their dollar invested return to get the highest yield possible. The webinar covered soil preparation fertiliser requirements, hybrid selection and water management.
- “Corn for silage nutrient needs to achieve 20 plus” engaged Scott Palmer, Technical Agronomist with SLTEC who discussed ensuring farmers manage the corn crop’s nutrient requirements from now until harvest. With the aim to maximise the dollar invested return to get the highest yield possible.
- David Lewis also delivered “Harvesting corn for silage to achieve 20 plus” emphasising the timing of harvest to maximise the dollar invested return to get the highest yield possible. The webinar covered timing of harvest, stage to harvest, inoculant, sealing the stack, sack stability and feeding losses.

EVALUATION

Overall 50 people participated in the webinar series with each webinar rated a 9 out of 10 for both quality and presentation of information. One participant surveyed said, “Attending these webinars has made me look at my plans for growing corn and how I approach it with much stronger attention to plant moisture.”

Fodder for the Future



The Fodder for the Future project has been funded through the Australian Government under the Murray-Darling Basin Economic Development Program and established in response to the rapid change currently occurring on cropping and dairy farms in Northern Victoria and Southern NSW. The project is designed to support the development of farming systems that optimise the use of both irrigated and dryland fodder.

The project builds on Murray Dairy's focus on providing information and resources that support the integration of alternative forages in dairy farming systems across the Murray region. The \$1.6 million project will run over three years (from October 2020 until June 2023) led by Murray Dairy in partnership with Irrigated Cropping Council, Birchip Cropping Group, Southern Growers, University of Melbourne, Riverine Plains and Agriculture Victoria, with a range of activities planned across six cropping demonstration sites in the Murray region.

Grain Sorghum and Maize Comparison Trial

Low water allocations and high temporary water prices have driven increasing change of dairy farm systems across the region. As a result, there is growing interest in alternative crops such as maize and grain sorghum as farmers strive to achieve higher returns for each megalitre of water.

Murray Dairy, in collaboration with the Irrigated Cropping Council, has conducted a trial in Kerang to compare maize and grain sorghum as fodder for silage. The trial, funded by Dairy Australia, looked to evaluate grain sorghum for silage as a potential alternative to maize in the Murray Dairy region.

Trials on grain sorghum grown at Gatton in Queensland have shown promising nutritional quality and yields comparable to maize. These trials have demonstrated that sorghum can achieve yields in excess of 30 tonne dry matter per hectare with starch levels ranging between 20 per cent and 30 per cent.

The three sorghum varieties being assessed included White Grain Sorghum (Liberty), Red Grain Sorghum (Sentinel), and a Forage Sorghum (Megasweet). These varieties were being compared with both medium and short season maize variety (PAC440 and PAC606).

Three irrigation treatments were applied. A high irrigation treatment to meet the water requirements of maize, a medium irrigation treatment to meet the water requirements of sorghum and a deficit irrigation treatment to determine how both crops respond to water stress.

The crops have been harvested and dry matter assessments completed, with statistical and quality data currently being analysed and a final report due in September 2021.

Feeding Pastures for Profit



The Feeding Pastures for Profit (FFFP) program continues to be popular with two courses commencing in May 2021 and due to finish in March 2022. The courses are in the North East and the Goulburn Murray Irrigation District (GMID) region with over 30 participants undertaking the course. In the last five years Murray Dairy has run between two and three FFPF courses annually with more than 150 participants. This course remains a popular program providing valuable skills and knowledge to participants on pasture allocation, integration of crops and supplement use.



Silage videos – Making better quality silage



In a joint initiative of Murray Dairy and Lallemand Australia, an eight-part video series was produced that assisted local farm businesses to best manage their silage. The series, which was released at key times throughout the year, covered the fundamentals of site selection, sealing, measuring silage pile density, face management and nutrition, as well as measuring and managing silage at harvest.

The first five videos were suitable for any type of silage, but in February 2021 three more videos were released specifically for maize harvest. Topics covered included: harvest timing, chop length and kernel processing as well as optimum times for harvest, dry matter testing, kernel process checks and assessing chop length. These videos have had more than 2,000 views to date and can be accessed via Murray Dairy's YouTube channel.

Advanced Nutrition in Action

The Advanced Nutrition in Action course provides participants with confidence and competence to develop and implement appropriate, nutrition-related management strategies on-farm and apply the most up-to-date herd nutrition knowledge, tools and approaches. The course is aimed at participants who already have a solid understanding of dairy cow nutrition and are looking to advance their knowledge further and develop and implement nutrition strategies on their farms.

Murray Dairy's 2020/21 course was completed by farmers with a range of cow numbers and feeding systems. The course ran over 15 weeks with six in-person days, plus a final day in late June for participants to report back to the group on what progress they had made in their nutrition change strategies.

THEME – LAND, WATER, CLIMATE

The focus of investment in the area of Land, Water and Climate is to increase dairy farmers' confidence to manage and mitigate impacts from climate change, water for productive use, soil and nutrient management.

Smarter Irrigation for Profit 2 (SIP2) Project



The Smarter Irrigation for Profit project is a three-year national cross-sector project looking at optimising production in irrigated agriculture. There are three sub-projects focused on dairy with the one being managed by Dairy Australia called *SIP2: What's my yield gap? Maximising water productivity*. There are ten 'optimised dairy sites' established across Australia that reflect the different regional dairy farming systems and irrigation practices.

The site in the Murray Dairy region is exploring ways to maximise the yield potential of summer maize crops followed by a winter cereal, as well as ways to maximise water use efficiency. The SIP2 Dairy Optimisation site is located at Tongala and results from the first two years have recently been assessed. The site is surface irrigated and maize has been grown for the two summer seasons on 14.5ha.

In addition, Murray Dairy is running a second site that is irrigated by centre pivot. The second site is being monitored under the same parameters as the SIP2 site. This site has also had maize in for the two summer seasons.

Both sites have been double cropped with the SIP2 site cut for whole crop silage while the second site has been grazed and then cut for silage. Sampling has occurred at both sites through the season with four cuts taken for yield as well as tested for quality.

The Tasmanian Institute of Agriculture carried out some yield modelling using APSIM models, with the results estimating a yield between 15-30 tonnes of dry matter

per hectare (tDM/ha) was achievable at the site. This is dependent on sowing date and assumes irrigation and fertiliser are non-limiting.

EnviroProbe® probes have been installed at the site to monitor soil moisture and are using Wildeye® loggers and telemetry sending data directly to an easily accessed online platform. The second site is also using EnviroProbe® probes with the data transmitted using Goanna Ag software.

The freely available IrrisAT is being used to determine plant water requirements, along with evapotranspiration (ET_o) and rainfall data to assist in forecasting irrigation requirements. Difficulties arose during 2020 with accessing the data from IrrisAT which were the result of remote working and internet disruptions. For 2021 summer, IrriPasture will be considered as this has now been updated to include maize.

A pivot assessment was carried out at the second site by AgVic in 2019/2020 and some pumping issues identified. Following the summer planting of 2020, the pivot had some major issues and had to be rebuilt. This resulted in a necessary resow, however the pivot is now essentially a new model. Electricity use has been lower in this second season as a result of the changes made from the pivot assessment.

Results to date

| Site | ML water (inc rainfall) | Av tonnes (DM yield)/ha | WUE (tDM/ML) |
|---|-------------------------|-------------------------|--------------|
| Year one Maize crop data for both sites: | | | |
| Tongala SIP2 site (14.5ha) | 111.7 | 21.1 | 2.76 |
| Murray Dairy site (15ha) | 119.3 | 26.3 | 3.4 |
| Year two Maize crop data for both sites: | | | |
| Tongala SIP2 site (14.5ha) | 116.7 | 22.1 | 2.75 |
| Murray Dairy site (25ha) | 174 | 23.92 | 2.9 |

Year 1 was a hotter summer season with a total rainfall of 191.2mm compared to Year 2 which was considerably milder with a total rainfall of 111.5mm.

Figure 1 SIP2 Dairy Optimisation Site

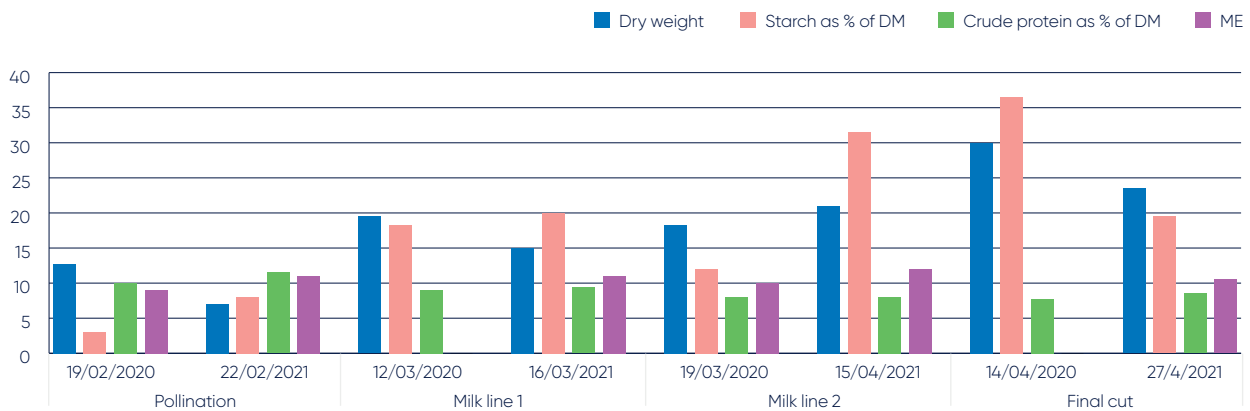
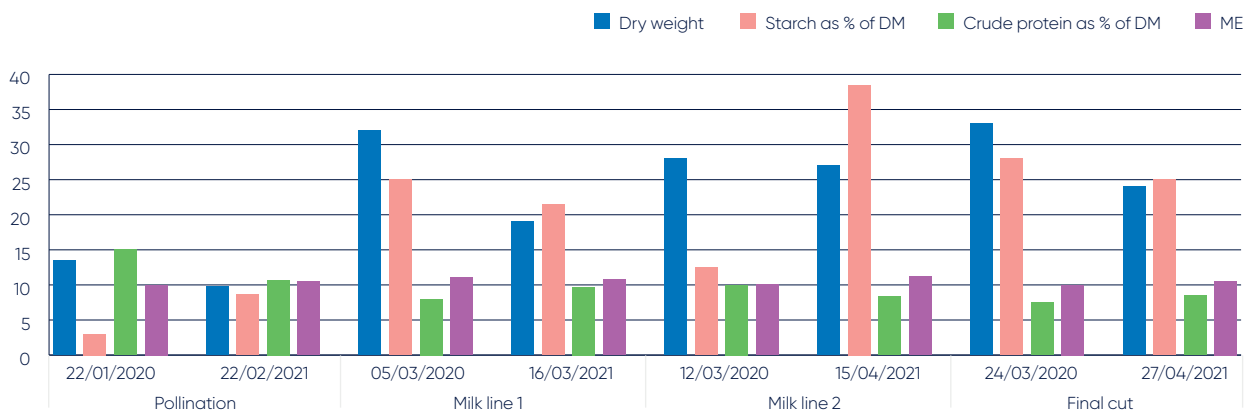


Figure 2 Murray Dairy Pivot Site



The graphed information in both Figure 1 and Figure 2 presents the information from the DM and quality cuts. The trends for both sites indicate the following:

- Crude protein trend follows theory, that maturity of the plant and forming of the cob results in a gradual decline of protein from pollination to harvest.
- Dry matter shows a steady increase during cob development which is as expected.
 - The starch results also show an increasing trend, however the monitoring results from milk line 2 in 2020 are inconsistent with expected. It is likely that these results are due to sampling error.
 - In an attempt to reduce the yield gap (between the modelled potential upper level of 30tDM/ha) actual results, a number of factors will be considered including:
 - optimising the sowing time of the maize based on the ideal soil temperature;
 - optimising the irrigation scheduling to ensure the soil moisture is maintained in the Readily Available Water (RAW) zone.

The RAW zone is the ideal point for the crop to access water from the soil without impacting growth. Soil moisture monitoring equipment, along with IrrisAT and IrriPasture will be used to provide information to assist with this decision making.

These sites will be the locations for field days in the future and a weekly update will be produced during the growing season.

The Smarter Irrigation for Profit 2 project is supported through funding from the Australian Government Department of Agriculture, Water and Environment as part of its Rural R&D for profit program, Dairy Australia, Murray Dairy and Advanced Ag.

Soil Moisture Monitoring (SMM)

A project providing free soil moisture technology commenced in November 2020 and was designed to capitalise on the SIP2 project by engaging farmers who may be new to summer cropping or new to soil moisture monitoring (or both). Murray Dairy is keen to test this model as way of fast tracking the adoption of technology on farm.

The project sought expressions of interest to participate and the response was overwhelming. The final group of 20 participated in two coaching sessions where they learnt how to access and interpret the data from the SMM. The group will continue for a second summer crop where it is hoped participants will be able to maximise their learnings and implement changes relevant to their situation.

North East Fert\$mart Project

In partnership with North East CMA, Murray Dairy is delivering six Fert\$mart plans annually for four years. Fert\$mart is a program that can assist farmers to “get their nutrient application right”. Murray Dairy has partnered with an agronomist to provide the technical content of the plans. The project is 50 per cent completed with 12 plans completed to date.

Greenhouse Gas Emissions Project



This project is a collaboration between University of Melbourne and Murray Dairy to investigate the impact of on-farm feeding systems on the greenhouse gas (GHG) emissions of dairy cows. Undergraduate Student Sineka Munidasa completed the project under the direction of Dr Paul Cheng. COVID-19 restrictions overlapped the commencement of this project which led to a project redesign. The project looked to use measurements and data collected on working farms and to establish the ability to track GHG emissions based on real-world record keeping standards.

The project has now been extended through Dairy Australia funding, allowing the sample size to be increased and exploration of the efficacy of mitigation strategies to be investigated. Murray Dairy will continue to provide project support, student supervision and project guidance to the extended project next year in line with the support provided in 2020/21.



THEME – PEOPLE

The focus of investment in the area of 'People' is to ensure dairy businesses are better equipped to manage, attract and retain staff and have access to training programs to improve their knowledge, skills and competence.

The dairy industry is well advanced in its workforce development program. Subsequently Murray Dairy representation (through Melva Tyson) sits on the Great Careers and Lifestyle working group – Shepparton and also ACFE (Adult, Community and Further Education) Hume Regional Committee. Both committees offer great learning opportunities to Murray Dairy, but also allow Murray Dairy to extend its workforce knowledge, resources and learnings in a broader sense across the region.

Employers of Choice – Specialists Speakers



The effects of Covid-19 in the people space created new scenarios to manage but also helped us improve and diversify the ways we provide information. Along with other dairy regions in Australia, we could see the benefit of hosting expert speakers online to create maximum visibility and accessibility for our target audiences.

Dr Nollaig Heffernan hosted an outstanding six-part series to a national audience, "From Management to Employer of Choice.". Murray Dairy co-hosted these events which again generated strong engagement by both large and small dairy operations.

New Generation Skills for the Dairy Industry

Funded by Regional Development Victoria, Gardiner Foundation, Dairy Australia and the three Victorian regions, "New generation skills for the dairy industry" referred to as the "Dairy Skills Project" started in July 2019.

The aim of this project is to attract more people into the dairy industry through working closely with the education sector to better define pathways and describe opportunities for stronger engagement, careers and skill attainment. Specifically the project is focused on:

- Providing a framework that supports dairy industry employers to connect with education providers at a regional level.
- Build ready networks of dairy farm businesses and service sector businesses that are willing and engaged to take on students.
- Actively promote and assist in identifying and supporting career pathways into the industry supply chain and training.
- Increase participation in industry relevant training and;
- Contribute to relevant education/training offerings provided for the dairy industry.

Activities achieved by the project in the past 12 months have included:

- Establishing and promoting a Gap Year program for students finishing year 12 and looking to take on a gap year placement on-farm.
- Supporting graduates to on-farm placements.
- Generating resources for farms to be 'farm ready' to take on student placements.
- Engaging with schools, careers teachers, education hubs and numerous networks.
- Developing a farm virtual reality (VR) project.
- Delivery of dairy opportunities through virtual careers days and immersion days.
- Development of Ag professional training and development program for teachers and;
- Development of dairy careers promotional videos.

Career pathways

A Virtual Ag Careers Exploration and Competition was hosted as part of the Dairy Skills project with the three Victorian dairy regions. Held in conjunction with the South Gippsland Dairy Expo, this session was delivered virtually to schools across Victoria.

Attendance at the Ganbina (Shepparton) Careers Expo was a highlight of 2021. In a small window of opportunity within a Covid-interrupted environment, Murray Dairy was able to connect with over 40 students and their extended families for this evening event and highlight the career diversity that the dairy industry has to offer.

Leadership strategy

The Murray Dairy Leadership Strategy is now finalised and links clearly to the Dairy Australia Leadership Strategy and the evolving leadership offerings from Gardiner Dairy Foundation.

Murray Dairy's strategy aims to provide direction and focus, and to commit resources under its leadership strategy in the following three areas:

- 1 **Structured networks** – supporting group peer to peer and experiential learning – technical, behavioural opportunities.
- 2 **Formal and informal leadership development programs** – provide industry placement opportunities in programs.
- 3 **Leadership development through partnerships and collaboration** – at all levels of the industry to enhance networks, learning opportunities and grow development opportunities.

Running "Brilliant Meetings" training is one example of a formal leadership development activity that Murray Dairy ran early in 2021. The one-day workshop targeted those who are considering or are currently in a chairing role in our industry. The workshop aims to build capacity in running more effective meetings by understanding yourself and others, meeting processes and roles.

"Great day that has given me a lot more confidence in the meeting process, but also how to deal with the difficult situations and personalities that you sometimes come across when involved with committees"

– Participant of Brilliant Meetings training

In addition, Murray Dairy participated in the development of the unique Dairy NSW (DNSW) Leadership Project which looked at leadership on-farm and resulted in the piloting of a program that will benefit farm managers and those in supervisory roles on-farm across NSW and hopefully nationally. Murray Dairy is keen to see this offering, once reviewed, to become nationally available.

Farm safety

Working with processors and WorkSafe, Murray Dairy has delivered workshops to raise the awareness of farm safety and the resources available. The first session was delivered to representatives of milk processing factories and was incredibly well received. As a result of this, an additional two sessions were run with one of the processors and their suppliers. The sessions provide participants with the opportunity to hear about the latest tools and resources available to assist dairy farmers and their staff with safety on their farm. Included is information about obligations as either an owner or an employee regarding farm safety and an avenue to ask questions or work through specific farm safety issues.

THEME – ANIMAL PERFORMANCE

The focus of investment in the area of Animal Performance is to ensure dairy farmers and industry stakeholders are implementing or advising on practices which improve cow productivity, reproduction, health and welfare.

Milking and Mastitis Management



Before the impacts of COVID-19 and temporary suspension of in-person extension activities, Dairy Australia had been working with each of the regions to develop more online training resources for dairy farm businesses to access. A new course offered in 2020/21 by Dairy Australia is serving to meet these needs by allowing dairy farm businesses and their employees access to training online with the added feature of being able to complete this training at their own pace.

The new Dairy Australia Milking and Mastitis Management program has been designed to bring staff up-to-speed on safe animal handling, milking procedures and the prevention and identification of mastitis. The course is aimed at new or less experienced staff or as refresher training for more experienced staff. It includes five modules for an effective, low-stress milking:

- Bringing the cows into the dairy
- Putting cups on
- Taking cups off
- Post-milking teat disinfection, and
- Identification of mastitis.

The program consists of 1) online learning and 2) skills training in the yard or dairy with an on-farm coach.

Participants will complete five short online modules on Dairy Australia's Enlight learning platform. Following each module, participants will practice their skills in the dairy or the yard with the support of their on-farm coach. At the end of the course participants complete a short quiz to demonstrate essential competency.

Cups on Cups off



Cups on Cups off (CoCo) is a two-day training course designed by Dairy Australia and delivered by Countdown-trained experts in mastitis and milk quality. CoCo helps dairy farmers achieve best practice in milk harvesting, with the emphasis on the detection, treatment and prevention of clinical mastitis. The course covers the whole of the milking process including mastitis management and the roles of people in the dairy.

There were a number of CoCo courses scheduled throughout the year, however due to Covid-19 many have been rescheduled to July 2021. One course did run in Tallandoon in the North East with 19 participants.

THEME – REGIONAL SEASONAL CONDITIONS AND EMERGENCY RESPONSE

Seasonal Response Program

Fire recovery continued into this financial year, despite a favourable season in the Upper Murray. Infrastructure damage, ongoing erosion, water quality issues and mental health issues continue to emerge post-bushfire. Murray Dairy has been actively supporting local communities as they continue to deal with the ongoing issues, however the efforts have been hampered by ongoing Covid-19 restrictions. The official bushfire recovery agency and in turn local councils and

community groups have been financially supported. Murray Dairy and Alpine Valleys Dairy inc (of which Murray Dairy is both a key funder and participant) have been able to contribute in a well targeted and community sensitive way through their longstanding relationships. Activities have included ongoing one-to-one support, focus groups and lower key community engagement events. Larger scale events are also being supported which include the AgWarehouse farmer day and the Dare to Dairy Dinner scheduled for July 2021.



INDUSTRY NETWORKS, EVENTS AND PARTNERSHIPS

An important priority for Murray Dairy is to build on existing collaborations and explore new opportunities to attract more resources, improve delivery, access additional successful programs and skills to better meet the needs of dairy farms in the region.

In the 2020/21 year, Murray Dairy has continued to significantly leverage investment and resources through its strong focus on partnerships. For every \$1 of levy funding, a further \$4.00 of additional funding was accessed, delivering in excess of \$2.2 million in programs to the dairy industry in the Murray region. Partnerships across several regional, state and national organisations and agencies have continued to grow over the year.

Funding support for dairy business network groups, discussion groups, young dairy network groups, regional network groups and the regional extension and education committee remain critically important in supporting priority setting, delivery of information and programs and connectedness of the industry. Further investing and/or supporting technical groups such as the Agronomy network and the newly established Dairy Moving Forward Intensive systems advisory committee are vital in advancing dairy in the region through new research, technology and innovation.

Rural Skills Connect Program



Amabel Grinter and Martijn Visscher

With farm exits increasing and seasonal conditions worsening throughout 2018/19, further support was provided through the Victorian State Government (Regional Development Victoria) in the form of the re-introduction of the Rural Skills Connect Program, which ran from October 2019 and was completed in June 2021.

The aim of the program was to support people in the dairy industry, whether on-farm or in the broader service sector, upskill and seek off-farm income.

The Rural Skills Connect Project Steering Committee was established in October 2019 with representation from senior management of Murray Dairy, Regional Development Victoria, AgBiz Assist (RFC) and Committee for Greater Shepparton. A key component of the project delivery was identifying transferable skills to assist in finding suitable off-farm income.

Many dairy farmers have valuable skills that they do not realise they have (i.e. accounting, seeking finance, negotiating contracts, safety, workplace requirements, animal husbandry as well as very keen observational skills). To highlight this, the project coordinator developed a dairy skill checklist with over 120 identified transferable skills that is being used successfully in site visits. As the project was in the first implementation phase, the focus had been on meeting with employment, education and investment potential stakeholders. Some 30 requests for employment and training information was actioned, predominantly from Moria, Campaspe, Hume and Greater Shepparton shires.

As part of the project, Murray Dairy has developed a series of interviews to be used to promote regional dairy production, the economic contribution dairy makes, and the adaptation dairy has made in the region. The footage was captured for multiple purposes such as general advertising of dairy in the region, careers promotional activities, attracting people to work/invest in dairy, promote to Government and others. The videos intentionally reflect a diverse range of people highlighting the depth of the industry and promoting a positive outlook for investment in the region. Importantly, this is an opportunity to highlight dairy production in the region and shine a light on the enormous contribution to both regional and national economies, sharing firsthand accounts from those who are keen to promote the benefits of investing in the region for a sustainable, longer term adaptive future. The videos are available on the Murray Dairy YouTube channel.

Regional Network Groups and Regional Extension and Education Committee

Murray Dairy, along with Dairy Australia and the State Government, uses farmer participation in Regional Network Groups (RNGs) and the Regional Extension and Education Committee (REEC) to help identify and prioritise future dairy industry projects, courses, and events.

Murray Dairy continues to host RNGs across the region who meet four times a year and are open to all farmers and service providers. Overarching the RNGs is the REEC which is a subcommittee supported by Murray Dairy. The main role of the REEC is to work through the priorities identified by the RNG's and determine appropriate actions. The information provided to the REEC from the RNGs helps service providers build their businesses plans and align their funding and priorities.

In 2020, many RNG meetings were held on Zoom and attendance was varied across the year. Key issues and opportunities identified through these meetings included changes to the EPA regulations relating to defining waste on farm, use of tyres on farm, water policy and trading rules and labour shortages. In fact, labour shortages is a reoccurring issue not just in the Murray Dairy region but nationally.

Discussion groups

Murray Dairy has supported local discussion groups for more than 15 years and currently provides financial and administrative support to ten groups with 142 farm businesses as members. Murray Dairy considers the discussion group an important mechanism for farmers to come together, share ideas and support each other in deepening their learning. Over the past 12 months there have been a combination of online and in-person meetings held, covering topics ranging from animal health, people, land, water and climate to farm business management.

Dairy Business Network groups

There are eight Dairy Business Networks (DBNs) which are provided with funding support through Dairy Australia and Murray Dairy. These are essentially closed discussion groups which focus on farm financials and business development, goals and strategies. Collectively during the 2020/21 year, more than 120 businesses were engaged in these groups.

Regional Dairy Industry Tours



Murray Dairy actively hosts regional tours to highlight the value of the industry, adaptation and transition that is occurring within dairy. Presentations were delivered online and in-person with two highlights this year – a banker's tour and hosting Sir Angus Houston chair of the Murray Darling Basin Authority (MDBA) and MDBA staff.

In early February 2021, lenders, risk assessors, planners and investors from the banking sector were invited to join us on-farm to talk about how investment is being made to improve the resilience and future prospects for dairy farms in our region. Two contrasting and successful farms were chosen for the tour and they highlighted the investments made recently that have allowed them to remain profitable. Some 35 agribusiness lenders and professionals attended across the day and discussed key principles of current investment drivers in the GMID being:

- Managing feed and water prices – Investing in ways to grow, store and feed out to reduce reliance on unprofitable feed and water markets while capitalising on preferential markets.
- Providing insurance against extreme weather – Investing in ways to reduce impact on land and livestock in extreme weather.
- Using expensive resources efficiently – Investing to allow greater water use efficiency and reduced feed waste.
- Providing uniform supply of product- Investing to allow production to suit the farm and meet processor preferences for volume, supply pattern and quality.

In March 2021, Murray Dairy hosted chair of the MDBA Sir Angus Houston and MDBA staff out on Murray Dairy Board director Tony McCarthy's farm. The session provided the opportunity for Sir Houston and MDBA staff to meet with Murray Dairy farmer directors and staff and see firsthand how they are tackling significant changes in their farming operations as a consequence of water policy reform.



Young Dairy Network

The Murray Dairy Young Dairy Network (YDN) continues to be guided by a Steering Committee of representatives from across the region, comprising dairy farmers, processors, educational institutions and extension providers. This year due to Covid-19 restrictions the committee continued to meet via zoom, with Nick Minogue continuing as chair.

The YDN remains a strong network for young dairy farmers and industry service providers across northern Victoria and southern NSW.

Membership continues to grow, with a range of programs on offer that provide opportunities for social networking, skills building and information sharing. The YDN is grateful for continued funding support from Gardiner Dairy Foundation.

We continue to run Discussion Groups as the key mechanism for engaging young farmers and service providers. There are four groups, situated in each of Murray Dairy's subregions: Campaspe (north-west); Tatura-Kyabram (central), Numurkah (east) and Riverina (Riverina). This past year we have adapted our approach and some discussion groups were held online, before the re-introduction of face-to-face. We are excited to have additional groups in the pipeline and look forward to supporting them as they form and progress.

Young Dairy Discussion Groups aim to meet monthly, providing a combination of social networking opportunities, information sharing and technical skills development for members. The benefit of this approach is that meetings are accessible and time-sensitive, which suits young farmers who find it challenging to get time away from the farm, studies and, often young families. The regularity of these meetings helps to build stronger relationships between participants.

With the support of the YDN coordinator, these groups develop their own schedule for guest speakers and workshops to address their interests. Dairy Australia and Murray Dairy resources are used to support these groups, as well as external providers such as vets, agronomists, consultants and retailers. Each of our groups also host a number of different workshops/events during the year.

Workshops/events conducted over the past 12 months include:

- Annual Christmas barefoot bowls - Tocumwal and Moama
- Water modules - Numurkah YDN discussion group delivered by Lisa Menhenett and Lachlan Barnes from Murray Dairy

- "How to manage cow and calf diseases" was delivered to the Tatura/Kyabram & Riverina YDN Discussion groups by Lucy Collins and Claire Flanagan from Apiam Animal Health
- "Understanding your feedtest and getting the most out of your mix" was presented by Ian Sawyer and Hugh Archibald from Feedworks to the Campaspe and Tatura/Kyabram YDN Discussion groups

YDN Study Tour 2021

A highlight of the YDN was the annual study tour in February 2021 which was hailed a success by the 45 young farmer participants who took home a great deal of knowledge from each farm visit.

"A key take-home message for me is to ensure what you feed your cows is the best quality possible."

– Tour participant Nick Minogue from Katandra West

This year's tour, which included a visit to four farms and a virtual farm presentation, focused on the challenges faced by different farming systems from grazing to Total Mixed Ration and intensive based systems. Held over two days in February 2021, the tour was the eighth coordinated by Murray Dairy and funded by the Gardiner Foundation, which is designed to connect farmers and service providers and assist in progressing their dairying knowledge and skills.

The itinerary was aimed at challenging the tour group and to present them with a specific focus, being a SWOT analysis of each farm business. With the assistance of Shane Byrne and Lachlan Barnes from Murray Dairy facilitating each of the visits with the host farmers, they drew attention to how each of the farms have adapted to a volatile water market, successfully transitioning from different feeding systems, or making new technologies pay. The tour also encouraged participants to reflect on the application of what they see and hear to their own business.

Participants visited the farms of Don and Meg Stewart from Yarrawalla, Dehne and Sarah Vinnicombe from Jarklin, Stephen and Deanne Hore from Leitchville, and John and Leah Edwards also from Leitchville. During a special breakfast presentation, they also heard from Greg Brentnall from Bamawm.





The Murray Muster 2021

On Wednesday 26 May 2021, more than 120 dairy farmers and service providers attended the Murray Muster 2021 at the RSL in Moama to catch up and hear from speakers on the theme "Digging Deeper." This topic highlighted the importance of soil management to our industry's long-term business success and sustainability.

"Presentations contents are very relevant to the challenges that farmers face in the region."

– Farmer comment



Agriculture Victoria's Andy McAllister kicked off the day with an enlightening presentation on the changing farming landscape in the Goulburn Valley. We have all witnessed the declining number of dairy farms and the movement of irrigation water away from dairy into other agricultural industries, however it was interesting to see the extent of these changes and the implications for the dairy industry in the future.

Dr Cassandra Scheffe, a soil scientist with more than 20 years of experience in research and working with farmers, spoke to the audience on how to optimise soil health for our farming systems. She highlighted the critical importance that soil pH plays in maintaining a healthy soil and warned of the trending acidity of our soils and the dangers to our future productivity if we continue ignoring this signal.



Grant Sims is a sixth generation farmer from Pine Grove. He spoke about how he was able to improve the life and function of his soils through increasing biological activity and how this translated into higher plant yields and increased stock carrying capacity on the family farm.

Christian Bannan is a soil scientist and consultant based in central Victoria and spoke to the conference on how to maintain a productive soil and a range of soil management tips and tricks to identify soil issues and manage them before they become a problem.



Dr David Barber is a well know research scientist from Gatton in Queensland and in collaboration with Shane Byrne from Murray Dairy, presented the preliminary results from the joint project it ran comparing grain sorghum to maize as a potential for silage for dairy cows. The trials demonstrated that grain sorghum can produce a silage product of similar but slightly lower quality than maize but used significantly less water than maize and was tolerant of poorer soil conditions and stress. Grain sorghum yielded lower than maize in Victoria but was able to out-yield maize in Queensland because of their longer summer and the ability to harvest a second crop from regrowth.

Dairy Australia farm performance project coordinator Libby Heard spoke to the conference on the new and exciting initiative "Our Farm, Our Plan" coming out of Dairy Australia. Libby explained the advantages of having clear written goals and plans on the success of dairy businesses. She explained some of the tools that are available as part of this new initiative and where people can go to seek further information.

The conference concluded with a dinner, where former Dairy Australia chair Jeff Odgers was recognised for his outstanding contribution to the local dairy industry during his time as chair of Murray Dairy, as well as his contribution to the national dairy industry during his time as chair of Dairy Australia.

The guest speaker at the dinner was VFF president Emma Germano. Unfortunately the Covid-19 outbreaks prevented Emma from appearing in person, however her enthusiasm for sustainable soil management and the importance of strong advocacy for farmers came through clearly in her passionate talk over Zoom. Emma was able to draw on her own experiences with soil on her organic vegetable and livestock farm in Mirboo North and discussed the challenge of how to pass on the additional costs that are often associated with sustainable soil management.

"Healthy soil is critical for a successful dairy business."

– Farmer comment



COMMUNICATIONS

Murray Dairy uses many platforms to engage and communicate its services in the region, working in collaboration with the team at Dairy Australia and our project and industry partners.

Some of the highlights of the 2020/21 year include:

- Production of the 2019/20 Annual Report and Achievements Report.
- Creation of the Young Dairy Network Study Tour 2021 booklet, including farmer profiles from each of the five farms featured.
- Release of the Murray Dairy Strategic Plan 2020–2023, including a Summary document.
- A wrap up video was also created and released on the Murray Muster 2021 “Digging Deeper” event, which featured interviews with farmers in attendance.
- In-depth case studies were updated highlighting the changes that dairy businesses in the region are making to manage risk and volatility.
- Twenty-four editions of Murray Dairy’s regular eNewsletter (eNews) were distributed in 2020/21, received fortnightly by over 1400 recipients, with an average open rate of over 30%.
- Murray Dairy was mentioned in the media locally and nationwide a total of 169 times.
- Local features in Dairy Australia’s national podcast, *DairyPod*, each with over 500 listens

Murray Dairy works closely with the media to capture news about the dairy industry and community. Extension activities and local farmers were captured in local and national newspapers, including the Weekly Times, Dairy News Australia and Stock & Land, reaching thousands of readers, as well as ABC Radio and WIN TV. Twenty-four copies of the Murray Dairy fortnightly column were also published in the Country News, detailing Murray Dairy’s upcoming events and opportunities.



Media appearances

Encouraging others to seek help

By Jamie Salter

Ross Read has suffered with mental illness for much of his working life — but for a long time, he did not realise it.

Mr Read grew up on a Toolamba West family dairy farm, which he took over with his brother in the 1980s, and spent the next 23 years in partnership with him.

The cumulative effect of tough seasons, financial challenges, industry changes, rationalisation and collapses took a toll on him.

Like so many farmers, the millennium drought was the last straw.

Mr Read said the loss of control caused by drought and subsequent floods pulled the trigger on his mental health issues.

"For most farmers, you're not aware of the pressures you're under — certainly the drought took a toll," he said.

"I always thought how I dealt with things was normal, and I withdrew, and in most agriculture industries you're your own boss — so that's easier to do.

"It got to a point when my mental illness was taking over and it was affecting my marriage and my farm."

That is when Mr Read decided to visit his local GP, who then referred him to the psychologist he has been seeing for the past 12 years.

"Having someone to talk through what's going on in your head was a good thing, and I've been able to get help to understand where the negative voices come from and how to problem solve it," he said.

He also used his farm as a way to reconnect with the land and regain control of his surroundings.

"I can now use the farm as a means of de-escalating my anxiety — it's about managing my environment."

Mr Read said the most important thing was to discuss how to manage mental illness.

"Men aren't that great at getting in touch with how they are feeling, which is why talking to a professional is important.

"I wouldn't be in the position I am now without seeking professional help.

"For farmers, you see nutritionists and agronomists and all sorts of experts helping look after the farm; so that's why I think mental practitioners are in the same boat — except they are looking after me so I can look after myself and the farm."

Mr Read has worked as a Murray Dairy extension officer for the past five years and said having support from colleagues was essential.

"Mental illness is not something that you can fix, it's not a cold — it is something that



Managing his environment. . . . Ross Read was 38 years old before he sought help for his mental illness. He wants other farmers to ask for help earlier than he did.

is with you for life, so it is essential to learn how to take control of it.

"Even working at Murray Dairy, when I feel I'm losing control I can do some activities to help put everything back in balance."

Mr Read now takes part in an ambassador speaker program, the next step in his recovery journey.

"I'm hoping that being able to articulate my story will encourage at least one person

to be able to seek help a little bit quicker than I did — I was 38 when I sought help."

He now lives next to the farm where he was raised and hopes his own children will grow up with better support services than he had as a child.

■ If you need support, or know someone who does, phone Lifeline on 131 114, Kids Helpline on 1800 551 800, the suicide callback service on 1300 659 467 or visit: ReachOut.com or www.beyondblue.org.au

A news article that appeared in the Country News on July 21, 2020. Focus was on mental health. Murray Dairy's Ross Read spoke about the effects of mental health and COVID-19 and encouraged other farmers to seek help.

Kemp named director

Lockington dairy farmer Dustin Kemp has been appointed to the Murray Dairy board as a new director.

Mr Kemp has extensive experience in the dairy industry and manages a 194 ha farm, milking 180 cows.

He has run a mixed operation there for about three years, growing eye-grass and some permanent lucerne.

"Ag is a really great industry and I'm keen on the environment I live in, and I think it's worth protecting," Mr Kemp said.

He first became involved in the dairy industry in 2002, when he gained an apprenticeship after graduating from school.

He has completed a Certificate III in Horticulture with Wodonga TAFE, majoring in Arboriculture, and a Diploma with Dairy Australia/TAFE

"I look forward to being a part of the broader conversation of dairy in our region with our vast and innovative farming styles."

Murray Dairy director Dustin Kemp

SA, majoring in Agribusiness Management.

Through the Gardiner Dairy Foundation, Mr Kemp became involved in broader industry discussions, leading him to his current position.

He has held roles as president of the Campaspe Young Dairy Network and as a member of the Goulburn-Murray Water Brigadier, Customer Representatives Committee and is a member of the Young Farmer Ministers Advisory

Committee advising Victorian Agriculture Minister Jaclyn Symes.

"I look forward to being a part of the broader conversation of dairy in our region with our vast and innovative farming styles," he said.

Looking to the future, Mr Kemp said more change was on the way for dairy farmers in northern Victoria.

"There's a bright future in dairy and the fact that farmers

here are willing to adapt to change is encouraging."

He said the industry had done everything it could in response to coronavirus, but the optimism of farmers was varied.

"It goes season by season; water is a key driver in the area and favourable seasonal conditions help out a lot."

Reappointed to the Murray Dairy board for a second term was Goulburn-Murray Water's Mark Bailey, as was Tongala dairy farmer and board deputy chair Andrew Tyler.

Having filled a casual role since last year, Finley dairy farmer Rachael Napier was officially appointed to her first term on the board.

■ More on the Murray Dairy board of directors can be found at: www.dairyaustralia.com.au/murray-dairy/about-murray-dairy/board



Passionate about land. . . . Murray Dairy board member Dustin Kemp with his wife Anne and daughters Melissa (left) and Gabrielle

A news article that appeared in the Country News on August 11, 2020. Focus was on changes in the Murray Dairy Board including the new appointment of Dustin Kemp.

Dairy farm gap year on offer

School leavers are being offered an opportunity to gain hands-on, paid farm work at local dairy farms in 2021.

Called the Dairy Gap Year Program and run by Dairy Australia, it matches interested people with 12 months' paid work on Victorian dairy farms.

To be eligible students must have a driver's licence and be prepared to enrol in a Certificate in Agriculture while undertaking their gap year.

Farms taking on school leavers were sourced by Dairy Australia for their strong HR policies and commitment to providing "positive dairy experiences".

Kyella McKenna has been working on dairy farms since she was 15 years old, spending two years working part-time while completing her final schooling years before jumping into full-time work.

"I'd recommend working in the industry to all young people. It is hard work, but you have fun, work hard and best of all make money," Miss McKenna said.

"I believe anyone can do what I have done. I don't have a farming background, but took an interest in it and I'm now doing something I love."

Now 19, Ms McKenna said it was great to take part in the various aspects of working on a dairy farm, such as milking, working with the machinery and tractor work.

"I have been fortunate enough after finishing school to take the steps in following an agriculture career, which will lead me to a successful career in the dairy industry," Miss McKenna said.

"The most enjoyable parts of working on-farm for me are working with animals day-to-day, the rearing of calves as well as animal health and nutrition."

Dairy Australia is labelling the gap year a great experience, which can also help school leavers qualify for Youth Allow-



Hard work pays off . . . Kyella McKenna has completed her VCE while working on dairy farms, thanks to Dairy Australia's Dairy Gap Year program.

ance (student) if their family's income is prohibiting them from being eligible.

A person who earns at least \$15,000 while working in agriculture may be considered independent and eligible for Youth Allowance or ABSTUDY.

■ For more information, phone Murray Dairy's Melva Tyson on 0439 667 425 or email melvat@murraydairy.com.au

CORRECTION

A story printed in *Country News* on November 17 entitled "Spend gap year on dairy farm" contained incorrect information regarding Warrambool student Kyella McKenna.

The article stated Miss McKenna had left school at 15 years old and had taken part in Dairy Australia's paid farm work program, Dairy Gap Year. This is inaccurate. *Country News* apologises.

A news article that appeared in the *Country News* on November 24, 2020. Focus was on the launch of the Dairy Gap Year Programme.

Ready for whatever comes next in dairy

By Geoff Adams

New Murray Dairy chairman Andrew Tyler takes a robust view of the structural changes needed in the dairy industry for the future.

Reflecting the debate around the national dairy plan and how it might affect regional bodies like Murray Dairy, he says he is not precious about his new job.

"If the future means that the regional bodies have to change and I don't have a title, then that's okay," Mr Tyler said.

"It's about what's best for the industry."

Mr Tyler prefers a new industry model where advocacy can be part of one larger body - delivering representation, information and professional training for farmers, all funded by a levy.

"We can't keep running our industry bodies like we've got thousands of members," he said.

"And I don't think everyone wants to attend monthly meetings in a cold hall in the middle of winter, when we

"I'm optimistic we can deliver a plan for the industry which will work well."

Murray Dairy chair Andrew Tyler

have other communication avenues today.

"But I'm optimistic we can deliver a plan for the industry which will work well."

The Tongala farmer, who runs about 600 cows on a total mixed ration property, was elected into the chair's position at a recent annual meeting, and will replace outgoing chair Karen Moroney.

He has 30 years of farm experience since he moved to the Tongala farm from the Adelaide Hills.

Mr Tyler is a familiar face at Australian Dairy Conferences, as he has diligently supported the events while on the board for about eight years.

He is also a member of the Rochester, Bamawm Dairy Business Network and a former chair, and is a great

believer in information sharing to improve farm performance and mindful of the anonymous trust that discussion groups engender.

Like most dairy farmers, he is appreciating a better season.

"The Murray Dairy region is not without its challenges, but this year has been an exceptionally good year seasonally and overall, the whole region is enjoying much friendlier climatic conditions."

"From a business perspective, a lot of dairy operators will be feeling a lot more confident going forward and the (Murray Dairy) board will continue to focus on what is important to our farmers and our region."

Reflecting on her time with the board, Ms Moroney said her roles had been extraordi-

inary and rewarding, filled with optimism of what had been achieved collaboratively, and dotted with challenges through drought, water issues, floods, bushfires and a global pandemic.

"A lot has transpired between my commencement on the board in 2013," Ms Moroney said.

"I feel very proud of how our organisation has matured in that time."

"I want to thank our farmers in the Murray Dairy region."

"It has been a pleasure and a privilege to work alongside you for these past seven years and I hope that our efforts have touched your business in a meaningful way and continue to do so, through our various extension and education programs."

The Murray Dairy AGM also saw Dharrungile dairy farmer Tony McCarthy chosen to continue his role as deputy chairman.



Embracing change . . . New Murray Dairy chairman Andrew Tyler on his Tongala dairy farm.

A news article that appeared in *Country News* on 03 November, 2020. Focus was on Murray Dairy's new Board Chair, Andrew Tyler.

Young dairy farmer tour compares systems

A recent Young Dairy Network tour has been hailed a success by 45 young farmers.

This year's tour, which included a visit to four farms and a virtual farm presentation, looked at the challenges faced by different farming systems from grazing to Total Mixed Ration and intensive-based systems.

Held over two days late last month, the tour is the eighth coordinated by Murray Dairy and funded by the Gardiner Foundation, and is designed to connect farmers and service providers and assist in progressing their dairy-riding knowledge and skills.

The itinerary was aimed at challenging the tour group and to present them with a specific focus, being a SWOT analysis of each farm business.

Through this analysis, with the assistance of Shane Byrne and Lachlan Barnes from Murray Dairy facilitating each of the visits with the host farmers, the focus drew attention to how each of the farms had adapted to a volatile water market, successfully transitioning from different feed-



Understanding challenges . . . The participants in the 2021 Young Dairy Network Study Tour.

ing systems, or making new technologies pay.

The tour also encouraged participants to reflect on the application of what they see and hear to their own business.

Waiaia dairy farmer Beau Wal-

pole spoke about the farm visit to Don and Meg Stewart in Yarrawalla, saying it was very interesting.

"We at home have got dry-lot sheds, but we are looking at going into barns and it was good to see

the decision-making process behind why the Stewarts have gone into dry-lot sheds instead of barns," Beau said.

For Leitchville's Brady Hore, a visit to the dairy farm of Dehne and Sarah Vinnicombe in Calivil

left him with plenty to think about.

"It has been good to see the progression that Dehne has had over the years and to have evolved into an impressive set-up with free-stall barns," Brady said. "We have a compost barn, which is similar, but the way Dehne has tied everything together is impressive."

Nick Minogue from Katandra West said he got a lot out of the visit to John Edwards' farm in Leitchville.

"It is a simple system with high production and John emphasised the importance of keeping his cows fully fed at all times," Nick said.

"It showed me you can push what you feed your cows and still keep it simple."

"The key take-home message for me is to ensure what you feed your cows is the best quality possible."

■ To find out more about each of the farms visited during the tour, download the Young Dairy Network Study Tour 2021 booklet at: tinyurl.com/YDN-2021-Booklet

A news article that appeared in Country News on 30 March, 2021. Focus was on the success of the Young Dairy Network Study Tour.

Digging deep into dairy soils

By Geoff Adams

Dairy farmers dug deeper at the annual Murray Dairy Murray Muster conference at Moama on Wednesday, May 26.

The theme was around soil health, so the sessions kicked off with scientists who laid the foundation for the rest of the day.

The theory was supplemented by real-life experience of farmers like Grant Sims from Pine Grove, who has been applying environmentally advanced principles on his property.

The long tentacles of the Melbourne COVID-19 outbreak touched the conference, as one of the guest speakers, a scientist, had attended the Collingwood-Port Adelaide game at the MCG on the previous Sunday, which was attended by an infected person.

Andy McAllister from Agriculture Victoria told the conference via a broadcast from his computer, that he could not attend the Moama conference after getting advice.

Mr McAllister gave the conference an overview of the changing landscape for dairying in northern Victoria, describing how water use and the number of dairy farm operations had decreased in recent years.

The Zoom broadcast included information and mapping slides and at the conclusion Mr McAllister was able to take questions on the screen.



Keen interest . . . Susan Wearden from Kyabram, Michael Acocks from Rochester and Sue Milne from processor ACM at the Moama conference.



Expert insight . . . Dairy Australia's Karen Romano talks with Lockington farmer and Murray Dairy board member Dustin Kemp at the Moama conference.



Catching up . . . At the Murray Dairy conference at Moama on Wednesday were (from left) Tom Acocks from Rochester, Rachel Napier from Denilquin and Tony McCarthy from Tatura.



Zooming in . . . Scientist Andy McAllister speaks to the conference via a Zoom broadcast.



Taking part . . . At the Murray Muster were (from left) Jane Heyneman from Riverlea, Corowa; Veonica McLeod from Reids Stockfeeds, Echuca; and Caroline Purcell from Riverlea, Corowa.

A news article that appeared in Country News on 01 June, 2021. Focus was on the Murray Muster 2021 "Digging Deeper" event held at Moama.

Murray Dairy also leverages social media to reach people across the industry. This year it once again enabled us to reach dairy farmers during the COVID-19 pandemic, providing critical information flow in and out.

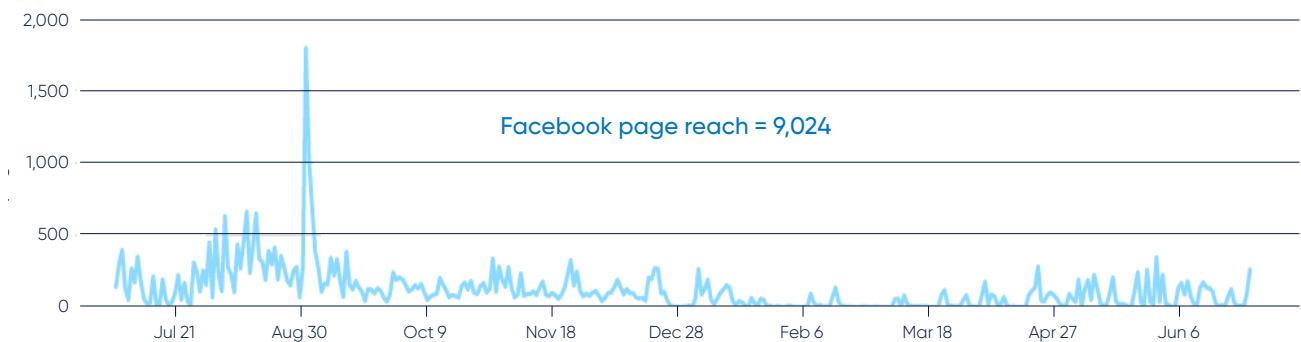
Facebook has seen a consistent increase in followers and engagement across its pages, resulting in a wider reach of information. Follower numbers on the Murray Dairy Facebook page are up 12% (from 1 July 2020 to 30 June 2021) and up 10% on the Young Dairy Network page for the same period.

The ongoing changes and adaptations through the Coronavirus pandemic has seen the Murray Dairy team continue with different communication methods to engage with its dairy farmers and stakeholders. Meetings were held on virtual conferencing applications, Zoom or Skype, and training programs were hosted as webinars.

Murray Dairy produced videos and webinars to help farmers navigate in these unprecedented times:

- Lisa Birrell with David Lewis from Lallemand produced a video series on Successful Corn Silage videos.
- Melva Tyson with Nollaig Heffernan hosted a series of webinars on "Employers of Choice."
- Linda Kelly alongside Lisa Birrell worked with Mike Woods to video and interview various industry leaders and farmers across the region to highlight the importance of the dairy industry as part of the Rural Skills Connect project.

Figure 3 Total reach – Murray Dairy Facebook page 2020/21





DIRECTORS' REPORT

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021 MURRAY DAIRY LIMITED | ABN 84 414 519 559

The directors present their report on the company for the year ended 30 June 2021.

Directors

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

- Andrew Tyler Chairperson
- Tony McCarthy Deputy Chairperson
- Andrew Mann Treasurer
- Chris Thomas
- Mark Bailey
- Tom Acocks
- Rachael Napier
- Dustin Kemp (Appointed 22 October 2020)
- Karen Moroney (Resigned 22 October 2020)

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

Principal Activities

The principal activities of the company during the financial year remained unchanged and is to drive profitability, efficiency, skills growth, and to protect and promote the dairy industry in the Murray Dairy region.

Review of Operations

The profit/(loss) of the company for the financial year ended 30 June 2021 after provision for income tax was \$103,616, (2020 (\$96,832)).

Information on Directors

| Board Member | Qualifications | Experience |
|---|--|---|
| Andrew Tyler Chairperson | Australian Owner Manager program 2015 University of Queensland Business School | Owner and Partner of dairy farm at Tongala, Director of Australian Dairy Conference, Chair National Feeding Systems Community of Interest Committee, Member of the Dairy Advocacy Reform Team 2016/17, Past Chair of Rochester Bamawm Dairy Business Network Group |
| Tony McCarthy Deputy Chairperson | Certificate in Farm Husbandry, Agricultural College, Ireland Graduation in Farm Management, Dairy & Beef Husbandry Certificate IV in Agriculture, Goulburn Ovens Institute of TAFE Diploma of Agriculture, Goulburn Ovens Institute of TAFE Advanced Diploma of Agriculture, Goulburn Ovens Institute of TAFE | Owner and Manager of dairy farm at Dhurringile Former Chairperson of the Goulburn Dairy Business Network Attendance at Regional Industry Updates Managed large intensive dairy feedlot in Saudi Arabia |
| Andrew Mann Treasurer | Bachelor of Applied Science(Agriculture) Melbourne University – Dookie College Graduate Diploma of Rural Science (Grain Production) – of England Fairley Leadership Program | Agribusiness Manager – NAB Agribusiness Penrith, Credit and Risk Manager – NAB Agribusiness Toowoomba, Senior Rural Manager – Rabobank Shepparton, Senior Regional Associate – Agricultural Capital Management |
| Karen Moroney Member (Resigned 22 October 2020) | Diploma in HRM (Dairy) (2011 Goulburn Riverina Institute TAFE), Graduate- Australian Institute of Company Directors (2017), Rural Women's Governance Program through Alpine Valleys Community Leadership Program (Completed May 2012), Diploma Rural Women's Leadership (2010) | Azured XB Pty Ltd (2011 to current), Partner and Director Ausred Genetics Pty Ltd (1989–2011), Partner and Director Arajarra Red Breed Stud (2002 to current), Office Manager – ABC Radio and Radioa 2AY (1983–1988), Head Bookkeeper and Administration Assistant – Albury Private Hospital (1980 –1984) |
| Chris Thomas Member | Certificate IV in Training Assessment and Evaluation-GoTAFE Shepparton Masters in Corporate Leadership- Deakin University Masters in Applied Science (Rural & Regional Development),M.App.Sci. (UWS - Hawkesbury) Certificate in Rural Management, TAFE SA Diploma Management Practices, Australian Institute of Management (SA) - 1994 Graduate Australian Institute of Company Directors, GAICD (2017) | Murray Valley RIA Rural Counselling, (1997–2006) Murray Dairy Regional Development Program – ISG Committee Member (14 years) DIAA (Dairy Industry Association of Australia) – Member Dairy SA Founding Board Director, (1995–1996) National Foods Ltd, Mile End, SA (1985–1997) Murray Dairy YDN Committee (2013 to present) Fonterra - Regional Manager Milk Supply Group Northern Victoria (2003–2012) Fonterra/Bonlac - Manager Supplier Forum/Developing Dairy Leaders Program (2012–2015) |
| Mark Bailey Member | Bachelor of Engineering (Civil) 1991 University of Melbourne Doctor of Philosophy (PhD) 2002 Monash University Australian Inter-service Incident Management System (AllIMS) certification 2013 PRINCE2 Foundation certification, 2013 International Association for Public Participation (IAP2) Certificate of Engagement 2016 | Manager Water Resources at Goulburn-Murray Water Northern Victorian Resource Manager (under delegation via Goulburn-Murray Water) Northern Victorian Resource Manager representative on the Project Steering Group for the Goulburn to Murray Trade Rules Goulburn-Murray Water representative on the MDBA River Murray Operations Committee Goulburn-Murray Water representative on the MDBA Environmental Water Committee Goulburn-Murray Water representative on the Technical Reference Group for the Victorian Murray Floodplain Restoration Project Project Director for Goulburn-Murray Water Bulk Entitlements 30 years of experience in fields of water resources and natural resources management Member of Engineers Australia Member of River Basin Management Society |

| Board Member | Qualifications | Experience |
|--|--|--|
| Tom Acocks Member | Bachelor of Agricultural Science University of Melbourne Owner Manager Course Institute of Business Owners (IBO) | Partner and Manager of Dairy Farm at Rochester VIC Australian Dairy Conference – Current Chair 2021, Deputy Chair 2020, Executive Director 2017, Elected Director 2016, Finance Committee Member, Communications Committee Member, Programming Chair 2016, Programming Committee 2013 & 2014 Dairy Advocacy Review Team (DART) – Member November 2016 – August 2017 Campaspe Mutual Cooperative Ltd – Chairman Rabobank Global Young Farmer Master Class participant 2014 Dairy Farmers Milk Co-operative – Ward representative 2013–2014, Development Program participant 2009 |
| Rachael Napier Member | Mental Health Matters for Farming Communities 2020, Applied First Aid 2020 Quad Bike Safety 2018, Euthanasia of Livestock 2018, Dairy Farm Safety Manual Pilot 2017 Cups on Cups off 2011 and 2015 | Manager of Dairy Farm at Deniliquin NSW Riverina RNG – Chair, Riverina Dairy Discussion Group Leader 20+ years experience with various dairy farm employment roles Murray Goulburn supplier development program participant 2016 South Africa dairy tour participant 2015, USA dairy tour participant 2012 |
| Dustin Kemp Member (Appointed 22 October 2020) | Certificate II Agriculture – Dairy 2003 Certificate III Horticulture 2012 Wodonga TAFE, Major Arboriculture Diploma Agribusiness Management 2017 Dairy Australia/TAFESA | Apprenticeship – Dairy Farm 2002–2003 Gardener for the Shire of Campaspe 2003–2013 Farmer – Dairy Farm 2013–2017 Gardiner Foundation NZ Study Tour participant 2016 Sharefarmer/Manager of Dairy Farm at Lockington 2017 |

MURRAY DAIRY LIMITED DIRECTORS' REPORT

Meetings of Directors

The number of Directors meetings attended by each of the Directors of the company during the year were:

| | Directors Meetings | |
|----------------|---------------------------|-----------------|
| | Number eligible to attend | Number attended |
| Karen Moroney | 3 | 3 |
| Chris Thomas | 8 | 8 |
| Tony McCarthy | 8 | 8 |
| Andrew Mann | 8 | 8 |
| Mark Bailey | 8 | 8 |
| Andrew Tyler | 8 | 8 |
| Tom Acocks | 8 | 8 |
| Rachael Napier | 8 | 7 |
| Dustin Kemp | 6 | 7* |

*Dustin attended 25 September 2020 as an observer.

Significant Changes in the State of Affairs

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

Events Subsequent to the End of the Reporting Period

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly alter the operations of the company, the results of those operations or the state of affairs of the company, in future years. Murray Dairy notes the ongoing COVID-19 situation in Victoria, including the extension of the declaration of a State of Emergency to 16 December 2021. Given the continuing nature of COVID-19, key judgements and estimates incorporate current available information on the COVID-19 pandemic.

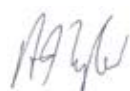
Indemnification of Officers

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

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307 C of the Corporations Act 2001 is set out on page 50.

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



Andrew Tyler
Chairperson
Dated this 16th day of September 2021



Andrew Mann
Treasurer
Dated this 16th day of September 2021



**AUDITOR'S INDEPENDENCE DECLARATION UNDER
SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
MURRAY DAIRY LIMITED**

ABN 84 414 519 559

FOR THE YEAR ENDED 30 JUNE 2021

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been:

- i. No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. No contraventions of any applicable code of professional conduct in relation to the audit.

Adam Purtill RCA 419507

Date: 22 September 2021

160 Welsford Street Shepparton, VIC 3630

Shepparton
Finley
Deniliquin

160 Welsford Street, Shepparton VIC 3630
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T (03) 5821 4622
F (03) 5821 1598

ABN 87 650 289 286



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2021

| | | 2021 | 2020 |
|---|------|----------------|-----------------|
| | Note | \$ | \$ |
| Revenue | 2 | 2,139,869 | 2,107,179 |
| Contracted employee benefits expense | 3 | (1,154,571) | (998,508) |
| Depreciation | 3 | (708) | (26,062) |
| Consultants and contractors | | (551,071) | (835,709) |
| General and administrative expenses | | (38,818) | (42,228) |
| Advertising and seminar/workshops | | (90,470) | (124,399) |
| Occupancy and associated costs | 3 | (25,400) | (108) |
| Finance expenses | 3 | - | (252) |
| Other expenses | | (175,215) | (176,745) |
| Profit/(Loss) before income tax expenses | | 103,616 | (96,832) |
| Income tax expenses | 1 | - | - |
| Profit/(Loss) after income tax expense | | 103,616 | (96,832) |
| Other comprehensive income: | | | |
| Items that will not be reclassified to profit and loss | | - | - |
| Items that will be reclassified subsequently to profit or loss when specific conditions are met | | - | - |
| Total other comprehensive income for the year | | - | - |
| Total comprehensive income attributable to members of the entity | | 103,616 | (96,832) |

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

| | | 2021 | 2020 |
|--------------------------------------|------|------------------|------------------|
| | Note | \$ | \$ |
| Current assets | | | |
| Cash and cash equivalents | 4 | 1,879,726 | 1,620,149 |
| Trade and other receivables | 5 | 158,122 | 403,375 |
| Total current assets | | 2,037,848 | 2,023,524 |
| Non-current assets | | | |
| Property, plant and equipment | 6 | - | 708 |
| Right of use assets | 8 | - | - |
| Total non-current assets | | - | 708 |
| Total assets | | 2,037,848 | 2,024,232 |
| Current liabilities | | | |
| Trade and other payables | 7 | 269,580 | 426,036 |
| Leases | 8 | - | - |
| Revenue in advance | | 491,787 | 425,331 |
| Total current liabilities | | 761,367 | 851,367 |
| Non-current liabilities | | | |
| Leases | 8 | - | - |
| Total non-current liabilities | | - | - |
| Total liabilities | | 761,367 | 851,367 |
| Net assets | | 1,276,481 | 1,172,865 |
| Equity | | | |
| Retained earnings | | 1,276,481 | 1,172,865 |
| Total equity | | 1,276,481 | 1,172,865 |

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2021

| | Retained earnings | Total equity |
|--|-------------------|------------------|
| Note | \$ | \$ |
| Balance at 1 July 2019 | 1,269,697 | 1,269,697 |
| Profit for the year | (96,832) | (96,832) |
| Other comprehensive income for the year | - | - |
| Total comprehensive income for the year attributable to members of the entity | (96,832) | (96,832) |
| Balance at 30 June 2020 | 1,172,865 | 1,172,865 |
| Profit for the year | 103,616 | 103,616 |
| Other comprehensive income for the year | - | - |
| Total comprehensive income for the year attributable to members of the entity | 103,616 | 103,616 |
| Balance at 30 June 2021 | 1,276,481 | 1,276,481 |

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2021

| | | 2021 | 2020 |
|---|------|------------------|------------------|
| | Note | \$ | \$ |
| Cash flows from operation activities | | | |
| Receipts from customers | | 2,686,789 | 2,697,670 |
| Payments to suppliers and employees | | (2,428,466) | (2,313,284) |
| Interest received | | 1,254 | 2,994 |
| Net cash provided by/(used in) operating activities | 9 | 259,577 | 387,380 |
| Cash flows from investing activities | | | |
| Cash flows from investing activities | | - | - |
| Net cash used in investing activities | | - | - |
| Cash flows from financing activities | | | |
| Principal repayment of lease liabilities | | - | (25,149) |
| Net cash used in financing activities | | - | (25,149) |
| Net decrease in cash held | | 259,577 | 362,231 |
| Cash and cash equivalents at the beginning of the financial year | | 1,620,149 | 1,257,918 |
| Cash and cash equivalents at the end of the financial year | 4 | 1,879,726 | 1,620,149 |

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

Note 1 Summary of Significant Accounting Policies

Murray Dairy Limited applies Australian Accounting Standards – Reduced Disclosure Requirements

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB). The company is a non-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor; otherwise the grant is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from rendering a service is recognised upon delivery of the contracted service to the customer.

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

(b) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

Cash flows are presented on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

(c) Income tax

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

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(e) Trade and other receivables

Trade and other receivables include amounts from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment. Refer to note 1(h) for further discussions on the determination of impairment losses.

(f) Property, plant and equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight-line or diminishing value basis or over the asset's useful life to the company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

| Class of fixed asset | Depreciation rate |
|----------------------|-------------------|
| Plant and equipment | 15-40% |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(g) Financial instruments

Initial recognition and measurement

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

Financial instruments 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 recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between the tinital amount and the maturity amount calculated using the effective interest method .

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains and losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors (or a group of debtors) are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivable), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account, or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises that impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(h) Impairment of assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

(i) Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 60 days of recognition of the liability.

(j) Employee benefits

Short-term employee benefits

No provision is made for short-term employee benefits as the company does not have any employees. Murray dairy services are delivered by employees of Dairy Australia. A cost recovery is charged by Dairy Australia.

Other long-term employee benefits

No provision is made for other long-term employee benefits as the company does not have any employees. Murray dairy services are delivered by employees of Dairy Australia. A cost recovery is charged by Dairy Australia.

(k) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(l) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction and production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

(m) Leases

For the comparative year – lease payments for operating leases are charged as expenses on a straight-line basis over the life of the lease term.

For the current year – At the commencement of the lease, the company recognises a right of use asset and associated lease liability for the lease term. The lease term includes extension periods where the company believes it is reasonably certain that the option will be exercised.

The right of use asset is measured using the cost model where cost on initial recognition comprises the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives.

The right of use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of lease term or index upon which the lease payments are based (i.e. CPI).

Where the lease liability is remeasured, the right of use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

Exceptions to lease accounting – The company has elected to apply the exceptions to lease accounting for both short term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low value assets. The company recognises the payments associated with these leases as an expense on a straight line basis over the lease term.

(n) Comparative figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(o) Critical accounting estimates and judgements

The director's evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on the current trends and economic data, obtained both externally and within the company.

Key estimates

(i) Impairment

The company assesses impairment at each reporting period by evaluating the conditions and events specific to the company that may be indicative of impairment triggers. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing the recoverable amounts incorporate key estimates.

Key judgements

(i) Provision for impairment of receivables

Current trade receivable are generally on 30-day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence than an individual trade receivable is impaired. As at 30 June 2021 trade receivables of \$70,903 (2020: \$310,157) were past due but not considered impaired as it is expected that these amounts will be received.

(ii) Grant Income

For many of the grant agreements received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement, grants received may have been accounted for under both AASB 15 and AASB 1058 depending on the terms and conditions.

Note 2 Revenue and Other Income

| | 2021 | 2020 |
|-------------------|------------------|------------------|
| | \$ | \$ |
| Project income | 1,152,629 | 696,196 |
| RDP Funding | 920,000 | 970,013 |
| Interest received | 1,254 | 2,994 |
| Reimbursement | - | 429,444 |
| Other income | 65,986 | 8,532 |
| | 2,139,869 | 2,107,179 |

Note 3 Expenses

| | | |
|---|---------------|------------|
| Contracted employee benefits expense (*Expense recovery is paid to Dairy Australia – the legal employer) | 1,154,571 | 998,508 |
| Depreciation – plant and equipment | 708 | 913 |
| Depreciation – right of use asset | - | 25,149 |
| | 708 | 26,062 |
| Interest expense on lease liability | - | 252 |
| Rental expense on operating leases** | 25,400 | - |
| Rental repairs | - | 108 |
| | 25,400 | 108 |

(**Refer change in accounting policy AASB 16)

Note 4 Cash and Cash Equivalents

Current

| | | |
|--|------------------|------------------|
| Cash on Hand | 500 | 500 |
| Cash at bank | 1,646,916 | 1,387,556 |
| Short-term investments – bank deposits | 232,310 | 232,093 |
| | 1,879,726 | 1,620,149 |

Note 5 Trade and Other Receivables

Current

| | | |
|-------------------|----------------|----------------|
| Trade receivables | 70,903 | 310,157 |
| Other receivables | 68,737 | 93,218 |
| ATO receivable | 18,482 | - |
| | 158,122 | 403,375 |

Note 6 Property, Plant and Equipment

| | 2021 | 2020 |
|--|----------|------------|
| | \$ | \$ |
| Non-Current | | |
| Plant and equipment | | |
| Plant and equipment | | |
| At cost | 3,680 | 3,667 |
| Accumulated depreciation | 3,680 | (2,959) |
| | - | 708 |
| Total property, plant and equipment | - | 708 |

Note 7 Trade and Other Payables

| Current | | |
|--------------------------------------|----------------|----------------|
| Trade payables | 4,093 | 166,795 |
| Sundry payables and accrued expenses | 96,222 | 85,781 |
| Discussion group funds held | 169,265 | 149,656 |
| ATO payable | - | 23,804 |
| | 269,580 | 426,036 |

Note 8 Leases

| Right of use assets | | |
|----------------------------|---|----------|
| Buildings | | |
| Buildings – ROUA | - | 25,149 |
| Accumulated depreciation | - | (25,149) |
| | - | - |
| Lease liability | | |
| Current | | |
| Leases | - | - |
| Non-Current | | |
| Leases | - | - |
| | - | - |

Note 9 Cash Flow Information

| | 2021 | 2020 |
|--|----------------|----------------|
| | \$ | \$ |
| Reconciliation of cash flow from operations with profit after income tax | | |
| Profit/(Loss) after income tax expense | 103,616 | (96,832) |
| Non-cash flows in profit: | | |
| Depreciation | 708 | 26,062 |
| Changes in assets and liabilities | | |
| (Increase)/decrease in trade and other receivables | 245,253 | (76,881) |
| Increase/(decrease) in trade and other payables | (156,456) | 109,700 |
| Increase/(decrease) in income in advance | 66,456 | 425,331 |
| Cash flow from operations | 259,577 | 387,380 |

Note 10 Capital and Leasing Commitments

(a) Finance lease commitments

There are no finance lease commitments

(b) Operating lease commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements.

Property lease

| | | |
|-------------------------------|---|---|
| not later than 12 months | - | - |
| between 12 months and 5 years | - | - |
| later than 5 years | - | - |
| | - | - |

The most recent property lease has now expired, with rent now payable monthly in advance on the same terms and conditions as the prior lease. A new property lease is expected to be signed on similar terms and conditions.

(c) Capital expenditure commitments

No capital commitment's exist at 30 June 2021.

Note 11 Director and Related Party Disclosures

Related parties include key management personnel, close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties.

Note 12 Contingent Liabilities and Assets

The company's directors are not aware of any contingent liabilities or assets as at the date of signing this financial report.

Note 13 Events Subsequent to Reporting Date

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly alter the operations of the company, the results of those operations or the state of affairs of the company, in future years. Murray Dairy notes the ongoing COVID-19 situation in Victoria, including the extension of the declaration of a State of Emergency to 16 December 2021. Given the ongoing nature of COVID-19, key judgements and estimates incorporate current available information on the COVID-19 pandemic.

Note 14 Company Details

The registered office of the company is:

Murray Dairy Limited
23 Nixon Street
Shepparton Victoria 3630

The principal place of business is:

Murray Dairy Limited
255 Ferguson Road
Tatura Victoria 3616

MURRAY DAIRY LIMITED DIRECTORS' DECLARATION

The directors of the registered entity declare that, in the directors' opinion

- 1 The financial statements and notes, as set out on pages 51 to 62, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
 - b. give a true and fair view of Murray Dairy Ltd's financial position as at 30 June 2021 and of its performance for the year ended on that date.
- 2 In the directors' opinion there are reasonable grounds to believe that Murray Dairy Ltd will be able to pay its debts as and when they become due and payable



Andrew Tyler
Chairperson
Dated this 16th day of September 2021



Andrew Mann
Treasurer
Dated this 16th day of September 2021



INDEPENDENT AUDITOR'S REPORT

To the Members of Murray Dairy Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Murray Dairy Ltd (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income for the period then ended, statement in changes in equity, statement of cash flows, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Murray Dairy Ltd, is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2021 and of its financial performance for the period then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2021 but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Shepparton
Finley
Deniliquin

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Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company'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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 report.

Adam Purfill RCA 419507
Date: 22 September 2021
160 Welsford Street Shepparton, VIC 3630



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Disclaimer

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