



# WESTERN DAIRY ANNUAL REPORT

2020/21







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## OUR VISION

A vibrant, profitable and responsible dairy industry in Western Australia based on dairy farmers having the business acumen and capacity to value opportunities.

## INTRODUCTION

The Western Dairy board and team are dedicated to meeting the needs of Western Australia's 132 dairy farms, home to some of the largest herds in the country. A profit-for-purpose organisation, we are funded by dairy farmer levies that are matched by the Australian Government and channelled through Dairy Australia.

Local funding partnerships with the Department of Primary Industries and Regional Development (DPIRD) and the Department of Water and Environmental Regulation (DWER) further support our farm business and best-practice effluent management initiatives.

Helping WA dairy farmers to achieve profitable and sustainable businesses and to attract and develop capable people remain at the core of our vision. Our project highlights and achievements for the year are captured in the following pages.

## GOVERNANCE

At the 2020 Western Dairy Annual General Meeting, Hithergreen farmer Scott Hamilton was nominated to the board as a director for a three-year term.

Mr Hamilton previously served as a co-opted director for a one-year term, and joined chair Peter Evans, vice chair Robin Lammie, directors Andrew Jenkins and Nick Brasher on the five-member Board. Experienced company director and Shire of Donnybrook-Balingup president Brian Piesse retired as a director after seven years of service. The board is pleased to recently secure the services of co-opted director and Narrikup farmer, Bonnie Ravenhill.

Visit [westerndairy.com.au](http://westerndairy.com.au) for a record of director meeting attendance.



## CHAIR'S REPORT

The 2020/21 year has been another period of change for the Western Australian dairy industry. In a year dominated by a global pandemic, initially we were thankful that we were producers of food as other industries were heavily impacted with shutdowns. However the greatest impact on farm appears to be the acute shortage of available staff to the detriment of farmers, existing farm staff and farm productivity.

Recognising the problem, the Western Dairy Board's first priority has been to employ a Regional Extension Officer to work in the human resources space for our industry. We have recently employed Jim Medew to help dairy farmers attract and retain staff and troubleshoot other employment issues. Jim is also working to increase community awareness of career opportunities in dairy and helping raise the profile of the dairy industry.

During the year we completed the four-year DairyCare project along with a thorough review of the *Code of Practice for Dairy Farm Effluent Management WA*. We have now commenced a new four-year partnership with DWER under the Healthy Estuaries WA initiative to provide dairy effluent reviews for those farmers yet to receive one and effluent management plans for farmers needing one. Please contact regional extension officer Dan Parnell for further information.

We continue to support farm business management through the Dairy Farm Monitor Project (DFMP) with a two-year trial of making the bulk data available only to the participants and Dairy Australia. It is our hope that this encourages even greater participation in this valuable program.

Rob La Grange worked tirelessly this year to deliver the Cert 3 and Cert 4 program to 21 students, our biggest cohort to date. As of 30 June 2021, Rob moved into a casual position and will be stepping down when a suitable candidate is found for the Dairy Training Officer position. Western Dairy and the industry are indebted to Rob for his insights, wisdom, passion and perhaps most of all, his Innovation Day poetry. Thank you Rob for a job very well done.

We have also farewelled our REO of seven years Jess Andony. Cattle production and genetics together with pasture management were Jess' forte. She has played a significant role in the advancement of those aspects of management in the WA dairy industry. Jess has moved to a role with an industry service provider and we all wish her the best in her future endeavours.

Western Dairy welcomed Julianne Hill as our new Regional Manager in March. Julianne joins us with a strong background in agriculture and engagement with farmers. We look forward to Julianne leading our new-look team into a new era working for WA dairy farmers.

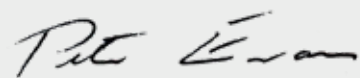
Initiated by the office of the Minister for Agriculture, Food and Regional Development, Western Dairy is involved in a WA dairy industry working group with all major processors, WAFarmers, Dairy Australia, DPIRD and retailers to develop a five-year plan for the WA industry. With improved confidence, reasonable recent seasonal conditions and competition for milk supply, there is a desire to strengthen the industry to encourage participation of a new generation of dairy farmers.

The Australian Dairy Plan implementation proceeds successfully despite the inability to restructure the existing industry organisations. Western Dairy appreciates the close working relationship we have with WAFarmers Dairy Council in advancing the interests of our farmers.

I acknowledge and thank the partners that we work with, DPIRD, DWER, SWCC and all of our industry processors and service providers.

My thanks go to all the staff, especially Jenelle Bowles initially as our Regional Manager and then Julianne Hill. With many changes and a pandemic to cope with, it has not been an easy year at Western Dairy but we look forward to a strong future with a refreshed team delivering value to WA's dairy farmers from their levy.

Thanks again to my fellow Directors. Your contributions are always valued and efforts appreciated. I look forward to working with you in the year ahead.



Peter Evans Chair 2020/21

## OUR BOARD



Peter farms at Jindong with son Grant, milking 850 cows in a split-calving herd on 488 hectares. He is a passionate dairy industry advocate, having been Western Dairy chair from 2005–2007, WAFarmers dairy section president from 2007–2012, and Australian Dairy Farmers vice-chair from 2011–2012.

**Peter Evans** Chair

**Appointed 2019**



Robin runs a 650-cow dairy in Busselton in partnership with son Wesley. Aside from his long family history of dairying, Robin and his wife Betty have several business interests and previously owned and operated Bunbury Freight Service for 17 years.

**Robin Lammie** Vice Chair

**Appointed 2019**



Andrew farms with wife Claire at Denmark and has a keen interest in business management, pasture production and genetics. He contributes a valuable combination of skills and experience to the Western Dairy Board.

**Andrew Jenkins** Director

**Appointed 2018**



Nick is a director and owner of Bunbury-based FarmWest, WA's only herd improvement data processing and distribution centre. He has a life-long passion for the dairy industry and helping WA dairy farmers become more profitable via astute use of genetics, data and new technologies. As a specialist director, Nick makes valuable technical and strategic contributions to the Western Dairy Board.

**Nick Brasher** Director

**Appointed 2018**



Scott and wife Sharon share-farm at Hithergreen, milking a split calving herd of 235 cows. Born in New Zealand, Scott came to WA in 1986 and has farmed on the current property of O'Neill Partners since 2003. Scott has a Bachelor of Agricultural Science from Massey University and a Master of Science Degree from Murdoch University. He advocates for business sustainability and educational opportunities within the WA dairy industry.

**Scott Hamilton** Director

**Appointed 2019**



Bonnie and husband Ken are dairy farmers in the Great Southern region of WA. Bonnie believes dairy farming is both challenging and rewarding, and it is critical the different physical, financial and environmental resources available to all farms are used to enhance not only individual businesses but the whole of industry. Bonnie's background in rural lending enhances her skills in business financial management, procedural systems analysis and succession planning.

**Bonnie Ravenhill** Director

**Appointed 2021**

**Brian Piesse** Former Director

**Appointed 2013**  
Completed third term Dec 2020

The record of director meeting attendance over 2020/21 can be viewed at [westerndairy.com.au](http://westerndairy.com.au)

## OUR PEOPLE



Julianne Hill leads the Western Dairy team in engaging and supporting WA's 132 dairy farm businesses. Julianne holds an MBA (Griffith University); Bachelor of Management – Farm Business (University of Sydney). She has developed a range of management and extension skills over three decades working within the agricultural industry in WA and interstate, including more than nine years contracted to the Grains Research and Development Corporation (GRDC).

**Julianne Hill** Regional Manager



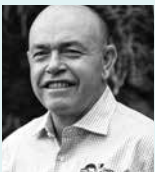
Gilly Johnson is an experienced administrator, project manager and facilitator who has a passion for Jersey beef. She has expertise in remote project management, workforce and organisational development, and mentoring.

**Gilly Johnson** Board and Regional Manager Support



Jess coordinates Western Dairy's extension portfolio of events and engagement and is passionate about educating and supporting the WA dairy community. She holds a Bachelor of Animal Science with Dairy Science Honours from Murdoch University.

**Jessica Andony** Regional Extension Officer



Dan is an agronomist and manages the DairyCare project, working to improve effluent systems in partnership with the Department of Water and Environmental Regulation. He is experienced in effluent design and works with farmers to produce efficient systems that deliver on-farm benefits as well as improved water quality outcomes within their catchments. Dan also supports the Dairy Farm Monitor Project.

**Dan Parnell** Regional Extension Officer



Rob leads Western Dairy's dairy training program in partnership with South Regional TAFE. He mentors dairy trainees and those undertaking Cert III in Agriculture (Dairy units) or Cert IV in Agriculture (Dairy modules) to help them fulfil their training aims, using industry-accredited and recognised training resources.

**Rob La Grange** Dairy Training Officer



Communications and corporate affairs specialist Jenelle works collaboratively to enhance the dairy industry's sustainability, profitability and reputation. She holds a Bachelor of Arts in Media Studies (Murdoch University) and has worked as a journalist and communications advisor across media, mining and Landcare sectors.

**Jenelle Bowles** Communications Specialist

## REGIONAL MANAGER'S REPORT

In another turbulent year on the world stage, Western Australian dairy farmers experienced a more positive year than in 2019/20. A good spring followed by an early break to the season saw feed get away early, and this was enhanced by some processors offering dairy farmers higher milk prices in the latter part of the year.

For the first time since 2016, confidence towards the industry's future has improved in WA, with many more farmers positive about their own businesses.

During 2020/21, total milk production in WA was slightly lower than the previous year, dropping 0.6 per cent, but lower input costs (mainly due to reduced reliance on conserved feed) more than balanced this out.

The Western Dairy team were active throughout the year despite the Covid-19 interruptions. The highly successful Spring Field Day held in December 2020 at White Rocks was well-attended, as was the renowned Dairy Innovation Day event held at Haddon's near Sabina River in May 2021 with over 400 participants.

The WA Young Dairy Network was re-energised by the appointment of new coordinator India Brockman in June 2021 and the Graduate Program run by the highly capable Rob La Grange continues to build with 21 students undertaking the program.

Another highlight was the launch of the *Code of Practice for Dairy Farm Effluent Management WA*, developed collaboratively by Western Dairy and the Department of Water and Environmental Regulation. Project officer Dan Parnell worked in partnership with DairyCare coordinator Bree Brown to bring this project to fruition and it has been spotlighted on numerous occasions as an industry standard.

Other projects that bore fruit in the 2020/21 year included the finalisation of an agreement with DPIRD to help enhance the business acumen of WA's dairy farmers, particularly around HR and workforce management, as well as the delivery of *Our Farm, Our Plan* (OFOP). The Western Dairy team are looking forward to seeing Jim Medew join the team in the role of HR/workforce development officer, helping WA dairy farmers in this space.

The *Smarter Irrigation for Profit 2* project was taken on by agronomy consultant Sam Taylor in late 2020 with some very good learnings extracted. It has been a valuable three-year project which will conclude in 2021/22. Contractor Kirk Reynolds again led a very successful *Dairy Farm Monitor Project* data collection campaign and will be ably joined by agribusiness consultant Sarah Lang in 2021/22 to help coordinate this very important project.

In other changes, our senior regional extension officer Jess Andony of 7.5 years left the Western Dairy team at the end of June 2021 to expand her horizons. Jess has been a major contributor to the success of the Western Dairy team here in WA. We will miss her sunny smile and her can-do attitude but wish her the very best in her new role.

I would like to take this opportunity to also thank Jenelle Bowles for her leadership during trying times in 2020. Leading the Western Dairy team during a pandemic is no easy feat, but Jenelle held the rudder and ensured many of the anticipated activities were delivered on time and effectively. It is a pleasure to have Jenelle continue to support the Western Dairy team with her highly professional communications and her support of all projects delivered within the team.

To the directors of the Western Dairy Board, thank you for welcoming me into the Western Dairy family and ensuring a smooth transition into the role. The Board has been an excellent sounding board, with particular thanks to Peter Evans as chair for his guiding hand.

Lastly, and most importantly, on behalf of the Western Dairy team and Dairy Australia, we look forward to always providing highly professional and relevant services to our WA dairy farmers and welcome input from you all at any time.

Wishing you all the best for 2021/22.



A handwritten signature in dark ink, appearing to read 'Julianne Hill'.

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**Julianne Hill** Regional Manager



# WESTERN AUSTRALIAN INDUSTRY SNAPSHOT 2020/21

**362**

million litres

**OF MILK IN 2020/21**



**4.1%**

**OF NATIONAL PRODUCTION**



Over **\$193 million**  
of the state  
economy



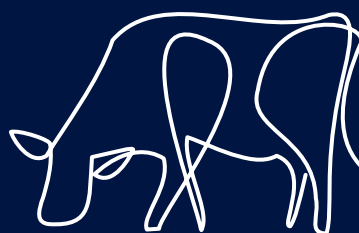
**132**

dairy farms



**1,200**  
people

**EMPLOYED IN DAIRY**



**AVERAGE HERD SIZE**

**379**

COWS

**TOTAL DAIRY COWS**

**50,000**

COWS

Table 1 Western Australia – key data 2020/21

Indicator	2020/21	2019/20	2018/19	2017/18	2016/17
Volume (litre)	361,928,718	364,299,660	374,401,618	385,448,491	384,827,863
Farmgate value (¢/litre)	53.50	52.28	50.17	49.87	50.58
Value generated by milk production (\$)	193,631,864	190,442,251	187,837,292	192,233,005	194,646,794

## EXTENSION

The Western Dairy team delivered 27 extension events and activities throughout the year, which attracted a total of 703 farmers and 244 service providers and stakeholders.

Popular events included the *Smarter Irrigation for Profit 2* field walk at the Twomey farm, field walks at the Dardanup and Forest Grove WASP trial sites, three *Cups On Cups Off* workshops, and the Spring Field Day at the Partridge's farm.

Western Dairy's flagship *Dairy Innovation Day* conference and exhibition returned in May 2021 after a Covid disruption the previous year and attracted 400 delegates to the Haddon's farm at Sabina River and a further 130 to the gala dinner in Busselton.

The team continued to inform farmers and stakeholders with latest news and events via monthly *Digest* e-news bulletins, *On the Road* newsletters, and regular social media updates.

**Table 2** Extension activities

Event	Attendance	Information
<b>Young Dairy Network Webinar</b> 2 July 2020	15 YDN members	This second session of the YDN Webinar Series explored mastitis management at calving and dry-off with Dr Matt Peterson of Zoetis.
<b>Smarter Irrigation 2 Field Walk</b> 27 August 2020, Dardanup	10 farmers 10 service providers	Irrigation and optimal grazing discussion with SIP2 WA site host and farmer Michael Twomey.
<b>Dairy Business Network – Vasse Region</b> 26 August 2020, Acton Park	15 farmers	A group of farmers meet to discuss their physical and financial performance, seasonal strategies, and to tour the host farm.
<b>WASP Trial Open Day</b> 10 September 2020, Forest Grove	11 farmers 6 service providers	Pasture walk held at the Brennan farm trial site to present the trial design and results to date.
<b>WASP Trial Open Day</b> 17 September 2020, Dardanup	3 farmers 5 service providers	Pasture walk held at the Brett farm trial site to present the trial design and results to date.
<b>Business Breakfast for Service Providers</b> 8 October 2020 – Bunbury	48 service providers and stakeholders	This annual event presents the latest WA and Australian insights from the Dairy Australia Situation & Outlook Report. The event in 2020 also explored Western Dairy's DFMP project results and Coles' direct milk sourcing strategy.
<b>Western Dairy Board Dinner</b> 5 November 2020 – Augusta	3 farmers	The Board moves the location of its meetings to different dairy sub-regions each year, meeting local farmers and discussing local issues.
<b>Dairy Business Network – North Region</b> 25 November 2020, Kalgup	15 farmers	A group of farmers meet to discuss their physical and financial performance, seasonal strategies, and to tour the host farm.
<b>Dairy Business Network – Vasse Region</b> 25 November 2020, Bridgetown	8 farmers	A group of farmers meet to discuss their physical and financial performance, seasonal strategies, and to tour the host farm.
<b>Spring Field Day &amp; Annual General Meeting</b> 3 December 2020 – Brunswick	54 farmers 44 service providers	This event at White Rocks farm explored the Partridge family's farming story and operation, Western Dairy project highlights, and the Dairy Farm Monitor Project results.
<b>Dairy Business Network – Vasse Region</b> 15 December 2020, Busselton	11 farmers	A group of farmers meet to discuss their physical and financial performance, seasonal strategies, and to tour the host farm.
<b>Young Dairy Network Christmas Function</b> 18 December 2020 – Bunbury	9 YDN members	Christmas dinner and barefoot bowls.
<b>Milking and Mastitis Management Training</b> Ongoing	4 participants	New and inexperienced milking staff complete five short online modules on Enlight and then undertake practical training on-farm under the guidance and supervision of their on-farm coach.

Event	Attendance	Information
<b>Cups on Cups Off (COCO) Course</b> 16/17 February 2021, Busselton	10 farmers	Presented by an accredited Countdown advisor, this two-day workshop covers best-practice milking management and mastitis prevention.
<b>Our Farm Our Plan Pilot Meeting 1</b> 17 February 2021 – Evedon Park	15 farmers	A risk and strategic business planning program that aims to support dairy farmers to chart and achieve their business and personal goals. Pilot facilitated by consultants Kirk Reynolds and Esther Jones.
<b>Code of Practice for Dairy Effluent Management WA Consultation</b> 22 February 2021 – Harvey	5 farmers	The Code aims to provide shared and achievable expectations for the WA dairy industry and to demonstrate a genuine commitment by the industry to minimise the impact of dairy farming on the environment. Topics for discussion included the status of WA effluent systems (benchmarking results); Standards in the Code – what are they and how do farmers meet them; guidelines for new dairy sheds, feedlots and contained housing; and the benefits for farmers and the industry.
<b>Code of Practice for Dairy Effluent Management Consultation</b> 22 February 2021 – Boyanup	11 farmers	
<b>Code of Practice for Dairy Effluent Management Consultation</b> 23 February 2021 – Denmark	16 farmers	
<b>Code of Practice for Dairy Effluent Management Consultation</b> 23 February 2021 – Cowaramup	11 farmers	
<b>Cups on Cups Off (COCO) Course</b> 24/25 February 2021, Harvey	14 farmers	Presented by an accredited Countdown advisor, this two-day workshop covers best-practice milking management and mastitis prevention.
<b>Dairy Business Network – Vasse Region</b> 4 March 2021, Scott River	12 farmers	A group of farmers meet to discuss their physical and financial performance, seasonal strategies, and to tour the host farm.
<b>Our Farm Our Plan Pilot Meeting 2</b> 9 March 2021 – Evedon Park	11 farmers	A risk and strategic business planning program that aims to support dairy farmers to chart and achieve their business and personal goals. Pilot facilitated by consultants Kirk Reynolds and Esther Jones.
<b>Cups on Cups Off (COCO) Course</b> 11 March 2021, Scott River	16 farmers	Short course for backpackers and temporary farm workers on best-practice milking management and mastitis prevention.
<b>Western Dairy Board Dinner</b> 14 April 2021 – Wokalup	19 farmers 1 non-farmer director	The Board moves the location of its meetings to different dairy sub-regions each year, meeting local farmers and discussing local issues.
<b>Dairy Innovation Day conference and exhibition</b> 6 May 2021 – Sabina River	400 delegates	The biggest event on the calendar for WA dairy took place at the Haddon family's farm, showcasing their family business story and insights into heifer genomics, pastures and best-practice effluent management.
<b>Dairy Innovation Day Gala Dinner</b> 6 May 2021 – Busselton	130 guests	Dinner guests were entertained by keynote speaker John Penry from Dairy Australia who shared personal and industry insights.
<b>Cows Create Careers school visit</b> 26 May 2021 – Busselton	Year 8 classes	This visit to Busselton Senior High School supported their Cows Create Careers course work. The school enjoyed taking care of a calf donated by local farmer Wes Lammie for several weeks.
<b>Cows Create Careers school visit</b> 27 May 2021 – Busselton	Year 7 classes	This visit to Cornerstone Christian College supported their Cows Create Careers course work. The school enjoyed taking care of a calf donated by local farmer Scott Hamilton for several weeks.
<b>South West Careers Expo</b> 2 June 2021 – Bunbury	1,500 year 12 students	The team promoted the Western Dairy Graduate Placement Program and dairy career pathways.
<b>Dairy Business Network – Vasse Region</b> 8 June 2021 – Yoongarillup	8 farmers	A group of farmers meet to discuss their physical and financial performance, seasonal strategies, and to tour the host farm.
<b>Cows Create Careers Presentation Day 28</b> June 2021 – Busselton	Various schools	High school students presented their course work at a celebration event and were awarded prizes.

# 2020 WASP TRIALS ANALYSIS OF YIELD AND PASTURE QUALITY DATA

Pasture quality is an often overlooked factor when farmers are deciding which cultivars of ryegrass to sow. Whilst overall dry matter yield is obviously of critical importance, in the typical Western Australian grazing system, pasture quality particularly in late spring also has a significant impact on feed quality and consequent milk yield responses.

The WA Seed Performance (WASP) trials conducted by Western Dairy over the past four years assessed both the yield and quality of the various cultivars used in the trials.

## 2020 trial background

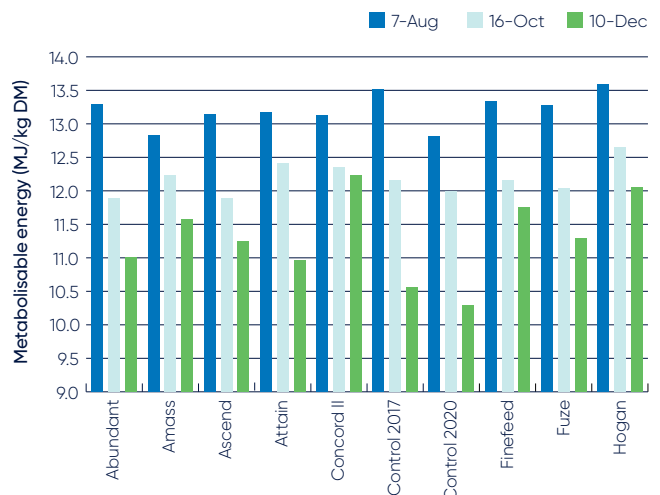
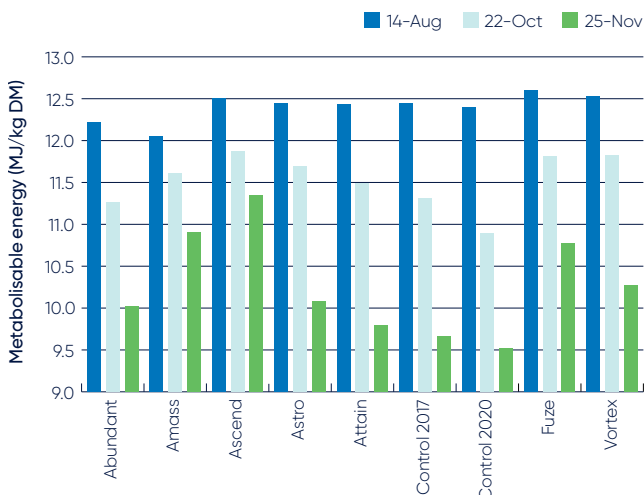
A selection of commercially available cultivars were tested at both the Dardanup and Forest Grove sites, including diploids and tetraploids. A range of early, mid and late maturing cultivars were used. Plots at the Dardanup site were harvested five times (first cut – 10 July; final cut – 25 November) and the plots at Forest Grove were harvested six times (first cut – 2 July; final cut – 10 December). Plots were harvested at the three-leaf stage of growth on both sites.

Dry matter yield was measured from all plots at each harvest event, while pasture quality was measured from all plots on harvests two, four and five at Dardanup and harvests two, four and six at Forest Grove.

**Table 1** Cumulative annual yield of each cultivar in WASP trials across the 2020 growing season

Cultivar	Species	Maturity	Ploidy	Total yield for full season (t DM/ha)	
				Dardanup	Forest Grove
Abundant	Annual	Mid	Tetraploid	11.46	11.78
Amass	Italian	Mid	Tetraploid	11.07	11.80
Ascend	Annual	Mid	Tetraploid	10.89	10.52
Astro	Annual	Early	Tetraploid	11.23	n/a
Attain	Annual	Mid	Tetraploid	11.51	12.03
Concord II	Italian	Late	Diploid	n/a	10.03
Control 2017	Annual	Early	Tetraploid	11.72	12.11
Control 2020	Annual	Early	Tetraploid	11.78	12.47
Finefeed	Annual	Late	Diploid	n/a	9.89
Fuze	Annual	Late	Diploid	10.77	9.86
Hogan	Annual	Late	Tetraploid	n/a	10.94
Vortex	Annual	Mid-Late	Tetraploid	10.95	n/a

The graphs below show the pasture quality of the various cultivars at the different timepoints, as indicated by the metabolizable energy content.





Research scientist Dr Peter Hutton and Forest Grove farmer Larry Brennen inspect the trial growth.

The data highlights some substantial difference between the cultivars tested in yield and quality. It is worth farmers asking themselves – what do I want from my newly sown pasture? Across both sites, the highest yielding cultivars were the two control lines. These are generic Tetila-type cultivars that appear to yield quite well in the relatively short six to seven month growing season in WA. However, these plots were also the lowest quality cultivars overall in terms of metabolizable energy (ME) content, especially in the late part of the growing season, where some other cultivars had a higher ME content in the order of 1.5 MJ/kg DM greater, in harvests five and six at Dardanup, and Forest Grove respectively. This would be expected, as early maturing varieties turn reproductive and stemmy much earlier in the growing season than the later maturing cultivars. It is an important point to consider for farmers that may simply look at total seasonal yield and nothing else. In addition, silage quality should be considered. While not measured here, previous research by the Department of Primary Industries and Regional Development (DPIRD) at the Vasse research centre in the 2000s clearly showed that use of later maturing varieties was more forgiving in terms of silage quality in springtime. If it is a moderately wet spring and silage making is delayed (as often happens in WA and indeed across all southern Australia's dairy regions), a silage crop with an early maturing cultivar will lose quality much more rapidly than a late maturing crop. This will have impacts in summer when farmers are aiming for good milk yield responses to silage and grain.

A perceived advantage of the earlier maturing cultivars is their early season vigour where they tend to get up and yield more early in the growing season. This pattern was

also observed in the current trials (data not shown) where the two early heading control lines were the highest yielding in the first three to four cuts in each site before being out-yielded by other cultivars in the last couple of harvests. Again, this is what we would expect given the different maturities of the different lines.

The key message from this data is to think about what is most important to your farm – extra dry matter in winter or early spring, or superior yield and quality leading to greater milk yield responses in late spring/early summer? As always though, there is no substitute for good pasture management. The relative differences between cultivars of ryegrass are dwarfed by the benefits of improved grazing management where target post grazing residuals are met, pastures are grazed between two and three leaves or before canopy closure, and allocation of pasture is adjusted according to the growth rates and herd demand throughout the season.

Western Dairy wishes to thank major funding partner DPIRD and seed sponsors Nutrien, PGG Wrightson Seeds, Barenbrug, IH Seeds and Valley Seeds for their support. We also greatly appreciate the efforts of the Brett family of Dardanup, the Duggan family of Cowaramup, the Brennen family of Forest Grove, Western Dairy research scientist Dr Peter Hutton, research officer Ya Chun Yu, extension officers Dan Parnell and Jess Andony, research assistant Leonarda Baizert, and Dairy Australia feedbase and nutrition lead Ruairi McDonnell.

#### FOR FURTHER INFORMATION

More information on WASP can be found on the programs page at [westerndairy.com.au](http://westerndairy.com.au).

## SMARTER IRRIGATION FOR PROFIT 2

The Smarter Irrigation for Profit 2 (SIP2) project continued over the summer of 2020/21 at Michael Twomey's Dardanup farm. The aim of the project is to implement best practice irrigation techniques to increase pasture yields and improve efficient use of water and power resources.

The emphasis for the 20/21 irrigation season was to maintain Readily Available Water (RAW) within the rootzone of the pasture, by monitoring soil moisture sensor data and using predictive evapotranspiration (ETo) and rainfall forecasting.

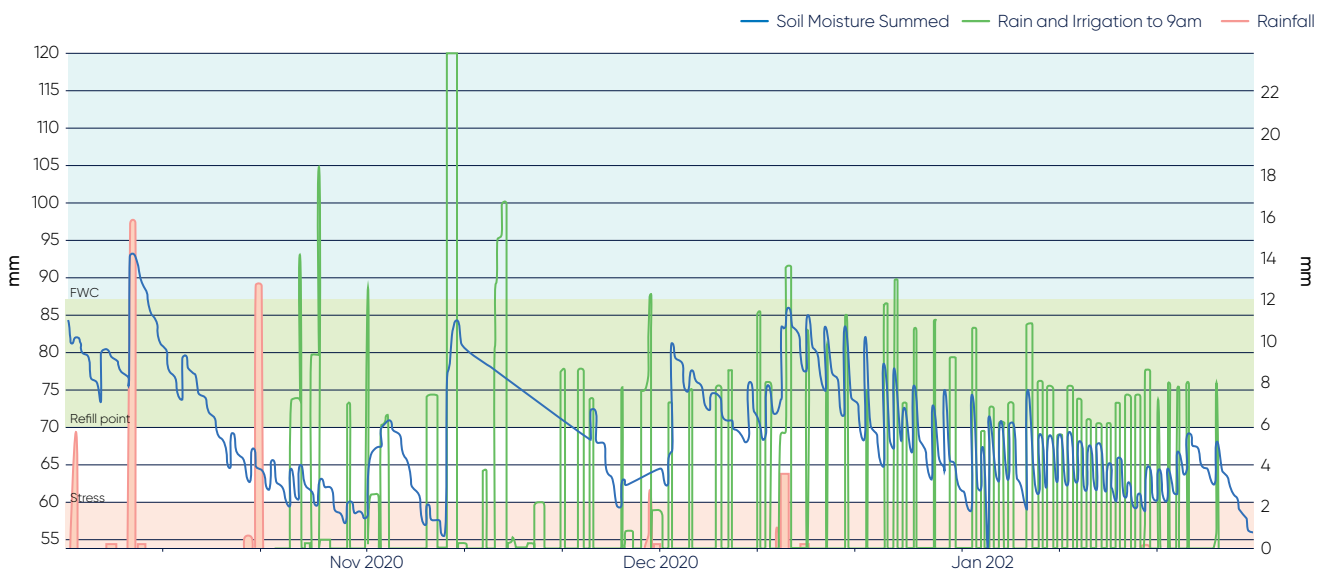
Irrigation started earlier in the season than traditional timings to create the ideal soil moisture foundation (within RAW) on which to build/maintain soil moisture levels throughout the Spring. Getting start-up right reduces the need for large, costly irrigation events as ETO increases. The aim is to manage irrigation throughout the season using lower rate/smaller frequency supplementary irrigation events to "top-up" the RAW bucket, the shortfall in moisture between rainfall inputs and ETO losses. Irrigation was therefore scheduled to apply according to predicted weather data using the SWAN Systems Weatherwise forecast. ETo is a measurement of how much moisture is lost to the atmosphere from the soil via both transpiration from pasture and evaporation created by wind, heat and humidity.

Pasture growth rates were measured before and after grazing to enable calculation efficiencies of water and power use. During Spring the pasture growth rates were

as high as 96 kg DM/HA/day and maintaining the soil moisture levels appeared to be worthwhile. Once the summer heat kicked in though, pasture growth rates began to decline despite the application of adequate irrigation, indicating that there were other limitations at play. Irrigation was ceased in late January when pasture growth rates were measured as low as 30 kg DM/ha per day. Forecasting indicated that there was not enough water left in the allocation to continue watering at these rates to complete the irrigation season for such low pasture growth rate returns.

Obviously stopping the irrigation was not ideal for the purposes of the project. Soil and plant testing revealed that there were no nutrient limitations which would be reducing pasture growth, as adequate levels of macro nutrients and trace elements were found. Soil tests taken from the 0-10cm and 10-20cm profile revealed unacceptable levels of exchangeable sodium (12 & 20 per cent respectively) when levels should be lower than 6 per cent. Further investigation of the water used for irrigation showed that a Sodium Adsorption Ratio of 5.2 (ideally <3) was contributing to soil structural issues and reduced infiltration of applied water. Previous attempts to establish ryegrass amongst the pasture were poor and this is most likely related to the higher sodium levels within the profile. The usual remedy for this problem is to apply gypsum to help displace excess sodium from the soil profile. Gypsum has been applied at two rates on demonstration blocks and following winter rainfall to aid incorporation and dispersion of sodium, pasture growth will be monitored in these areas.

**Figure 1** The blue line shows soil moisture levels on the pivot are maintained above the stress point during the measurement period. Despite adequate water availability pasture growth rates fell below acceptable levels. The available moisture quickly falls away once the irrigation is turned off in late January.



While the objective of overcoming the “yield gap” by improving soil moisture management was not achieved, valuable lessons were learnt in that evaluation of soil characteristics should not be limited to the usual suite of nutrients, pH, EC, OC etc, and that irrigation water should also be tested to ensure that it is not contributing to any parameters that could limit production on irrigated sites.

A thorough evaluation of Pivot 3 was carried out in May this year, and important factors such as distribution uniformity (84.5 per cent) and coefficient of uniformity (89 per cent) were measured above benchmark values which indicates good pivot application performance. Pump efficiency was found to be lower than ideal at 55 per cent (75 per cent benchmark), and some adjustment to the Variable Speed Drive system may result in improved power efficiency of the irrigation operation.

Moving forward into the summer of 2021/22, the project reference group will be re-engaged to enable discussion and extension of project findings. Key messages around thorough investigation/monitoring of irrigated sites to ensure underlying limitations such as soil sodicity do not restrict production will be extended, along with information on using and understanding important decision-making tools such as soil moisture monitoring equipment and evapotranspiration forecasting services.

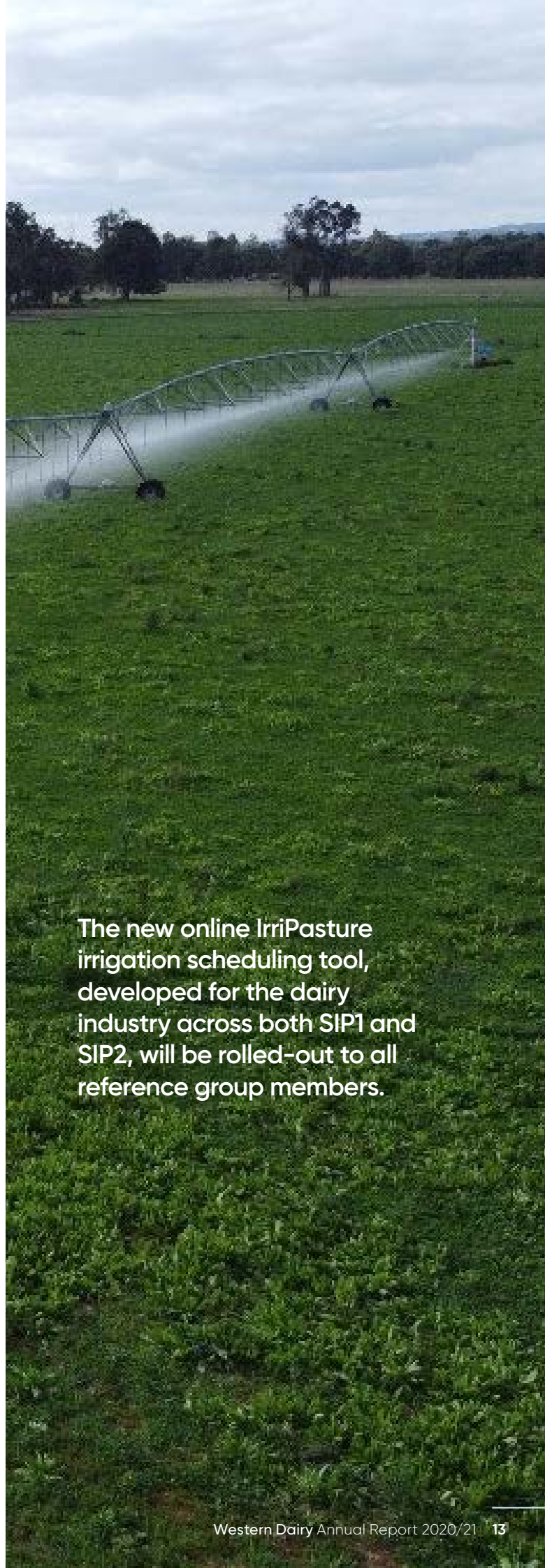
The new online IrriPasture irrigation scheduling tool, developed over a period for the dairy industry across both SIP1 and SIP2, will be rolled-out to all reference group members. This easy-to-use water balance calculator is freely available and is capable of assisting in irrigation scheduling for both pasture and crop types used across all dairy regions of Australia.

*Smarter Irrigation for Profit 2: What's my yield gap?* Maximising water productivity project is supported by funding from the Australian Government Department of Agriculture as part of its Rural R&D for Profit program and Dairy Australia. It is supported locally by Western Dairy.



#### FOR FURTHER INFORMATION

Contact Sam Taylor, mobile 0429 332 593  
email [sam@agvivo.com.au](mailto:sam@agvivo.com.au)



**The new online IrriPasture irrigation scheduling tool, developed for the dairy industry across both SIP1 and SIP2, will be rolled-out to all reference group members.**

# BUSINESS PERFORMANCE

## Our Farm, Our Plan

This year the majority of the northern dairy discussion group members took the opportunity to pause their regular meetings and to take part in the *Our Farm, Our Plan* program. The first workshop held in February had eight businesses attend, and importantly the combined business partners, to explore who they are, what they want to achieve and how they are going to make it happen. Sharing their experiences and plans with each other was a great way to tackle this often-forgotten task.

Developed by Dairy Australia, with support from Gardiner Dairy Foundation and DairyNZ, *Our Farm, Our Plan* is designed to help farmers identify long term goals, improve business performance and manage volatility.

It helps put their big ideas down on paper and get everyone on the farm on the same page. Using a simple 'Now, Where, How, Review' planning process and providing one-on-one support for farmers over two years, it assists with putting their plan in place and into action.

## Dairy Farm Monitor Project

With support from DPIRD and the South West Development Commission, Western Dairy continued to collect farm financial and physical data from 25 farms to prepare the annual Dairy Farm Monitor benchmarking report for 2019/20. This critical document provides validated evidence of the performance of WA dairy farms and enables individuals to compare their own performance against similar systems. Importantly, it provides the rationale to support investment decisions in WA dairy.

The 2019/20 year experienced an improvement in business performance however it was still the second lowest performance since the inception of the project seven years ago. The income from milk lifted 4 per cent whilst the improvements in the export heifer and beef markets saw the livestock trading income lift 16 per cent, albeit a small component of overall income. Higher feed costs continued to rise, with the average concentrate price rising \$19/t DM to \$507/t DM. The earlier break to the season in autumn 2020 meant that less concentrate was used, as well as the reduced use due to higher imported costs.

In 2019/20, the average participant from the 25 businesses achieved a return on total assets of 3.9 per cent and a return of equity of 8.1 per cent. Milk price averaged 52.3 c/L and the average cost of production 52 c/L.

## Dairy Business Network

Two business discussion groups meet every six to eight weeks and are self-driven to open up and share their business learnings with each other. Each host farm discusses their physical and financial performance from the previous financial year. They also share their philosophies on resources management of land, labour and cows as well as what drives their business. Group members get a real insight into how each business runs and the opportunity to see firsthand the "real" performance of each different farm under the current season. They have the ability to interrogate each other's thoughts and philosophies and the outcomes of their efforts. As part of the regular meet they also discuss seasonal strategies and the daily marginal feed performance of each business.

The Vasse group moved into its second year of catchups and expanded with new members Ed Cox, Brad Boley and son Sam. This helped to develop momentum into a similar trusted network seen in the North group. With some of the younger managers in the industry and also larger herd sizes, this group has really tackled what they think the future of the industry is and consistently tackling the challenges of recruiting and managing staff as well as the realities of designing and implementing business policies and procedures.

## DBN North

Kim Gardiner, Anthony Commisso, Warrick Tyrrell, Matthew Brett, Michael Twomey, Dwayne Neill, Phil Depiazzi, Kevin Depiazzi, Michael Partridge, Victor Rodwell and Dale Hanks.

## DBN Vasse

Oscar Negus, Kieran Chapman, Garry Haddon, Scott and Sharon Hamilton, Wes and Sarah Lammie, Scott and Michelle Weldon, Steve and Brad Noakes, Edward Cox, Brad and Sam Boley.

### FOR FURTHER INFORMATION

Contact Western Dairy agribusiness consultant  
Kirk Reynolds, [krfarmingsolutions@gmail.com](mailto:krfarmingsolutions@gmail.com)







# ENVIRONMENT

## DairyCare

The DairyCare partnership between the Department of Water and Environmental Regulation (DWER) Regional Estuaries Initiative, Geocatch - Revitalising Geographie Waterways and Western Dairy concluded at 30 June 2021. With a minimum 50 per cent co-contribution from farmers, a total of \$1.97 million was invested in dairy effluent systems in WA by the end of the project.


The aim of the DairyCare project was to reduce the nutrient footprint from dairy farm effluent by working with up to 60 dairy farms to drive awareness and provide guidance to improve effluent management on farm. Part of this project was to also review and re-launch the existing *Code of Practice for Dairy Shed Effluent WA* to reflect changing farming systems and new technologies.

## Capital Upgrades

The DairyCare project has achieved substantial improvements to effluent management systems on 31 farms across the target catchments. The improvements comprised water saving technologies such as Dungbuster® Yard Wash and effluent recycling for yard wash, new and improved trafficable solids traps, mechanical separators, new storage pond construction and improved effluent application systems. These activities reduce the risk of nutrients leaving dairy farms and impacting water quality in environmental and community sensitive waterways. It is estimated they will capture and re-use 246t of Nitrogen, 51t of phosphorus, 112t of potassium per annum across all upgraded farms.

These upgraded effluent management systems will also help guide future effluent system design and encourage others to invest with confidence.

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**Achievements**  
31 Farmers upgraded their effluent system (Target 30)

## Effluent Management System Reviews

Effluent system reviews were performed on 65 dairy farms across Western Australia. A two-page report from Western Dairy gave farmers direction on areas of focus to meet the Code. It also provides a good assessment of current effluent systems to guide future projects.

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**Achievements**  
65 Effluent reviews completed (Target 60)

## Effluent Management Plans

Effluent management plans are a detailed report on technical recommendations for effluent management and a precursor to the on-farm upgrades. These plans are provided by qualified effluent system designers and provide farm-specific solutions to effluent management in consultation with farmers and service providers.

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**Achievements**  
37 Effluent management plans completed (Target 30)

## Code of Practice for Dairy Farm Effluent Management WA (2021)

The updated Code is providing guidance for farmers, processors, effluent designers and service providers on appropriate dairy effluent management. Western Dairy collaborated with DWER to seek input from key stakeholders through a staged consultation process over 2020 and 2021 which included a working group of farmers, local government and Western Dairy; a farmer survey seeking comment and a series of farmer meetings in February 2021 for a final review.

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**Achievements**  
Stakeholder and farmer consultation completed, and Code updated and released at WA Dairy Innovation Day 2021

## Healthy Estuaries WA

Following the success of DairyCare, Western Dairy and its partners DWER and Geocatch have committed to supporting the WA dairy industry in a new project over the next three years. The project will embed the new Code across the WA dairy industry including all stakeholders such as farmers, processors, local and state government departments. Western Dairy will provide support to farmers with effluent reviews and effluent management plans and all other technical advice. Western Dairy will help develop the business case for sound effluent management with focus farm sites looking at the value chain of catching and re-using the effluent on farm.

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**FOR FURTHER INFORMATION**  
Contact Western Dairy regional extension officer Dan Parnell, [dan.parnell@westerndairy.com.au](mailto:dan.parnell@westerndairy.com.au)

# DAIRY TRAINING PROGRAM

Western Dairy and South Regional TAFE (SRTAFE) continue to partner to deliver the Certificate III in Dairy Production and the Certificate IV in Agriculture to staff employed on dairy farms in Western Australia.

The certificate courses take around 12 months to complete and trainees are visited monthly by Western Dairy's training officer to support them in completing all units. Since the partnership began in 2016, a total of 45 trainees have completed either certificate.

The certificates have many benefits for the industry as they comprise on-farm skills training and knowledge training components. Staff completing the Certificate III should be confident and competent to effectively carry out most duties on a farm with the knowledge of why they are doing what they are doing. Staff completing the Certificate IV should understand the farm business at the operational management level and be able to contribute to the decision-making process. The Certificate IV is designed for those currently in management roles or who are looking to progress to the management level.

A positive outcome of 2020 was the introduction of a training incentive program by the WA Government in which training fees are considerably reduced and wage subsidies are offered to farmers taking on trainees. This support enabled 19 trainees to enrol in the program for 2021.

Feedback to date has been positive from the trainees and farmers who have appreciated the financial support and the value gained from the training. A three-year extension of Western Dairy's contract with SRTAFE until 31 March 2023 has also been welcomed, providing more certainty for the program partners and participants.

## Program benefits

- Farmers who encourage staff to consider enrolling for these courses demonstrate a commitment to their staff which is an important aspect of successful staff retention.
- The training program requires a closer cooperation between farmers and staff members which can strengthen their relationships.
- SRTAFE delivers the training through Western Dairy and employers are entitled to financial incentives and subsidies.
- Farmers are helping the industry as whole by developing skilled dairy workers and future managers.

## Graduate Placement Program

Western Dairy decided to go ahead with the second year of the Graduate Placement Program in 2021 despite the disruptions that Covid-19 posed during the roll-out period. Students completing their final year at the Harvey and Denmark agricultural colleges were given the opportunity to be employed as trainees on the Cert III program for a gap year. This would allow them to gain experience in the dairy industry to better prepare them for careers in agriculture. Ten farmers and three graduates participated in the program but unfortunately one trainee had to withdraw due to family reasons. Western Dairy has since engaged more high schools with the objective of recruiting more graduates into the program. Exposing more schools to the valuable professional and life opportunities that dairy can offer will help our industry compete with the agricultural sector and mining industry for talented graduates.

The training program continues to be an exciting and rewarding experience for dairy farmers in WA with more graduates than ever expressing interest in the 2022 intake. Please contact the Western Dairy training officer for further information.

## Cows Create Careers

Western Dairy staff participated in the annual Cows Create Careers program aimed at giving high school students in years 7–11 an insight into the WA dairy industry and the many career options available across the industry. Jess Andony and Rob La Grange visited three schools as industry advocates and discussed the students' experience of raising dairy calves at their schools for a short period. Two calves were donated by local dairy farmers so that the students could learn what is required to successfully rear calves.

Participating schools included Donnybrook District High School, Pemberton District High School, Manjimup Senior High School, Eaton Community School, Cornerstone Christian College, Busselton Senior High School, Georgiana Molloy Anglican School, and the WA College of Agriculture Harvey.

Industry ambassador and Narrikup farmer Bonnie Ravenhill also took part in delivering dairy lessons to primary school students across the country as part of Dairy Australia's new Virtual Classroom initiative. Dairy Australia is partnering with Kimberlin Education to live-stream curriculum-linked lessons delivered by qualified teachers and Australian dairy farmers. During eight 45-minute sessions, farmer Bonnie shared her knowledge and experience on topics such as dairy farm careers, dairy food production and nutrition, innovation and sustainability.



**FOR FURTHER INFORMATION**

Contact Rob la Grange,  
[rob.lagrange@westerndairy.com.au](mailto:rob.lagrange@westerndairy.com.au)

# COMMITTEE'S REPORT

The committee members present their report together with the financial report of Western Dairy Inc (the "association") for the year ended 30 June 2021 and auditor's report thereon.

## Committee member names

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

- Peter Evans (Chair November 2019 to present)
- Robin Lammie (Vice Chair November 2019 to present)
- Andrew Jenkins (Co opted Director to November 2018, Director to present)
- Scott Hamilton (Co-opted Director July 2019 to present)
- Nick Brasher (Director November 2018 to present)
- Bonnie Ravenhill (Co-opted Director November 2020, Director to present)
- Jenelle Bowles (Executive Officer from 16 March 2020 to 30 November 2020)
- Julianne Hill (Executive Officer from 29 March 2021 to present)

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

## Significant changes in state of affairs

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

## Principal activities

The principal activity of the association during the year was to organise projects by managing funds received in the best interest of WA dairy farmers.

## After balance data events

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

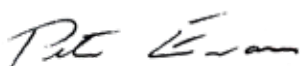
Except for the Coronavirus ('COVID-19') and subsequent government actions, the impacts of which on the Association cannot be determined at this time, there has been no matter or circumstance which has arisen since 30 June 2021 that has significantly affected or which may significantly affect:

- 1 The operations, in financial years subsequent to 30 June 2021 ;
- 2 The results of those operations; or
- 3 State of affairs, in financial years subsequent to 30 June 2021.

## Auditor's independence declaration

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

Signed on behalf of the members of the committee.



Peter Evans  
Chairperson



Nick Brasher  
Committee Member

Dated this 18th day of October 2021

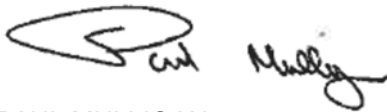
WESTERN DAIRY INC.  
ABN 42 316 849 846

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE MEMBERS OF WESTERN DAIRY INC.**

In relation to the independent audit of Western Dairy Inc. for the year ended 30 June 2021, to the best of my knowledge and belief there have been no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

Pitcher Partners BA&A PTY LTD

PITCHER PARTNERS BA&A PTY LTD



PAUL MULLIGAN  
Executive Director  
Perth, 18 October 2021

**Pitcher Partners BA&A Pty Ltd**

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# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2021

	Note	2021	2020
		\$	\$
<b>Revenue and other income</b>			
Revenue		1,227,251	1,348,203
<b>Total revenue</b>		<b>1,227,251</b>	<b>1,348,203</b>
<b>Less: expenses</b>			
Advertising expense		(3,883)	(1,018)
Consultant and contractor expenses		(953,663)	(1,033,450)
Depreciation expense		(676)	(4,251)
Meeting and seminars expenses		(78,748)	(94,296)
Occupancy expense		(13,955)	(16,172)
Other expenses		(91,123)	(88,509)
<b>Total expenses</b>		<b>(1,142,048)</b>	<b>(1,237,696)</b>
<b>Profit before income tax expense</b>		<b>85,203</b>	<b>110,507</b>
<b>Other comprehensive income for the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>85,203</b>	<b>110,507</b>

The accompanying notes form part of these financial statements.



# STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2021

	Note	2021	2020
		\$	\$
<b>Current assets</b>			
Cash and cash equivalents		816,647	1,342,607
Receivables	4	155,621	85,136
Other assets	5	12,780	-
<b>Total current assets</b>		<b>985,048</b>	<b>1,427,743</b>
<b>Non-current assets</b>			
Property, plant and equipment	6	5,730	6,406
<b>Total non-current assets</b>		<b>5,730</b>	<b>6,406</b>
<b>Total assets</b>		<b>990,778</b>	<b>1,434,149</b>
<b>Current liabilities</b>			
Payables	7	99,765	146,897
Other liabilities – Deferred income	8	6,161	487,604
<b>Total current liabilities</b>		<b>105,926</b>	<b>634,501</b>
<b>Total liabilities</b>		<b>105,926</b>	<b>634,501</b>
<b>Net assets</b>		<b>884,852</b>	<b>799,648</b>
<b>Members funds</b>			
Contributed capital		1,010	1,010
Accumulated surplus		883,842	798,638
<b>Total members funds</b>		<b>884,852</b>	<b>799,648</b>

The accompanying notes form part of these financial statements.

## STATEMENT OF CHANGES IN MEMBERS FUNDS

For the year ended 30 June 2021

	Contributed equity	Reserves	Retained earnings	Total equity
	\$	\$	\$	\$
<b>Balance as at 1 July 2019</b>	1,010	–	688,131	689,141
Profit/(loss) for the year	–	–	110,507	110,507
<b>Total comprehensive income for the year</b>	–	–	110,507	110,507
<b>Balance as at 1 July 2020</b>	1,010	–	798,639	799,649
Profit for the year	–	–	85,203	85,203
<b>Total comprehensive income for the year</b>	–	–	85,203	85,203
<b>Balance as at 30 June 2021</b>	1,010	–	883,842	884,852

The accompanying notes form part of these financial statements.

## STATEMENT OF CASH FLOWS

For the year ended 30 June 2021

	Note	2021	2020
		\$	\$
<b>Cash flow from operating activities</b>			
Receipts from customers		671,710	1,156,381
Payments to suppliers and employees		(1,201,284)	(1,168,505)
Interest received		3,614	4,624
<b>Net cash (used in)/provided by operating activities</b>	<b>3(b)</b>	<b>(525,960)</b>	<b>(7,500)</b>
<b>Reconciliation of cash</b>			
Cash at beginning of the financial year		1,342,607	1,350,107
Net (decrease)/increase in cash held		(525,960)	(7,500)
<b>Cash at end of financial year</b>	<b>3(a)</b>	<b>816,647</b>	<b>1,342,607</b>

Receipts from customers decreased in 30 June 2021 as a result of the timing and completion of certain grants/funding agreements which were received and/or completed in the 30 June 2020 financial year.

The accompanying notes form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

## 1 Statement of significant accounting policies

The committee has determined that the association is not a reporting entity on the basis that, in the opinion of the committee, there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy, specifically, all of their information needs. Accordingly, this financial report is a special purpose financial report, which has been prepared to satisfy the financial reporting requirements of the *Associations Incorporation Act 2015*.

The financial report covers Western Dairy Inc as an individual entity. Western Dairy Inc is an association, formed and domiciled in Australia. Western Dairy Inc is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the committee as at the date of the committees' report.

The financial report has been prepared in accordance with the *Associations Incorporation Act 2015*, the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of:

- AASB 101: Presentation of Financial Statements
- AASB 107: Statement of Cash Flows
- AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 1054: Australian Additional Disclosures

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

### (a) Basis of preparation of the financial report

#### Historical Cost Convention

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

### (b) New and revised accounting standards effective at 30 June 2021

The association has applied all new and revised Australian Accounting Standards that apply to annual reporting periods beginning on or after 1 July 2020 which did not result in any material impact.

### (c) Cash and cash equivalents

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

### (d) Comparatives

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

### (e) Goods and services tax (GST)

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

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

### (f) Contributions – grants and donations

A non-reciprocal contribution or grant is recognised when the entity obtains control of the contribution or grant and it is probable that the economic benefits will flow to the entity, and the amount of the contribution or grant can be measured reliably.

If conditions attached to the contribution or grant that must be satisfied before the entity is eligible to receive the contribution, recognition of contribution or income is deferred until those conditions are met

### (g) Property, plant and equipment

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

#### Plant and equipment

Plant and equipment is measured on the cost basis.

#### Depreciation

Land is not depreciated. The depreciable amount of all other property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with

the estimated consumption of the economic benefits embodied in the asset.

<b>Class of fixed asset</b>	Plant and equipment at cost
<b>Depreciation rates</b>	8–33%
<b>Depreciation basis</b>	Diminishing value

## (h) Revenue from contracts with customers

The association derives revenue from contributions including grants, sponsorship and donations. Revenue is recognised as, or when, goods or services are transferred to the customer, and is measured at an amount that reflects the consideration to which the association expects to be entitled in exchange for the goods or services.

The association has applied AASB 15 Revenue from Contracts with Customers (AASB 15) and AASB 1058 Income of Not-for-Profit Entities (AASB 1058).

### Contributed assets

The association receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138.)

On initial recognition of an asset, the association recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer).

The association recognises income immediately in profit or loss as the difference between initial carrying amount of the asset and the related amount.

### Operating grants, donations and bequests

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

When both these conditions are satisfied, the association:

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

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

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);

- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

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

### Capital Grant

When the association receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The association recognises income in profit or loss when or as the association satisfies its obligations under the terms of the grant.

### Interest Income

Interest income is recognised using the effective interest method.

## 2 Accounting standards issued but not yet effective

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the association.

The association has decided not to early adopt any of these new and amended pronouncements. The association's assessment of the new and amended pronouncements that are relevant to the association but applicable in future reporting periods is set out below.

- *AASB 1060: General Purpose Financial Statements Simplified Disclosures for ForProfit and NotforProfit Tier 2 Entities (applicable for annual reporting periods commencing on or after 1 July 2021);*
- *AASB 2014-10: Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture, AASB 2015-10: Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and AASB 2017-5: Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections (applicable for annual reporting periods commencing on or after 1 January 2022);*
- *AASB 2018-6: Amendments to Australian Accounting Standards – Definition of a Business (applicable for annual reporting periods commencing on or after 1 January 2020);*

- AASB 2018-7: Amendments to Australian Accounting Standards – Definition of Material (applicable for annual reporting periods commencing on or after 1 January 2020);
- AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework (applicable for annual reporting periods commencing on or after 1 January 2020);
- AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform (applicable for annual reporting periods commencing on or after 1 January 2020);
- AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia (applicable for annual reporting periods commencing on or after 1 January 2020);
- AASB 2020-1: Amendments to Australian Accounting Standards Classification of Liabilities as Current or Noncurrent (applicable for annual reporting periods commencing on or after 1 January 2022);
- AASB 2020-3 Amendments to Australian Accounting Standards Annual Improvements 2018 – 2020 and Other Amendments (applicable for annual reporting periods commencing on or after 1 January 2022); and
- AASB 2020-4: Amendments to Australian Accounting Standards Covid19Related Rent Concessions (applicable for annual reporting periods commencing on or after 1 June 2020)

The Board members of the association has not yet determined the likely impact of the initial application of this standard on its financial statements.

### 3 Cash flow information

#### (a) Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2021	2020
	\$	\$
Cash on hand	816,647	1,342,607
	816,647	1,342,607

#### (b) Reconciliation of cash flow from operations with profit after income tax

	2021	2020
	\$	\$
(Loss)/profit from ordinary activities after income tax	85,203	110,507
<b>Adjustments and non cash items</b>		
Depreciation	676	4,251
<b>Changes in operating assets and liabilities</b>		
(Increase)/decrease in receivables	(70,485)	19,718
(Increase)/decrease in other assets	(12,780)	104,962
Increase/(decrease) in payables	(528,574)	(246,938)
<b>Cash flows from operating activities</b>	<b>(525,960)</b>	<b>(7,500)</b>

## 4 Receivables

	2021	2020
	\$	\$
<b>Current</b>		
Receivables from contracts with customers	80,254	53,798
Other receivables	75,367	31,338
	<b>155,621</b>	<b>85,136</b>

## 5 Other assets

	2021	2020
	\$	\$
<b>Current</b>		
Prepayments	12,780	-

## 6 Property, plant and equipment

	2021	2020
	\$	\$
<b>Plant and equipment</b>		
Plant and equipment at cost	24,862	24,862
Accumulated depreciation	(19,132)	(18,456)
<b>Total property, plant and equipment</b>	<b>5,730</b>	<b>6,406</b>

## 7 Payables

	2021	2020
	\$	\$
<b>Current</b>		
<i>Unsecured liabilities</i>		
Trade creditors	27,658	88,221
GST credits	29,798	28,300
Accrued expenses	-	(575)
Other current liabilities		
	<b>99,765</b>	<b>146,897</b>

## 8 Other liabilities

	2021	2020
	\$	\$
<b>Current</b>		
Grants received in advance	6,161	487,604

## Grants received in advance

The above amount relates to grant income received to which the Association has not yet completed all conditions attached to the contribution or grant that must be satisfied before the Association is eligible to receive the contribution. As such the recognition of the contribution or income is deferred until those conditions are met.

## 9 Events subsequent to reporting date

Except for the Coronavirus ('COVID-19') and subsequent government actions, the impacts of which on the Association cannot be determined at this time, there has been no matter or circumstance, which has arisen since 30 June 2021 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2021, of the association;
- (b) the results of those operations;
- (c) the state of affairs, in financial years subsequent to 30 June 2021, of the association.

## 10 Association details

The registered office of the association is:

Western Dairy Inc  
PO Box 668  
DENMARK WA 6333

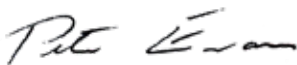
# STATEMENT BY MEMBERS OF THE COMMITTEE

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

In the opinion of the committee the financial report as set out on pages 22–29:

- 1 Presents fairly the financial position of Western Dairy Inc as at 30 June 2021 and performance for the year ended on that date.
- 2 At the date of this statement, there are reasonable grounds to believe that Western Dairy Inc will be able to pay its debts as and when they become due and payable.

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



Peter Evans  
Chairperson



Nick Brasher  
Committee Member

Dated this 18th day of October 2021

**WESTERN DAIRY INC.  
ABN 42 316 849 846**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF WESTERN DAIRY INC.**

**Report on the Audit of the Financial Report**

*Opinion*

We have audited the financial report, being a special purpose financial report of Western Dairy Inc, "the Association", which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in members funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by members of the committee.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Association as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with the financial reporting requirements of Associations Incorporation Act 2015.

*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 Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) "the Code" that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

*Emphasis of Matter - Basis of Accounting*

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Western Dairy Inc to meet the requirements of the Associations Incorporation Act 2015. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter

*Other Information*

The directors are responsible for the other information. The other information comprises the information included in the Committee's 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.

**Pitcher Partners BA&A Pty Ltd**

An independent Western Australian Company ABN 76 601 361 095.  
Level 11, 12-14 The Esplanade, Perth WA 6000  
Registered Audit Company Number 467435.  
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**WESTERN DAIRY INC.  
ABN 42 316 849 846**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF WESTERN DAIRY INC.**

*Responsibilities of Management and Those Charged with Governance for the Financial Report*

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

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

*Auditor's Responsibilities for the Audit of the Financial Report*

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

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

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

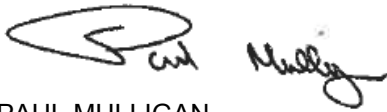
WESTERN DAIRY INC.  
ABN 42 316 849 846

INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF WESTERN DAIRY INC.

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

Pitcher Partners BA&A PTY LTD

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PAUL MULLIGAN  
Executive Director  
Perth, 18 October 2021

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