

DAIRYSA ANNUAL REPORT

2020/21





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To deliver regionally focused, farmer driven, practical activities to support profitability and sustainability for dairy farms.

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A MESSAGE FROM THE CHAIR

The 2020 season delivered a good average autumn. Useful summer rains followed by a normal Anzac opening provided above average autumn feed in most areas. To complement this, the June milk price negotiations showed strong demand and competitive pricing. This built on from a strong season and pricing and with this positive longer-term outlook, farmer confidence lifted.

Like managing the weather, our challenges in this past year once again came from forces outside our control, with the continuation of COVID-19 and the restrictions that impacted on the way we work. In the face of these obstacles the DairySA team delivered 65 events engaging over 1050 farmers across a range of disciplines.

Throughout FY20/21 the DairySA team continued to support farmers with a range of business tools and programs including the Farm Business Snapshot tool which provides a foundation for the dairy budgeting tool Dairybase. The 'Our Farm Our Plan' program forms the centrepiece of these resources, assisting in developing business plans for long term sustainability.

In the Central region, the team led Calf Care workshops, blended (online and face to face) Farm Business Fundamentals, and Discussion days including pH mapping trial findings at Jerois and the Lime trial mapping findings at Meningie, amongst others.

The South East region hosted Smarter Irrigation for Profit 2 on-farm follow-ups, a Non-replacement Calf workshop with Sarah Bolton and a Safety and People Day.

DairySA worked together with the SADA Industry Fund and Bestons Global Food to deliver health and wellbeing activities in our programs from funding to delivery such as the Health & Wellbeing program. We were fortunate to secure inspirational speaker, NZ based **Tangaroa Walker**, at the Central Conference, held two successful DairySA Ladies Lunches, held end of year functions in each region, and worked collaboratively to promote the ifarmwell program. We look forward to continuing our commitment to Health & Wellbeing through this funding next year.

Our highly anticipated DairySA Central Conference was one of the last major events held in March at Victor Harbor prior to the unfolding challenges of COVID-19. After a slight hiccup, the DairySA team was able to return to a 'new normal' over the next couple of months, with increasing traction of return to face to face discussion groups, field days and workshops. In May and June, circumstances in Victoria created a challenge for presenting the DairySA Innovation Day in Mt Gambier – with many of the speakers coming from interstate – and it was decided that by postponing the Day to just under two months later it would create the best chance to maximise attendance, engagement and return on investment for dairyfarmers and service providers. Sadly this was not to be, with the Committee making the difficult decision to cancel the event completely, as SA entered its third lockdown.

In May we welcomed Alberta Badu-Yeboah to the DairySA team, to provide extension activities and drive discussion groups in the South East in conjunction with Cathy Ashby. Alberta most recently has been working in Research and Extension in the Cocoa industry in Ghana and has joined her husband in Australia where she is very much looking forward to working in the Agriculture field and transferring her extension experience into the dairy industry.

After 17 years on the DairySA Board – seven of those in the role of Chair – I will be stepping away from the Board at the AGM in October.

With a positive outlook for the industry, a settled DairySA Team and a continued strong focus on deliverables for farmers, I believe it is a good time to refresh the Chair. It will provide an opportunity for fresh ideas, renewed vigour and continual improvement, which have been the hallmark of the Board.

In my time on the DairySA Board I have always felt that DairySA has a strong and valued voice in the Dairy Australia landscape. The Regional Delivery Program structure that links our regional voice not only with our national body but with other regions is powerful and unique to dairy. I am confident that DairySA will continue to take full advantage of this structure to deliver value to levy payers.

My thanks to the DairySA team for their commitment and drive to deliver research, development and extension for SA dairyfarmers in what has been a 'stop start' year for traditional approaches to engagement. The team has shown adaptability, creativity and new ways of working which together with farmers' capacity to adapt to these changes has resulted in an exciting future of reimagining the way we do business.

Special thanks to the Board who remain committed to ensuring DairySA has farm profitability at its core, and whose skills, dedication and enthusiasm for a healthy dairy industry has made it a pleasure to be part of for seventeen years.

I have confidence that the Board will continue to steer the team with strength and focus, providing excellent return on investment for farmers across the state. I wish the incoming Chair and Board all the best for the future.



Michael Connor

Michael Connor Chairman, DairySA





OUR ROLE

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

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

SOME ROLES OF DAIRYSA INCLUDE:

Providing funding for research, development, education and extension (RDE&E) activities in SA

Developing projects and workshops based on dairy farmers' feedback (what they want, when they want it)

Managing specific RDEandE projects for South Australian dairy farmers

Coordinating dairy farmers' events

Seeking leverage funds to ensure the dairy service levy is maximised in South Australia.

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

OUR REGION

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

There are 198 dairy farms in South Australia, clustered across three production areas – the Mid North (Barossa & districts), Central region (Adelaide Hills, Fleurieu Peninsula, Murray Swamps & Meningie Lakes), and the South East (Upper & Lower South East).

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

The industry produced 499.11 million litres of milk from around 198 dairy (cow) farms during 2020-21, an increase of 1.25% on 2019-20 production.

During 2020-21 cow dairy farm numbers decreased by 3.9%, from 206 at 30 June 2020 to 198 as at 30 June 2021.

While the number of farms has decreased, the average herd size continues a gradual increase – 349 milking cows/farm in 2020-2021 compared to 337 in 2019-20.

In South Australia, 15% of farms have 100 or less milking cows, 65% have between 101 and 500 cows, 17% have between 501 and 1000 cows, and 3% have a herd size greater than 1000.

SA dairy farm numbers by region



Table 1 SA Milk Production by region 2019/20 and 2020/21

Milk production	Mid North	Central	South East	Total
2019/20	17,095,270	196,475,874	279,386,842	492,957,986
2020/21	15,620,000	195,610,000	287,880,000	499,110,000
% increase/decrease	-1,475,270	-865,874	8,493,158	6,152,014
% of State	-8.63	-0.44	3.04	1.25

Source: DairySafe



OUR PEOPLE

OUR BOARD

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

They are:

- **Michael Connor**, Dairy Farmer, Chairperson
- **Andrew Cavill**, Dairy Farmer, Vice Chairperson
- **Michael Krichauff**, Dairy Farmer
- **Glenn Dohnt**, Dairy Farmer
- **Gary Zweck**, Dairy Farmer
- **Don Stolp**, Dairy Farmer
- **Bec Walmsley**, Dairy Farmer
- **Ben McHugh**, Dairy Farmer, SADA representative
- **Lauren Brinkmann**, Independent Director
- **Hamish Browning**, Independent Director
- **Melissa Hunter**, Executive Officer



Back (L to R): Don Stolp, Andrew Cavill, Bec Walmsley, Ben McHugh, Gary Zweck, Hamish Browning **Front (L to R):** Lauren Brinkmann, Michael Connor, Melissa Hunter, Glen Dohnt (Absent: Michael Krichauff)

OUR PEOPLE

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

They are:

- **Melissa Hunter**, Regional Manager
- **Kylie Boston**, Extension Officer (resigned Feb 2021)
- **Beck Burgess**, Extension Officer
- **Cathy Ashby**, Extension Officer
- **Alberta Badu-Yeboah**, Extension Officer (joined May 2021)
- **Katie Moorhouse**, Communications Coordinator
- **Anna Eddy**, Finance, Administration and Project Support

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



Back (L to R): Anna Eddy, Beck Burgess **Front (L to R):** Katie Moorhouse, Melissa Hunter, Cathy Ashby (Absent: Alberta Badu-Yeboah)

WHAT WE DO – A SNAP SHOT

2020/2021 saw DairySA drive 65 research, development and extension activities engaging over 1,050 dairy farmers and industry members. From a DairySA perspective, the slight reduction in total extension engagement of 1,056 down from 1,155 on the previous year signalled a continuation of the 'old and new' ways of doing business in response to COVID-19, with a 'stop start' ability to do in person extension activities due to the restrictions and uncertainty around holding face to face workshops. This resulted in only one Conference held in early March 2021 – instead of the traditional two – some Dairy Discussion Groups cancelled and a move over to virtual workshops.

Despite these challenges, over twenty Dairy Discussion Groups were held – engaging 241 farmers – with groups encompassing Mt Torrens, Mt Jagged, Myponga, Myponga DairyBase, River & Lakes, Barossa Mid-North, the TRAC Discussion Group and TRAC Young Farmers Discussion Group. Other State-wide accessible online activities included a Discussion Group on Feedbase & Nutrition, and Webinars on topics including Renewable Energy for farmers, Animal Health and Welfare, Farm Business Analysis and Getting the Most from your Accounting program.

A full day / evening Young Dairy Network Forum was held at Tailem Bend in March 2021, engaging over 30 young dairy farmers and other industry members.

A highly successful Nutrition Fundamentals course attracted strong numbers (36) in both Langhorne Creek and Mt Gambier, with a Calf Rearing Day in Myponga seeing just under 30 farmers participate.

FY21 saw the second year of DairySA's participation in a three year, national 'Smarter Irrigation for Profit2' project which will capture data over three irrigation seasons at sites located across the seven Australian mainland dairy regions – with two being in South Australia's Mt Compass and Mt Gambier. It focusses on the key driver 'What's my yield gap? Maximising water productivity', using the latest soil moisture technology and cost-effective management practices with an aim to increase irrigation production and profit, with the results to benefit many dairyfarmers. A regular irrigation report – dubbed the SIP2 Update (Smarter Irrigation for Profit) was – and will continue to be – prepared and sent out widely on a weekly basis. Twenty farmers and Service Providers are participating in the project, set to benefit hundreds of others. Five SIP2 workshops and field visits were held, engaging over thirty attendees.



2021 DairySA Central Conference

As part of DairySA's Wellbeing program, over ninety women enjoyed a 'DairySA Ladies Lunch' late in the year at two separate locations in the Central and South East regions. The popular End of Year Community Gatherings – encompassing the regions of Barossa & Mid North, River & Lakes, Fleurieu and Mt Gambier – saw 140 farmers attend.

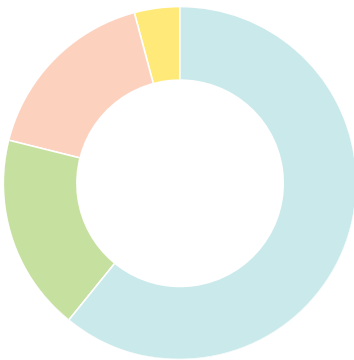
In early March 156 farmers and service providers (capped due to restrictions, with 10 online streamed attendees) attend the highly successful Central Conference at McCracken Estate Victor Harbor, and the Central Conference Dinner was enjoyed by 104 farmers, Service Providers and Sponsors.

OUR FUNDING

In 2020/2021 Dairy Australia allocated \$430,000 in core funding to DairySA and an additional \$128,000 allocated from Dairy Australia program delivery in South Australia.

DairySA continued to work with partners to develop and deliver programs to maximise investment into the dairy industry in South Australia. An additional \$123,000 in external funding was leveraged. The DairySA Board continued to support investment into programs such as Farm Business Management.

2020/21 Funding Split



DA core funding	61%
DA other funding	18%
External funding	17%
Reserves	4%

TOTAL INVESTMENT IN DAIRY RELATED PROGRAMS THROUGH DAIRYSA TOTALLED:

\$601,000



DAIRYSA PROJECTS – 2020/2021

Project	Funding Source/s	Project Overview
Animal Health programs	Dairy Australia DairySA	Includes Dairy Australia farm production workshops such as Animal Management, Healthy Hooves, Rearing Healthy Calves, Milking & Mastitis Management, Cups on Cups Off.
Farm Business Management	DairySA Dairy Australia	Promotion, delivery and support of 'Our Farm Our Plan', 'Farm Fitness Checklist', farm business workshops including Dairy Farm Fundamentals & Analysis, and 'Get more out of your Accounting Program'
DairySA Comms – print, electronic & social	DairySA & projects	A range of targeted communication activities to engage the SA dairy farm community. Communication channels used include print, electronic and social media.
DairySA Discussion Groups	DairySA, contractors and group members	DairySA supports discussion groups across the state through co-funding coordination and group activities. These groups are farmer-driven and the group sets the topics/agendas and plans on an annual basis. Coordinators provide the framework and process for successful group interaction and learning.
Dairy Base & Dairy Farm Monitor Project	Dairy Australia	An annual collection of on-farm data that provides farmers, service providers and the industry at large a qualitative set of farm-level data that is recognised as independent and objective. 18 SA farms involved. Annual regional report collated and disseminated.
Central Conference and DairySA Innovation Day	DairySA and sponsors	The 2021 DairySA Central Conference featured topics including Robotics and 'Big Tech' with Nico Lyons, Investing in Farm with Nigel Pannett, Regenerative Ag with Lorraine Gordon, a Panel discussion, a farm case study from Otway Milk, and inspirational NZ dairyfarmer and 'dairy industry influencer' Tangorua Walker - Farm4Life. The event was another great opportunity for the SA dairy industry to learn about new opportunities and innovations and connect with their colleagues and friends. DairySA Innovation was not undertaken due to Covid-19 Restrictions
Farm Safety Kits and Workshops	Dairy Australia	The Farm Safety Kits and resources have continued in SA providing relevant and industry tailored information on safe practices for dairy farms, also encompassed in the 'Safety, Employment & Hiring' Workshops.
DairySA Ladies Lunches	DairySA	DairySA provided two Ladies Lunches (one in each major region) as part of its commitment to farmer wellbeing.
pH Mapping Lakes District	DairySA SAMDB NRM Board	Grant funding provided by Natural Resources SAMDB to undertake a demonstration of the Veris pH mapper. A Lime trial mapping and a Maize (raised beds) trial funded by Murray Darling Basin Authority / LandscapeSA was also undertaken.

Project	Funding Source/s	Project Overview
Nutrition Fundamentals	Dairy Australia	A course which teaches participants the basics of ruminant nutrition, including an understanding of feed quality, how a cow digests the different nutritional components of feed, how to compare bought-in feed on a cost per unit of nutrient basis and feed budgeting.
Smarter Irrigation for Profit 2	Dairy Australia	SIP2 aims to realise potential gains in water productivity, energy efficiency and farm profitability. There are 2 sites in South Australia - Mount Compass and Mount Gambier.
Training - accredited courses	TAFE/RST	Cups on Cups Off, Artificial Insemination, Operating machinery (quad bikes & chainsaws) undertaken through training providers to the dairy industry with support from Dairy Australia.
Wellbeing and Community Support	DairySA SADA Industry Fund Beston Global Food	In partnership with the South Australian Dairy Industry Fund & Beston's Global Food Company DairySA has integrated health and well-being activities into its programs. This includes farmer access to counselling services, inspirational speakers at events, and the popular ladies lunches and end of year farmer get togethers.
Workforce Development	Dairy Australia	This project that provides focused support for the use and adoption of the ESKi and The People in Dairy tools. Project activities include ESKi folder promotion & dissemination; one-to-one ESKi on-farm follow-ups; People Focus Discussion Groups.
Workshops, forums, tours and sponsorship	Dairy Australia DairySA	Workshops, forums and tours are coordinated on an as needs basis. The topics and/or destinations are based on feedback, interest and input from the dairy farm community.
Young Dairy Network SA	DairySA	YDN SA is a state-wide network established by DairySA to deliver information and activities of relevance to young people in the SA dairy farming community. A YDN Forum was held at Tailem Bend in March 2021.

FINANCIAL REPORT

INCOME AND EXPENDITURE STATEMENT FOR YEAR ENDED 30 JUNE 2021

	Notes	2021	2020
		\$	\$
Income			
Consulting fees			
Total Dairy Australia income		521,440	526,008
Project funds		35,869	45,000
DWLBC/NRM Board		21,413	8,000
Sponsorship income		45,400	20,750
Farmer registration fees		20,899	22,458
Interest received		296	1,822
Reimbursements (DA and Other)		56,915	53,587
Total income		702,232	677,625
Expenses			
Accommodation fees		384	2,144
Advertising		6,775	5,251
Auditor's remuneration		5,576	5,524
Bank charges		418	446
Consultancy fees		156,477	193,173
Catering		4,860	3,849
Fees, licences and subscriptions		601	-
Attendance fees		29,726	34,685
Insurance		6,438	6,535
Office expenses		2,331	2,041
Payroll expenses		283,937	371,909
Postage, printing and stationery		14,190	14,116
Professional development		30	803
Project operating expenses		1,485	11,748
Conferences and workshops		72,483	71,332
Travelling expenses		23,585	27,092
Total expenditure		609,296	750,648
Profit (Loss) from ordinary activities		92,936	(73,023)

The accompanying notes form part of the financial statements

BALANCE SHEET

FOR YEAR ENDED 30 JUNE 2021

	Notes	2021	2020
		\$	\$
Current assets			
Cash			
ANZ Business extra account		129,772	30,583
Rabo Plus account		203,532	203,254
Total cash		333,304	233,837
Receivables			
Trade debtors		24,920	8,864
Total receivables		24,920	8,864
Total current assets		358,224	242,701
Total assets		358,224	242,701
Current liabilities			
Creditors and borrowings			
Accruals		9,055	328
GST paid/collected		7,428	(4,286)
Credit cards		2,068	(78)
Total creditors and borrowings		18,551	(4,036)
Total current liabilities		18,551	(4,036)
Total liabilities		18,551	(4,036)
Net assets		339,673	246,737
Members funds			
Retained profits	2	339,673	246,737
Total members funds		339,673	246,737

The accompanying notes form part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

Note 1 Statement of Significant Accounting Policies

The financial statements are a special purpose financial report prepared for use by members of the Association. The Board have determined that the Association is not a reporting entity and therefore there is no requirement to apply Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board in the preparation and presentation of these financial statements.

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

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

(a) Income Tax

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

(b) Goods and Services Tax

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

Receivables and Payables are recognised inclusive of GST.

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

Note 2 Retained Profits

	2021	2020
As at 30 June 2021	\$	\$
Retained profits at the beginning of the financial year	246,737	319,760
Net profit (loss) attributable to members	92,936	(73,023)
Net retained profits	339,673	246,737

STATEMENT BY MEMBERS OF THE BOARD

The Board 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 Board the financial report as set out on pages 12 to 13:

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

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



Michael Connor
Chairperson

Dated this 2nd day of August 2021

BOARD REPORT

Your Board members submit the financial report of Dairy SA Regional Development Program Inc for the financial year ended 30 June 2021.

Board Members

The names of Board members throughout the financial year and at the date of this report are:
M Connor, G Dohnt, M Krichauff, G Zweck, B McHugh, H Browning, A Cavill, R Walmsley, L Brinkmann and D Stolp.

Principal Activities

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

Significant Changes

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

Operating Result

The operating result from the association's activities was a surplus of \$92,936

Related Party Transactions

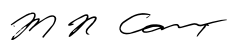
In accordance with section 35(5) of the Associations Incorporation Act 1985, the Board of Dairy SA Regional Development Program Inc hereby states that during the financial year ended 30 June 2021:

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

After Balance Date Events

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

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



Michael Connor
Chairperson

Dated this 27th day of August 2021

AUDITORS INDEPENDENCE DECLARATION

I declare that to the best of my knowledge and belief, in relation to the audit of Dairy SA Regional Development Program Inc. for the year ended 30 June 2021 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Associations Incorporation Act 1985 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

GALPINS ACCOUNTANTS, AUDITORS AND BUSINESS CONSULTANTS



Simon Smith
Partner

Dated this 19th day of August 2021

INDEPENDENT AUDITOR'S REPORT

Galpins

Accountants, Auditors
& Business Consultants

David Chant CA, FCPA
Simon Smith CA, FCPA
David Sullivan CA, CPA
Jason Seldel CA
Renaë Nicholson CA
Tim Muhlhauser CA
Aaron Coonan CA
Luke Williams CA, CPA
Daniel Moon CA



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under Professional Standards Legislation

INDEPENDENT AUDITOR'S REPORT

To the members of Dairy SA Regional Development Program Inc.

Report on the Audit of the Financial Report

Audit Opinion

We have audited the accompanying financial report, being a special purpose financial report, of Dairy SA Regional Development Program Inc. (the Association), which comprises the statement of financial position as at 30 June 2021, statement of comprehensive income, for the year then ended, notes comprising a summary of significant accounting policies and the certification by the members of the Board on the annual statements presenting fairly the financial position and performance of the Association.

In our opinion, the accompanying financial report of the Association presents fairly, in all material respects, the financial position of the Association as at 30 June 2021, and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the *Associations Incorporation Act SA 1985*.

Basis for Audit 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, and we have 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 and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report is a special purpose financial report that has been prepared to assist the Association to meet the requirements of the *Associations Incorporation Act SA 1985*. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Association and should not be distributed to or used by parties other than the Association. Our opinion is not modified in respect of this matter.

Responsibility of the Board for the Financial Report

The Board are responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the *Associations Incorporation Act SA 1985* and is appropriate to meet the needs of the members. The Board's responsibility also includes such internal control as the Board 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.

Galpins

Accountants, Auditors
& Business Consultants

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Simon Smith CA, FCPA
David Sullivan CA, CPA
Jason Seidel CA
Renaë Nicholson CA
Tim Muhlhauser CA
Aaron Coonan CA
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In preparing the financial report, The Board are 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 the Board either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association'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 Association 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.

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.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Simon Smith CA, CPA, Registered Company Auditor
Partner

30/08/2021

OUR THANKS

DairySA gratefully acknowledges the support of the following organisations:

- Dairy Australia
- South Australian Dairyfarmers' Association
- South Australian Dairy Industry Fund
- DairySafe South Australia
- Government of South Australia
Primary Industries and Regions SA
- Landscapes South Australia Murraylands
and Riverland and Limestone Coast
- Beston Global Foods



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