

# DAIRYSA ANNUAL REPORT

2021/22



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# A MESSAGE FROM THE CHAIR

The 2021/22 season provided challenges from a farming perspective, with a dry spring and very late autumn break. In the south-east, it was the driest year on record – hard to believe when the east coast was so wet. These dry conditions meant a lot of us went into winter with very low feed reserves.

With milk prices at record levels, it is hard to imagine a better time to be a dairy farmer – although there are some challenges on the input cost front. Plus, Foot-and-mouth disease and Lumpy Skin disease have us all on the edge of our seat, with strong awareness being our best defence.

COVID-19 has become a lesser issue for us over the last 12 months, with only small interruptions from time to time while we learn to live with it. Our processors and service providers need to be acknowledged for the minimal disruption to milk collection, while at times suffering severe staff shortages due to COVID. It is an example of their commitment to deliver for their farmers.

DairySA delivered two very well attended Conferences in both the Central and South-east regions. At Murray Bridge, a great line up of speakers for the day meant there was something for everyone to take home congratulations to the organising committee.

The long-awaited return of Innovation Day in June was a great success; albeit with some nervousness by all involved after missing two years due to COVID. An informative line up of speakers and a very relaxed dinner was held, and it was proof that everyone was pleased to be together again in-person.

Our Farm, Our Plan has been rolled out to around 50 farmers across the state. Facilitated by Beck Burgess, this has been a valuable tool to those farmers planning for their future.

Health and wellbeing is an ongoing service that DairySA should be proud of with a number of people using the free counselling service when needed, and the ever-popular ladies lunch providing vital social interaction for our farming ladies.

Cathy Ashby has finalised the Smarter Irrigation for Profit trials and delivered a number of workshops, including the return of Feeding Pastures for Profit. Alberta Badu-Yeboah is growing in confidence and has had some great People in Dairy days that were well-attended.

DairySA has continued to work well with other industry partners at a local and national level. The Board had a successful joint meeting with the South Australian Dairyfarmers' Association Board (SADA) in February, and this ongoing relationship should result in some great outcomes for South Australian dairy farmers.

DairySA Regional Manager Melissa Hunter, Andrew Curtis, SADA, and Geoff Raven, DairySafe, continue their fortnightly meetings, reinforcing the productive relationships that are in the South Australian dairy industry. This is something we all should be proud of.

It has been a challenging year for Melissa on the staffing front, with some key members leaving putting pressure on the delivery of programs at times.

I congratulate her on the way she has handled that. I also would like to thank the staff that have departed for all their efforts over the years. Cathy and Alberta have continued to grow in their roles, and we look forward to new staff joining us in 2022/23.

On the personal front, it has been a very busy but rewarding year. I have spent two weeks in New South Wales providing wellbeing support for flood affected farmers as well as being involved in ongoing discussions with all eight chairs on the future of Regional Development Programs (RDPs), participating in Levy Poll activities and taking on the role of DairySA Chair.

I thank the Board for its support as I've navigated the new role. I have appreciated your wise counsel and feel very fortunate that we have a committed Board with a wide range of skills and ideas. It has been a pleasure to be your chair this year.

I thank Michael Connor for his time as Chair and his ongoing advice over the past year. DairySA should be proud of its place in the South Australian industry. The organisation is well-connected to Dairy Australia and the rest of the RDPs, and will continue to strengthen these good relationships.

DairySA remains committed to focusing on its core objectives in delivering research, development and extension to ensure the South Australian dairy industry will remain sustainable well into the future.



A handwritten signature in black ink that reads "Andrew Cavill".

**Andrew Cavill** DairySA Chair

## OUR ROLE

DairySA is one of eight Regional Development Programs funded by Dairy Australia and the dairy service levy. DairySA exemplifies the dairy services levy at work at a local level.

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

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

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

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Managing specific RDE&E projects for South Australian dairy farmers

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Coordinating dairy farmers' events

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

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



# OUR REGION

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

There are 181 dairy farms in South Australia, clustered across three production areas – the Mid North (Barossa and districts), Central Region (Adelaide Hills, Fleurieu Peninsula, Murray Swamps and Meningie Lakes), and the South-east (upper and lower south-east).

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

The industry produced 497 million litres of milk from around 181 dairy (cow) farms during 2021/22, a decrease of 0.3 per cent on 2020/21 production.

During 2021/22, cow dairy farm numbers decreased by 8.6 per cent, from 198 at the year ending 30 June 2020 to 181 at the year ending 30 June 2021.

While the number of farms has decreased, the average herd size continues a gradual increase – 374 milking cows/farm in 2021/22 compared to 349 in 2020/21.

In South Australia, 14 per cent of farms have 100 or less milking cows, 66 per cent have between 101 and 500 cows, 16 per cent have between 501 and 1,000 cows and four per cent have a herd size greater than 1,000.

## SA dairy farm numbers by region

2021/22



2020/21



2019/20



2018/19



**Table 1** SA milk production by region 2019/20 and 2020/21

Milk production	Mid North	Central	South-east	Total
2021/22	242,283,65	182,679,852	290,853,541	497,761,758
2020/21	15,620,000	195,610,000	287,880,000	499,110,000
2019/20	17,095,270	196,475,874	279,386,842	492,957,986
2018/19	17,381,936	217,875,238	254,026,177	489,283,351
2021/22 increase/decrease (%)	8,608,365	-12,930,148	2,973,541	-1,348,242
% of state	55.11	-6.61	1.03	-0.27

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.



**Andrew Cavill**  
Dairy farmer  
Chair



**Brad Fischer**  
Dairy Farmer



**Glenn Dohnt**  
Dairy farmer  
Deputy Chair



**Ben McHugh**  
Dairy farmer



**Michael Krichauff**  
Dairy farmer



**Lauren Brinkmann**  
Independent  
Director



**Gary Zweck**  
Dairy farmer



**Hamish Browning**  
Independent  
Director



**Don Stolz**  
Dairy farmer



**Melissa Hunter**  
Executive  
Officer

## 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
- **Katie Moorhouse** Extension Officer (finished June 2022)
- **Beck Burgess**, Extension Officer (finished May 2022)
- **Cathy Ashby**, Extension Officer
- **Patricia Eats** Extension Officer (December 2021 to May 2022)
- **Alberta Badu-Yeboah**, Extension Officer
- **Anna Eddy** Finance, Administration and Project Support (finished December 2021)

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



L to R Katie Moorhouse, Melissa Hunter, Patricia Eats, Alberta Badu Yeboah, Beck Burgess and Cathy Ashby

# WHAT WE DO

## A SNAP SHOT

2021/22 saw DairySA deliver 63 research, development and extension activities that engaged over 800 dairy farmers, service providers and industry members.

Over 20 Discussion Group meetings were held with groups encompassing Mount Torrens, Mount Jagged, Myponga, Myponga DairyBase, River and Lakes, Barossa Mid North, the TRAC Discussion Group and TRAC Young Farmers Discussion Group.

A combined Dairy Discussion group refresher on AI techniques using sexed semen was well-attended with an opportunity for participants to interact outside of their districts.

It was exciting to have international speakers back. We welcomed Dr Nollaig Heffernan to South Australia when she conducted workshops in both the South-east and Central regions, and delivered an engaging presentation at the Central Conference. Nollaig's insights on organisation, communicating and influencing and how to become an employer of choice gave participants actions to take away to implement in their own businesses.

Collaboration with SADA enabled DairySA to receive funding through the National Drought Farm Business Resilience Program. This allowed us to focus on Farm Business Management, with Beck Burgess coordinating Our Farm, Our Plan workshops across the state. Fifty-three dairy farmers have increased their knowledge and skills in farm business resilience and developed farm business plans. Six rounds of workshop were held, and there were 40 one-on-one sessions undertaken with participants. Twenty-six dairy farms completed the farm business checklist, with three completing the business snapshot and four were involved in farm business fundamentals.

2021/22 saw the last year of DairySA's participation in the national 'Smarter Irrigation for Profit2' (SIP2) project, which captured data over three irrigation seasons at sites located across the seven Australian mainland dairy regions – with two situated in South Australia's Mount Compass and Mount Gambier regions.

It focused on the key driver 'What's my yield gap? Maximising water productivity', using the latest soil moisture technology and cost-effective management practices. A regular irrigation report – dubbed the SIP2 Update – was prepared and sent out widely on a weekly basis. Twenty farmers and service providers are participating in the project, and learnings from the project will be utilised next irrigation season.

As part of DairySA's Wellbeing Program, 70 women enjoyed a 'DairySA Ladies Lunch' at two separate locations in the Central and South-east regions. The popular end of year community gatherings – encompassing the regions of Barossa and Mid North, River and Lakes, Fleurieu and South-east – saw 135 farmers attend.

The Central Conference was held in Murray Bridge in March, with 170 farmers and service providers attending. Topics included industry insights, succession planning and wise investment decisions, technology and managing stress.

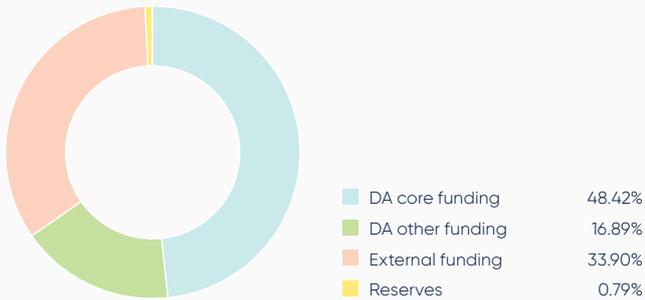
It was fantastic to have Dairy Innovation Day back after a two-year COVID-related hiatus. It was held in Mount Gambier on World Milk Day, which was 1 June. Over 170 delegates heard about the latest in genomics and the DairyBio program, along with data and genetics, driving community support for dairy, the First 100 days project and Our Farm, Our Plan.

A group of 25 farmers went on a tour to Murray Dairy for the Raising the Roof intensive dairy feeding and housing event. This two-day event was attended by 225 people from across Australia, and it enabled participants to get an up-close experience of feeding and housing infrastructure.

## OUR FUNDING

In 2021/22, Dairy Australia allocated \$492,960 in funding to DairySA for core funding and 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 \$395,263 in external funding was leveraged. The DairySA Board continued to support investment into programs such as Farm Business Management.

### 2021/22 funding split



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Total investment in dairy related programs through DairySA totalled

**\$698,760**



# DAIRYSA PROJECTS

2021/22

Project	Funding source/s	Project overview
<b>Animal Health programs</b>	Dairy Australia DairySA	Includes Dairy Australia farm production workshops such as Animal Management, Healthy Hooves, Rearing Healthy Calves, Milking and Mastitis Management, Cups on Cups Off.
<b>Farm Business Management</b>	DairySA Dairy Australia	Promotion, delivery and support of 'Our Farm, Our Plan', 'Farm Fitness Checklist', farm business workshops including Dairy Farm Fundamentals and getting more out of your accounting program.
<b>DairySA Communications – print, electronic and social</b>	DairySA and projects	A range of targeted communication activities to engage the SA dairy farm community. Communication channels used include print, electronic and social media.
<b>DairySA Discussion Groups</b>	DairySA, 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.
<b>Dairy Base and Dairy Farm Monitor Project</b>	Dairy Australia	An annual collection of on-farm data that provides farmers, service providers and the industry at large a qualitative set of farm-level data that is recognised as independent and objective. Seventeen SA farms were involved. Annual regional report collated and disseminated.
<b>Central Conference and DairySA Innovation Day</b>	DairySA and sponsors	The 2022 DairySA Central Conference and Dairy Innovation Day are great opportunities for the SA dairy industry to learn about new opportunities and innovations and connect with their colleagues and friends. DairySA values the contribution of the Sponsors who support these events and make it an affordable for delegates.
<b>Farm Safety Kits and workshops</b>	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 and Hiring' workshops.
<b>Feeding Pastures for Profit</b>	DairySA SE NRM Board	The FFPF program aims to provide farmers with the skills and tools to achieve the profitable balance between home grown feed harvest and supplement use.
<b>DairySA Ladies Lunches</b>	DairySA	DairySA provided two ladies lunches (one in each major region) as part of its commitment to farmer wellbeing.
<b>Adelaide Hills Legume Demonstration Sites (after fire)</b>	DairySA Rural Solutions	Supports three small demonstration sites, at three locations within the Cudlee Creek fire scar to grow non-traditional legumes. The demonstration aims to show that non-traditional legumes within the region can aid in improving soil structure after fire and improving both pasture quality and production within the Adelaide Hills.

<b>Project</b>	<b>Funding source/s</b>	<b>Project overview</b>
<b>Smarter Irrigation for Profit 2 (SIP2)</b>	Dairy Australia	SIP2 aims to realise potential gains in water productivity, energy efficiency and farm profitability. There are two sites in South Australia – Mount Compass and Mount Gambier.
<b>Training – accredited courses</b>	TAFE	Cups on Cups Off, Artificial Insemination, operating machinery (quad bikes and chainsaws) undertaken through training providers to the dairy industry with support from Dairy Australia.
<b>Wellbeing and community support</b>	DairySA SADA Industry Fund	In partnership with the South Australian Dairy Industry Fund and Beston's Global Food Company, DairySA has integrated health and wellbeing 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.
<b>Workforce development</b>	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 and dissemination; one-to-one ESKi on-farm follow-ups; People focus discussion groups.
<b>Workshops, forums, tours and sponsorship</b>	Dairy Australia DairySA	Workshops, forums and tours are coordinated on an as needs basis. The topics and/or destinations are based on feedback, interest and input from the dairy farm community.
<b>Young Dairy Network SA</b>	DairySA	YDN SA is a state-wide network established by DairySA to deliver information and activities of relevance to young people in the SA dairy farming community. A YDN Forum was held at Tailem Bend in March 2021.

# FINANCIAL REPORT

## Income and expenditure statement

For year ended 30 June 2022

	Notes	2022	2021
		\$	\$
<b>Income</b>			
Dairy Australia income		492,960	521,440
Project funds		321,870	35,869
Government grants		9,091	21,413
Sponsorship income		39,969	45,400
Interest received		27	296
Other income		24,306	77,814
<b>Total income</b>		<b>888,223</b>	<b>702,232</b>
<b>Expenses</b>			
Administration expenses		18,066	16,521
Advertising		5,068	6,775
Auditor's remuneration		5,500	5,576
Bank charges		75	418
Board costs		20,971	29,726
Conferences and workshops		26,360	72,483
Consultancy fees		95,786	156,477
Insurance		3,390	6,438
Meeting expenses		8,720	5,244
Payroll expenses		411,136	283,937
Project operating expenses		67,389	2,116
Travelling expenses		30,726	23,585
Other expenses		5,573	–
<b>Total expenditure</b>		<b>698,760</b>	<b>609,296</b>
<b>Profit/(Loss) from ordinary activities</b>		<b>189,463</b>	<b>92,936</b>

*The accompanying notes form part of the financial statements*

## Balance sheet

As at 30 June 2022

	Notes	2022	2021
		\$	\$
<b>Current assets</b>			
<b>Cash</b>			
ANZ Business Extra account		84,160	129,772
Rabo Plus account		203,560	203,532
<b>Total cash</b>		<b>287,720</b>	<b>333,304</b>
<b>Other current assets</b>			
Trade debtors		262,165	24,920
Prepayments		3,311	–
<b>Total receivables</b>		<b>265,476</b>	<b>24,920</b>
<b>Total current assets</b>		<b>553,196</b>	<b>358,224</b>
<b>Total assets</b>		<b>553,196</b>	<b>358,224</b>
<b>Current liabilities</b>			
<b>Creditors and borrowings</b>			
Accounts payable		2,860	–
Accruals		14,151	9,055
GST (receivable)/payable		1,398	7,428
Credit cards		4,551	2,068
Revenue received in advance		1,100	–
<b>Total creditors and borrowings</b>		<b>24,060</b>	<b>18,551</b>
<b>Total current liabilities</b>		<b>24,060</b>	<b>18,551</b>
<b>Total liabilities</b>		<b>24,060</b>	<b>18,551</b>
<b>Net assets</b>		<b>529,136</b>	<b>339,673</b>
<b>Members funds</b>			
Retained profits	2	339,673	246,737
<b>Total members funds</b>		<b>339,673</b>	<b>246,737</b>

The accompanying notes form part of the financial statements

# NOTES TO THE FINANCIAL STATEMENTS

For year ended 30 June 2022

## 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

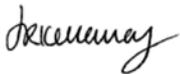
	2022	2021
	\$	\$
Retained profits at the beginning of the financial year	339,673	246,737
Net profit (loss) attributable to members	189,463	92,936
<b>Net retained profits</b>	<b>529,136</b>	<b>339,673</b>

# 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 2022 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**



Jessica Kellaway  
Director

**Dated this 6th day of September 2022**

## 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 15:

- 1 Presents fairly the financial position of Dairy SA Regional Development Program Inc. as at 30 June 2022 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:



Andrew Cavill  
Chair

**Dated this 6th day of September 2022**

# BOARD REPORT

Your Board members submit the financial report of Dairy SA Regional Development Program Inc. for the financial year ended 30 June 2022..

## Board Members

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

A Cavill, M Connor, B McHugh, B Walmsley, M Hunter, G Zweck, H Browning, G Dohnt, L Brinkmann, D Stolp, M Krichauff and B Fischer

## 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 \$189,463 (2021: \$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 2022:

- 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.



Andrew Cavill  
Chair

Dated this 6th day of September 2022

# INDEPENDENT AUDITOR'S REPORT

**Galpins**

Accountants, Auditors  
& Business Consultants



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## 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 2022, 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 2022, 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.

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**



**Jessica Kellaway** CA, CPA, Registered Company Auditor

Director

06/09/2022

## OUR THANKS

DairySA gratefully acknowledges the support of the following organisations:

- Dairy Australia
- South Australian Dairyfarmers' Association
- South Australian Dairy Industry Fund
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