



Western Dairy Annual Report

2022/23

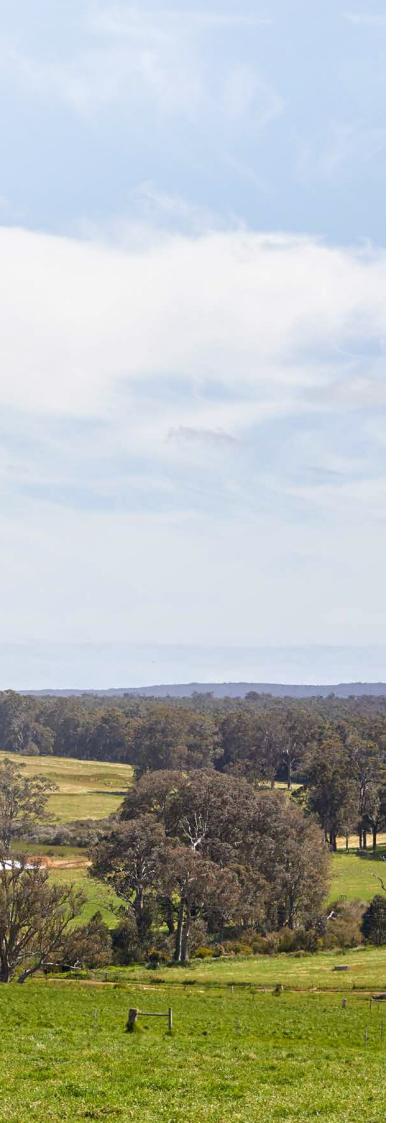


Acknowledgement of Country

Western Dairy acknowledges the traditional custodians of the land on which we work and live, and recognise their continuing connection to land, water and community.

Western Dairy wishes to acknowledge and respect their continuing culture and contribution they make to the life of Western Australia.





Contents

About Western Dairy	
Vision	2
Our region	2
Industry snapshot	3
Chair's report	Ę
Our board	(
Our team	-
Regional manager's report	8
Research and development	10
Claying by incorporation trials Pasture Trial Network (PTN)	10 13
Extension and communications	14
Climate and environment	20
People	22
Financials	29

About Western Dairy

Western Dairy is one of eight Regional Development Programs throughout the nation's key dairy areas and operates under the auspices of Dairy Australia.

A not-for-profit association that receives funding predominantly through the dairy service levy with matched investment by the Australian Government, Western Dairy serves 112 Western Australian dairy businesses through research, development, and extension. It does so with an unwavering commitment to ensuring the sustainability of Western Australia's dairy industry.

Western Dairy also attracts external funding from sources such as the Department of Primary Industries and Regional Development (DPIRD), South Regional TAFE and Healthy Estuaries WA to assist in its delivery of key projects to benefit industry.

The organisation is overseen by a board of directors, the majority of which are dairy farmers, and is led by a Regional Manager supported by a small, highly skilled team.

Through its activities and investment, Western Dairy seeks to add value to dairy farmers and their businesses with a focus on productivity, profitability and growth.

Vision

A thriving and responsible Western Australian dairy community.

Our region

Extending as far north as Byford, inland to Nannup and south to Albany, Western Australia's dairying region is geographically isolated from the rest of the nation.

The region experiences a Mediterranean climate of hot, dry summers and cool, wet winters. It is home to some of the largest herd sizes in the country, which operate on predominantly pasture-based systems with total mixed ration utilised over the drier months.

Most of the state's dairy businesses are concentrated in the Harvey and Augusta-Margaret River shires, approximately two to three hours from main processing facilities located in the capital, Perth.

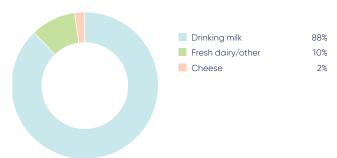
Western Australia is a white-milk market, feeding its own population with some export to neighbouring international markets such as South East Asia.

Dairy manufacturing and farm sub-regions 2022/23



Source: Dairy Australia.

WA milk utilisation 2022/23



Source: Dairy Australia, *estimates are involved in calculations of cheese and Fresh dairy/Other categories.

Western Australian Industry Snapshot 2022/23

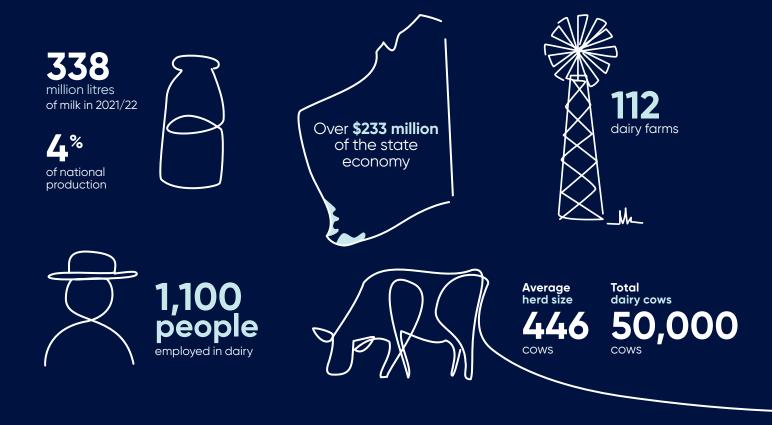


Table 1 Western Australia – key data 2022/23

Indicator	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18
Volume (litre)	338,365,800	340,630,046	361,928,718	364,299,660	374,401,618	385,448,491
Farmgate value (¢/litre)	69.02	55.14	53.76	52.28	50.17	49.87
Value generated by milk production (\$)	233,526,448	187,827,683	194,568,781	190,442,252	187,824,991	192,233,005

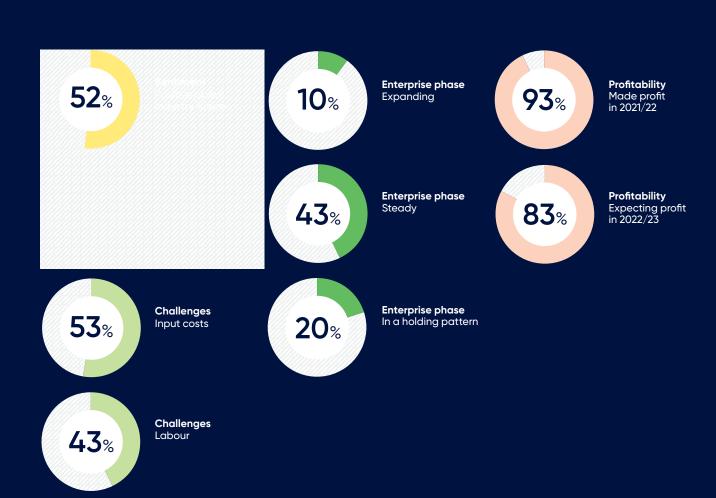
⁽p) = provisional data

The 'average' Western Australian farm

Approximate herd size	453
Approximate production per cow	6,760 litres
Average tonnes fed per cow per year	2.2 tonnes

Current herd size and production





Chair's report

Western Australian dairy has continued to 'ride the wave' in 2022/23, experiencing a profitable year counterbalanced against the rising cost of key farm inputs and a competitive labour market.

As Chair of the Western Dairy Board and a dairy farmer myself, the increase in farmgate milk price in early 2022 was welcomed given the increase in price of fertiliser, fuel, and labour.

The outlook in WA dairying remains fairly positive, with some businesses investing in the future by embracing new technologies and others looking to consolidate their enterprise.

Milk production for 2022/23 was slightly down on previous years (as with most dairying regions); however, WA's contribution to national production remains consistent at four per cent. This is an admirable achievement given labour shortages against a rising average herd size.

Dairy, as with most agricultural industries, continues to experience a tumultuous labour market. Dairy Australia's workforce attraction campaign was launched in October 2022 and continues to be a work-in-progress with initiatives such as the Dairy Farm Jobs Board going live in February 2023. Western Dairy continues to make its own unique impact in this space with its continued partnership with South Regional TAFE to deliver its dairy traineeship program – the only one of its kind in Australia. In addition, the WA Young Dairy Network continues to foster the next generation of dairy farmers with educational and networking opportunities.

The past year has also been marked with threats to biosecurity, with Foot-and-Mouth disease (FMD) and Lumpy Skin Disease on our doorstep in Indonesia. Both Dairy Australia and Western Dairy have been incredibly proactive in this space, including the enormously popular FMD information session that was added onto the 2022 Western Dairy Business Breakfast, webinars and biosecurity signs provided to all farms.

Western Dairy continues its involvement in the Western Australian Dairy Industry Working Group (WADIWG), exploring and discussing the options for the state's dairy industry with a 'whole supply chain' approach to sustainability, best practice, social license,

and profitability. Western Dairy is supportive of WADIWG and its deliverables as they align with our Charter and Annual Operating Plan.

2022/23 saw a 'changing of the guard' in the Western Dairy team with Julianne Hill vacating the Regional Manager role in October 2022. She was replaced with the very capable Jo Saunders in November. Shortly after her commencement, Jo ably led our annual Spring Forum and Annual General Meeting on 30 November.

It was at this event where I was fortunate to be re-elected for a second term to the Western Dairy Board and reappointed as Chair for a third year. Joining the Board also was former co-opted Director Bonnie Ravenhill in her first term, replacing the retiring Peter Evans. I wish to sincerely thank Peter for his many years of service to the Board and his commitment to the industry.

Dairy Australia and Western Dairy are acutely aware of maximising value to levy players through its research, development, and extension activities. This has been at the forefront of planning given the decrease in levy funds resulting from a slight drop in national milk production. Navigating against this backdrop, the Western Dairy Board and team remain committed to delivering the high level of service, extension, and projects that WA farmers have come to expect.

As Chair, I'm focused on engagement and highly value relationships – with our farmers, other regions and Dairy Australia. The Board and Western Dairy team are dedicated to a 'farmer first' approach, and actively encourage ongoing dialogue with farmers. We exist to support and nurture dairying in Western Australia, and I sincerely thank farmers for their efforts over the past year. I look forward to continued involvement with this great industry.



Robin Lammie Chair 2022/23

Our board



Robin runs a 650-cow dairy in Busselton in partnership with family. Aside from a long familial history of dairying, Robin has several business interests and previously owned and operated Bunbury Freight Services for 17 years.

Robin Lammie Chair Re-appointed 2022



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 Vice Chair Re-appointed 2021



Nick is a director and owner of Bunbury-based Farmwest, WA's only herd improvement data processing and distribution centre. He has a lifelong 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 Board.

Nick Brasher Director Re-appointed 2021



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 2020



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

Bonnie Ravenhill Director Appointed 2022

Visit westerndairy.com.au for a record of director meeting attendance.

Our team



Jo is a former dairy farmer, having managed dairy farms alongside her husband Nick in New Zealand before moving to Australia in 2011. Prior to joining Western Dairy in November, Jo was Chief Executive Officer at South West Community Care. Jo is currently completing a Bachelor of Commerce in Project Management at Edith Cowan University whilst leading the Western Dairy team in engaging and supporting WA's 112 dairy farm businesses.

Jo Saunders Regional Manager



Dan is an agronomist and manages the Healthy Estuaries WA 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, Feeding Pastures for Profit and Top Fodder programs.

Dan Parnell Regional Extension Officer



India coordinates Western Dairy's extension portfolio of events, engagement activities and workshops including the annual Dairy Innovation Day and the WA Young Dairy Network. She holds a Bachelor of Science (Anatomy and Human Biology) from the University of Western Australia and has worked on various dairy farms. India is passionate about animal health, calf-rearing, genetics and pasture management.

India Brockman Regional Extension Officer



Fiona is Western Dairy's Training Officer. Fiona holds a Bachelor of Science in Agriculture (Hons) from the University of Western Australia and a Masters in Philosophy (Animal Nutrition) from Murdoch University. Her areas of interest include grazing management and ruminant nutrition, which she incorporates into the delivery of the Certificate III and IV in Agriculture (Dairy Production) undertaken by Western Dairy trainees in partnership with South Regional TAFE.

Fiona Jones Training Officer



Gemma leads Western Dairy's workforce development activities, supporting dairy farmers across a range of human resource and safety issues. Through her work, Gemma creates events and engagement around Dairy Australia resources and programs and is passionate about creating a positive image of dairy while supporting the WA dairy community through capability development.

Gemma Longford Regional Extension Officer



Cathy works across South Australia and Western Australia delivering support to farmers with climaterelated extension activities and projects. She holds a Bachelor of Science (Marine and Freshwater) from Deakin University. Cathy is currently leading the Australian Dairy Carbon Calculator pilot project in partnership with the Western Australian Dairy Industry Working Group (WADIWG) to support WA dairy farmers with understanding their greenhouse gas emissions at an individual farm scale.

Cathy Ashby Regional Climate Adaptation Lead



Rebecca is a communications and community relations professional with significant experience in media and the mining sector. She is a qualified lawyer and holds a Bachelor of Laws and Bachelor of Arts (Mass Communication) from Murdoch University. Rebecca ensures WA's dairying community are adequately informed, engaged and entertained across Western Dairy's various communication channels.

Rebecca Zappia Communications Officer

Regional manager's report

In October 2022, I commenced as Regional Manager of Western Dairy and have been warmly welcomed into the role by the Board, team, and broader West Australian dairying community. I am incredibly grateful for this, and I am enjoying being part of the industry once again.

From a purely economic standpoint, the past year has been a positive one for WA dairy farmers with record-high farmgate prices given for their milk. The average herd size has increased by 15 head to 446, with the total number of dairy cows remaining stable at 50,000. The West continues to deliver four per cent to national production, whilst injecting over \$233 million to the state economy. There remains stiff competition amongst processors come June – evidence that Australia's milk consumption remains one of the strongest in the world.

I have been fortunate as Regional Manager to inherit a high-achieving team dedicated to the betterment of our state's dairy industry with a clear focus on putting farmers first. This was demonstrated to me at my first Western Dairy event – Spring Forum – in November 2022.

The organisation and execution of the event by the Western Dairy team was impeccable; however, I was yet to view the full extent of their abilities until our 23rd Dairy Innovation Day took place on 11 May.

In conjunction with our host farm, Ravenhill Pastoral based in Narrikup, the Western Dairy team delivered an exceptional Dairy Innovation Day. With close to 300 attendees, the day showcased the business operations of host farmers Ken and Bonnie Ravenhill, featured insightful guest speakers, and included a tour of the state's only 100-stand rotary. Special thanks must go to Ken, Bonnie and the entire Ravenhill Pastoral team, Regional Extension Officer India Brockman for her thorough planning and coordination of the day, and Communications Officer Rebecca Zappia who ensured it got ample publicity in the media.

Western Dairy's partnership with Healthy Estuaries WA has seen Dan Parnell continue to deliver best practice support to farmers, reviewing effluent plans and assessing future opportunities to continue to reduce nutrient loss off dairy farms and improve the water quality of our estuaries.



Dairy Training Officer Fiona Jones has been busy travelling between farms supporting our record intake of trainees for 2022/23. Our partnership with South Regional TAFE to deliver the training program has been in place since 2016 and continues to go from strength to strength. I wish to take this opportunity to congratulate those trainees who completed their Certificate III or IV in Agriculture over this past year and to Fiona for her tireless efforts.

The relaxed COVID-19 restrictions have relieved the industry's workforce challenges. This has enabled Gemma Longford, Regional Extension Officer, to focus on proactive steps to assist in securing and retaining a stable workforce for our farmers via the workforce attraction project.

In August 2022, Cathy Ashby joined the Western Dairy team as Regional Climate Adaptation Lead. Cathy's invaluable knowledge of the Australian Dairy Carbon Calculator and its benefit to farmers led to the launch of a WA-specific pilot at Dairy Innovation Day. The pilot aims to achieve a minimum of 80 per cent of the total WA milk pool having their greenhouse gas emissions baselined by July 2024.

This is a positive step forward to the Australian dairy industry's collective commitment to meeting its 2030 emissions targets.

Over the year, Western Dairy has been supported by several external consultants in the delivery of our research and extension activities. I wish to thank these consultants for their ongoing support and look forward to their continued involvement.

Finally, my sincere thanks to the directors of the Western Dairy Board. All five directors are approachable and committed to the sustainability of WA dairy - and for that the entire industry benefits. From a personal perspective, a special thanks to Chair, Robin Lammie, whose support during my first year in the role has been most appreciated.

Wishing you all the best for a successful year ahead.



Jo Saunders Regional Manager



Research and development

Claying by incorporation trials

The Western Dairy claying by incorporation trials are examining the novel use of clay amelioration to improve pasture production on sandy and low fertile soils in the South Coast and South West regions of WA.

The trial methodology is based around varying clay rates and incorporation to determine the best strategy for maximising pasture production, improving soil condition and nutrient use efficiency.

Incorporating clay into sandy soils also has the potential to reduce nutrient loss to waterways and the environment. The trials are supported by the State Government's Healthy Estuaries WA.

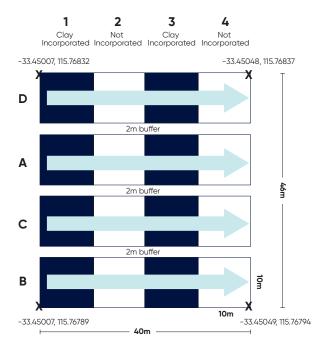
Trial sites

The trial sites at Boley's in Scott River and Jenkins in Denmark are now in their second year. The trial site at Twomey's in Dardanup is in its first year.

The favourable start to the 2023 growing season in the South West provided an opportunity to clean up grass weeds from the Scott River and Dardanup sites. Both were sprayed out and seeded to a ryegrass clover mix in mid-May. There has been slow growth since then due to the cool, overcast conditions experienced in June and July.

The Denmark site was sown to a mixed sword in April, although early feed production was slightly delayed with nettle, RLEM, and prolonged dry conditions following seeding.

Figure 1 Trial site design at Twomey's property in Dardanup





Results and discussion

Dry matter production

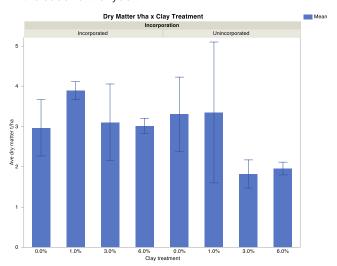
In Denmark and Scott River, where both sites are in their second year, germination was relatively uniform across each treatment regardless of the incorporation or clay rate.

Subsequent dry matter measurements show that addition of clay is having little to no observable influence over productivity even where incorporated.

As one of the benefits of clay amelioration is to alleviate non-wetting and improve plant establishment early in the growth period, it is unlikely a change will be observed in these trends as the season progresses. It should be noted these results do not mean that the clay has no positive influence for any season starts. If pastures are not sown into adequate soil moisture as they were this season, it is more likely that effects of non-wetting will be observed. Poor and uneven wetting up of non-wetting soils is likely in seasons where opening rains are later and lighter which will cause more problems for germination following seeding.

Growth appears to be mildly supressed where the higher clay rates were left on the surface (not incorporated). This is likely to be attributed to the heavier clay rates becoming a physical barrier to moisture penetration into the soil and/or germination (Figures 2 and 4).

Figure 2 Dry matter (t/ha) measured in the 0, 1, 3 and 6 per cent clay rate plots where clay was incorporated or left on the surface (unincorporated) at the Denmark site in the second trial year.



The first year incorporation effect seen at Denmark and Scott River is no longer evident at these sites this season. This effect was most likely due to stimulated biological activity, increased release of nitrogen from soil organic matter and, to a lesser extent, reduced soil compaction. With this effect subsiding, the true response to claying should become clearer in the coming years.

In contrast to the other two sites, the Dardanup site is not showing an increase in dry matter response to incorporation in its first year. This is possibly due to the increased decomposition of organic matter that occurs after incorporation causing microbial consumption of the plant available nitrogen, rather than an increase in plant available nitrogen as was likely in the other sites.

The lower organic matter and lower clover content of the pastures on the Dardanup site would have contributed to lower nitrogen from the organic matter mineralisation compared with the Denmark and Scott River sites. The Dardanup site also has had some early season nutritional deficiencies that will hopefully be overcome with the spring fertiliser application.

Figure 3 Overview of the clay trial site at Scott River, 21 August 2023



Figure 4 6 per cent clay incorporated (left) versus unincorporated (right) at Scott River, 1 August 2023





Soil test results

Second year soil tests for the Scott River site show the highly repellent topsoil (MED >3) has been reduced to being completely non-repellent (MED 0) with greater than 3 per cent clay treatment when incorporated (Table 1). The result was less effective when clay is left on the surface. However, this decrease in water repellence has not resulted in improved emergence rates or increased growth and is again due to the strong 2023 season break.

Soil results are also showing some significant improvements in phosphorus retention capabilities of the soil with Phosphorus Buffering Index (PBI) levels doubling with the addition of just 1 per cent clay. Free soil phosphorus (CaCl2 Extractable P) reduced in the surface 10 centimetres from greater than 4 mg/kg to less than 0.06 mg/kg as clay rates increased (Table 1). This reduces the loss of phosphorus through leaching. Free-P makes up part of the Colwell P that was not affected by the clay addition.

Table 1 Second year Scott River soil results of the 0-10cm incorporated plots showing MED, PBI, free-P (CaCl2 Extractable P) and Colwell P (average for plots)

Plot	Water Repellency (MED)	PBI	Free-P (0.01M CaCl ₂ Extractable P as mg/kg)	Colwell P (mg/kg)
A 0%	3	11.2	4.3	11
B 1%	2	26.5	1.0	6
C 3%	0	24.4	0.1	11
D 6%	0	20.1	0.06	9

Going Forward

Cool, overcast conditions have contributed to slow growth rates in the 2023 season so far. However, it is expected growth will improve come spring and potentially there will be some divergence between the treatments.

Visual assessments, pasture measurements and other relevant measurements will continue to be taken prior to each grazing. Compaction will be retested at field capacity in spring 2023.

Despite the lack of dry matter responses to claying at this stage of the season, soil indicators are showing some exciting, positive environmental gains.

Other gains that may flow onto production, such as improved retention of cations and water, are expected to take a few years to develop as these depend on the added clay helping to increase soil organic matter.

Given claying is a permanent amelioration technique, small gains in productivity that can be hard to measure in the field, depend on the season start or finish, or that are not deemed statistically significant, can result in both positive economic returns and long-term environmental gains.

FOR FURTHER INFORMATION

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Pasture Trial Network (PTN)

In 2022/23, Western Dairy supported independent ryegrass variety evaluations as the principal funder of the Pasture Trials Network (PTN) trial site in Busselton. Many thanks to the Haddon family for hosting the site, which is a silage block that produced good silage followed by hay yields in 2022.

The area selected for 2023 trial work was sprayed out after the 2022 silage cut to prevent seed set of the sown ryegrass.

Early opening rains of 46mm (11 to 14 April) with a follow up of 28mm on 25 April germinated weeds for a knockdown spray and seeding on 26 April.

Twelve annual ryegrass varieties have been sown - ten tetraploids and two diploids.

Fertiliser has been applied every three weeks at levels that exceed removal rates to ensure they are not limiting the genetic potential of each variety.

Samples were collected for feed quality analysis on the third cut and will be done again on the fifth cut allowing for an assessment of both yield and quality of each variety.

Average yields to date:

Date of cut	Average DM yield (kg/ha)	Growth (kg/ha/day)
14 June 2023	722	
27 July 2023	1733	39
23 August 2023	1701	65
Total to 23 Aug	4156	

Soil test results:

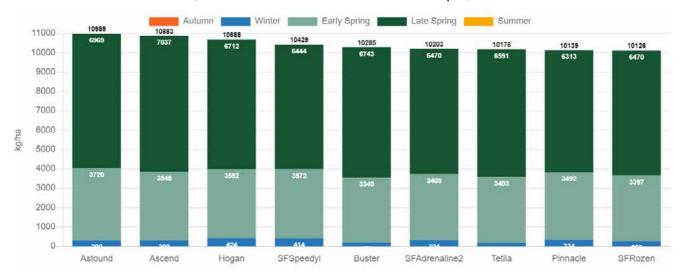
рН	PBI	P (mg/kg)	K (mg/kg)	S (mg/kg)	Organic C %
5.6	17.7	21	48	21.9	3.24



FOR FURTHER INFORMATION

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2022 Busselton PTN Trial results (for more information visit etools.mla.com.au/ptn)



Extension and communications

In 2022/23, the Western Dairy team delivered 48 extension workshops attracting over 950 attendees. These workshops were supplemented by involvement in various other industry events including career days and school visits.

Of particular interest to farmers this year was the newly revitalised and updated Milking and Mastitis Management (formerly known as Cups On, Cups Off) and Rearing Healthy Calves workshops. Incorporating practical components in the dairy and calf sheds on Day Two, the feedback from these workshops has been resoundingly positive and attendance has been above average for Western Australia. These workshops are intended to regularly feature in Western Dairy's extension activities for 2023/24.





Young Dairy Network



The Western Australian Young Dairy Network (YDN) provides opportunities for young people aged between 18 and 35 to develop their skills and create valuable connections within the dairy industry.

It continued to enjoy good support from young people within the WA dairy industry over 2022/23 and held three events, two of which had over 20 attendees.

In July 2022, three YDN members - Rebecca Gordon, Brendan Evans and Zac Bedggood-Skinner - received a scholarship bursary to attend the Victorian Study Tour through the WA YDN.

"I really enjoyed the trip, in particular Coomboona Farms. It was incredible to see a dairy on that scale," Rebecca Gordon, from Ravenhill Pastoral, said.

Zac Bedggood-Skinner, of Kerridge Farms, found the tour an enlightening experience.

"The opportunity to explore some of the most innovative and technically advanced facilities in Australia, from high-tech research facilities to different compost barns and free-stall solutions was incredible," he said.

"My favourite part of the tour would have to be the seeing the advances in dairy technology, this has given me hope and excitement for the future of the industry."

All three featured at the 2022 Western Dairy Spring Forum in November to discuss their experience. Brendan commented "It was an amazing opportunity to learn from some of the industry's leaders and form connections and friendships with other likeminded people".

In August 2022, the YDN visited Carenda Holsteins in Boyanup to learn from the two-time recipient of the Holstein Australia MasterBreeder Award, Ray Kitchen, just what to look for in dairy cow conformation and classification basics.

In February 2023, South Coast YDN members were treated to the popular national workshop 'Genomics at a Glance' with guest speaker Michael Rose from Farmwest. Attendees rated the event 9/10, with lots of discussion generated about ways to become involved in on-farm genomic selections in the future.

Victorian Study Tour



Rising interest in mitigation strategies for climate change have led many dairy farmers to consider investing in contained housing for their animals.

In May 2022, Dairy Australia conducted a 'Raising the Roof' tour of housed systems in the Murray irrigation district; however, due to timing and COVID-19 travel restrictions, most WA farmers were unable to attend. The decision was therefore made to facilitate a WA-specific tour to Victoria in July 2022 for interested farmers to investigate the applicability of housing systems to a West Australian climate.

A total of 12 Western Australian farmers and industry stakeholders embarked on the eight-day study tour to visit a number of Victoria's premier dairy research facilities and farms, including Ellinbank SmartFarm in Gippsland and Australia's largest milk producer, Coomboona Farms.

The tour provided attendees with the opportunity to learn more about Dairy Australia's research programs, DairyBio and Dairy Feedbase, as well as innovative dairy farming practices in the Murray Dairy region.

Dairy Innovation Day 2023



Dairy Innovation Day (DID) remains Western Dairy's flagship event and was generously hosted by Ken and Bonnie Ravenhill of Ravenhill Pastoral in Narrikup for 2023. Attracting over 300 attendees, the event again showcased the support the dairy industry has from farmers, service providers and the public alike.

With a return to a fully on-farm format, attendees enjoyed a vast display of machinery and trade stalls while also enjoying the opportunity to explore the in-depth details of the business operation, including a tour of the only 100-stand rotary in WA and floodwash effluent system.

To conclude DID 2023, a sold-out Pioneer Seeds Gala Dinner took place at the Albany Entertainment Centre to celebrate the industry and network with peers in a relaxed setting.

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

Tanker Drop and Dairy Digest

Western Dairy produces a localised monthly hard-copy newsletter delivered to dairy farmers via milk tankers. It shares upcoming events, industry information and Western Dairy updates. It was delivered a total of 11 times this financial year on the first Monday of each month.

Dairy Digest is the monthly electronic newsletter produced by Western Dairy. Its readership includes dairy farmers, service providers, industry stakeholders and the media. It is predominantly a 'click-through' publication where readers are encouraged to view more in-depth information on a website host. Dairy Digest was sent 11 times in financial year 2022/23, has a readership of over 200 mailable contacts and is published mid-month.

Social media

Western Dairy utilises two social media platforms – Facebook and X (formerly Twitter).

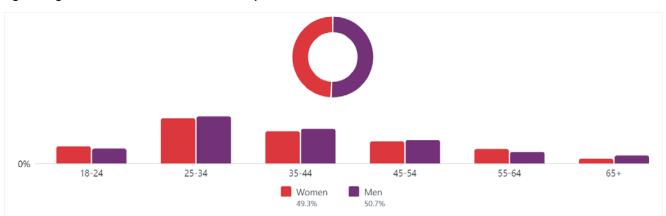
Over the financial year, Western Dairy's Facebook grew with 115 new page likes to have a total of 1,133 page likes. As at 30 June 2023, the platform had 1,490 followers. Of these followers, 49.3 per cent are female and 50.7 per cent are male, with most followers being between the ages of 25 to 34 years.

The Facebook page had over 14,000 visits in financial year 2022/23 – an increase of 420.2 per cent on the previous financial year. Almost 700 page visits occurred on Dairy Innovation Day alone.

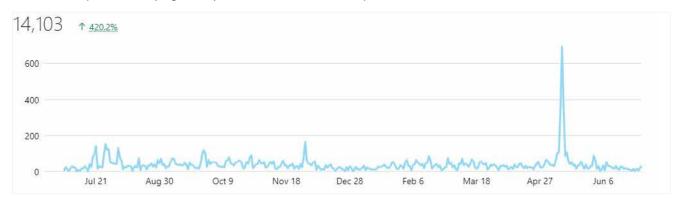
In 2022/23, Western Dairy's X platform gained 20 new followers to have a total of 327 current followers. On average, the X platform had nearly 1,500 impressions* per month.

*the number of times users saw the tweet on X/Twitter.

Age and gender breakdown of Western Dairy Facebook followers



Western Dairy Facebook page and profile visits over financial year 2022/23



Annual Report

Western Dairy produces an Annual Report detailing its activities, achievements and financial position. It is produced in time for distribution at Western Dairy's Spring Forum and often attracts media attention, in particular the WA Industry Snapshot.

Website

Western Dairy has its own website housed as a 'Regional Office' link on the Dairy Australia homepage.

The website provides profiles on the Western Dairy board and team, registration for extension activities, news articles and key reports.

In the media

Western Dairy works closely with the media to capture news about the WA dairy industry and community.

In financial year 2022/23, 15 media releases were issued by Western Dairy. Many of these media releases generated media coverage in print, radio and even television.

According to Isentia, Western Dairy was mentioned almost 100 times in the media this financial year.

Community engagement



In October 2022, Western Dairy took part in the first-ever Bunbury Big Freeze for Fight MND.

Known as the Western Dairy 'Cool Cows', Chair Robin Lammie and former Regional Manager Julianne Hill donned cow onesies (donated by The Candy Cow in Cowaramup) and slid into icy water to help freeze MND.

With support from a fundraiser coordinated by Farmwest at its 2022 Discovery, Western Dairy raised a total of \$4,042 – the second highest amount raised by those taking part in the Bunbury Big Freeze.

Significant media coverage was generated from Western Dairy's involvement including radio interviews on SEN Spirit and Triple M's Rural Focus program plus articles in local print media.

Western Dairy media appearances over financial year 2022/23



Folk flock to Narrikup Dairy Day

Western Dairy's Innovation event a winner

ID discuptions. st farmers Ken and Bonnie nhill own and operate Raven-Pastoral, the home of WA's 100-stand rotary dairy, which





Lammie returns to helm of dairy group

BUSSELTON dairy fa

farmer Vick: Fitzpatrick – both former Western Dairy

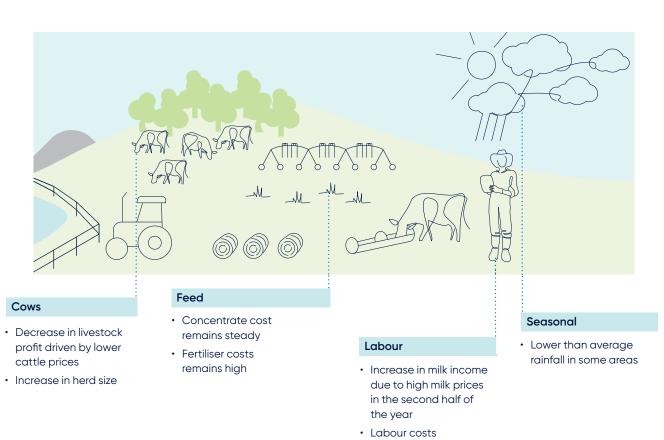
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Business performance

Dairy Farm Monitor Project 2022/23

Introduction

- The 2022/23 WA Dairy Farm Monitor Project surveyed 25 farms stretching from Harvey to Scott River and across to Denmark.
- This is the tenth year of the project, which aims to provide the WA dairy industry with valuable physical and financial performance data.
- The below infographic outlines initial trends from the 2022/23 data. Validated data from the project will be released at Spring Forum 2023 and made available at westerndairy.com.au.
- To participate in the 2023/24 WA Dairy Farm Monitor Project, contact Western Dairy Regional Manager Jo Saunders. E: jo.saunders@westerndairy.com.au M: 0437 324 242



remain high

Dairy Business Network (DBN)

In financial year 2022/23, the Dairy Business Network (DBN) continued to meet regularly to share business learnings with each other. There are two business groups – DBN North, facilitated by Kirk Reynolds, and DBN Vasse, facilitated by Sarah Lang.

Each meet rotates to a different host farm. The host farm outlines their physical and financial performance on the previous financial year. They also share their philosophies on resource management of land, labour and cows, as well as what drives their business.

Conversely, group members receive an insight into how each business runs and the opportunity to witness first-hand the 'real' performance of each different farm under the current season.

As part of each meet, members also discuss seasonal strategies and the daily marginal feed performance of each business. The support and discussion around current challenges, coupled with their current margin over feed calculation, helps provide confidence in decision making. Members can then opt to improve on a current practice or look to adopt new skills already tried-and-tested by a fellow member.

DBN North

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

DBN Vasse

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



Climate and environment

Australian Dairy Carbon Calculator (ADCC) WA pilot



In August 2022, Cathy Ashby joined Western Dairy as Regional Climate Adaptation Lead.

Cathy was tasked with increasing the uptake and support for farmers in understanding their greenhouse gas emissions using the industry's own Australian Dairy Carbon Calculator (ADCC).

The ADCC provides a breakdown of emissions sources so farmers can clearly identify where their emissions are being produced on-farm and compare that to a national average. From there, it is easier to identify what are the low-cost or no-cost actions that can be implemented onfarm to improve productivity and reduce emissions.

In late 2022, an opportunity presented itself to capitalise on the existing partnership between Western Dairy and the Western Australian Dairy Industry Working Group (WADIWG) to form a pilot ADCC project specific to Western Australia.

At Dairy Innovation Day 2023, Cathy launched the WA ADCC pilot, which aims to achieve a minimum of 80 per cent of the total milk pool having their emissions baselined by July 2024.

The WA pilot is the first step in the development and rollout of other extension programs nationally to improve the ease of use of the ADCC for dairy farmers. It will play an important role in identifying the barriers, developing solutions, and recording progress in adaptation and reduction strategies to ensure the industry can positively move towards meeting its 2030 emissions targets.

As at July 2022, 27 per cent of WA's milk pool already had their emissions baselined.

In 2023/24, Cathy along with consultants Sarah Lang and Steve Hossen, will work directly with farmers to collate their figures and calculate their emissions baseline for their farming enterprise using the ADCC.

By WA being the first state to have this large body of evidence, the WA dairy industry can demonstrate to consumers and government its commitment to producing nutritious food sustainably.

Dairy for Healthy Estuaries WA



The Dairy for Healthy Estuaries partnership project between the Department of Water and Environmental Regulation (DWER) and Western Dairy continued during 2022/23. The partnership is supported by Healthy Estuaries WA and Revitalising Geographe Waterways, both state government programs to protect and improve the health of seven key South West estuaries: Peel-Harvey Estuary, Leschenault Estuary, Vasse-Geographe waterways, Hardy Inlet, Wilson Inlet, Torbay Inlet and Oyster Harbour.

The aim of the Dairy for Healthy Estuaries effluent project is to reduce the nutrient footprint from dairy farm effluent by working with dairy farms to improve effluent management in line with the Code of Practice for Dairy Shed Effluent WA 2021 (the Code). This is achieved by supporting farmers to develop and implement plans to capture, treat and reuse effluent. This includes through support to develop effluent management plans, review of existing effluent systems, providing nutrient analyses of effluent samples, and funding for priority infrastructure upgrades.

Business case for effluent management

During 2022/23, Western Dairy continued to build the business case for effluent management with on-farm monitoring such as catch-can analysis of effluent applications, effluent nutrient testing and effluent application trials.

This culminated in the 'Developing a Business Case for Best Practice Effluent Management' report completed in June 2023. The analysis showed the return on effluent capital investments were excellent in a climate of high fertiliser prices and where nutrients were applied to parts of the farm where they had value. These returns became exceptional in the presence of milk price incentives or where other agronomic benefits such as irrigation potential could be achieved. During this process Western Dairy in partnership with DWER also developed a desktop tool which farmers, processors and financiers can use to assess the cost-benefit of effluent capital upgrades over time.

Effluent management system reviews

The Dairy for Healthy Estuaries effluent project continued to offer effluent system reviews to farmers in 2022/23.

Reviews comprise a short walk-through assessment of existing effluent management systems against the Code. The resulting two-page reports help identify priority areas for investment and can also be used for quality assurance programs with some processors.

Western Dairy has a milestone to perform 20 effluent management system reviews by December 2024. To date, effluent management system reviews have been conducted on nine farms.

Effluent management plans

Through Healthy Estuaries WA, Western Dairy continues to offer effluent management plans to dairy farmers. Effluent management plans provide a detailed report with technical recommendations for effluent management and are a pre-cursor to on-farm upgrades. These plans are produced by qualified effluent system designers and provide farm-specific solutions to effluent management in consultation with farmers and service providers.

Six effluent management plans were completed during 2022/23 and a further three are in the draft phase. Since the program commenced in 2021, ten plans have been completed.

Solids pad funding

In 2021/22, the Dairy for Healthy Estuaries project agreed to co-fund solids pad upgrades with farmers located in Healthy Estuaries WA catchments.

These solids pads are designed to store stockpiles of solid effluent and manure and contain any liquid or stormwater run-off within the effluent system, thus reducing losses to the environment.

Expressions of interest were sought from dairy farmers in late 2022, with ten projects selected located from Harvey through to Denmark. These projects have been designed and costed, with on-ground works to begin in the summer of 2023/24.



People

Dairy training program



Western Dairy, in partnership with South Regional TAFE (SRTAFE), continued to deliver the Certificate III and IV in Agriculture to trainees employed on dairy farms stretching from Pinjarra through to Denmark.

In 2022/23, the dairy training program had a record 28 trainees. Of this cohort, eight studied a Certificate IV with the remaining 20 students commencing a Certificate III at the beginning of 2023.

The Certificate IV is designed for people looking to progress to management level by understanding the farm business at the operational management level and to be able to contribute to the decision-making process.

Western Dairy Training Officer Fiona Jones was on the road regularly visiting and supporting trainees in the completion of their course units. Fiona makes approximately eight on-farm visits per trainee over the course of their traineeship.

In partnership with SRTAFE, Western Dairy will continue to deliver Certificate III and IV in Agriculture throughout 2023/24.

Trainee overnight workshop



Held over two days in July 2022, the Western Dairy trainee overnight workshop was an educational experience full of all things dairy for 11 trainees completing their Certificate III and IV in Agriculture (Dairy Production).

Organised by Training Officer, Fiona Jones, the workshop included tours of Brownes in Brunswick, Halls Family Dairy in Wokalup, Harvey Cheese and Michael Partridge's farm, White Rocks, in Benger.

Guest speakers throughout the course of the workshop included agronomist Sam Taylor, young dairy farmers Clayton Minson and Harrison Partridge, as well as Western Dairy regional extension officers Dan Parnell and Gemma Longford.

Trainees saw first-hand the production of cheese at the Brownes factory, from milk delivery through to packaging.

From Brownes, the trainees travelled to Halls Family Dairy owned by fourth and fifth generation dairy farmers, Phillip, Suzanne and Tavis Hall. The Hall family explained how their decision to value-add to their business through the production of an artisan cheese from a herd of 10 unique Normande cows has generated a second income stream. Sam Taylor attended the property later in the afternoon to discuss pastures and irrigation.

Harvey Cheese was the final stop for Day 1 of the workshop where cheesemaker Robert St Duke delivered the goods with cheese, ice-cream and (for those over 18!) gin (made from whey) tastings.

Trainees spent the night at Riverside Chalets in Eaton where they were inspired with the journey taken by

Clayton Minson, a Certificate III graduate who went through a process of share-farming and now owns and operates a successful dairy business in Roelands.

The second morning of the workshop saw the trainees depart for White Rocks in Benger. Here the trainees met with owners Michael and Harrison Partridge, Western Dairy's Dan Parnell and several Dairy Australia executives who had made the trip west.

Michael discussed the history of White Rocks and how his focus on the farm was to keep things simple. Michael showed trainees the farm's effluent ponds and how he had overcome drainage issues on the property.

Meanwhile, Dan Parnell discussed grazing management and estimating the height of pastures in and out of rotations.

Harrison Partridge wrapped up the workshop, explaining how he has taken the path less travelled as a fifthgeneration dairy farmer at White Rocks. After completion of his Certificate III and IV, Harrison is currently studying Agribusiness at Curtin University.

A positive experience was had by all trainees who participated in the overnight workshop. Further trainee workshops are scheduled for financial year 2023/24.



'Milk your gap year!' campaign



To encourage young people to pursue a dairy traineeship in 2023, Western Dairy launched the 'Milk your gap year!' campaign in October 2022.

The campaign commenced with Regional Extension Officer India Brockman putting Allan and Carly of Hit FM through their paces hand-milking a cow at Ray Kitchen's Carenda Holsteins. Promotion of the campaign formed part of the radio interview aired on 14 October as part of Allan and Carly's Tour of the Obscure.

The social media branch of the campaign ran for four weeks from 26 October to 15 November 2022 and featured the faces of some of Western Dairy's current trainees while detailing the benefits of the traineeship program.

Trainee profiles

ALMIRA DALL



Age: 19

Secondary school: Kelmscott Senior High School

Employer: Grant and Nikki Evans

Certificates attained: Certificate
III and IV in Agriculture (Dairy
Production)

What motivated you to apply for a dairy traineeship?

At the completion of Year 12, I was offered a place at Murdoch University to study a Bachelor of Animal Science, but I wanted a break before returning to study.

I decided to get a job on-farm and ended up in the dairy industry a few weeks later. I wanted to learn as much as possible about dairy and discovered the traineeship with Western Dairy and decided to go for it.

What did you enjoy most about the traineeship?

Relevant information and networking opportunities in and around the dairy industry, and the opportunity to meet other young people.

What did you least enjoy about the traineeship?

It finished!

What did you learn during your traineeship that you have applied to everyday life?

I found many of the units in the certificates are applicable to everyday work life in the industry.

Personally, I found the artificial insemination (AI) course, calf care and animal treatment technique units are what I used most on-farm.

Would you encourage other young people to consider a dairy traineeship during their gap year?

Yes, definitely! It's a great way to develop useful and adaptable skills for any agricultural industry - not just dairy.

It provides a good knowledge base across a wide range of areas which can be developed further.

What are your future plans?

I would like to continue studying. I am considering studying a Diploma in Agriculture or a Certificate in Veterinary Nursing; however, the offer from Murdoch is still available to me so that is another option.

ZAC BEDGGOOD-SKINNER



Age: 19

Secondary school: WA School of Agriculture (Harvey)

Employer: Bob and Jacqui Biddulph
Certificates attained: Certificate
III and IV in Agriculture
(Dairy Production)

What motivated you to apply for a dairy traineeship?

To be able to work and learn from the same location, which helped me further my experience and knowledge in an industry that I enjoy.

What did you enjoy most about the traineeship?

What I learnt on pen-and-paper was a direct correlation to on-farm practices, which made it easier to understand and put into action the information that was being taught to me.

What did you least enjoy about the traineeship?

Having to study!

What did you learn during your traineeship that you have applied to everyday life?

Almost everything I learnt over my traineeship applied to the farm. It has made me ask more questions and think more in-depth about why we are doing things.

Would you encourage other young people to consider a dairy traineeship during their gap year?

I would definitely recommend the traineeship course to any young person that is even slightly interested in the dairy industry or farming animals in general. Whether you're looking to make a career out of it or not, it is a great opportunity and experience to have.

What are your future plans?

I want to stay within the agricultural industry and hopefully manage or own a farm one day.



Cows Create Careers



In 2022/23, Western Dairy along with Dairy Australia, co-funded the annual Cows Create Careers (CCC) program, which is aimed at educating secondary school students about the Australian dairy industry and career opportunities in agriculture.

The CCC program was delivered across seven different Western Australian schools this year: Manjimup Senior High School, Donnybrook District High School, Margaret River Senior High School, Eaton Community College, Rockingham Montessori School, Coodanup College and Georgiana Molloy Anglican School.

These schools were supported by WA dairy farmers Ray Kitchen, Julie Bettink, Oscar Negus, Wayne Owston, Margaret Barbetti and Jacqui Biddulph who kindly lent calves for the students to raise on school property over the weeks they were in their care.

Feedback from teachers around student engagement in the CCC program is extremely encouraging.

"The CCC program is very engaging and created great community and industry links," said Matthew Ryan, a teacher at Manjimup Senior High School.

"Students took on responsibility for the calf feeding rosters, including weekends. We also took the calves to our local agricultural show and had lots of positive feedback. Students were proud of their achievements and talking about the dairy industry. We also now have a couple of students working in the industry on their holidays and weekends."

Career pathways in dairy



Public and community engagement featured heavily in the People space in financial year 2022/23 with regular attendance at schools, universities, career expos, agricultural shows and events. Western Dairy's presence was to primarily highlight career opportunities in the dairy industry. It is estimated Western Dairy engaged with 7,000 people from its attendances throughout the year, not including the Perth Royal Show that attracts approximately 10,000 visitors and which Western Dairy attended in the Lou Giglia Dairy Pavilion.

This year Western Dairy linked with PRIMED, a project between the Department of Education, Department of Training and Workforce Development, and the Department of Primary Industries and Regional Development, aimed at preparing students in Years 7 to 10 for a future in primary industries in Western Australia.

In October, Western Dairy received two virtual reality (VR) headsets for use in its community engagement activities. The VR headsets allow the wearer to experience work on a dairy farm and demonstrates the entire supply chain process from milking through to supermarket delivery. The VR headsets have proved to be a popular tool to engage students and people of all ages.

In April, Western Dairy sponsored the WA Youth Cattle Handlers Camp held in Brunswick Junction. 115 youth passionate about the beef and dairy industries in Western Australia attended the camp. Western Dairy was included on a careers panel to answer questions from attendees on how their skills and interests can help prepare them for a future career in dairy.

Workforce attraction



In October 2022, Dairy Australia launched a national workforce attraction campaign to support dairy farmers in the attraction and retention of workers called 'Dairy Jobs Matter'.

The campaign, which ran across television, print, radio, digital and social media, encouraged job seekers to consider a career in dairy farming by promoting attractive aspects of the industry such as working with animals or in the outdoors.

In February 2023, the campaign was supplemented with the launch of the Dairy Farm Jobs Board. The online jobs board allows farmers to list job vacancies at no cost and reach jobseekers that are exploring the benefits of dairy farming from the Dairy Jobs Matter marketing campaign. To promote the jobs board, Regional Manager Jo Saunders conducted press interviews on the Triple M Rural Focus program and 7News Regional.

Unemployment rates in the South West, Peel and Great Southern remain at record low levels and whilst the urgency of workforce shortages has eased somewhat over the year for many farmers, staff retention remains an issue. In response, Western Dairy focused on programs and resources to support proactive farming practices by employers such as Farming with My Team, the Employment Starter Kit Initiative (ESKi) and the Farm Safety Manual.

Western Dairy also fostered its relationships with the Department of Immigration, Pacific Australia Labour Mobility Scheme (PALMS) and Shire of Dardanup Designated Area Migration Agreement (DAMA) scheme to deliver several 'Navigating VISA Pathway's workshops and 'Backpackers Unpacked' workshops over the course of the year.

Farm safety



In August 2022, Western Dairy invited farmers to learn more about recent changes to Western Australia's work, health and safety legislation. Processworx managing director and founder Danielle McNamee presented to participants at an update held in Dardanup, highlighting areas of risk for agriculture-based businesses and outlining the potential impact of the changes.

Following this, in October Darren Slyns from Regional Safety Services presented at a Western Dairy event held in Margaret River about practical steps farmers could take to reduce the risk of injury and prosecution around workplace health and safety on farm.

In a survey conducted in early 2023, farm safety was identified as a key priority for WA dairy farmers. In response to this, the Western Dairy Board subsidised the delivery of two First Aid Essentials workshops through St John Ambulance. The Harvey workshop in August attracted six participants while the Margaret River workshop held in January also attracted six participants. In addition, the Western Dairy team also undertook a St Johns Ambulance First Aid Essentials course in early February.



Women in Dairy



In November, Western Dairy in collaboration with the Western Australian Women in Dairy network hosted 24 women at the historic Melville Park in Brunswick Junction for its annual Women in Dairy event.

Guest speakers included relatively new Melville Park owner Barbara Connell, who reflected on her journey into agriculture, future plans for Melville Park and the new onfarm cheese enterprise. Agricultural consultant and 2010 WA Rural Women's Award runner-up Erin Gorter spoke about her experience as an 'accidental leader' and a professional woman in agribusiness. To conclude the day, Owen Catto from The Regional Men's Health Initiative discussed how women can better support the mental health of the men in their lives, while being mindful of their own health and wellbeing.

Committee's report

The committee members present their report together with the financial report of Western Dairy Inc for the year ended 30 June 2023 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 (Director November 2019 to November 2022)
- · Robin Lammie (Co-opted Director to November 2019, Chair November 2021 to present)
- Andrew Jenkins (Co-opted Director to November 2018, Director to present)
- Scott Hamilton (Co-opted Director November 2021, Director to November 2023)
- Nick Brasher (Director November 2018 to present)
- Bonnie Ravenhill (Co-opted Director to November 2022, Director to present)
- Julianne Hill (Executive Officer from 29 March 2021 to 12 October 2023)
- Jo Saunders (Executive Officer from 7 November 2023 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 2022 that has significantly affected or which may significantly affect:

- 1 The operations, in financial years subsequent to 30 June 2023;
- 2 The results of those operations.

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.

Robin Lammie Chairperson

Nick Brasher Committee Member

Dated this 16th day of November 2023



MANAGING DIRECTOR: Leanne Oliver DIRECTOR: Christopher Tan

4/896 Albany Highway, East Victoria Park 6101 PO Box 386, Victoria Park 6979 0460 040 900 admin@auditpa.com.au

Auditor's Independence Declaration

To the Board of Western Dairy Inc

In accordance with the requirements of section 60-40 of the Australian Charities and Not for Profit Commission Act 2012, as lead auditor for the audit of Western Dairy Inc for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the Australian Charities and Not for Proft Commison Act 2012 in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

G)

LEANNE OLIVER CPA RCA DIRECTOR RCA 463021

AUDIT PARTNERS AUSTRALIA EAST VICTORIA PARK

Dated at Perth, Western Australia this 27th October 2023

Statement of profit or loss and other comprehensive income For the year ended 30 June 2023

	Note	2023	2022
		\$	\$
Revenue		705,395	908,727
Employee benefits, consultant and contractor expenses		(587,914)	(599,386)
Depreciation expense		(469)	(528)
Advertising expense		(4,082)	(5,607)
Occupancy and utilities expense		(13,273)	(16,375)
Meeting, seminars, travel and catering expenses		(155,528)	(88,559)
Other expenses		(75,191)	(87,816)
Surplus for the year		(131,062)	110,456
Other comprehensive income for the year		-	_
Total comprehensive income attributable to members of the entity		(131,062)	110,456

The accompanying notes form part of these financial statements.

Statement of financial position As at 30 June 2023

Current assets 2 903,243 984,725 Accounts receivable and other debtors 3 13,484 25,250 Other current assets 4 15,892 15,003 Total current assets 932,619 1,024,978 Non-current assets 970,249 1,024,978 Property, plant and equipment 5 4,733 5,202 Total non-current assets 4,733 5,202 Total assets 937,352 1,030,180 Current liabilities 7 7 7 Accounts payable and other payables 6 73,106 34,872 Other liabilities 7 7 7 7 Total current liabilities 73,106 34,872 34,872 Net assets 864,246 995,308 Members funds 1,010 1,010 Contributed capital 1,010 1,010 Accumulated surplus 863,236 994,288		Note	2023	2022
Cash and cash equivalents 2 903,243 984,725 Accounts receivable and other debtors 3 13,484 25,250 Other current assets 4 15,892 15,003 Total current assets 932,619 1,024,978 Non-current assets 4,733 5,202 Total non-current assets 4,733 5,202 Total assets 937,352 1,030,180 Current liabilities 3 7 - - Accounts payable and other payables 6 73,106 34,872 Other liabilities 7 - - Total current liabilities 73,106 34,872 Net assets 864,246 995,308 Members funds 1,010 1,010 Contributed capital 1,010 1,010 Accumulated surplus 863,236 994,288			\$	\$
Accounts receivable and other debtors 3 13,484 25,250 Other current assets 4 15,892 15,003 Total current assets 932,619 1,024,978 Non-current assets 972,619 1,024,978 Property, plant and equipment 5 4,733 5,202 Total non-current assets 4,733 5,202 Total assets 937,352 1,030,180 Current liabilities 7 - - Accounts payable and other payables 6 73,106 34,872 Other liabilities 73,106 34,872 Total liabilities 73,106 34,872 Net assets 864,246 995,308 Members funds 1,010 1,010 Contributed capital 1,010 1,010 Accumulated surplus 863,236 994,298	Current assets			
Other current assets 4 15,892 15,003 Total current assets 932,619 1,024,978 Non-current assets 5 4,733 5,202 Total non-current assets 4,733 5,202 Total assets 937,352 1,030,180 Current liabilities 4 73,106 34,872 Other liabilities 7 - - Total current liabilities 73,106 34,872 Total liabilities 73,106 34,872 Net assets 864,246 995,308 Members funds 4 1,010 1,010 Accumulated surplus 863,236 994,298	Cash and cash equivalents	2	903,243	984,725
Total current assets 932,619 1,024,978 Non-current assets Property, plant and equipment 5 4,733 5,202 Total non-current assets 4,733 5,202 7 7 937,352 1,030,180 Current liabilities 7 7 - - - Accounts payable and other payables 6 73,106 34,872 - - Other liabilities 73,106 34,872 - - - - Total current liabilities 73,106 34,872 - </td <td>Accounts receivable and other debtors</td> <td>3</td> <td>13,484</td> <td>25,250</td>	Accounts receivable and other debtors	3	13,484	25,250
Non-current assets Property, plant and equipment 5 4,733 5,202 Total non-current assets 4,733 5,202 Total assets 937,352 1,030,180 Current liabilities 4 73,106 34,872 Accounts payable and other payables 6 73,106 34,872 Other liabilities 73,106 34,872 Total current liabilities 73,106 34,872 Net assets 864,246 995,308 Members funds 1,010 1,010 Contributed capital 1,010 1,010 Accumulated surplus 863,236 994,298	Other current assets	4	15,892	15,003
Property, plant and equipment 5 4,733 5,202 Total non-current assets 4,733 5,202 Total assets 937,352 1,030,180 Current liabilities 4 73,106 34,872 Accounts payable and other payables 6 73,106 34,872 Other liabilities 73,106 34,872 Total current liabilities 73,106 34,872 Net assets 864,246 995,308 Members funds 1,010 1,010 Accumulated surplus 863,236 994,298	Total current assets		932,619	1,024,978
Total non-current assets 4,733 5,202 Total assets 937,352 1,030,180 Current liabilities 4 73,106 34,872 Accounts payable and other payables 6 73,106 34,872 Other liabilities 73,106 34,872 Total current liabilities 73,106 34,872 Net assets 864,246 995,308 Members funds 5 1,010 1,010 Accumulated surplus 863,236 994,298	Non-current assets			
Total assets 937,352 1,030,180 Current liabilities Current liabilities Accounts payable and other payables 6 73,106 34,872 Other liabilities 73,106 34,872 Total current liabilities 73,106 34,872 Net assets 864,246 995,308 Members funds 1,010 1,010 Accumulated surplus 863,236 994,298	Property, plant and equipment	5	4,733	5,202
Current liabilities Accounts payable and other payables 6 73,106 34,872 Other liabilities 73,106 34,872 Total current liabilities 73,106 34,872 Net assets 864,246 995,308 Members funds Contributed capital 1,010 1,010 Accumulated surplus 863,236 994,298	Total non-current assets		4,733	5,202
Accounts payable and other payables 6 73,106 34,872 Other liabilities 7 - - Total current liabilities 73,106 34,872 Net assets 864,246 995,308 Members funds 2 1,010 1,010 Accumulated surplus 863,236 994,298	Total assets		937,352	1,030,180
Other liabilities 7 - - Total current liabilities 73,106 34,872 Net assets 864,246 995,308 Members funds 1,010 1,010 Accumulated surplus 863,236 994,298	Current liabilities			
Total current liabilities 73,106 34,872 Total liabilities 73,106 34,872 Net assets 864,246 995,308 Members funds 1,010 1,010 Accumulated surplus 863,236 994,298	Accounts payable and other payables	6	73,106	34,872
Total liabilities 73,106 34,872 Net assets 864,246 995,308 Members funds Contributed capital Accumulated surplus 863,236 994,298	Other liabilities	7	-	-
Net assets 864,246 995,308 Members funds 1,010 1,010 Contributed capital 1,010 1,010 Accumulated surplus 863,236 994,298	Total current liabilities		73,106	34,872
Members funds 1,010 1,010 Contributed capital 1,010 994,298 Accumulated surplus 863,236 994,298	Total liabilities		73,106	34,872
Contributed capital 1,010 1,010 Accumulated surplus 863,236 994,298	Net assets		864,246	995,308
Accumulated surplus 863,236 994,298	Members funds			
	Contributed capital		1,010	1,010
Total members funds 864,246 995,308	Accumulated surplus		863,236	994,298
	Total members funds		864,246	995,308

The accompanying notes form part of these financial statements.

Statement of changes in members fundsFor the year ended 30 June 2023

	Contributed equity	Retained earnings	Total equity
	\$	\$	\$
Balance at 1 July 2021	1,010	883,842	884,852
Surplus for the year	_	110,456	110,456
Balance at 30 June 2022	1,010	994,298	995,308
Balance at 1 July 2022	1,010	994,298	995,308
Surplus for the year	-	(131,062)	(131,062)
Balance at 30 June 2023	1,010	863,236	864,246

The accompanying notes form part of these financial statements.

Statement of cash flows

For the year ended 30 June 2023

	Note	2023	2022
		\$	\$
Cash flows from operating activities			
Receipts from customers		779,917	1,031,013
Payments to suppliers and employees		(863,047)	(864,859)
Interest received		1,648	1,924
Net cash generated $/$ (used in) from operating activities	9	(81,482)	168,078
Net increase / (decrease) in cash held		(81,482)	168,078
Cash on hand at beginning of the financial year		984,725	816,647
Cash on hand at end of the financial year	2	903,243	984,725

The accompanying notes form part of these financial statements.

Notes to the financial statements

For the year ended 30 June 2023

1 Summary of significant accounting policies

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 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 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: Cash Flow Statements, AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors, and 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:

Basis of preparation

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.

Accounting policies

(a) Revenue

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).

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.

Contributed assets

The association receives assets from the government and other parties for nil or nominal consideration in orderto further its objectives. These assets are recognised in accordance with the recognition requirements of otherapplicable 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 contractis 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.

(b) 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.

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

(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.

(d) 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.

(e) Comparative figures

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

(f) Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the association during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability.

2 Cash and cash equivalents

	2023	2022
	\$	\$
Current		
Cash at bank	903,243	984,725
	903,243	984,725

3 Trade and other receivables

	2023	2022
	\$	\$
Current		
Receivables from contracts with customers	9,500	20,857
Other receivables	3,984	4,393
	13,484	25,250

4 Other assets

	2023	2022
	\$	\$
Prepayments	15,892	15,003
	15,892	15,003

5 Property, plant and equipment

	2023	2022
	\$	\$
Plant and equipment		
At cost	24,862	24,862
Less accumulated depreciation	(20,129)	(19,660)
	4,733	5,202
Total property, plant and equipment	4,733	5,202

6 Trade and other payables

	2023	2022
	\$	\$
Current		
Unsecured liabilities		
Trade creditors	2,302	24,084
Accrued expenses	10,384	8,256
Other current payables	60,420	_
GST payable	-	2,532
	73,106	34,872

7 Other liabilities

	2023	2022
	\$	\$
Current		
Grants received in advance	-	-
	-	-

Grants received in advance

The above previous year 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.

8 Events after the reporting period

Subsequent to the reporting period, the Board is not aware of any significant events since the end of the reporting period.

9 Cash flow information

	2023	2022
	\$	\$
Reconciliation of cash flows from operating activities with net current year surplus		
Net current year surplus	(131,062)	110,456
Adjustment for:		
Depreciation expense	469	528
Movement in working capital changes:		
(Increase)/decrease in accounts receivable and other receivable	76,171	130,371
Increase/(decrease) in accounts and other payables and other liabilities	(26,171)	(71,054)
(Increase)/decrease in prepayments	(889)	(2,223)
	(81,482)	168,078

10 Entity details

The registered office and principal place of business of the association is:

Western Dairy Incorporated 1 Verscheur Place Bunbury WA 6230

Statement by members of the committee

The Committee have determined that the Association is not a reporting entity.

The Committee have determined 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:

- 1 Presents fairly the financial position of the Western Dairy Incorporated as at 30 June 2023, its performance and cash flow for the year ended on that date.
- 2 At the date of this statement, there are reasonable grounds to believe that the Western Dairy Incorporatedwill be able to pay its debts as and when they fall due and payable.

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

Robin Lammie

Chairperson

Dated this 27th day of October 2023

Nicholas Brasher

Treasurer





4/896 Albany Highway, East Victoria Park 6101 PO Box 386, Victoria Park 6979 0460 040 900 admin@auditpa.com.au

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WESTERN DAIRY INCORPORATED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Western Dairy Inc (the "Association"), which comprises the statement of financial position as at 30 June 2023, the balance sheet, the profit and loss statement, statement of changes in equity 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 directors.

In our opinion, the accompanying financial report of Western Dairy Incorporated is in accordance with the Associations Incorporation Act 2015 (WA) and Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- (a) giving a true and fair view of the Association's financial position as at 30 June 2023 and of its financial performance for the year ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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 auditor independence requirements of the Australian Charities and Notfor-profits Commission Act 2012 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We 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 for the purpose of fulfilling the Association's financial reporting responsibilities under the *Associations Incorporation Act 2015 (WA)* and the *Australian Charities and Not-for-profits Commission Act 2012.* As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Board for the Financial Report

The Board of the Association is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Associations Incorporation Act 2015 (WA), the Australian Charities and Not-for-profits Commission Act 2012 and the needs of the members. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board 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 the Board either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/Home.aspx. This description forms part of our auditor's report.

D)

LEANNE K OLIVER CPARCA Director

AUDIT PARTNERS AUSTRALIA EAST VICTORIA PARK WA Dated at Northam, Western Australia, this 27th October 2023

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 ${\tt Dairy\,Australia\,acknowledges\,the\,funding\,contribution\,of\,the\,Commonwealth}$

Government for eligible research and development activities.

Acknowledgement



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