



Annual Report

2022/23



DELIVERING
for **DAIRY**





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Cover photo: Matt Swayn

Photo opposite: Sara-Jane Rea

About WestVic Dairy

WestVic Dairy Inc. (WVD) is Dairy Australia's (DA) Regional Development Program for Western Victoria and is responsible for delivering extension activities and programs.

It is overseen by a regional Board of Directors, the majority being dairy farmers. It works closely with DA and local industry partners to facilitate technology transfer for the advancement of the sector.

DA is the national services body for the dairy industry. Its role is to help farmers adapt to a changing environment in order to establish a profitable and sustainable industry. WestVic Dairy aims to accelerate the extent and rate of adoption by farmers of industry standard practices, new ideas and technology.

Both DA and WVD are precluded by their charter from agripolitical activity, which is the role of representational bodies, such as Australian Dairy Farmers (ADF) and its affiliates (e.g. United Dairyfarmers of Victoria).

DA largely funds WVD and provides it with centralised administrative functions, which allows WVD to focus on extension planning and delivery. With the support of DA, WVD has now built up its capability to provide a wide range of services to stakeholders.

Vision

A vibrant, profitable and valued dairy region.

Mission

We strive to advance the South-west Victorian dairy industry through engagement to promote innovation, skills and sustainability.

Snapshot

The Western Victorian dairy region extends west from Geelong to the South Australian border, with the largest concentration of farms around the coastal area between Simpson and Koroit. It is currently Australia's biggest dairy producing region, producing almost two billion litres in 2022/23. This figure equates to about 23 per cent of Australia's milk volume.

The industry has benefited from good seasons through 2022/23. A very good spring limited quality fodder production but provided green feed over summer. Most of the region received an excellent autumn break to kick off the winter pasture production. These conditions, along with a good milk price, have raised farmer confidence and enabled many farm businesses to improve their financial position moving forward. There has been much infrastructure investment over the last 12 months. Significant price rises for inputs and general inflationary pressure have dampened what might have otherwise been record profits in the region.

Industry collaboration

WestVic Dairy works collaboratively with a wide range of organisations and individuals in order to deliver its services to the industry. As a significant part of the regional economy and the community, working with other stakeholders is part of the way we operate. Key organisations with which we work are:

- Agriculture Victoria
- Regional Development Victoria
- UDV
- Catchment Management Authorities
- Gardiner Dairy Foundation and DemoDAIRY Foundation
- Local government
- The Rural Financial Counselling Service
- Food & Fibre Council Great South Coast: and
- Milk processing firms.

Numerous other agencies, educators and private sector service provider businesses are an important part of this network. Much of this collaboration occurs through the regular meetings of the Industry Leadership Group. WestVic Dairy is fortunate to have good input to operational planning from two advisory committees and a good response to regular surveys on extension planning and performance. Considerable additional input on industry matters is provided by WestVic Dairy to the wider community on issues such as regional strategy and action plans, infrastructure, water, sustainability, skills and employment, and health and wellbeing.

The 'average' western Victorian farm

Number of dairy farms	941
People employed on farm	2,900
People employed in the dairy industry workforce	6,500
Number of cows	276,000
Average herd size	293
Annual milk production (million litres)	6,345 litres
% of national milk production	23%
% of Australia's dairy exports (volume)	25%
% share of export value	22%

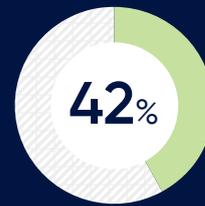
Current herd size and production



Sentiment
Positive about industry future



Enterprise phase
In a holding pattern



Challenges
Input costs



Sentiment
Positive about own business



Enterprise phase
Expanding



Challenges
Labour



Profitability
Made profit in 2021/22



Enterprise phase
Winding down



Challenges
Climate



Profitability
Expecting profit in 2022/23



Challenges
Milk price

Chairperson's report

Life returned to relative normality in the Western District for the 2022/23 reporting year; albeit with some lingering hangovers from pandemic induced disruptions.

It has been pleasing to see a return of overseas workers to many farms, not only for the support this provides to each enterprise – but more importantly, their contribution to the diversity and culture of regional areas. Supply chains delivering machinery and spare parts are improving, and as a community we are able to plan and attend functions and events with confidence. We have enjoyed several good seasons in a row, and a stretch of solid milk pricing; which no doubt has contributed to a lift in confidence and optimism.

The WestVic Dairy staff team continues to develop, with the welcomed the additions of Sam Andrews taking on the new Farm Engagement Lead role, Jacinta Langdon (Workforce Attraction), Sheeraz Ahmad (REO – Farm Business Management) and Aylish Tobin-Salzman (Communications Officer) during the past year. Many thanks to Melissa, Amanda and Liza for the multitude of administrative tasks they undertake on our behalf; and to Libby, Pete, Debbie, Michelle, Matt and Chris for their dedication and diligence.

We are grateful to receive the continued generosity and patronage of our sponsors, and they enable many of the region's events to develop, evolve and succeed. The annual Dairy Ladies Luncheon was a huge success, the Dairy Nite Mooves social night hit the mark, and our YDN's array of activities really does offer great learning opportunities and social connection.

The WestVic Dairy Board appreciates the number of farmers in the region who host events on their properties, and thank them for their hospitality and contribution to our activities. Special recognition and acknowledgement to the most recently completed Focus Farm family – the Mussons at Macarthur; and Peter and Marnie Kerr of Bostocks Creek, who are mid-point in their Focus Farm journey.

This year, the Board together with our Regional Manager Lindsay Ferguson, key staff and stakeholders spent considerable time reflecting, analysing and prioritizing focus areas for the organisations new Strategic Plan. We appreciate the time and contributions of farmers in our region, together with the Gardiner Foundation's Alan Cameron, UDV Chair Mark Billing, DA's David Nation, John Penry and Greg Jarmin, and Agriculture Victoria's Alex Goudy; and thank them for their input into what is the organisations key guiding document for the next three years.

Brooke Lane and Lucy Collins joined the WestVic Dairy Board this year; and they have both proven to be wonderful assets to the organisation and the dairy industry at large. Renewal each year provides the opportunity for individual growth and an organisational refresh – and I welcome those new Board Directors to the team. The coming year will no doubt hold its challenges, but I am confident the WestVic Dairy team is in good stead!



A handwritten signature in blue ink that reads "Jacqui Soares".

Jacqui Soares
WestVic Dairy Chairperson

The Board



Jacqui Suares Chair

Dairy Farmer,
Colac



Rhonda Henry
Treasurer

Agribusiness Manager,
Warrnambool



Brendan Rea Vice Chair

Dairy Farmer,
Allansford



Will McDonald

Dairy Farmer,
Bessie Belle



Brad Collins

Dairy Farmer,
Dixie



Lucy Collins

Dairy Farmer,
Dixie



Mike Huth

Service Provider,
Cobden



Brooke Lane

Dairy Farmer,
Alvie



Regional Manager's report

Good milk prices, good seasons and increased land values have resulted in good farmer positivity.

This last year has been another one with most elements of farming going the farmers way.

The latest survey results from the region show that over two thirds of famers are positive about the industry and their business. Over 90 per cent of farm businesses have made a profit each year for the last four years. Nevertheless, challenges being faced in equal measure are input costs and labour shortages with about 40 per cent of respondents also acknowledging that adapting to climate is a concern. We appreciate those people who participate in our surveys as they provide very useful insights into farmers' priorities as we plan our extension strategy and activities to suit the region's needs.

With all these factors at play we have seen significant investment being made in on-farm infrastructure, plant and equipment. We see equally important management decisions being made in areas such as soil fertility, feedbase, animal genetics, and labour attraction and management. We see a number of baby-boomers exiting the industry but also strong interest in the region by farmers from other regions making the move here. We also see many young farmers keen to develop their careers and aspire to ownership of a farm business.

Our response to these extension needs has been to continue to focus on providing information and training to help make good business decisions whether they be in applying new technology or in better people management. We do this while paying increasing attention to supporting farmers who face the challenges of climate adaption. We continue to support younger people with the YDN and more generally through the preferred extension formats of Focus Farms, discussion groups and larger get-togethers such as Dairy Nite Mooves and our support for the Ladies Luncheon.

As the largest producing region in the nation, I'm pleased to say that our level of extension activity has matched that status. Our newer programs in strategic risk management and planning (Our Farm, Our Plan)

and in Workforce Attraction have seen a good response from farmers, but still with plenty of scope to grow participant numbers. Our regular programs in other farm production and business management areas continue to run with both face-to-face sessions across the region and with online options.

We have seen some staff changes with Jim Burrell and Michelle Leech departing and number of new people joining the team: Sam Andrews, Jacinta Langdon, Chris Walsh, Sheeraz Ahmad and Aylish Tobin-Salzman. We are fortunate to have such an experienced and capable team here in the south-west and I sincerely thank them all for their efforts during the year. We also now have a good program providing industry experience to university students studying agriculture.

The clear strategy set by the Board allows us to focus on the extension deliverables and its support for our team has been invaluable. Our directors keep us to the task of being responsive to our levy-payers and of living our value of 'Farmer First'. Our Chair, Jacqui Soares contributes considerable additional time to her role and we value her leadership. Support from other regions and from colleagues in DA is appreciated and reflects our 'One Team' value.

Many thanks to our sponsors, other collaborators in the industry and lastly to all our region's farmers for your participation in our extension activities. We apply the principles of best practice to our own work and subsequently appreciate the feedback you provide when attending our sessions. In any case, suggestions or comments on what we deliver are always welcome.

I hope to see you at one of our events over the next year.



A handwritten signature in black ink that reads "L. Ferguson". The signature is written in a cursive, flowing style.

Lindsay Ferguson Regional Manager

Regional activities

The following subject matter details the range of extension activities run during the 2022/23 year. These are scheduled across the region at seasonally relevant times, according to demand. They aim to provide a service for all farmers and agribusiness professionals in all aspects of the business of dairy farming.



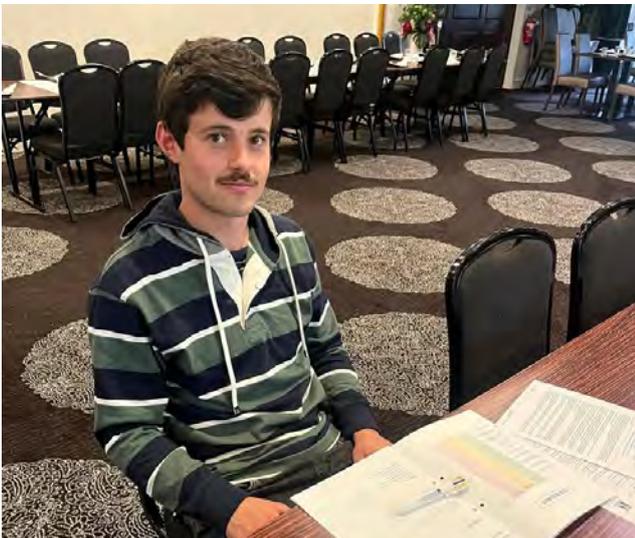
Farm Business Management

Good farm business management is as important when times are good as when they are tough. A good season can often mask inefficiencies in farm business management, which is a key priority of DA. WestVic Dairy assists dairy farmers in the region to run profitable and sustainable businesses with several workshops, events, and initiatives. Below is a snapshot of the year's main activities.

Workshops

Our Farm, Our Plan

Over 1,000 Australian dairy farm owners and workers have participated in Our Farm, Our Plan since it officially began in 2020, with feedback continuing to show just how valuable this program is for farm business and family success. The program consistently scores 9/10 or above across a range of criteria. Participants have met in face-to-face forums and attended online deliveries, with high praise for the way that they have developed plans. Many of the first to be involved, who have completed their two years in the program, are now inviting friends and family to sign up.



Dairy Farm Business Fundamentals

Two face-to-face courses were conducted in Timboon and Warrnambool. Over the two-day course 30 participants pulled together their annual farm numbers and learnt the basics of financial management - budgeting, compliance, and farm financial systems. Participants left with an understanding of the Dairy Standard Chart of Accounts and the Dairy Cash Management Planner. Four national online courses were also delivered by external consultants.

Farm Business Analysis

Participants undertook a three-day course to analyse their respective dairy farm business performance. The 19 attendees used DairyBase and covered the importance of recording annual physical and financial farm numbers. They also learnt to interpret and understand cash, profit and wealth for a dairy farm business using DairyBase reports. A national online course was also delivered by an external consultant.



Milk Price Workshop

DA ran a new series of milk price workshops to help farmers lift the lid on the dynamics of the milk market and better understand what really drives farm gate milk price. The ever-changing market and regulatory environments have made it more important than ever to understand what drives milk prices to maximise profitability and manage risk.

Three workshops, averaging 20 participants, were organised in Colac, Simpson, and Warrnambool. They provided insights into milk pricing and explored some of the market information available to farmers, such as the milk value portal. Each of the five-hour interactive learning workshops covered: the history of milk pricing in Australia, impacts of milk markets, production models, the dairy code of conduct and milk price risk management.

Situation and Outlook Report

Two business breakfasts and a lunch delivered the results of the Situation and Outlook report to the region's service providers and dairy farmers.



Business Focus Farms

Bostock Creek Focus Farm

Farmer	Peter and Marnie Kerr
Facilitator	Libby Swayn
Consultant	Paul Groves, Farm Management Consultant
Farm size	320 cows, 282 ha (182 ha milking platform)

Project goals:

- Improved water infrastructure to reduce reliance on town water and improve water supply throughout farm.
- Improve time efficiency on-farm by reducing the time for the dairy chores including milking and feeding.
- Increase profitability through improved management of pastures, feeding and reproduction.
- Reduce debt and increase equity in the business to allow for future expansion.
- A support group that provides a valued network which shares relatable ideas, compares benchmark data and works towards achieving business goals.

Peter and Marnie Kerr joined the Focus Farm program in April 2022. The Kerrs had share farmed for seven years (5km south of Camperdown) before purchasing part of the milking platform. Peter and Marnie built their 320 Holstein cow herd while share farming through purchase and breeding. They have purchased 120 ha and lease the remaining land.

Since being in the Focus Farm project Peter and Marnie have benefited from the experience and advice of the group to make significant improvements on-farm. There have been improvements in water infrastructure with the addition of a large storage tank to feed the farm. This has reduced the farms reliance on the mains pressure that was inadequate. Work is also planned on recommissioning bores on the farm that have been out of action for several years. There are also plans to install a dam for surface water collection. The capacity of the effluent ponds has been increased with the addition of a large third pond to store water during winter months.

A number of changes have been made on-farm to improve time efficiencies, such as hiring additional labour. Other improvements that have been made include small changes to calf rearing and the purchase of new bulk feeders for calf and heifer rearing.

The farm has continued to be profitable and has been able to achieve significant debt reduction. The Kerrs are currently researching improvements to the dairy to decrease milking time and increase ease of operation.

Peter and Marnie have implemented many of the support groups ideas including employing a backpacker to ease the workload on the farm and maintaining high cow numbers to maximise a positive milk price.



Macarthur Business Focus Farm

Farmer	Peter and Fiona Musson
Facilitator	Debbie Twiss
Consultant	Paul Groves, Farm Management Consultant (Jun 2020 – Dec 2020) Owen Rees, TRAC Total Result Ag Consulting (Jan 2021 – May 2022)
Farm size	760 cows (2.03kgms/day), 730 ha total (310ha milking platform)

Project goals:

- Renovation to improve persistence of dairy platform pastures.
- Improve paddock drainage to increase home grown feed yield and harvest.
- Invest in cow house and feedpad infrastructure to manage cows off pasture.
- Embed technology to manage herd production and reproductive performance.

The Macarthur Focus Farm manages dairy and beef operations to drive a sustainable, profitable business. Over the two-year course of the Focus Farm project there has been significant investment in farm drainage, cow management technology and infrastructure to facilitate off pasture feeding. Whilst regular farmer focus group meetings for this project concluded in May 2022, the final field day was held in June 2023 to observe the use of the recently constructed cow housing.

Farmers took the opportunity to view the cow house (120x 42m) and feedpad (5/6/5 central alley) and discuss the construction process with the Musson family. The cow house and feedpad have the appropriate effluent disposal for 750-900 cows. It was installed to allow improvements in feed consumption, reducing feed waste, and reducing the impact of wet conditions on herd health – particularly lameness.

At the time of the final field day the herd was calving, with heifers being prepared for joining. Concentrate (wheat), silage, kale and pasture were being fed to the herd, utilising the feedpad. Improvements in pasture yield as a result of drainage activities were observed during the farm walk.



Jancourt East Business Focus Farm

Farmer	Terry and Shannon Blasche
Facilitator	Matt Wood
Consultant	Cath Jenkins (Cath Jenkins Advisory)
Farm size	320 cows, 210ha

Project goals:

- Move from a year-round calving pattern to single seasonal (autumn) calving.
- Pasture renovation, potentially including drainage, to allow more home-grown feed to be produced.
- Set cost of production goals for this new business to maintain tight control of financial position.
- Employ labour, probably part-time, to reduce the workload on Terry's dad and allow for quality family time.

This Focus Farm project concluded in May this year, back where it all began, with a Support Group meeting at the Ball and Chain Hotel in Simpson. A final field day took place in April which allowed the broader farming community the chance to see and hear firsthand what has happened on-farm over the course of the two-year project.

Terry and Shannon have made significant improvement on their farm in the two and a half years since they moved from northern New South Wales (NSW). Throughout the project, the Blasches were open to the ideas proposed by the Support Group and have used this advice and support to help guide their decision making. This openness, along with the couples' drive and passion for the industry meant the project was a great success.

Most of the goals set out at the start of the Focus Farm project have either been achieved or are well on the way to being completed.

The change to an autumn calving pattern was one of the main goals since previously the cows calved year-round in order to provide a flat milk supply for the liquid market in NSW. This proved to be one of the most discussed goals within the Support Group. In the end the decision was taken to transition the cows in two stages, using a temporary summer calving period to move the spring calvers round to autumn.

Pasture improvements were another major focus. With the close support of agronomist Glenn Cain, most of the paddocks have now been reseeded or are in a program to allow this to happen soon.

Establishing an appropriate cost of production, in what was effectively a new business, was another goal of the project. Annual budgets were drawn up using any relevant historical data, and the knowledge of the Support Group. As with any business, there needs to be a decision around when to pay down debt and when to invest. Terry and Shannon chose to use the current good milk income to set the farm up for the future.

When the project commenced, the Blasches were milking 320 cows with the part-time support of Terry's father. The plan was always to employ some labour to help take the pressure off the family and allow for more of a work-life balance. Cow numbers are now approaching 400, so the need for more labour is even more imperative. This has been solved somewhat with the couple's son, Flynn, taking a year out after completing his schooling. Labour reserves were then further boosted by the recruitment of a backpacker.

It was a pleasure to work with Terry, Shannon and the Support Group throughout the two years. The significant and lasting improvements to the farm and business are a great testament to the Blasches' vision, drive and commitment.





People

Young Dairy Network (YDN)

The YDN continues to provide networking, self-development and social interaction opportunities to young people working in the dairy industry. With COVID restrictions now a thing of the past, the last 12 months saw the YDN grow and develop. There is now a great core of YDN members, ensuring that events are well attended, and those social and networking opportunities are being seized.

In line with its Strategic Plan, the YDN aims to host one event a month. This alternates between an on-farm field day and an evening 'Happy Hour'. The events are a mix of technical information, topics of interest and socialising opportunities. The subjects and location for each meeting are decided by the YDN Coordinator in conjunction with the YDN Leadership Team. Along with the core offering, any other suitable opportunities for additional events are taken.

The Leadership Team consists of young industry people, representing a cross-section of the YDN cohort. It continues to help grow the membership base, along with planning relevant, meaningful and engaging events for members. Whilst in person meetings are preferred, the logistics are challenging. Therefore, monthly meetings take place on Zoom, with an annual planning meeting held face to face in January.

Team members for the year:

- Rachael McGrath - Farm manager, Orford
- Matt Grant - Farm lessee, Naringal
- Pip Bruce - Nutritionist, Colac
- Liam Allan - Share farmer, Terang
- Isaac Hose - Farm employee, Garvoc
- Tess Blake - Farm lessee, Deans Marsh
- David Weel - Share farmer, Simpson (Stood down in January)
- Xavier Parkinson - Farm owner, Kirkstall (Stood down in January)
- Emily Walsh - Agronomist, Camperdown (Joined in February)
- Gregor Mews - Farm employee, Kirkstall (Joined in February)

In what was a busy 12 months, a total of eight Happy Hour and five field day events took place.

Topics covered in the field days were, Healthy Hooves, milk quality, succession, calving first aid and technology on-farm. As always, we are most grateful to all the farmers that opened their gates and hosted our field days. These events create a great learning opportunity and have the added interest of being in a practical setting and being able to see things firsthand.

The Happy Hour events were held throughout the region. There was a good mix of technical content, such as Meeting the Bank and Alternative Milking Intervals (sponsored by DemoDAIRY and LIC). Along with more social evenings, which included a bare foot bowls night in Simpson, an evening with English farmer and social media contributor Amy Eggleston and the Battle of the Breeds (Reds won). The largest Happy Hour of the year took place in June, when New Zealander Tangaroa Walker was the guest speaker at an evening held in Warrnambool. Although held on a Monday evening, almost 100 people braved a nasty winter's night to hear from the founder of Farm 4 Life.

The annual Trivia Night has become a mainstay of the WestVic Dairy social calendar. Whilst hosted by the YDN, the evening is open to all. Around 130 people went along to Timboon to test their general knowledge and take their chances in the extensive charity raffle.

In February, three young south-west farmers attended the Australian Dairy Conference (ADC) in Tasmania. The trio were selected through a competitive process and had their costs covered by Gardiner Dairy Foundation grants. The conference was a high quality, inspiring event that was thoroughly enjoyed by the attendees. The young farmers then spoke about their learnings from the ADC to their peers at the Tangaroa Walker Happy Hour event.

The input of young dairy farmers and service providers remains essential to the YDN. Working together and with other industry partners such as Gardiner Dairy Foundation and the DemoDAIRY Foundation, the YDN will continue to provide opportunities, services and inspiration for young dairy industry people.

Farm Engagement Lead

The Farm Engagement Lead (FEL) is a new position that has been created in order to ensure DA and WestVic Dairy continue to meet dairy farmers' needs. Sam Andrews, previously in Workforce Attraction took on the position in late June. Since entering the role, Sam has had the privilege of meeting a great number of farmers in the region and looks forward to meeting many more. Sam has worked closely with farmers to learn about their farm business and goals, to link them with the relevant programs and resources that DA and WestVic Dairy offer. Time has also been spent strengthening relationships with service providers in the industry who also have services and resources suited to individual farmers' needs. The FEL role offers an additional opportunity to receive feedback about existing services and resources and to hear suggestions for future extension offerings. The role also allows for a better understanding of a farmers' set up, business and life goals. This in turn allows WestVic Dairy to better support the profitability and sustainability of individual farm businesses.

Workforce Planning and Action

Workforce Attraction

The struggle to find employees continues across all industries, as such attracting people into the dairy industry remains a strong focus. Launched in September 2022, DA's 'Workforce Attraction Campaign' was delivered into dairying regions to promote the opportunities the dairy industry presents. In addition to the marketing campaign, The Dairy Farm Jobs Board went live in early 2023. This complements the broader Workforce Attraction Program that delivers on DA's commitment to attract and support new people in the industry. The online jobs board is accessed via the DA website and allows farmers to list job vacancies and reach jobseekers exploring job listings. The Workforce Attraction Lead constantly monitors the board and continually liaises with farmers who are advertising to keep the board up to date.

In line with strategic plans, the Workforce Attraction Lead has been actively working towards increasing awareness of career pathways and opportunities available in the industry. WestVic Dairy has increased its representation in many agencies and organisations which has increased our ability to promote the dairy industry throughout region. There is a focus on increasing dairy career awareness for school students and job seekers. This is being achieved through numerous school visits, the coordination of farm tours with schools, attendance at career expos and participation in several projects as an industry mentor.

WestVic Dairy have continued working with and supporting the following:

- Neil Porter Legacy and the Clontarf Foundation
- SWLLEN
- South West TAFE and RIST
- Cows Create Careers program
- AgFutures Program
- NFF - Ag Career Start program
- Cultivate Farms (social enterprise)
- School and Employment agencies across the WestVic Dairy region
- Career Teachers' Network
- WestVic Staffing Solutions and Warrnambool College – Industry Connections Project
- Warrnambool Moyne Community Initiative Committee.

Visa Workshops

Attracting and retaining skilled labour has been a significant issue for dairy farmers in recent years. Again, this year saw the lack of suitable, available people as the main problem facing farmers in our region. This problem had been developing for some time but was exacerbated by the pandemic. Whilst the return of working holiday

makers after the pandemic has brought some relief, many farmers would prefer to build a strong, long-term farm team, but are unable to find the right local employees.

With near record low unemployment in South-west Victoria, many farmers are exploring other options, including the recruitment of skilled visa workers. WestVic Dairy has responded to this need by running several workshops focusing on employing visa workers. This included an in-person session with around 30 farmers at Camperdown, with Industrial Relations Lawyer Jennie Corkhill and Migration Agent Fadi Malek outlining visa options. Two webinars focusing on overseas workers were also facilitated through the year, including a webinar stepping farmers through putting a Dairy Industry Labour Agreement in place for their farm.

Stepping Up, Stepping Back

With succession still proving a hot topic for farmers, two Stepping Up, Stepping Back sessions were held across the region. The first was held at Naringal, with a good mix of those looking to step up and those looking to step back in the room. The second workshop was a YDN night held on-farm near Port Campbell and was the final workshop presented by veteran succession expert Chris Hibburt. Chris' contribution to the people space has been massive, and his expertise across the region will be sorely missed. We wish Chris all the best in retirement.



Farm Safety

DA's Farm Safety offerings extended to include offering a discounted rate to farmers signing on to the Safe Ag Systems platform, which has incorporated DA's Standard Operating Procedure templates. WestVic Dairy supported Fonterra in hosting three Safe Ag workshops across the region, with all farmers welcome to attend and expand their knowledge of the online safety system.

For those that prefer hard copy records, WestVic Dairy continues to offer the Farm Safety Manual and Farm Safety Starter Kit. These kits help farmers put in place procedures and identify safety 'hotspots' on their farms.

Employment Essentials

Three Employment Essentials workshops were delivered throughout the region in Warrnambool, Camperdown and Simpson. The first being presented by farm consultant Daryl Poole, and the subsequent sessions by Regional Extension Officers (REOs) Michelle and Matt. These sessions covered the basics of employing people in the dairy industry, focusing on navigating and utilising the Employment Starter Kit initiative (ESKi) and the People in Dairy website. They also gave an overview of requirements for compliance and employer obligations. Each session was slightly different, with the days being farmer-driven with plenty of opportunities to ask any questions.

The ESKi and the People in Dairy website have become standard resources that are used by many dairy farm businesses and service providers. They are frequently updated with changes to National Employment Standards and the Pastoral Award.

Winning the War for Talent

Around 40 dairy farmers and industry personnel were fortunate enough to take part in a 'Winning the War for Talent' workshop organised by WestVic Dairy and supported by DemoDAIRY Foundation in June. The session held at Cobden featured Mandy Johnson, who is a best-selling author, keynote speaker and all-round expert on attracting and retaining great employees. Farmers left the session with many tips and tricks up their sleeves, whether it was putting together the perfect job ad, or arranging one-on-one catchups with their existing staff.



People Services

WestVic Dairy supported and promoted a number of online programs delivered by DA, including Farming with My Team, Managing People, and Employment Basics. These courses each ran over several weeks and were offered to all farmers nationally.

A number of resources have been developed with support from WestVic Dairy and are available to download from The People in Dairy website, including:

- Share Dairy Farming in Australia; Model Code of Practice
- Leasing Dairy Assets Resource Pack
- Shared Equity Arrangements Resource
- Farm Safety Starter Kit
- Farm Safety Manual
- Employment Starter Kit initiative (ESKi).

Support is available for farmers to access and utilise these employment resources. With two REO's working in the workforce space this year, more farmers than ever before were able to tap into workforce support with WestVic Dairy. Matt and Michelle made upwards of 80 HR farm visits for the year, and several phone queries per week were answered.

HR pilot program

WestVic Dairy took part in a national DA pilot program providing detailed 1:1 HR support to nine farms across the region. This program involved several visits with these farmers, starting with making a list of four goals to achieve in people management. Most farmers listed similar goals, which included:

- ensuring all current employees had employment contracts in place
- having contract templates ready for new staff
- having a documented induction procedure for new staff
- and creating some basic Standard Operating Procedures for the farm.

The feedback from this program was excellent, and is being analysed.

Supporting the Future

WestVic Dairy sees that part of its role is to help prepare personnel for the industry of the future. For the last few years WestVic Dairy has taken on university students as part of the internship component of their studies. This can range from a couple of weeks to a couple of months, supporting our extension activities and assisting with preparation and follow up. Depending on the university requirements, students have also undertaken a project that gave them a deeper experience of extension operations and provided us with a useful report. During the last year we had a Masters student from the University of Melbourne, Ed van Ravesteyn, who spent a couple of months with us gaining a broad range of experience in extension activities. He was successful in not only graduating last year but is also now employed in the industry in a technical, animal nutrition role.

Feedbase

Dairy Feedbase

This year saw the conclusion of the three-year DA Dairy Feedbase research project. The findings and outcomes from the five Dairy Feedbase projects will be incorporated into new and existing extension offerings. A consultation process was launched to gain feedback for future Feedbase research focus areas. Local farmers contributed to the process at the Beyond Dairy Feedbase field day held at the pasture variety trials in Naringal. Here, farmers were able to view the trial plots that contribute to the Forage Value Index. Farmers also participated in a feedback workshop where they were able to highlight feedbase and nutrition issues of importance to their farming businesses. This feedback was then presented at the National Soils, Forage and Nutrition Forum in Melbourne. At the forum groups of researchers from across Australia shared reports on current research and proposed future research for soils, forage, and nutrition.

Advanced Nutrition in Action (ANIA)

This was the third year ANIA was run by WestVic Dairy. Much of the course content is learnt by participants in their own time using the Enlight learning platform. This year a group of farmers and service providers came together over eight course days at Deakin University, Warrnambool, to add context to the theory they had learnt online.

With years of practical experience with both Coprice and Feedworks, Pip Gale did an excellent job as the presenter. A highlight for many was the session with vet and business consultant, Mark Burgemeister, who talked about the challenges of working with farming teams, while undergoing change management, as well as the differences between managers and leaders.

The program included a project to help farmers implement a change of strategy on-farm. A shared belief in the potential to find a better way fostered a strong camaraderie amongst the group members. Their willingness to freely discuss ideas allowed for an excellent learning environment.



Feeding Pastures for Profit

The Feeding Pastures for Profit course starts each year in autumn with two theory days that are based in the classroom. This is then followed by five on-farm days throughout the year. On-farm the theory is put into practice by incorporating the challenges and opportunities of the different seasons. Consultant from Northern Victoria, Phil Shannon delivered the program in 2022 and Peter is halfway through delivering the 2023 program. Although this program started more than 20 years ago, it continues to run in the region each year with a strong following by many in the industry. It is now widely adopted as the best management practice for managing pasture and feeding cows to maximise success.



Nutrition Fundamentals

REOs Debbie and Peter delivered Nutrition Fundamentals at Glenfyne and Crossley. Both courses had good attendance with participants learning foundational knowledge and skills in the dairy nutrition space. With nutrition being such a large topic, this course is the ideal place to start a lifetime of dairy nutrition learning. The course is designed to introduce a number of topics with many other resources available. Some of the topics include, the digestive system of the cow, calculating the feed demand of an animal, what's in feed and the all-important observations in the field.

Top Fodder

The Top Fodder program aims to improve the quality of silage produced on-farms. An online learning package was developed to make available information on the key pressure points of the silage making process to reduce loss and wastage. The learning package is available on DA's internet learning platform, Enlight. For the participants who completed the online course, a follow up one on one session on-farm with Peter, helped to embed the key learnings of the training package.

Profitable Feeding Systems

The Feedbase Advisory Committee offered their insights and experience to help in the creation of these popular field days. WestVic Dairy would like to thank Graeme Ward, David Wisewould, Janet Dumesney, Shaun Mahony, and Jarod Meade for their valuable contribution.

With strong milk prices and reasonably favourable seasonal conditions many farmers have been looking to invest in different kinds of feeding infrastructure. The committee identified that farmers would be interested in seeing how different feeding systems operate and why farmers chose the system they run.

The first field day was hosted on-farm by Jorge Massa at Simpson. Jorge milked 800 cows and used a compost barn for cow housing. A graduate of ANIA, Jorge along with his 10 staff are running an intensive system averaging 11,000 to 12,000 litres of milk per cow on a 305-day lactation.

The second field day was hosted by Ulke and Sarah DeKleine who were relatively new to the region, having moved down from Northern Victoria. Their peak cow number is 1,100. The cows are in separate herds with the fresh cows being fed in the shed and late lactation cows grazed in the paddock or fed on a dry feed lot.

The final field day was held at Allestree and was hosted by Jake Coats. Having completed the ANIA program in 2018, Jake decided to operate a simpler, less intensive system. Jake saw the value in having a dry feeding area to put the herd when the pastures were wet. Utilising wood chips from Portland, Jake constructed a low cost yet highly affective feeding area.

As well as learning directly from the host farmer at each of the field days the participants benefited from consultant Pip Gale's nutrition wisdom. Pip highlighted a few opportunities farmers could focus on to gain increased production and better animal health outcomes. Some of the topics included managing heat stress, providing adequate clean stock drinking water and the importance of providing enough blood glucose to the cow. Ruairi McDonnell from DA explained how to use the Forage Value Index (FVI) to select which variety seed to sow to maximise grass production. Ruairi also discussed how over the long term the FVI will be important to measure the genetic gain of future varieties.

A huge thanks to our host farmers and Pip and Ruairi for contributing to the excellent field days and making them so engaging.





Animal Performance

WestVic Dairy has continued to be flexible in the delivery of programs to meet farmers needs, with the timely presentation of extension topics in formats that are readily accessible to farm teams. This has been made possible by collaboration with service providers and field officers to support farmers seeking to improve management of cow health, welfare and fertility.

With the emergence of Lumpy Skin and Foot and Mouth disease in Indonesia in early 2022, biosecurity extension events were developed and delivered in multiple venues across South-west Victoria. Resources to assist farm biosecurity planning and response were developed and delivered to farmers. Debbie presented Biosecurity for Service Providers at the Herd 23 Conference in Bendigo - encouraging hygienic practices to support biosecurity on-farm and across our region.

Many of the Animal Performance extension program updates have included on-farm practical sessions. These practical sessions are to improve practice change in fundamental skills and best practice around milk quality; calf rearing and hoof health management.

Rearing Healthy Calves

After development and delivery of the revised Rearing Healthy Calves - Fundamentals course in 2021/22, the next level in the program for calf rearing decision makers was developed and piloted by WestVic Dairy in 2022/23. This course - Rearing Healthy Calves in Practice supports participants to explore opportunities to improve their calf rearing practices, using newly developed checklist resources. The program will be delivered across Australia in 2023/24.



Milking and Mastitis Management (Cups On, Cups Off V2)

The Cups On, Cups Off program was revised to include milking hygiene and an on-farm practical teat hygiene session on day two. This format enables participants to explore best practice with milk harvesting and to prioritise actions for the improvement of their milking routine and mastitis control. Many thanks Dr Stephen Jagoe, Dr Shane Lyons, Dr Craig Wood and Dr Lucy Collins who have delivered the updated format across South-west Victoria from Colac to Branxholme. Field officers from several processors have given participants valuable insights into aspects of plant hygiene that impact on milk quality. Milk quality and safety are at the heart of trust in the industry and steps to improve this require collaboration at all levels of the business.

Heifers on Target

Delivery of this one-day workshop was supported by DataGene Extension Officer, Peter Williams. This was to give course participants the opportunity to discuss how to incorporate the use of Genomic tools into their heifer management. Profitable decisions come from applying data at the right time to select animals best suited to support herd improvement for a given farm.

Other workshops

The one-day practical courses Humane Euthanasia of Livestock and Healthy Hooves were well attended. Healthy Hooves allowed attendees to understand treatment and prevention of herd lameness. They took away practical skills to improve management of cow welfare on-farm. Transition Cow Management was delivered online in response to a farmer request for support in herd management leading up to calving.



Land Water Climate

Fertsmart

Five years ago, both the Corangamite and Glenelg Hopkins Catchment Management Authorities secured funding for the delivery of Fertsmart across both catchments under the Australian Government's National Landcare Program II funding stream. This year was the final year of delivery for the funding program.

Two programs were rolled out, the Corangamite (CCMA) program based at Timboon and the Glenelg Hopkins (GHCMA) program at Naringal. The wet spring delayed the start of the program this year due to the difficulty in soil sampling.

The CCMA program was delivered as a Sustainable Dairies program over four days, in collaboration with Agriculture Victoria and the CCMA. The Sustainable Dairies program is a traditional Fertsmart program with the addition of several specialist topics including dairy effluent, soil acidification and soil biology.

The GHCMA program was a two-day traditional Fertsmart program and participants were invited to participate in the CCMA field day and guest speaker sessions.

Participants from both programs received free soil test and a comprehensive nutrient management plan, prepared by an independent consultant.

EPA Regulations Workshop

WestVic Dairy collaborated with the Environmental Protection Agency (EPA) and Agriculture Victoria to deliver a workshop to assist farmers to better understand the 2021 changes to the Environmental Protection Act.

The program for the day included DA's Cath Lescun, providing an overview of the market drivers including the Australian Dairy Industry Sustainability Framework, Corporate Sustainability Goals and market expectations. Kerrod Moller-Nielsen from the EPA outlined the changes to the regulations including the on-farm implications and outlined what occurs when a farm inspection takes place.

The day concluded with Agriculture Victoria's Rachael Campbell presenting on effluent pond design, testing effluent for maximum results and the potential nutrient savings.

Multi Species Cropping Project

WestVic Dairy was involved in a new project that is a collaboration between DA and the University of Melbourne funded by the Australia Government's Future Drought Fund. Two research sites have been established in Western Victoria, one at Koroit and another at Barongarook. These are two of several dairy farm trial sites across Victoria. The trial sites are looking at how multispecies pastures might work to make grazing-based dairy more climate resilient in the Southern Australian dairy industry. Field days will be held in the region to present findings in the near future.

Silage Plastic Recycling Trial

The Silage Plastic Recycling Trial in Western Victoria was successfully completed in May 2023. The trial provided lessons that are now being used to work with private industry to develop a long-term solution for responsible disposal of plastic on farms.

Over the 12 months of the project almost 160 farms volunteered to participate in the trial, with 90 farms chosen to participate. Over the 11 months of collection, 64 tonnes of silage plastic (equivalent to about 50,000 silage bales worth of plastic) was collected and recycled.

DA has since worked with a commercial company, Plasback which will seek to build on the silage plastic collection service offered in Western Victoria. The project was supported by the Commonwealth's National Product Stewardship Investment Fund.



Special events

Dairy Nite Mooves

Farmers and service providers gathered at the Noorat Recreation Reserve to celebrate the dairy industry in South-west Victoria. The nights events commenced with the much-anticipated unveiling of the farm photo award winners and the announcement of the 2023 Honour Board inductees. Sara-Jane Rea was awarded the Farm Photo Award Runner Up prize, while Lachlan Tindall claimed the coveted top spot. John Dalton and Andrea Vallance were announced as the 2023 Dairy Honour Board inductees. Their unwavering commitment to both the dairy sector and the local community earned them this recognition.

A panel discussion featuring three past Great South West Dairy Awards winners, Jorge Massa, the 2017 Employee of the Year, Kevin Wines, the 2018 Farm Business Manager of the Year, and Mark Billing, a 2022 Honour Board inductee, offered a glimpse into the awardees' post-win endeavours.

Thank you to Tom Newton who was the MC for the night and keynote speaker, Cameron Ling. Renowned for his association with the Geelong Football Club, Cameron's leadership skills propelled the team to their triumphant premiership win in 2011. Ling's insights into effective leadership on and off the sports field offered a relevant and thought-provoking perspective for all.



Ladies Luncheon

The annual Ladies Luncheon witnessed a turnout of more than 330 dairy farming women from the region. The event provided an opportunity for women in the dairy farming community to gather, share experiences, and gain insights from accomplished speakers.

The morning session featured several guest speakers. Bernadette Wurlod from Keayang Maar Vineyard shared her journey from dairy farming to viticulture. Attendees also heard from Val Crawford, who described the evolution she and her husband Darryl's farming business has undergone. From share farming to now owning over 900 acres and managing a 250-cow dairy, they also run a beef herd. Commonwealth Centenary Medal and the Queen's Birthday Honour Member of the Order of Australia AM, recipient, Elizabeth Clarke, and award-winning journalist Pip Courtney also shared their stories. The women's narratives highlighted the importance of resilience, diversification, and flexibility in the agricultural sector.

The event's success was made possible by the support of the major sponsors, Westpac Bank and Gardiner Dairy Foundation. Thank you to dedicated committee for their efforts in organising the event with the support of WestVic Dairy.



Dairy Discussion Groups

Coorimungle Discussion Group

The Coorimungle group continued strongly this year, with Tyson Sinclair staying on for a second term as group leader. The group aims to meet on the first Wednesday of the month, with breaks in November and January.

After the first meeting of the financial year was cancelled due to biosecurity concerns, the second meeting in August was a day on biosecurity. The group combined with the Port Campbell Discussion Group to meet at the Timboon Vet Group, who gave farmers an insight into the threat Foot and Mouth Disease poses to dairy farming, and the steps that can be taken to prevent the spread.

For September the group was invited to attend the Heytesbury Stockfeeds annual luncheon at Simpson, which was an informative and social day out. In October the group visited Nico Nieuwenhuizens farm, and as well as a general farm visit, were able to have a good look at the igloo shelters recently installed. There were plenty of questions, and many group members left contemplating where they could build their own.

After a month off for harvest, the group had the annual Christmas breakup at the Ball and Chain Hotel at Simpson. As usual, this event was a well-supported, fun family night out, although with a late harvest across the district there were a few late comers having only just made it off the tractor!

The group was back to the Ball and Chain in February for the annual planning meeting, with ideas for the next 12 months set out. One of those ideas was a visit to the Doolans' farm at Ecklin South, which became the March meeting. Here the group looked at the power saving strategies the Doolan Family have put in place in their dairy. There was also a lot of interest in their move away from conventional granular fertilisers, and what this has meant for pasture management.

In April the group ventured to Brett Nutting and Jodi Proberts' farm in Curdievale. Here group members saw the new dairy and feedpad Brett and Jodi had recently commissioned, as well as heard from their bank Westpac on why they were happy to support the investment. Webber and Chivell also explained how their new drone system operated, and how that was being utilised by Brett and Jodi.

The group got a taste of technology the following month, combining with the Port Campbell Discussion Group to visit Paul and Marsha Smiths' robotic rotary at Mepunga in May. The Smiths' setup is truly awe inspiring, and the

70-odd attendees on the day were very fortunate to experience the first of its kind in Australia.

For the final meeting of the financial year, the group met at Andrew and April Croles' farm to take a look at the new feedpad they recently installed. With the season already proving wet, feedpads have again been a popular topic, and farmers are keen to get a good idea of the 'dos and don'ts' before making their own investment.

Port Campbell Discussion Group

The year commenced with the AGM and evening planning session at the Ball and Chain Hotel, Simpson with group members having the opportunity to share their input on the years activities.

With Foot and Mouth Disease at the front of farmers minds, the Coorimungle group joined the session presented by vet Peter Younis at Timboon. Peter used his extensive experience of managing FMD overseas to educate the groups on what to look at for and dispelled some myths around the disease.

In September the group met at Linda and Andrew Whittings' farm, where the focus was on multi species cropping and silage wrap recycling, along with a discussion around carbon credits, led by Gippsland farmer Niels Olsen.

October's meeting took place at Daniel Crofts' farm at Mepunga where members learned more about the extensive use of food byproducts fed to the 800-strong herd of Jersey cows. Lunch then took place at the Notman Seeds trial site, where agronomist Jonathan Town provided a comprehensive tour of the current trials and grass varieties.

The Annual Dinner took place at the Ball and Chain Hotel with guest speaker Brydon Coverdale, aka 'The Shark' from the Chase TV quiz show.

Following the Christmas and holiday break, March saw the Port Campbell and Coorimungle groups hold a joint meeting at the Doolan family farm. Pete, Sam, Bonnie and Belinda spoke about all of the energy saving upgrades they have made to their farm, as well as the reduced use of nitrogen utilising a 'tow and fert' system.

Schultz Organic Dairy was the host farm in April. Business owner Simon Schultz gave the group a run down on the impressive business which now employs over 40 people throughout the supply chain. A farm tour gave attendees the opportunity to learn more about managing a dairy herd under an organic system.



May again saw the Port Campbell and Cooriemungle groups hold a joint meeting, this time at Paul and Marsha Smiths' property at Mepunga. The Smiths have installed the first GEA robotic rotary dairy in Australia. Not surprisingly there was great interest in the day, with over 70 people coming along to view this ground-breaking technology in action.

The final meeting of the year took place at the Glennens at Dixie, where the focus was on calf rearing and alternative surplus calf pathways.

Whilst each farm visit has a particular topic to discuss, it is the general farm walk and talk that the group enjoys the most and finds most valuable.

Lakes and Craters Discussion Group

The Lakes and Craters Discussion group held two meetings. The first was the annual Christmas lunch – an event was also used as an opportunity to discuss the group moving forward. The on-farm meeting for the year was held at Gina Black's property at Glenormiston. The Black family has played a significant role in advancing the dairy industry over the years. Some of this history was discussed, along with looking to the future, which includes the construction of a large, steel calving shed. The group aims to meet more regularly, with meetings on a bi-monthly basis.

Colac and District Discussion Group

The Colac and District Discussion Group is a newly formed open group in the Colac region. The group has met on two occasions during the past year after interruptions prior to this due to Covid. This year the group had a planning session and BBQ with the next meeting being a pizza night and discussion on options for dairy beef. This session included a presentation from Sarah Bolton, ex DA and now Greenhams specialist on the topic.

Private Discussion Groups

Two private dairy discussion groups were organised through Headlands, South-west and WestVic Dairy discussion groups. The Southwest Headlands dairy discussion group covered several topics such as what needs to be in place to justify an underpass, succession planning, development of an out paddock, and feedpads. There was also a trip to New Zealand, where the participants observed various bio-diverse dairy farms, fodder and irrigation efficiencies.

The West Headlands dairy discussion group discussed irrigation, the opportunity to put in a pivot, calving system comparison, labor housing, farm accountants, calving barns, stock yards, best use of land and milk estimates.

Financial statements

For year ended 30 June 2023 WestVic Dairy (non-reporting) Inc.

Your Board members present the financial report of WestVic Dairy Inc. for the financial year ended 30 June 2023.

Board

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

- Jacqui Soares Chair
- Brendan Rea Vice Chair
- Rhonda Henry Treasurer
- Michael Huth
- Bradley Collins
- Will McDonald
- Lucy Collins
- Daniel Parkinson (Resigned October 2022)
- Bryan Dickson (Resigned October 2022)
- Brooke Lane (Appointed October 2022)

Principal activities

The principal activities of the association during the financial year was as the Regional Development Program (RDP) for the Western Victorian dairy region, and the delivery of dairy extension activities and programs. There were no significant changes in the nature of these activities during the year.

Significant changes in the state of affairs

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

Operating result

The surplus from ordinary activities for the financial year amounted to \$104,976 (2022: Surplus of \$103,426).

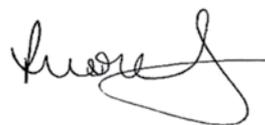
After balance date events

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.

Signed in accordance with a resolution from the board:



Jacqui Soares WestVic Chairperson



Rhonda Henry WestVic Treasurer
12 September 2023

Statement of income and expenditure

For the year ended 30 June 2023

	2023	2022
	\$	\$
Income		
Events	8,022	9,845
Extension course fees	-	16,500
Interest received	12,789	895
Other income and refunds	13,194	34,310
Project income	129,418	487,272
Program funding	1,126,500	940,000
Total income	1,289,923	1,488,822
Expenditure		
Advertising and promotion	21,107	23,870
Amortisation	31,200	33,899
Audit and accounting fees	5,200	9,300
Bank charges	2,152	1,646
Board fees and development	26,580	29,149
Catering	11,009	8,199
Conferences	17,902	-
Consumables	-	4,586
Contractors	115,810	155,022
Depreciation	4,690	4,692
Donations and gifts	16,278	6,857
Electricity and gas	4,527	3,524
Employment costs	756,678	872,188
Extension costs	79,533	79,441
Insurance	13,721	9,389
Interest expense	463	777
Lab tests (soil, plant, animal)	9,222	13,531
Motor vehicle costs	8,266	72,926
Newspapers and magazines	614	395
Postage	3,525	3,783
Printing and stationery	4,448	13,208
Repairs and maintenance	4,157	3,542
Staff development	1,127	1,575
Subscriptions	2,283	1,798
Sundry	7,157	2,866
Telephone and technology	6,502	10,854
Tools and equipment	4,399	2,203
Travelling and accommodation	26,397	16,176
Total expenditure	1,184,947	1,385,396
Surplus for the year	104,976	103,426

Statement of financial position

As at 30 June 2023

	Note	2023	2022
ASSETS		\$	\$
Current assets			
Cash and cash equivalents	2	1,319,716	1,157,173
Trade and other receivables	3	16,310	42,099
Prepayments		7,858	2,907
Total current assets		1,343,884	1,202,179
Non-current assets			
Leasehold improvements, plant and equipment	4	26,650	31,340
Right of use asset	5	173,487	59,801
Total non-current assets		200,137	91,141
Total Assets		1,544,021	1,293,320
LIABILITIES			
Current liabilities			
Trade and other payables	6	41,757	22,382
Lease liabilities	7	29,187	31,537
Grants received in advance		38,000	-
Total current liabilities		108,944	53,919
Non-current liabilities			
Trade and other payables	6	-	25,000
Lease liabilities	7	144,887	29,187
Total non-current liabilities		144,887	54,187
Total liabilities		253,831	108,106
NET ASSETS		1,290,190	1,185,214
Equity			
Retained earnings		1,050,190	936,462
Extension committee		-	8,752
Minimum reserve		240,000	240,000
Total equity		1,290,190	1,185,214

Statement of changes in equity

For the year ended 30 June 2023

	Note	Retained earnings	Extension Committee	Minimum reserve	Total
Balance at 30 June 2021		833,036	8,752	240,000	1,081,788
Surplus attributable to the entity		103,426	-	-	103,426
Balance at 30 June 2022		936,462	8,752	240,000	1,185,214
Surplus attributable to the entity		104,976	-	-	104,976
Transfers		8,752	(8,752)	-	-
Balance at 30 June 2023		1,050,190	-	240,000	1,290,190

Statement of cash flows

For the year ended 30 June 2023

	Note	2023	2022
		\$	\$
Cash flows from operating activities			
Receipts from customers		1,340,923	1,440,630
Payments to suppliers and employees		(1,159,633)	(1,352,196)
Interest received		12,789	895
Net cash provided by/(used in) operating activities	8	194,079	89,329
Cash flows from financing activities			
Repayment of leases		(31,536)	(33,923)
Net cash (used in) financing activities		(31,536)	(33,923)
Net increase/(decrease) in cash held		162,543	55,406
Cash at the beginning of the financial year		1,157,173	1,101,767
Cash at end of financial year	2	1,319,716	1,157,173

Notes to the financial statements for the year ended 30 June 2023

Note 1

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act (VIC) 2012. The Board has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

(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) Property, plant and equipment (PPE)

Assets are carried at cost less any accumulated depreciation. The depreciable amount of all PPE including capitalised leased assets, is depreciated on a straight line basis over the assets useful life commencing from the time the asset is held ready for use.

(c) Accounts receivable and other receivables

Accounts receivables are recognised initially at the transaction price (i.e cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of accounts receivable and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is immediately recognised in the statement of income and expenditure.

(d) Accounts payable and other payables

Accounts payable and other payables represent the liabilities at the end of the reporting period for goods and services received by the association that remain unpaid. Accounts payable are recognised at their transaction price. Accounts payable are obligations on the basis of normal credit terms.

(e) Employee benefits

All employees working on the activities of WestVic Dairy Inc. are employees of Dairy Australia. Dairy Australia on charge WestVic Dairy Inc. for the cost of employing these employees. The obligation of payment of employee entitlements lies with Dairy Australia.

(f) Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, demand deposits and short term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(g) Revenue and other income

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

Operating Grants, Donations and Bequests

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

When both these conditions are satisfied, the association:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement – recognises revenue as it satisfies its performance obligations. Where the contract is not enforceable or does not have sufficiently specific performance obligations:
- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards;
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from contract with customer);
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

Interest income is recognised using the effective interest method.

h. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

i. Comparative figures

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

j. Leases

Leases of property, plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the association, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

k. Economic dependence

WestVic Dairy Inc. is dependent on Dairy Australia for the majority of its revenue used to operate the business. At the date of this report the Board has no reason to believe Dairy Australia will not continue to support WestVic Dairy Inc.

Note 2 Cash and cash equivalents

	2023	2022
	\$	\$
Extension Committee account	-	35,904
ANZ transaction account	726,714	529,976
ANZ cash management account	338,829	340,685
NAB term deposit	254,173	250,608
	1,319,716	1,157,173

Note 3 Trade and other receivables

	2023	2022
	\$	\$
Trade debtors	2,850	21,395
Other receivables	13,460	20,704
	16,310	42,099

Note 4 Leasehold improvements, plant and equipment

	2023	2022
	\$	\$
Leasehold improvements at cost	45,000	45,000
Less accumulated depreciation	(18,564)	(14,054)
	26,436	30,946
Plant and equipment at cost	12,183	12,083
Less accumulated depreciation	(11,969)	(11,689)
	214	394
Total leasehold improvements, plant and equipment	26,650	31,340

Note 5 Right of use assets

	2023	2022
	\$	\$
Right of use asset - office	300,889	153,402
Less accumulated amortisation	(127,402)	(93,601)
Total right of use assets	173,487	59,801

Note 6 Trade and other payables

	2023	2022
	\$	\$
Current		
Trade payables	337	4,600
Other payables	27,418	7,525
Credit cards	14,002	10,257
	41,757	22,382
Non Current		
Share of Extension Committee funds - AgVic and REC	-	25,000
Total trade and other payables	41,757	47,382

Note 7 Lease liabilities

	2023	2022
	\$	\$
Current		
Lease liability - office	29,187	31,537
Non Current		
Lease liability - office	144,887	29,187

Note 8 Reconciliation of cash flow operations with surplus for the year

	2023	2022
	\$	\$
Surplus from operations	104,976	103,426
Non cash flows		
Depreciation	4,690	38,591
Amortisation	31,200	-
Changes in assets and liabilities		
(Increase)/Decrease in trade and other receivables	25,789	(16,586)
(Increase)/Decrease in other assets	(4,951)	-
(Decrease)/increase in trade and other payables	(5,625)	(5,391)
(Decrease)/increase in grants received in advance	38,000	(30,711)
	194,079	89,329

Note 9 Events occurring after the reporting date

No matter 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.

Note 10 Association details

The registered office of the association is:
WestVic Dairy Inc.
5 Cressy Street
Camperdown VIC 3260

Statement by members of the board

For the year ended 30 June 2023

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 statements:

- 1 Presents a true and fair view of the financial position of WestVic Dairy Inc. as at 30 June 2023 and its performance for the year ended at that date.
- 2 At the date of this statement, there are reasonable grounds to believe that WestVic Dairy 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 of management and is signed for and on behalf of the Board of management by:



Jacqui Suares WestVic Chairperson



Rhonda Henry WestVic Treasurer
12 September 2023

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF WESTVIC DAIRY INC.

Opinion

We have audited the financial report of WestVic Dairy Inc., which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, 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 statement by members of the committee.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the entity as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with the financial reporting requirements of the *Associations Incorporation Reform Act (VIC) 2012*.

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 entity in accordance with 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 committees' financial reporting responsibilities under the *Associations Incorporation Reform Act (VIC) 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 Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Associations Incorporation Reform Act (VIC) 2012* and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

McLaren Hunt

MCLAREN HUNT
AUDIT AND ASSURANCE

N.L. McLean

N.L. McLEAN
PARTNER

Dated at Warrnambool, 13 September 2023

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Melissa Humphries Administration Coordinator



Aylish Tobin-Salzman Communications Officer



Sheeraz Ahmad Regional Extension Officer
Farm Business Management



Sam Andrews Farm Engagement Lead



Liza Fahey Project Officer
Our Farm, Our Plan/Special events



Michelle Leech Communications Officer



Peter Gaffy Regional Extension Officer
Feedbase and Nutrition



Jacinta Langdon Regional Project Lead
Workforce Attraction



Michelle Seabrook Regional Extension Officer
Workforce Planning and Action



Libby Swayn Lead Regional Extension Officer
Land, Water, Climate



Debbie Twiss Regional Extension Officer
Animal Health and Performance



Chris Walsh Regional Extension Officer
Our Farm Our Plan



Matthew Wood Regional Extension Officer
Workforce Planning and Action

Acknowledgements

WestVic Dairy sincerely appreciates the support and financial assistance of many people and organisations. During 2022/23 we again worked closely with the Gardiner Dairy Foundation and the DemoDAIRY Foundation on several events and training opportunities. We particularly value their willingness to invest in the training and development of young dairy people in our region and we look forward to working together in the year ahead.

We would like to extend our thanks to:

- All dairy farmers in Western Victoria
- Dairy Australia (DA)
- United Dairyfarmers Victoria (UDV)
- Australian Dairy Farmers
- Agriculture Victoria
- The seven other Regional Development Programs across Australia: GippsDairy, Murray Dairy, DairySA, Western Dairy, DairyTAS, DairyNSW and SubTropical Dairy
- The milk processors that source Western Victorian milk
- The Corangamite and Glenelg Hopkins Catchment Management Authorities
- The local shires: Corangamite Shire, Warrnambool City Council, Moyne Shire, Colac Otway Shire, Glenelg Shire, Surf Coast Shire, Southern Grampians Shire and those around Ballarat
- Local dairy farm consultants and service providers
- South West LLEN
- RIST and SWTAFE
- Vic-West Rural Financial Counselling Service
- Food and Fibre Great South Coast
- Our project facilitators
- Our sponsors of: Great South West Dairy Awards, Ladies' Luncheon and Dairy Nite Moooves



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