

# ANNUAL REPORT 2001

## CONTENTS

Page

General Information	2
Murray Dairy Region and Stakeholders	3
Corporate Goals	4
Murray Dairy Programs	5
Organisational Structure	6
Chairman's Review	8
Chief Executive Officer's Report	9
Operational Review	10
Program 1: Improving Whole Farm Productivity	11
Program 2: Sustaining the Natural Resource Base	12
Program 3: Mobilising People	13
Program 4: Influencing the Operating Environment	14
Administration & Management - Murray Dairy	15
Financial Report	16
Acknowledgements	19
Appendices	20



Murray Dairy

# General Information

## DIRECTORS

Geoff Akers *Chairman*  
Barbara Strand *Deputy Chairman*  
Ian Cobbledick *Industry Steering Group Chairman* Barry Croke  
Paul Ford  
Noel Howard  
Durham Prewett  
Francine Rochford

## CHIEF EXECUTIVE OFFICER

Maurice Incerti

## REGISTERED OFFICE

Murray Dairy  
120 Cooma Road  
Kyabram Vic. 3620  
Tel: (03) 5852 0526  
Fax: (03) 5852 0599

## INCORPORATION

Murray Dairy Inc. is incorporated under the  
Victorian Associations Incorporation (Amendment) Act 1997.  
Registration No. A0034448U

## SOLICITOR

Edwin Kennon  
Morrison & Sawers

## AUDITORS

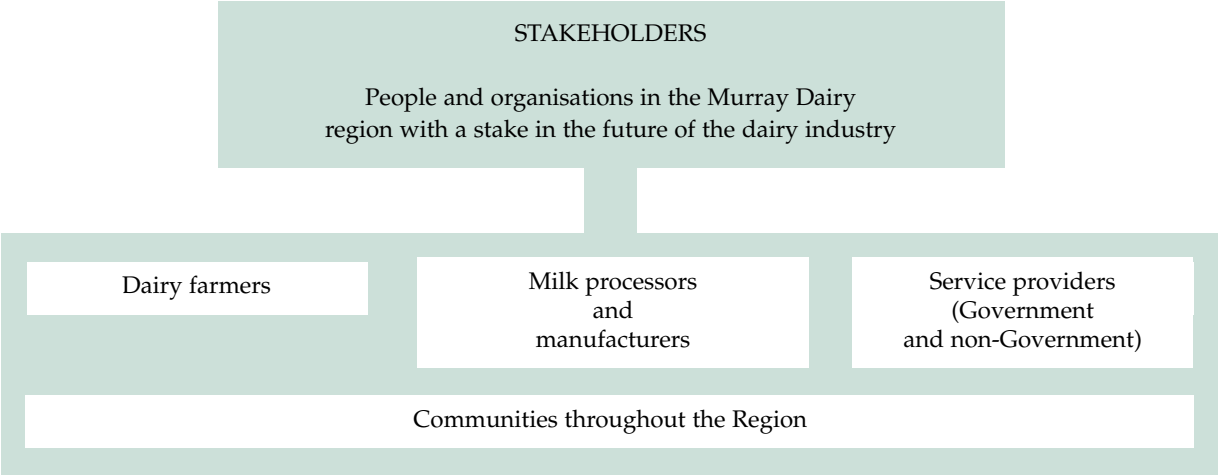
M&S Accounting Services

# Murray Dairy Region and Stakeholders

The Murray Dairy region is the largest dairying region in Australia, covering the Northern Irrigation and North-East regions of Victoria, and the Riverina and Upper Murray regions of NSW. The region includes some 3,300 dairy farms, producing 26% of Australia's milk.

Regional milk production in 1999/2000 was 2,800 million litres, with a farmgate value of \$780 million. Nearly all the milk (96%) was used for manufactured products. The value of dairy products exported from the region was estimated at \$2.08 billion.

The region is dominated by irrigated dairying, with approximately 90% of the farms located in the irrigation districts of Northern Victoria and Southern NSW (Riverina). The remaining 10% are in North-East Victoria and the Upper Murray region of NSW, where production depends on both dryland and irrigated pastures.



# Corporate Goals

## VISION

A dairy industry in the Murray region that is world's best, prosperous and fulfilling for the industry's stakeholders, while remaining environmentally responsible.

## MISSION

To maximise the outcome from the research, development and extension investment made by industry, government and the private sector in the Murray Dairy region.

## THIS WILL BE ACHIEVED BY:

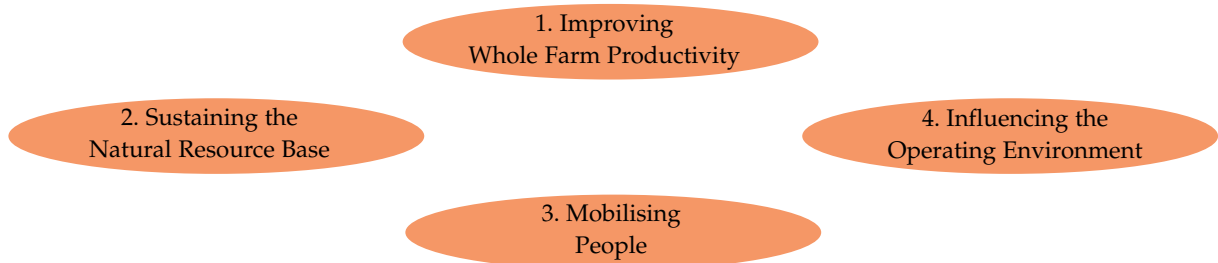
- \* growing and diversifying the research, development and extension funding base;
- \* facilitating an industry-led and co-ordinated approach to research, development and extension;
  - \* ensuring effective stakeholder participation throughout the research, development and extension process; and
  - \* providing innovative and effective industry leadership.

## WHAT IS OUR EDGE?

In dealing with Murray Dairy, value is added to investment in research, development and extension because of our ability to harness effective stakeholder participation in aligning this investment with the industry's strategic needs.



## Murray Dairy Programs



### Program objectives

#### *Improving Whole Farm Productivity*

To identify management strategies and structural changes that improve whole farm productivity and ensure their adoption through the development and implementation of extension programs that meet the industry's needs.

#### *Sustaining the Natural Resource Base*

To ensure that the industry remains environmentally responsible by determining best practices in resource management, creating awareness of the need for them and promoting their adoption.

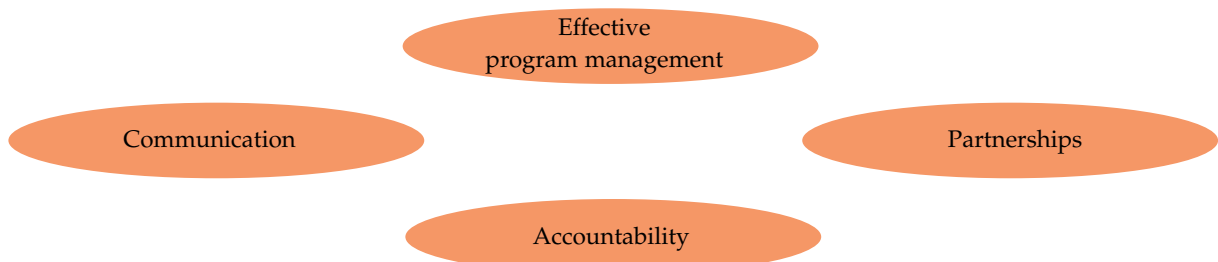
#### *Mobilising People*

To help the industry manage change and address personal, farm/business, community and industry issues through better access to information and greater opportunities for self-improvement.

#### *Influencing the Operating Environment*

To improve the competitiveness and financial returns to the industry by complementing marketing initiatives, removing impediments to desirable industry restructuring and improving the individual's business management skills.

## Organisational management guiding principles

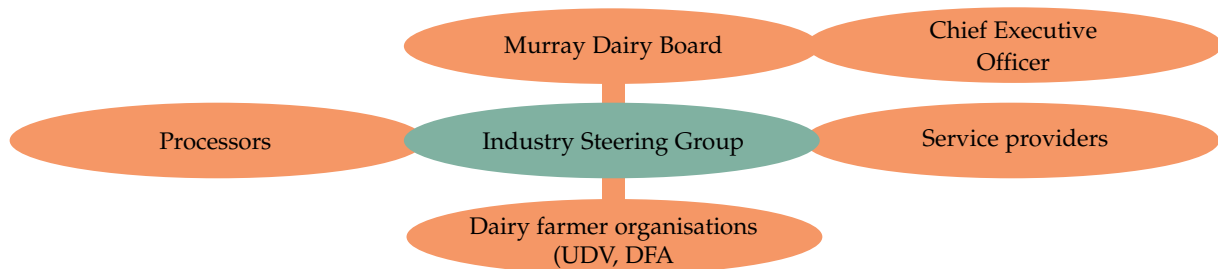


# Organisational Structure

Murray Dairy is an independent organisation with a seven-member Board of Management.

A Chief Executive Officer is responsible to the Board for the operational management of the organisation.

The Board is accountable to the industry through an Industry Steering Group (ISG) made up of stakeholder representatives from across the Murray Dairy region.



## THE ROLE OF THE BOARD IS TO:

- develop policies and strategic direction for research and extension in the region;
  - identify priorities for research and extension projects;
- invest industry R&D funds allocated to the region by the DRDC to address priority issues;
  - maximise the leverage from DRDC funds allocated to the region;
  - grow and diversify the research and extension funding base;
- develop and monitor the implementation of the five-year strategic plan and annual business plan; and
  - ensure sound management and infrastructure to deliver Murray Dairy programs across the region.

## THE ROLE OF THE INDUSTRY STEERING GROUP IS TO:

- select Board directors;
- monitor the performance of the Board;
- identify and prioritise issues affecting the dairy industry;
- provide industry representatives for project development and monitoring teams;
- provide the communication link between Murray Dairy and the industry; and
  - approve the Murray Dairy annual business plan.

To provide an effective communication process between the ISG and the dairy farmers they represent, five Regional Groups have been established across the Murray Dairy region:

- \* three in the Northern Victorian Irrigation region - Western Group, Central Group and Eastern Group;
- \* Riverina Group; and
- \* North-East Victoria and NSW Upper Murray Group.

Regional Groups are made up of locally based ISG members and other interested dairy farmers and industry representatives.

## THE ROLE OF THE REGIONAL GROUPS IS TO:

- \* convene regional activities to inform the industry stakeholders of Murray Dairy programs and outcomes;
- \* develop and co-ordinate the industry consultation process to identify industry needs within their region;
- \* assist with the planning, promotion and implementation of Murray Dairy programs within their region; and
  - \* advise on the relevance of proposals for grants within their region.



# Organisational Structure

## INDUSTRY STEERING GROUP MEMBERS AND ORGANISATIONS REPRESENTED in 2000/01

Ian Cobbledick	Chairman
Peter Millard	UDV No. 6 District Council
Steve Henty	UDV No. 6 District Council
Trevor Keele	UDV No. 7 District Council
Greg Ault	UDV No. 7 District Council
Greg Pell	UDV No. 8 District Council
Carol McFadzean	UDV No. 8 District Council
Daryl Hoey	UDV No. 9 District Council
Yvonne Crawford	UDV No. 9 District Council
David Ford	UDV No. 10 District Council
Rhonda Handford	UDV No. 10 District Council
Glen Allan	UDV No. 12 District Council
Gordon Nicholas	UDV No. 12 District Council
Neville Kydd	NSW Dairy Farmers Association
Andrew Tulley	NSW Dairy Farmers Association
Neil Webster	Bonlac Foods
Brian Crockart	Dairy Farmers Group
Trevor Sutton	Kraft Foods
John Furphy	Murray Goulburn
Industry Steering Group members and organisations represented in 2000/01 (cont.)	
John Newlan	Nestlé Australia
Geoff Ruddle	Parmalat
Leon Schreiber	Tatura Milk Industries
Kevin Kelly	Department of Natural Resources & Environment
Alfred Heuperman	Department of Natural Resources & Environment
Penny Shaw	Department of Natural Resources & Environment
Geoff Drysdale	Department of Natural Resources & Environment
Hayden Kingston	NSW Agriculture
Phillip Renn	Northern Herd Development
Colin Ross	Consolidated Herd Improvement Services
John Mapson	Goulburn-Murray Water
Richard Dickinson	The University of Melbourne, Dookie
Geoff McLeod	Murray Irrigation
Max Pleasance	Target 10

*Murray Dairy acknowledges the contribution made by the members of the Industry Steering Group and the organisations they represent.*

# Chairman's Review

Murray Dairy has continued to expand its budget and the range of projects under its influence. This expansion shows that the dairy industry and other investors recognise the value of Murray Dairy's role in the dairy industry's research and development in our area.

The region's dairy industry is buoyant and the farmers' outlook more positive than it has been for many years. Consequently, many farmers are making significant changes to their farm operations. A positive for Murray Dairy is that many farmers will be willing and able to try new technologies on their farms.

At both a state and national level, the structure of the Australian dairy industry is going to change as we adjust to a deregulated industry. In many cases, the roles that industry groups and organisations now play are likely to change. Some organisations will restructure; others will disappear.

The Regional Development Programs across Australia need to consider what their role will be in any new structure. This is particularly important when considering proposed changes to the Dairy Research and Development Corporation (DRDC). It will be important for the Regional Development Programs to link into the new national structures and wear the research, development and extension mantle.

In Victoria, the current Target 10 program has a year of funding remaining. There are several industry groups now considering the future role of public extension. Murray Dairy will need to consider the extension needs of the region as it develops future programs and initiatives.

Paul Ford and Francine Rochford are completing terms on the Board of Murray Dairy. On behalf of Murray Dairy, I would like to thank Paul and Francine for their time, commitment and vision while on the Board.

The staff of Murray Dairy has met new challenges this year. All budgeted contracts with DRDC were signed by the financial year close, the staff took on new initiatives such as the Dairy Innovations days across the region, plus all the other roles they play in making sure Murray Dairy runs smoothly. Thanks to our CEO, Maurice Incerti, and his staff.

Geoff Akers  
Chairman

# Chief Executive Officer's Report

The many performance highlights and outcomes in 2000/01 demonstrate that Murray Dairy has again added significant value to industry, government and private sector research and development (R&D) investment.

Murray Dairy has continued to expand the region's R&D funding base, with more than \$4.3 million being invested during 2000/01. This was a 39% increase over 1999/2000 and is the fifth consecutive year of increased R&D funding.

This investment has allowed Murray Dairy to deliver R&D programs that have extended the knowledge that underpins the international competitiveness of the region's dairy industry. This was achieved as a result of Murray Dairy's consultation and communication processes, which create strong industry ownership and support for the strategic and operational plans.

Over the past 12 months, Murray Dairy has continued to see more dairy farmers contributing to the identification, development and implementation of R&D programs. This increased participation could not have been achieved without the commitment and support of the members of our Industry Steering Group and Regional Groups. I thank all involved for their dedication and contribution.

In 2000/01 Murray Dairy completed the development of its second five-year strategic plan. This new plan highlights the enormous potential for the dairy industry in the region, the opportunities and the challenges. Several subtle but significant changes to Murray Dairy's strategic direction will ensure that R&D activities remain focused on achieving the industry's strategic priorities.

On behalf of Murray Dairy, I would like to acknowledge the extensive range of funding partners that have support our R&D programs and initiatives. In particular, I thank the DRDC and its staff for their continued funding, assistance and technical support.

The staff of Murray Dairy, in partnership with our stakeholders, has again excelled in the quality of their work. I thank them for their support and commitment to the industry.

Finally, I would like to express my appreciation for the unqualified support that the Murray Dairy Board has given to me over the past year. In particular, I would like to acknowledge our Chairman, Geoff Akers, and the Industry Steering Group Chairman, Ian Cobbedick, for their advice and encouragement.

The dairy industry in Northern Victoria and Southern NSW is one of the region's most vibrant, innovative and profitable industries and is vital to the future prosperity of its communities. Murray Dairy intends to continue leading it forward by ensuring that its R&D programs focus on the priorities identified in the five-year strategic plan.

Our performance and continued support from the industry gives me great confidence that Murray Dairy will meet the challenges set down in 2000/01 business plan.

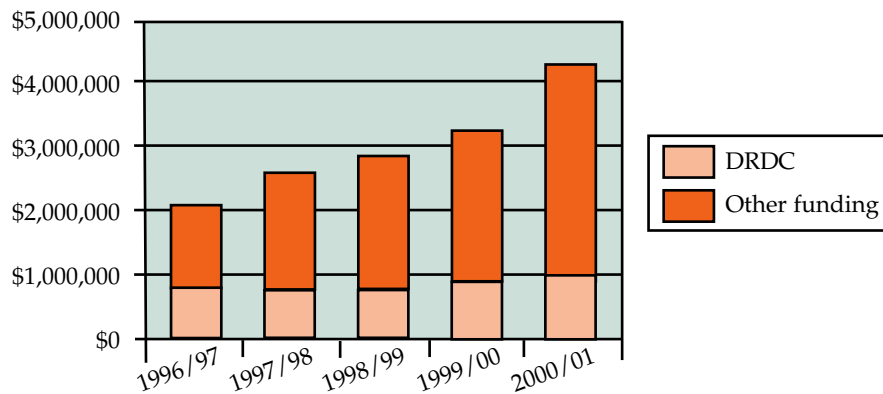
Maurice Incerti  
Chief Executive Officer

# Operational Review

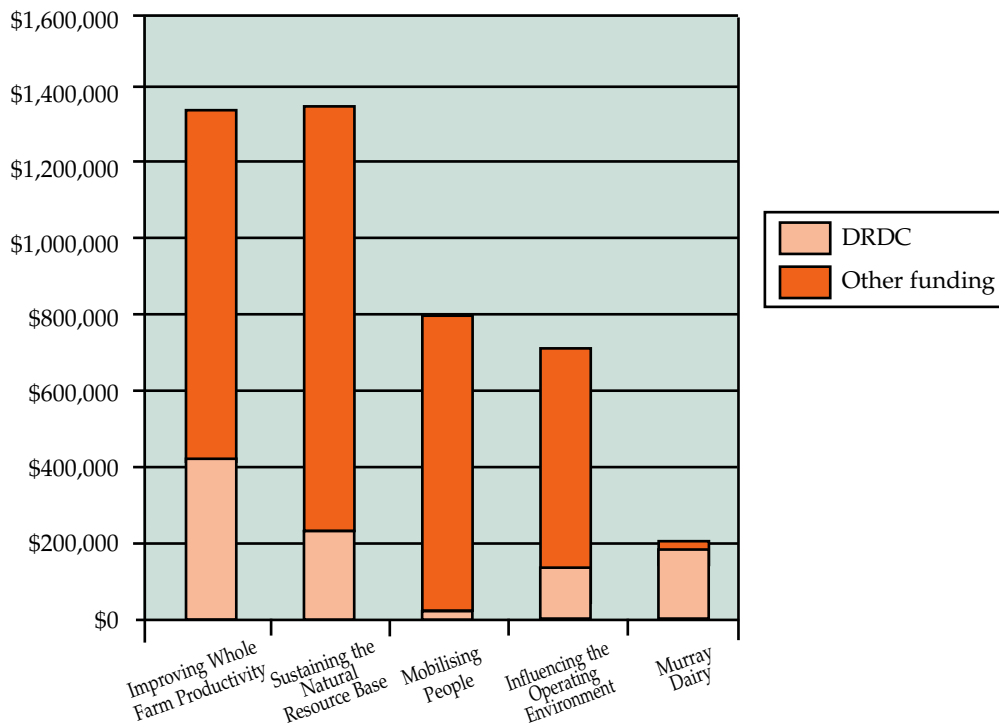
In 2000/01, the DRDC allocated \$1,058,689 to the Murray Dairy Regional Development Program. All of the funds were invested in new and ongoing projects.

This investment has enabled Murray Dairy to attract an additional \$3,335,503 from a range of government, industry and private funding initiatives.

The total investment of \$4,394,192 represents a \$1,070,529 (39.1%) increase on 1999/2000.



## DISTRIBUTION OF FUNDS ACROSS THE MURRAY DAIRY PROGRAMS



## Program 1 – Improving Whole Farm Productivity

This Program continues to focus on improving pasture production and quality through research initiatives focusing on:

- \* Quantifying the effect of pasture renovation on the density, production, nutritive value and consumption of irrigated pastures and evaluating the options to maintain optimum pasture density.
- \* Managing soils for increased feed production, including an economic and field evaluation of forage species for use with soil modification.
- \* Developing strategies for the control of weeds in irrigated pastures. This work currently targets two priority weeds - kyllinga (Mullumbimby couch) and Parramatta grass. Due to the lack of chemical control options for the suppression/control of kyllinga, the research emphasis has moved to developing an understanding of the rhizome's role in the weed's spread and persistence. A better understanding of the weed's biology will help identify when plants are most likely to be susceptible to various chemicals or other control strategies. Future research will be directed at developing strategies targeting plant weaknesses. The work on Parramatta grass has been on understanding the extent of the problem and identifying any potential control strategies. The survey work has shown a greater spread of the weed than originally thought, with apparently limited control options. Further research will focus on identifying control strategies.

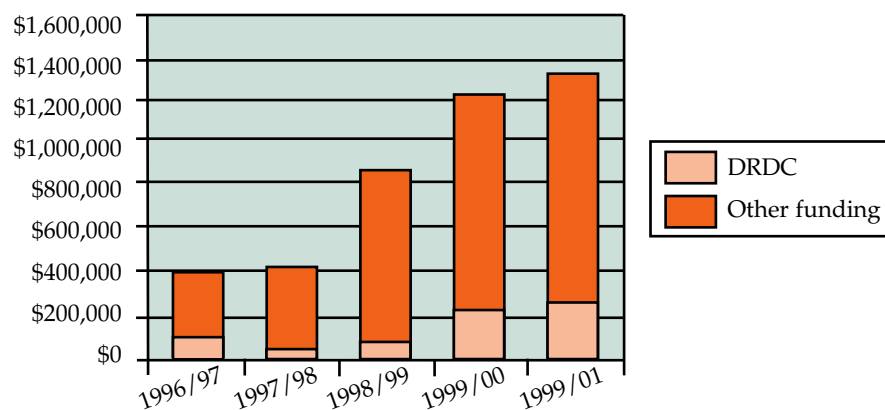
Recognising the great diversity in irrigated dairy farming and feeding systems within the region, ongoing analysis is needed of the types of farming systems which are viable or may be so in the future, and the most appropriate changes to current systems. As a result, an initiative that focuses on establishing a methodology to analyse or demonstrate future systems has been funded.

The work to develop recommendations for research and extension in the area of transition cow nutrition was completed. The outcome was a new research project that aims to develop recommendations for feeding cows during the dry period and early lactation, while establishing interactions with body condition at calving and the benefits on subsequent productivity and reproductive performance.

Murray Dairy continued to support the dairy industry's national Feedbase production and utilisation and Improving animal performance programs by:

- \* delivering throughout the region the second stage of the extension component of the national herd fertility program, InCalf; and
- \* co-ordinating the regional delivery of the national mastitis program, Countdown Downunder, and supporting the regional network of technical advisers and the roll-out of the farmer short courses.

Funding in the Improving Whole Farm Productivity Program increased by \$259,613 (24.6%) from the previous year. In 2000/01, 29.9% of the total funds invested were committed to this Program, with 66.2% of these funds coming from funding sources other than the DRDC.



## Program 2 – Sustaining the Natural Resource Base

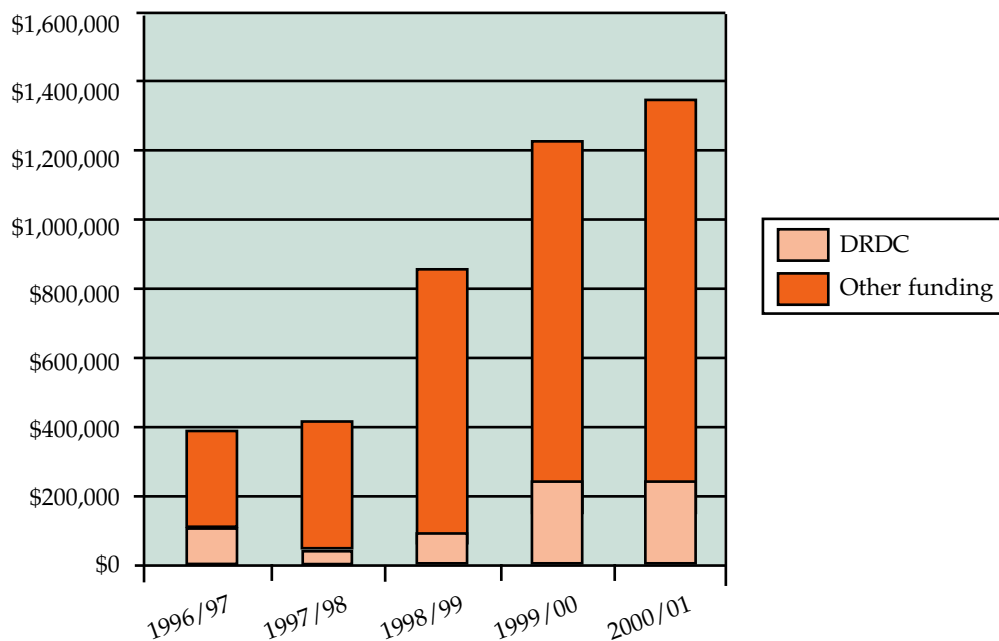
The major focus of projects in this Program continues to be on improving the water use efficiency of dairy farms through:

- \* Increased adoption of best management practices on-farm.
  - \* Development of alternative irrigation technology. This component is designed to identify strategies to improve flood irrigation and evaluate potential alternatives. These are being investigated in terms of their economic benefits and impact on production, water use efficiency and the environment.
  - \* Better understanding of market and institutional drives for improved water use efficiency.
- Murray Dairy, with the support of the National Heritage Trust (NHT), has been piloting a project across the Murray Catchment aimed at improving natural resource management. The project, which began in 1998, developed strategies that improved links between the catchment strategies and the dairy industry, resulting in the increased adoption of best practices and implementation of on-ground works.

In 2000/01, Murray Dairy supported several regional, state and national initiatives focusing on natural resources management by co-ordinating:

- \* regional input into the industry’s state-wide Dairy Effluent Management initiative supported by NHT;
- \* dairy industry input into the Murray Darling Basin Commission (MDBC) project on the Feasibility of Audit / Certification for Irrigation that is now providing significant direction to the dairy industry as it considers the role of environmental management systems in natural resource management;
- \* dairy industry input into the development of a Regional Greenhouse Strategy; and
- \* the regional delivery of the DRDC /ADFF Sustaining Our Natural Resources project (the Regional Action Plan developed as part of this project has identified several initiatives that will complement existing natural resource management programs and lead to the greater adoption of best management practices by dairy farmers).

Total funding in the Sustaining the Natural Resource Base program has continued to grow significantly. In 2000/01, 30.5% of total funds invested were committed to this Program, with 80.6% of these funds coming from funding sources other than the DRDC.



## Program 3 – Mobilising People

This Program's focus has been on improving the skill base of dairy farmers across the region. A key achievement this year has been the development of a joint project with GippsDairy, WestVic Dairy and the RMIT Centre for Workplace Culture Change. The project aimed to develop innovating networks and establish a Dairy Business Network in each region.

This project will support networks of innovative farmers, facilitating their innovation, and using these networks as a learning 'test-bed' for the industry across Victoria. Key foci of innovation will involve: organisational structure; managing the business and its people; experimenting with approaches to improving the skills of people currently on-farm; recruiting new types of people to become 'dairy professionals'; and creating employment opportunities on-farm in the dairy industry.

This project provides the opportunity to tap into, and harness, the knowledge and skills of leading-edge dairy farmers from across Victoria for the potential benefit of the sector as a whole. It also provides innovative dairy farmers in the networks with expert knowledge and inputs.

In 2000/01, Murray Dairy, in partnership with the Goulburn Ovens Institute of TAFE, continued to focus on improving the delivery and relevance of training to dairy farmers through the Enhancing the Industry/Provider Relationship in Education and Training project. Outcomes from this initiative include:

- \* integrating existing training programs into the extension activities or services provided by milk companies and other service providers;
- \* developing new initiatives and modifying exiting programs for dairy farmers;
- \* increasing the flexibility of the training provided to better meet the needs of dairy farmers; and
- \* 'sign-posting' dairy farmers to existing training programs.

Continued funding of the Murray Dairy Demonstration and Extension Grants has provided industry groups with an opportunity to increase dairy farmers' access to information and demonstrate new technology. Notable highlights from this project include:

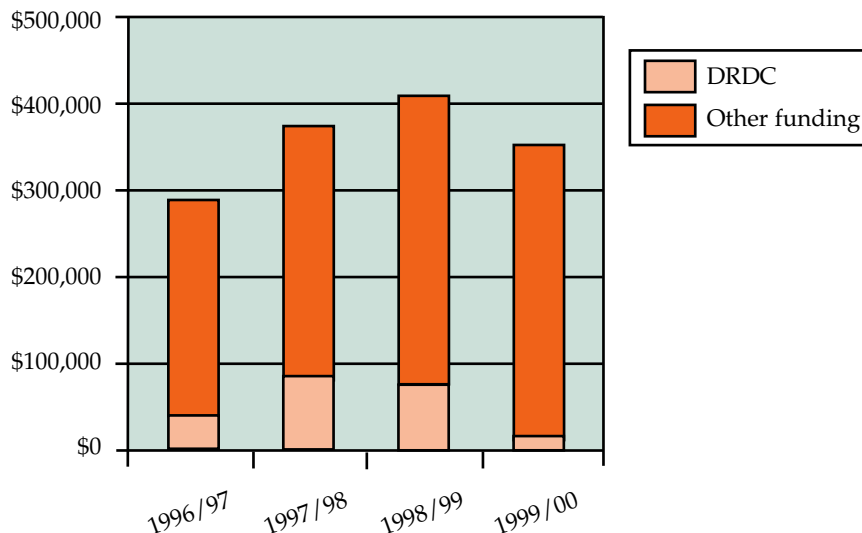
- \* production of a Guide to Establishing a Chart of Accounts which was sent to all dairy farmers in the region; this booklet is being reprinted for distribution in other dairying regions, as well as forming the basis for other programs;
- \* the outcomes from the Parramatta Grass Survey project being used to quantify the extent of the problem and identify future research and extension activities; and
- \* the visit of the Dairy Research Foundation Conference Country Tour, focusing on improving dairy profitability.

An initiative aimed at providing dairy farmers with greater access to new information was the series of Innovation Expos that were run across the region. The expos included updates on the latest in research and development, as well as presentations by local dairy farmers about on-farm innovations.

In 2000/01, Murray Dairy continued to support initiatives focusing on improving the leadership capacity of the industry through the Development of Young Dairy Farmers and Women in Dairying projects.

Murray Dairy, together with the DNRE and the National Landcare Program, continued to fund the Target 10 Dairy Business Focus program across the region. This project focuses on developing the strategic and business management planning skills of dairy farmers.

Total funding in this Program grew dramatically (\$446,367 or 123.3%) compared with the previous year. In 2000/01, 18.4% of total funds invested were committed to this Program, with 93.9% of that amount coming from funding sources other than the DRDC.



## Program 4 – Influencing the Operating Environment

This Program aims to create an operating environment that fosters the industry’s growth and prosperity.

A major focus has been on increasing the industry’s labour supply. Murray Dairy continued to promote careers in the dairy industry and assist dairy farmers overcome the barriers to employing labour. During the past year, initiatives included:

- \* Providing students and teachers with information about employment opportunities and career paths in the dairy industry through the Cows Create Careers program.
- \* Developing effective and ongoing partnerships between schools and all sectors of the industry.
- \* Undertaking research into attitudes, perceptions and knowledge of non-traditional labour market entrants into the dairy industry.
- \* Piloting an industry pre-employment training project.
- \* Delivering Employing Made Easier workshops for dairy farmers.

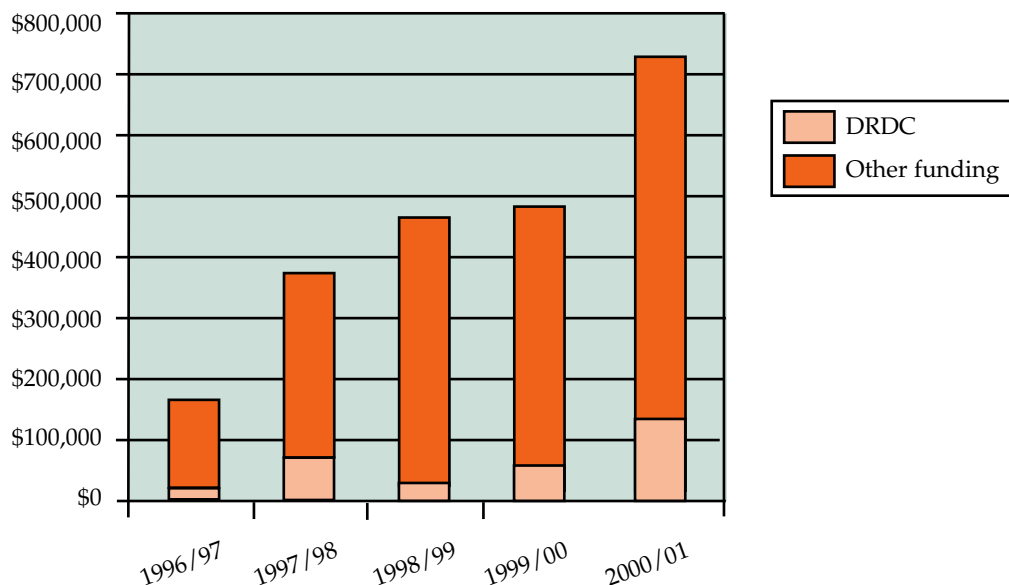
In 2000/01, Murray Dairy supported the implementation of a strategy to increase access to capital for on-farm investment. The strategy focused on providing dairy farmers with information about alternative sources of capital and potential investors with information about industry investment opportunities. To help dairy farmers wanting to better promote their business to outside investors, the project produced a booklet promoting the region and investment opportunities, and a dairy farm operations and management manual.

In partnership with Land and Water Australia, Murray Irrigation, NSW Agriculture and the DNRE, a major project about improving water use efficiency by reducing groundwater recharge has continued to be funded. The results from this study are being used to refine farm water policy in the Riverina and provide direction for future research.

The irrigator toolkit for managing water allocation risk that commenced last year was completed. A strategy to extend this product to the industry in 2001/02 is being developed.

Murray Dairy also gained Dairy Regional Assistance Program funding to develop a strategy to manage structural adjustment of small dairy farms in settlement areas. The outcome of the project will be a strategy to facilitate the amalgamation of small dairy farms in settlement areas, resulting in significant social, environmental and infrastructure utilisation benefits to the community and industry.

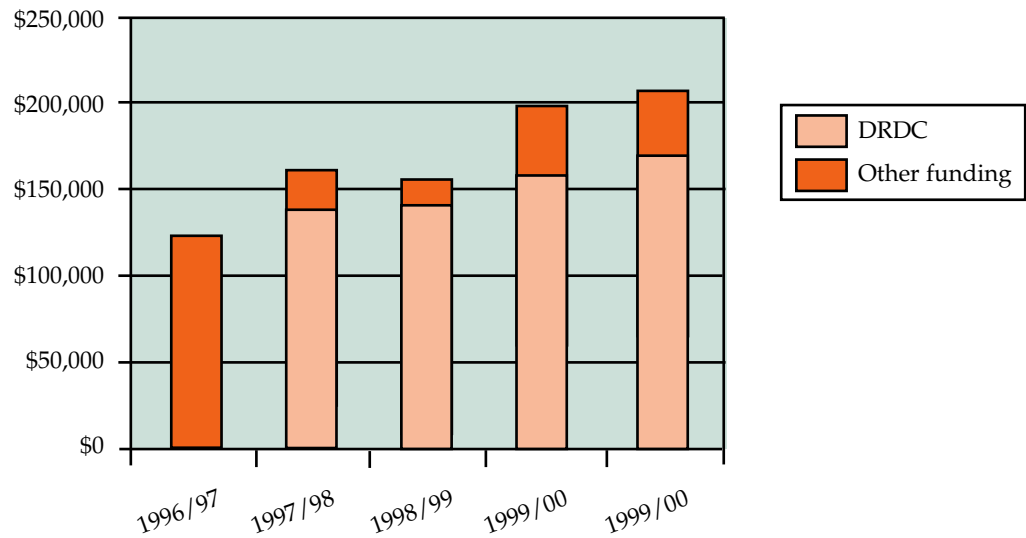
Funding in this Program increased by \$241,433 (49.9%) compared with the previous year. In 2000/01, 16.5% of total funds invested were committed to this Program, with 81.5% of these funds coming from funding sources other than the DRDC.



## Administration & Management

In 2000/01, 4.7% of the total investment was used to:

- \* meet the operational costs associated with the Board, Staff, Industry Steering Group and Regional Groups;
- \* finance project development, including the planning and delivery of national programs; and ensure effective industry consultation and communication.



# FINANCIAL REPORT

## MURRAY DAIRY BALANCE SHEET (As at June 30, 2001)

<b>ASSETS - Current Assets Current/Savings</b>	
DRAP Account	1,966.76
Murray Dairy Project Account	126,476.30
Total Current/Savings	128,443.06
Accounts Receivable	
Accounts Receivable	121,857.53
Total Accounts Receivable	121,857.53
Other Current Assets	
Petty Cash	276.40
Total Other Current Assets	276.40
<b>Total Current Assets</b>	<b>250,576.99</b>
<b>TOTAL ASSETS</b>	<b>250,576.99</b>
<b>LIABILITIES &amp; EQUITY -</b>	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Tax Payable	
GST	
Tax Collected	22,423.25
Tax Paid	-18,361.87
Total GST	4,061.38
PAYG Withholding	13,196.00
Quarter Installment	-6,900.00
Total Tax Payable	10,357.38
Total Other Current Liabilities	10,357.38
Total Current Liabilities	10,357.38
Total Liabilities	10,357.38
Equity	
Opening Bal Equity	270,872.58
Retained Earnings	-149.00
Net Income	-30,503.97
Total Equity	240,219.61
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>250,576.99</b>



# FINANCIAL REPORT

## PROFIT AND LOSS (July 2000 through June 2001)

	Jul '00 - Jun '01
<b>Income</b>	
Fees from conferences	920.00
Grants	430,650.75
Industry Contributions	23,420.00
Interest Income	9,241.17
Other Income	39,436.05
<b>TOTAL INCOME</b>	<b>503,667.97</b>
<b>Gross Profit</b>	<b>503,667.97</b>
<b>Expense</b>	
Accounting & Legal Fees	1,505.38
Advertising	14,894.41
Bank Charges	1,008.75
Catering and Venue Hire	20,821.39
Consultant's Fees	34,953.51
Contract Wages	37,424.98
Fringe Benefits Tax	2,309.09
Insurance	4,872.29
Miscellaneous	46,973.11
Mobile Phone	2,781.52
Office Accommodation	36,746.81
Personal Expenses	2,233.74
Phone allowance	340.00
Postage & Delivery	4,400.47
Printing and Stationery	28,255.80
Program Contribution	127,417.52
Publications and Books	437.50
Publicity & Promotion	3,194.55
Sitting Fees	9,165.42
Superannuation	7,210.12
Training & Conferences	2,486.56
Travel Costs	14,987.45
Uncategorised Expenses	0.00
Vehicle	30,114.96
Wages	98,482.34
Workcover	1,154.27
<b>Total Expense</b>	<b>534,171.94</b>
<b>Net Income</b>	<b>-30,503.97</b>

### Note to Profit & Loss

The Statement of Profit & Loss shows a net loss for the year of \$30,503.97. This result reflects the transactions recorded against various projects which were undertaken over the twelve month period. The actual funds received for the various projects occurs throughout the time span of each project.

The actual receipt for the funding of each project does not always occur in the same time period as the expenditure is incurred, in fact it is often in arrears. Consequently, the Statement of Profit & Loss does not reflect a profitability result of the projects undertaken.

## PROJECT BALANCES (As at June 30, 2001)

Project	Description	Balance
MDP001	Employing made Easier	-
MDP010	Dairy Extension Support	32,085.37
MDP017	Managing skills transistions in the dairy industry	-
MDP021	Target 10 Conference 2000	23,339.52
MDP031	TAFE Dairy Industry Consultant Project	5,177.49
MDP034	Stanhope/Tallangatta Field Days	-
MDP040	Innovating Business Networks	1,151.40
MDP042	National Programs	839.10
MDP043	TRIP 2001	11,625.50
MDP044	Managing Structural Adjustment on Small Farm	2,319.50
MDP045	Innovation week May 2001	-
MDP046	Financial Record Guide for Dairy Farmers	-
REF025	Sustaining our Natural Resources Project Reference Team	-
REF032	Increasing Access to Capital Project Reference Team	1,084.34
REF035	Murray Dairy Regional Development Plan (MGA001)	2,298.68
REF039	Incalf Delivery	-
REF041	DAV438 Reference team	-
GRT029	Nanneella/Timmering Target 10 Discussion Group Grant 1998/99	-
GRT047	Parramatta Grass Survey 2001	3,825.00
MRP018	Best Practices for Environmental Management	12,537.49
MRP020	Murray Dairy Board, ISG and CEO 1999-00 - 2001/02	42,907.39
SRG001	Central ISG Sub-regional Group	-
SRG002	Western ISG Sub-regional Group	-
SRG003	Eastern ISG Sub-regional Group	-
SRG004	Riverina ISG Sub-regional Group	-
SRG005	North-East ISG Sub-regional Group	-
DRAP	Dairy Regionai Adjustment Program Project Account	1,786.96
Reserves		99,241.87
<b>TOTAL</b>		<b>240,219.61</b>

## STATEMENT OF CASH FLOWS for the Year Ended 30 June 2001)

<b>Cash Flows from Operating Activities</b>		
Receipts from Grants and Fees		371,650.67
Interest received from investments		9,241.17
Payments to suppliers of goods and services		- 310,148.70
Payments to or for benefit of employees		-122,661.77
		<u>-51,918.63</u>
<b>Cash flows from Investing Activities</b>		-
<b>Cash Flows from Financing Activities</b>		-
<b>Net decrease in cash held</b>		-51,918.63
Cash and Short term deposits at beginning of financial year		
Project Account	\$ 180,638.09	
DRAP Account	\$ -	
Petty Cash	\$ -	180,638.09
Cash and Short term deposits at end of financial year		
Project Account	\$ 126,476.30	
DRAP Account	\$ 1,966.76	
Petty Cash	\$ 276.40	<u>128,719.46</u>



# Auditors Report

# Acknowledgments

*Murray Dairy gratefully acknowledges the following organisations for their support:*



## DAIRY RESEARCH AND DEVELOPMENT CORPORATION

Bonlac Foods  
Consolidated Herd Improvement Services  
Dairy Farmers Group  
Dairy Regional Assistance Program  
Department of Education  
Department of Employment, Workplace Relations and Small Business (DEWRSB)  
Department of Natural Resources and Environment (DNRE)  
Department of State and Regional Development (DSRD)  
Geoffrey Gardiner Dairy Foundation  
Goulburn-Murray Water  
Goulburn Ovens Institute of TAFE  
Kraft Foods  
Land and Water Australia (LWA)  
Melbourne University  
Morrison & Sawers  
M&S Accounting Services  
Murray Darling Basin Commission (MDBC)  
Murray Goulburn Co-operative  
Murray Irrigation  
Natural Heritage Trust (NHT)  
Nestle Australia  
Northern Herd Development  
NSW Agriculture  
NSW Dairy Farmers Association  
Parmalat  
Centre for Workplace Culture Change RMIT  
Rural Finance Corporation (RFC)  
Teacher Release to Industry Program (TRIP)  
Tatura Milk Industries  
United Dairyfarmers of Victoria (UDV)  
VickStock UDV No. 8 District Council Livestock Committee

# Appendix 1 - Project Details 2000/2001

Project Title	Project No.	Organisation	Project status	2000/01 \$		
				DRDC	other	Total
<i>Program 1: Improving Whole Farm Productivity</i>						
Improving the supply of pasture through increased density and and persistence of sown species	DAV 426A	DRDC RDP DRDC Farm Program DNRE A1	Signed ends 6/01	125,000	103,045 217,405	445,450
Economic and field evaluation of forage species for use with soil modification	DAV 438	DRDC RDP DNRE A1 DNRE Science, Tech & Innovation Initiative	Signed ends 6/02	151,995	168,599 131,713	452,307
Suppression/control of Mullumbimby couch in irrigated pastures	DAV 431	DRDC RDP DNRE A1 Melbourne University	Signed ends 6/01	41,000		41,000
Parramatta grass survey	MRP 020	DRDC RDP DNRE (Pest Plants & Animals)	Signed ends 6/01	5,000	11,000	16,000
National management of the transition cow - interactions between body condition & nutrition	DAV 10678A	DRDC RDP DRDC National Program	Signed ends 6/04	71,515	138,940	210,455
Futyure dairy farming systems in irrigation regions	DAV 10769	DRDC RDP DNRE A1	Signed ends 6/02	41,491	79,246 20,000	140,737
Fertility project- InCalf regional extension program	UM 041C	DRDC RDP	Signed ends 6/01	8,228		8,228
<i>Program 2: Sustaining the Natural Resource Base</i>						
Best practices for environmental management – Murray Catchment NSW	MRP 018	DRDC NHT	On-going	15,300	62,424	77,724
Best management practices for water use on irrigated dairy farms	MDB 003	DRDC MDBC DNRE	On-going	96,814	78,080 148,200	323,094
Improved irrigation practices for forage production	DAV 422	DRDC MDBC DNRE Melbourne University MDBC	On-going	50,000	120,952 291,914 19,041	592,463
Improved irrigation technology for forage production semin program	KAB 002	Keep Australia Beautiful	New		6,000	6,000
North East and border irrigation performance project	DAV 442	DRDC DNRE	New	72,039	132,550	



# Appendix 1 - Project Details

Project Title	Project No.	Organisation	Project status	Funding \$		
				DRDC	other	Total
<b>Program 3: Mobilising People</b>						
Farm\$mart Dairy – Murray Dairy Community Facilitator	DAV 405	DRDC NHT (Murray Dairy) NHT DNRE	On-going	30,000	62,725 80,725 60,725	236,175
Developing young farmers – pilot workshops	CHA003	DRDC RFC/participants	New	19,885	16,000	35,885
Enhancing the industry/provider relationship in education and training – Industry Consultant (Dairy) position	MDP031	GOTAFE	New	90,000		90,000
<b>Program 4: Influencing the Operating Environment</b>						
Improving water use efficiency by reducing groundwater recharge under irrigated pastures	LWR 005	DRDC Murray Irrigation LWRRDC NSW Agriculture DNRE	On-going	32,757	30,000 62,578 34,465 60,023	219,823
Increasing access to capital for on-farm investment – strategy development	NPL 001	DRDC	New	31,450		31,450
Cows Create Careers (TRIP 2001)	MDP 030	VDIA Dept. of Education TRIP	On-going	40,500 27,000		67,500
Developing innovating networks in the dairy industry		Dept. of State Development RMIT CWCC	New	48,000 98,000		146,000
Managing skill transitions in the dairy Industry	MDP 017	DEWRSB	On-going	18,875		18,875
<b>Murray Dairy</b>						
Administration	MRP 020	DRDC DNRE Murray Dairy	On-going	25,258	6,300 640	32,198
Program leadership	MRP 020	DRDC Murray Dairy	On-going On-going	26,550	25,794	52,344
Program management	MRP 020	DRDC	On-going	82,484		82,484
Communication	MRP 020	DRDC	On-going	8,000		8,000
Learning skills and development	MRP 020	DRDC Murray Dairy	On-going	1,500	4,000	5,500
Murray Dairy Strategic Plan	MGA 001	DRDC	New	13,500		13,500
<b>Total</b>				<b>925,089</b>	<b>2,368,574</b>	<b>3,323,663</b>

