

GARDINER FOUNDATION

Annual Report
2023 – 2024



Geoffrey Gardiner Dairy Foundation



"Geoffrey Gardiner was a man who started out living an ordinary life but then made an extraordinary contribution to the dairy industry and wider community." — Max Fehring, Past President of the United Dairyfarmers of Victoria (UDV) and Dairy Farmer

Gardiner Foundation is a not-for-profit, self-sustaining philanthropic organisation. Our vision is vibrant, thriving Victorian dairy communities where people want to live, work and invest. We aim to achieve this through smart investments and strategic partnerships.

Founded in 2000 by the Victorian Government under Section 65 of the Dairy Act 2000. Gardiner was created with \$62m in funding from the sale of assets, including milk brands, as part of the deregulation of the dairy industry.

Our purpose is managing the investment of funds, to maximise benefits to all sectors of the Victorian dairy industry and to Victorian dairy communities.

Since inception, we've proudly contributed over \$95m to projects that benefit the dairy industry and communities and grown the corpus to over \$170m.

Our aim is to make a significant impact by investing in people in dairy, community development, research and innovation and industry led initiatives. We welcome opportunities to work with people, communities, businesses and organisations to make this happen.

Find out more at www.gardinerfoundation.com.au

GARDINER
FOUNDATION

Our Purpose

To manage the investment of funds to maximise the benefits to all sectors of the Victorian dairy industry and Victorian dairy communities.

Our Vision

Thriving, vibrant Victorian dairy communities where people want to live, work and invest.

Geoffrey Gardiner Dairy Foundation Limited

Level 7, HWT Tower, 40 City Road
Southbank, VIC 3006

www.gardinerfoundation.com.au

ABN 18 094 733 418



GOVERNOR OF VICTORIA

**Her Excellency the Honourable
Margaret Gardner AC**

Governor of Victoria
Patron of Geoffrey Gardiner Dairy Foundation

Cover photo: 2024 Gardiner Foundation
Community Grant recipients, Shepparton.



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Acknowledgement of Country

Gardiner Foundation acknowledges the Traditional Owners of the Lands on which we work. We pay our respects to Elders past and present and extend our respect to Aboriginal and Torres Strait Islander peoples across Australia.



Chair's Introduction



Dr Len Stephens
Board Chair

It has been a year of growth and renewal at Gardiner Foundation.

Our 2024-2028 Strategic Plan, launched at our annual Dairy Leaders Lunch in February, seeks to extend the impact of our investments beyond our traditional reach. The new strategic plan guides our investments in the strategic priorities of: Financial Stewardship, People in Dairy, Community Development, Research & Innovation and Industry Support.

Consistent with the plan, there has been an increase in our investments to support Victorian dairy communities. A significant and exciting development is the co-investment with the Victorian Government to fund a Culturally and Linguistically Diverse (CALD) communities project that aims to increase the engagement of people from all backgrounds in agricultural regions. Notably, this project will be the first of several larger scale community investments that Gardiner Foundation intends to make over the coming years.

Our Research & Innovation portfolio is becoming more diversified. This year Gardiner funded the National Centre for Farmer Health to undertake an 18-month feasibility trial aimed at delivering a new peer-led mental health support model to farming communities in Victoria. The project, Back on Track, is supported by an experienced team of researchers and clinicians from Deakin University, Western District Health Service, La Trobe University, and the University of South Australia.

As I foreshadowed last year, our new strategic plan places more emphasis on the importance of delivering positive

impact from the adoption of the outputs of our Research & Innovation investments. For this reason, I am delighted that dairy farmers are now able to adopt the PastureSmarts technology on their farms. PastureSmarts was an output of the Dairy Feedbase 2017-23 research collaboration between Agriculture Victoria, Dairy Australia and Gardiner Foundation.

The team of scientists and developers at Agriculture Victoria's Ellinbank Smart Farm are to be commended for their work over many years to get PastureSmarts to the point of commercialisation. The test now is for PastureSmarts to deliver the step change to farm productivity that has always been intended.

Since Gardiner's inception, Financial Stewardship has been a priority. This year our funds under management have increased, allowing us to continue to deliver on our purpose to maximise the benefits to all sectors of the Victorian dairy industry and to Victorian dairy communities. As of 30 June 2024, our corpus was valued at \$170 million. Income from investments (net of fees) was \$8 million, with an additional \$10 million increase in the value of our financial assets, resulting in a 11.86% return on investment for 2024. \$4.7 million was withdrawn from the corpus to fund operations.

Collaboration with industry and community organisations remains central to our mission of delivering impactful outcomes for the Victorian dairy industry, and we are committed to sustaining this approach. I extend Gardiner Foundation's sincere gratitude to all our partners for their support throughout the year.

The Gardiner Board farewelled Rene Dedoncker at last year's AGM after serving two terms as a director. Rene's insights and sincerity were valued by the board and staff. Fabrizio Jorge was elected by members at last year's AGM as our new processor representative director. Finally, I recognise the support extended to Gardiner by our directors, staff, industry representatives and stakeholders and thank everyone for their dedicated efforts to continue to fulfill our purpose.



Pictured left to right: ARLP alumna Ella Credlin, Nuffield Scholar Lucy Collins, ARLP alumnus Aaron Thomas and Len Stephens at the 2024 Dairy Leaders Lunch



Chief Executive's Report



Allan Cameron
Chief Executive Officer

The launch of our 2024-2028 Strategic Plan has focused and streamlined our operations, setting a clear path for Gardiner Foundation. Reflecting on our achievements this past year, I'm optimistic about our impact on Victoria's dairy industry and communities.

Gardiner recognises the pivotal importance of leadership, education and skills development within the dairy sector. Just as we prudently invest our financial resources to establish a robust financial legacy, we consider continuous investment in people essential for nurturing the human capital within our industry. This strategy promises long-term dividends for future generations and supports our vision for thriving, vibrant Victorian dairy communities where people want to live, work and invest.

While Gardiner has renewed its strategic focus, we continue to invest in key initiatives, including the Tertiary Scholarships program. This year, we awarded seven students each receiving \$10,000 annually for three years. We continue to support previous recipients in their second and third years of study and are proud to have awarded 82 tertiary scholarships totaling \$1.9 million to Victorian dairy students since the program launched in 2008.

Our support of the Australian Rural Leadership Foundation's flagship program has enabled Gippsland Jersey co-founder, Sallie Jones to further her skills. While Sallie is set to graduate later this year, Western Victoria farmer and podcaster, Kirsten Diprose has embarked on her own 15-month leadership journey.

Annually, Gardiner funds ten positions in five Victorian community leadership programs, cultivating diverse leadership in the dairy industry. This year, individuals from a variety of backgrounds including a rural nurse, local councillor and an award winning butter maker, started their programs with the hope of making a significant impact in their own region.

We have continued to collaborate with industry partners. In April, 12 young dairy professionals explored New Zealand's dairy sector on a study tour co-funded by the Australian Dairy Conference. We also provided funding to GippsDairy and Jaydee Events to pilot a workforce attraction initiative at Fulham Correctional Centre in Gippsland, where all participants completed two industry-recognised courses.

The Our Farm, Our Plan program, launched in 2019 with Gardiner's seed funding, has grown significantly, engaging over 780 Victorian and 1,250 nationwide dairy farmers.

This year marked the end of the Monash Industry Teams Initiative, a program Gardiner invested in for 10-years with the aim to attract young talent to the Victorian milk processing sector. Since our collaboration with Monash University began in 2014, over 266 students have been exposed to the dairy industry through 81 projects. We are transitioning to the next phase following its conclusion and look forward to expanding opportunities within Victoria's tertiary sector, particularly in higher education initiatives that support the dairy industry.

Each year, Gardiner partners with Nuffield Australia to sponsor a scholarship for a Victorian dairy farmer. Sarah Crosthwaite, our 2023 scholar, is halfway through her program and will complete it by late 2024. Despite not receiving dairy-related applicants for two years, we remain committed to supporting this initiative.

We welcomed new staff members, Jenny Wilson, Galina Fidler, Sallie Clynes and Meghan Lodwick to our team and thank Ross Bawden for his work on various projects, including the New Zealand Study Tour.

During the year, we bid farewell to our longstanding colleague Jainesh Lal and thank him for outstanding service to Gardiner over nine years. We also farewelled Patrick MacDonald and Sarah Collier, both of whom made significant contributions to Gardiner's operations and the broader dairy industry.

In March, we relocated to the 7th floor of the Herald & Weekly Times Building in Southbank. I thank Dairy Australia for kindly allowing the Gardiner team to share office space while our new offices were being completed.

I extend my sincere thanks to the Gardiner Board, our dedicated team and our industry and community partners for their unwavering support throughout 2023-24. I am confident that the Gardiner Foundation is well-positioned to build on our achievements, making impactful investments to support the Victorian dairy industry and its communities.

Thank you to all the organisations with whom we have had the pleasure of collaborating with throughout 2023–24.



Gardiner Foundation Strategy 2024–2028

This year, Gardiner Foundation launched its 2024-2028 Strategy to enable our dairy people, inspire industry-wide change, strengthen communities, drive innovation and ensure sustainable prosperity.

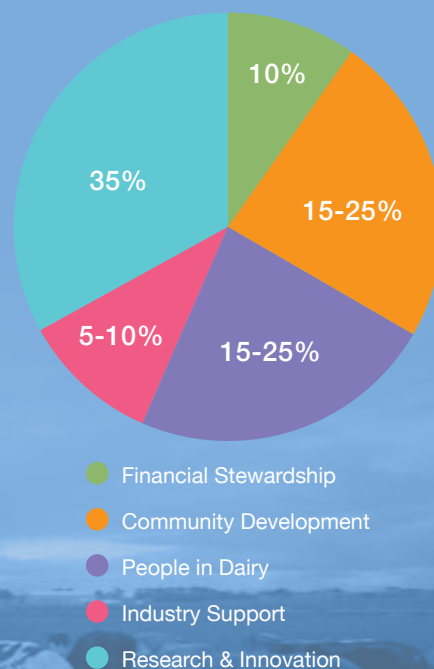
Despite recent challenges like seasonal conditions, financial volatility and societal shifts, the Victorian dairy sector continues to offer significant opportunities.

Our 5-year strategy aims to leverage these opportunities, reduce barriers and invest in changes that benefit everyone in Victorian dairy.

Our Strategic Plan focuses on five key priorities: Financial Stewardship, People in Dairy, Community Development, Research & Innovation and Industry Support.



Strategic Priorities Funding



To learn more about the strategy visit: www.gardinerfoundation.com.au/strategy/

Values

Courage, Curiosity, Integrity, Leadership

Our Way

Independent, Prudent, Agile, Flexible, Ambitious

Principles for Action

Engage, Collaborate, Communicate,
Evaluate, Celebrate



Performance of Investment Portfolio

Gardiner Foundation is responsible for the prudent management of its investment portfolio. Gardiner's Constitution requires the Foundation to:

- Invest the income and capital of the Company in investments that are prudent and not speculative
- Diversify the investments
- Have regard to the need to maintain the real value of capital and the risk of capital loss or depreciation
- Have regard to the liquidity and marketability of the proposed investment

Investment Objective and Strategic Asset Allocation

Consistent with the Constitution, and based on advice from the Foundation's asset consultant, Frontier Advisors, the investment objective of the Foundation is:

To maximise the long-term investment performance of the Portfolio, subject to:

- *A reasonable (approximately two thirds) probability of achieving a return equivalent to inflation (as measured by the change in CPI) plus 4.50% p.a. over rolling 10-year periods, on an after-fees basis; and*
- *The chance of a negative return in any financial year being less than one in four years.*

To enable the Foundation to achieve its investment objective regarding risk and return, Gardiner has adopted the Strategic Asset Allocation (SAA) shown in Table 1. The SSA is regularly reviewed by the Foundation and Frontier Advisors who from time to time recommend a change in the weighting based on the outlook for financial markets.

Table 1: Strategic Asset Allocation (SAA) adopted

Asset Class	Strategic Asset Allocation (%)	Asset Class Ranges (%)
Australian Equities	45.00	25 - 65
International Equities	22.50	10 - 35
Unlisted Infrastructure	15.00	0 - 25
Unlisted Property	7.50	0 - 20
Fixed Interest	5.00	0 - 15
Cash	5.00	0 - 15
Total	100	

Management of assets is outsourced to specialist investment management companies appointed by the Foundation. The investments are held in asset class specific unit trusts. SAA deployment and manager selection also recognises the Foundation's Not-For-Profit status, perpetual investment horizon, risk appetite and diversification and liquidity requirements. The strategy aims for capital growth of the Consumer Price Index (CPI) plus 4.5%, and to deliver a stable and growing income stream from interest, distributions, dividends and franking credits.

Gardiner's SAA has delivered a relatively stable and growing income stream. Whilst there has been some volatility in the capital value of the investment portfolio since inception, its real value has been maintained throughout economic cycles.

Figure 1 shows the growth of the Foundation's investment portfolio from the starting value of \$62.13 million in 2000 through to the closing value of \$169.57 million¹ at 30 June 2024. The chart also shows the inflation adjusted value required to maintain the real value of the original investment which at 30 June 2024 was calculated to be \$135.64 million. As at 30 June 2024 the portfolio value was \$33.92 million or 25.01% more than the inflation adjusted value of the corpus. In addition to the growth in the Corpus since inception in 2000, the Foundation has redeemed over \$95.7 million for investment in projects that have supported Victoria's dairy industry and dairy communities.

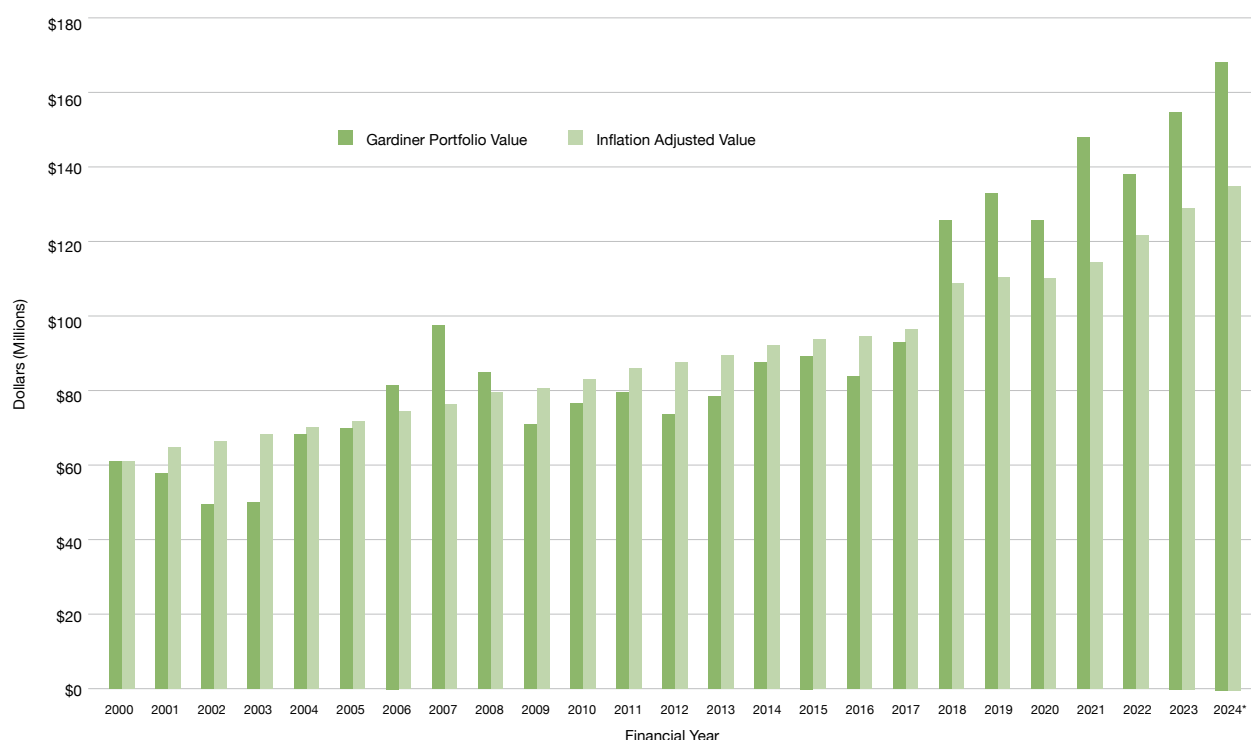
¹The value of the Corpus includes the Niel Black bequest which at the time of full receipt (November 2017) was \$10.14m and, represents 8.35% of the total Corpus at that time. In November 2017, the Foundation adopted a strategic asset allocation (SAA) which introduced a multi-asset class investment strategy for its investment portfolio. The SAA has resulted in the Corpus value being consistently above the inflation adjusted value since FY2018.





Financial Stewardship

Figure 1: Inflation Adjusted Value of the Investment Portfolio versus Actual Value²



* N.B. The 30 June 2024 portfolio value and inflation adjusted value include the Niel Black bequest of \$10.14 million.

Strategic Asset Allocation as of 30 June 2024

In May 2023, the Foundation's SAA was amended to introduce a Fixed Interest asset class to manage risk and provide diversification. The target allocation for Fixed Interest of 5% is funded from a reduction (50% to 45%) in the Australian equity asset class. The new asset class was implemented in April 2024 with \$4.20 million or 2.46% invested in the iShares Global Bond Index Fund Class E. The asset allocation at 30 June 2024 is presented in Table 2.

Table 2: Asset classes deployed as at 30 June 2024

Asset Class	Fund Manager and Product	Current Asset Allocation%	Strategic Asset Allocation%	Variance %	Valuation
Australian Equity	Plato Australian Shares Tax Exempt Strategy	45.02	45	0.02	76,332,636
International Equity	BlackRock Wholesale Indexed International Equity Fund (Unhedged Currency)	23.25	22.50	0.75	39,426,699
Unlisted Infrastructure	Igneo Infrastructure Partners (formerly First Sentier Infrastructure Fund)	15.98	15.00	0.98	27,099,008
Unlisted Property	Dexus Australian Diversified Property Fund	8.05	7.50	0.55	13,653,765
Fixed Interest	iShares Global Bond Index Fund Class E	2.46	5.00	(2.54)	4,173,282
Cash	IFM Investors Australian Transaction Cash Fund	5.24	5.00	0.24	8,882,785
Total		100	100	0	169,568,175

Responsible Investment

The Foundation supports responsible investment³ and believes that effective management of material financial and reputational risks and opportunities related to environmental, social and governance (ESG) issues will support its requirement to maximise risk-adjusted returns earned on the Foundation's Corpus. Gardiner seeks to undertake responsible investment by only appointing Asset Consultants and Investment Managers that have robust and clear ESG policies, regularly reviewing the Foundation's Investment Advisors ESG policy and application, and not knowingly investing funds with organisations whose practices do not align with contemporary ESG considerations.

² Note the CPI figure used for the year ended 30 June 2024 is sourced from <https://www.rba.gov.au/statistics/tables/xls/g01hist.xls>

³ Responsible investment as defined by the United Nations Principles for Responsible Investment, where "Responsible investment is a strategy and practice to incorporate environmental, social and governance (ESG) factors in investment decisions and active ownership".

Investment Returns

The financial year ended 30 June 2024 is the sixth full year of the multi-asset class (and Investment Managers) investment strategy. The after-fee investment return (including the capital and income components) for the Foundation for the 2024 financial year is presented in Figure 2.

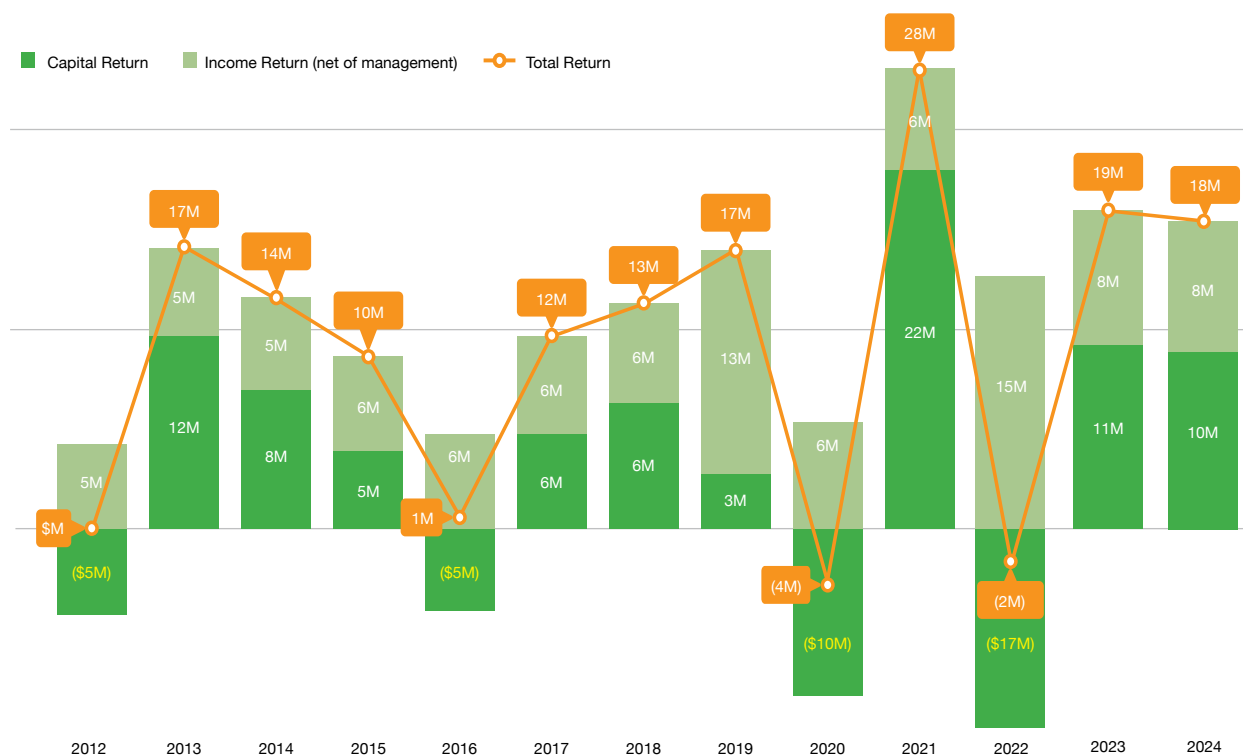


Figure 2: Capital Return, Income Return (Net of Management Fee) and Total Return

Financial Year ended 30 June 2024 Assessment

For the financial year ended 30 June 2024, the Foundation's composite after fee return on investment was 11.86% which exceeds the investment objective of 8.30% [CPI (3.8% for FY24) + 4.50%]. For the same period the Foundation's largest asset class exposure, Australian Equity returned 14.61%. The rolling six-year annualised return of the portfolio to 30 June 2024 was 9.39% against the investment objective of 8.09% (CPI + 4.50%).

In dollar terms, the Foundation experienced a total return of \$18.34 million over the financial year, of which \$7.83 million was income (i.e. interest, distributions, dividends and franking credits) and \$10.51 million capital appreciation (Figure 2).

The financial year 2023-24 was positive for investment returns, despite the uncertainty of a number of geopolitical events, including the ongoing war in Ukraine, the Israel-Palestine conflict, snap elections in the UK and France, and campaigning for the US presidential election.

Returns were particularly strong from global shares, led by the US market. Increased momentum and focus on artificial intelligence (AI) drove very strong returns from the Technology sector. A particular standout was the technology company Nvidia, which returned around 200% over the year and at one point was the largest company in

the world. Japanese equities were also strong performers, benefiting from further weakening of the Yen and inflation being positive after a previous long period of deflation.

The Australian share market produced solid positive performance for the year, although lagged the very strong returns from US equities. Financials produced strong returns over the year, with banks benefiting from growth in the housing market and higher interest rates. However, the resources sector struggled due to weak Chinese economic growth and resources demand, weighing on the price of iron ore.

A key focus of markets over the year was anticipation of central banks moving to lowering interest rates. However, market expectations of significant rate cuts were pushed back as inflation, notably services and housing related inflation remained high. The US Federal Reserve kept interest rates unchanged after its last rate rise in July 2023 and the Reserve Bank of Australia after its last rate rise in November 2023. The European Central Bank was one of the first, along with the Bank of Canada, to make the first move to cut interest rates towards the end of the financial year. The Bank of Japan (BOJ) is at a different point in its monetary policy cycle, during the financial year it made its first interest rate increase for more than a decade, bringing an end to its policy rate being negative.



Financial Stewardship

Bond yields were quite volatile over the year in response to changing expectations of interest rate movements and the inflation outlook. Over the financial year there was some increase in US and Australian 10-year bond yields, while European bond yields were broadly flat and UK bond yields were somewhat lower.

Japanese bond yields trended upward over the year, to be above 1.0%, as the BOJ eased its yield curve control measures. Corporate bond returns were strong for the year, particularly high yield bonds and loans, with high income returns and contracting credit spreads.

Outside of the decline in the Yen, key currencies were broadly range bound over the financial year.

The Australian dollar moderately appreciated, meaning that unhedged international equity returns were slightly lower than hedged international equity returns for the year.

Global listed property and listed infrastructure produced moderate positive returns after negative returns in 2023 financial year. Unlisted property experienced material valuation write-downs during the year, as higher bond yields drove up capitalisation rates.

Office property values were particularly hard hit from the negative impact on demand from the working from home dynamic. Unlisted infrastructure performance in aggregate was a solid positive return for the year.



We empower the people and businesses in dairy to make informed and impactful decisions about their businesses, our industry and the communities in which they live, work and invest.

The People in Dairy portfolio focuses on developing leadership skills among dairy professionals, enhancing industry and community leadership capacity. Our investments aim to equip people in dairy to confidently achieve personal and industry goals, enabling informed decision-making to shape their futures and support their businesses and communities.

For the past decade, Gardiner Foundation has sponsored the MITI program, which paired multi-disciplinary student teams with dairy manufacturers to tackle real-world challenges, promoting dairy careers and offering practical experience in regional Victoria.



Gardiner has invested over \$3.4 million in 80 MITI projects, involving 266 students, and received three national awards, including the Australian Financial Review Industry Engagement Award in August 2017.

MITI has significantly impacted students by exposing them to opportunities in the dairy industry and enhancing their career prospects. For processors, MITI has brought valuable skills, creativity and business insights. As the MITI program concludes, we will be revising a new program to roll out in 2025.



MITI Students Bachelor of Engineering student, Georgia Katsaros, and Bachelor of Pharmaceutical Sciences student, Afra Yu.

Georgia and Afra spent three months at Saputo Dairy Australia in South Gippsland.

"I really enjoyed working in dairy, the problem-solving involved was quite different to what we study, plus, I got to combine my love of food with engineering," Georgia said.

Their project focused on mapping and quantifying milk solid losses across three key plants.

Saputo Process Engineer Christopher Roziel said:

"Georgia and Afra produced a dynamic scrap factor model for each of the three plants. It is comprehensive and outlines the various points of product loss and the most significant areas of concern."

MITI 2023-24 TEAMS

Fonterra, Water and Wastewater Stewardship at Stanhope
Priyam Gupta, Emilia Lee

Fonterra, Logistics Portal
Pila Yindaseep, Cheryl Lau, Shekhar Tyagi, Adi Singh

Bega, Bega Tracking System
Harshini Gnanasekar, Pooja Kampli, Shashwat Maheshwari, Matthew Lam

Saputo Dairy Australia Operational Baseline Leongatha
Georgia Katsaros, Afra Yu

Lactalis Australia: On-farm GHG Emissions Reduction Pilot
Ramon Aberion, Ann Joesph, Jo Laurence

Campaspe Shire Council: Bridge-to-Bridge Concept –
Aydin Custovic, Yuan Liu, Cameron Reynolds, Aleez Vasaya





People in Dairy

CALD funding

In June, the Hon. Ros Spence MP, Minister for Agriculture announced a \$610,000 grant for Gardiner Foundation to increase the engagement of culturally and linguistically diverse (CALD) communities in agricultural regions.

The grant is one of three grants provided by the Victorian Government to support key agriculture industry bodies to improve farm safety and support cultural safety and diversity for workers across the sector.

Gardiner Foundation will match the Victorian Government's investment of \$610,000, with a total of \$1.22 million going towards developing a regionally specific approach to reaching CALD communities that can be replicated across the industry. The project will focus on the Goulburn Valley

and Gippsland regions, reflecting the labour demand in the dairy and horticulture sectors in these areas.

People from Culturally and Linguistically Diverse (CALD) backgrounds make up a minimum of 11% of the agricultural workforce yet there are untapped skills and opportunities that would benefit both agriculture and CALD communities if this was increased.

This initiative builds upon Agriculture Victoria's efforts under programs like Smarter, Safer Farms and Seasonal Workforce, aiming to integrate CALD workers sustainably into agriculture. Objectives include reducing barriers to CALD employment, enhancing industry cultural awareness and safety, and fostering stakeholder collaboration for ongoing support and replication across Victoria and beyond.



On June 5, 2024, the Hon. Ros Spence MP, Minister for Agriculture announced three grants totalling \$1.25 million to support the Victorian Farmers Federation, Gardiner Foundation and Fruit Growers Victoria. In the announcement, titled 'Investing in Farm Safety and Diversity in Agriculture', Minister Spence highlighted the significance of these grants:

"These grants encourage proactive measures to ensure the wellbeing of farmers and agriculture workers, while promoting diversity and inclusion across the sector."

"It is vital that we can continue to work alongside industry to combine our resources and expertise to enhance farm safety standards and farmer wellbeing and create a more inclusive environment that can benefit all."

To learn more about the funding, visit:

www.premier.vic.gov.au/investing-farm-safety-and-diversity-agriculture





People in Dairy

Tertiary scholarships

Seven students from Victorian dairy regions, commencing their first year of tertiary study in 2024, received scholarships from Gardiner Foundation.

Each scholar will receive \$10,000 annually for three years to support costs associated with their studies. The scholarships are granted to students accepted into courses that will benefit the Victorian dairy industry or dairy communities.

Gardiner has been providing the scholarships since 2008, having awarded 82 scholarships with a total value of over \$1.9 million. A recent review indicated that over 70% of past scholars have gone on to live in and contribute to the dairy industry and dairy communities.



Pictured left to right: Len Stephens, Libby Clymo, Clara Linn, Elouise Murnane, Alysha Toohill, Ella Bryant, Alexandra Ingram, Harry Murphy and Allan Cameron

Scholarship recipient Libby Clymo said:

"While physiotherapy isn't involved in the dairy or agriculture industry directly, I believe it is an integral component of the rural healthcare system.

A combination of long workdays, isolation in rural areas, and stigma prevent farmers from obtaining quality health care."

"Living in Calivil, I know how difficult it is to access physiotherapists, and knowing this, I would like to one day open a practice locally as I feel driven to empower local communities."



Pictured left to right: Shirley Harlock, Belinda Clymo, Libby Clymo and Jade Clymo



2024 TERTIARY SCHOLARS

Eloise Murnane, Warncoort - BILL PYLE SCHOLARSHIP
Diploma of General Studies, The University of Melbourne

Libby Clymo, Calivil - SHIRLEY HARLOCK SCHOLARSHIP
Bachelor of Physiotherapy, La Trobe University

Alexandra Ingram, Timmering - DOUG WEIR SCHOLARSHIP
Bachelor of Social Work, La Trobe University

Clara Linn, Childers - JAKOB MALMO SCHOLARSHIP
Bachelor of Medical Studies/Doctor of Medicine, Monash University

Alysha Toohill, Kyabram - NIEL BLACK SCHOLARSHIP
Bachelor of Health Science, La Trobe University

Ella Bryant, Kaarimba - NIEL BLACK SCHOLARSHIP
Bachelor of Health Science, Deakin University

Harry Murphy, Irrewarra - NIEL BLACK SCHOLARSHIP
Bachelor of Business majoring in Supply Chain Management and Logistics, RMIT



New Zealand Study Tour

Twelve dairy farmers and dairy industry professionals embarked on an eight-day journey across New Zealand to explore its dairy sector and develop their leadership skills in the process mid-April.

Gardiner Foundation has been funding the tour since 2008. Now in its 16th year, the Study Tour was co-funded by the Australian Dairy Conference.

Leading the tour was industry veteran Ross Bawden. Ross has spent most of his career in agriculture, including as Regional Operations Manager with Dairy Australia. Joining Ross was the newly appointed Tour Mentor and Gardiner Foundation Alumnus, Andrew Tyler.

The success of the tour was attributed to several key factors: Effective recruitment ensuring participant diversity, pre-tour preparations, comprehensive COVID-19 protocols and clear communication with hosts. Feedback suggested improvements such as visits to smaller farms, along with incorporating a robotic dairy. There were nine farmers, two extension officers and one dairy processor in the group.



New Zealand Study Tour 2024 participants in Queenstown



Pictured left to right: Miranda Night, Mitchell Jones and Kristen Davis

Dairy farmer Mitchell Jones connected with his fellow dairy professionals on the trip.

"It was the trip of a lifetime. What made it so great was the people. We weren't all dairy farmers, we had agronomists, animal health specialists and supply chain professionals. Having such a diverse group of people means I got to learn more about the diversity of the industry."

"It didn't dawn on me until a few days into the tour that everyone on it was at the top of their field. It was a rigorous process to get selected, consisting of an application and an interview, and really, I think this pushed us all to apply ourselves and get the most out of it."



NEW ZEALAND STUDY TOUR 2024 SELECTED PARTICIPANTS:

Kieran Bourke	Leesa Chen
Mea O'Byrne	Mitchell Jones
Nick Mignanelli	Miranda Knight
Alicia Richters	Jane Snell
Harrison Darley	Kristen Davis
Jake Hill	Martijn Visscher

Victorian Community Leadership Programs

Each year, Gardiner Foundation funds 10 positions in five Victorian community leadership programs which are attracting increasing interest. The programs allow individuals to engage with their local communities while developing leadership skills. The recent graduates and current participants come from diverse backgrounds, all connected to the Victorian dairy industry.

Alpine Valley Community Leadership Program:

Joanne Tanner and Naomi Ingleton

Fairley Leadership Program:

Kerryn Giorgianni

Gippsland Community Leadership Program:

Brian Gannon and Danielle Mackie

Leadership Great South Coast:

Rebecca Faris and Aylish Tobin-Sazman

Lead Loddon Murray Community Leadership Program:

Amanda Logie and Dan Straub

Australian Rural Leadership Program (ARLP)

The ARLP is seen as the flagship leadership development program for emerging leaders in regional, rural and remote Australia. Each year since 2015, Gardiner Foundation has sponsored at least one ARLP scholarship for an individual who is contributing to the dairy industry through their commitment to leadership.

The 2023 scholar Sallie Jones will soon complete her program. Throughout the program Sallie has had the opportunity to reflect and assess her leadership strengths and weaknesses and develop personally and professionally. Based in Gippsland, Sallie is the co-founder of Gippsland Jersey, an independent, farmer-owned premium milk brand.

Podcaster, farmer, journalist, entrepreneur and 'boy mum' – Kirsten Diprose wears many hats. It's no surprise she caught the attention of the ARLP and Gardiner to earn a scholarship to Course 31.

"This is a big step for me towards pursuing some personal and professional goals, mainly around agricultural communities, innovation and communication.

And of course, furthering my leadership skills in general."



Kirsten Diprose

Cow Create Careers at Fulham Correctional Centre

Gardiner Foundation partnered with GippsDairy, JayDee Events and GEO Australia to pilot the Cows Create Careers program at Fulham Correctional Centre in Gippsland.

The program was delivered as a workforce attraction initiative and ran for five days per week for three weeks focusing on developing skills that would help participants find work in a rural setting after release.

The six participants were part of Fulham's Nalu Community Transition Program – a minimum-security unit that helps with release planning and access to community-based activities.

Along with classroom-style learning and farm excursions, two three-week old heifer calves were on site for the duration of the program and cared for solely by the participants.

Since the pilot, three participants that have been released are now working on dairy farms.





Community Development



Our investments strengthen the wellbeing of Victorian dairy communities

The Community Development priority focuses on strengthening Victoria's dairy communities by investing in their people and infrastructure. From supporting students, community groups and emerging leaders, we aim to foster thriving communities capable of shaping their own futures.

Gardiner Foundation awarded \$124,478 to 27 community groups across Gippsland, South West and Northern Victoria for local initiatives that will support, strengthen and sustain their dairying regions.

For 22 years, the Gardiner Foundation Community Grants program administered by the Foundation for Rural and Regional Renewal has empowered not-for-profit organisations in Victoria's dairy communities to create and lead projects that help locals connect and support their farming regions to be sustainable and vibrant places to live and work.

\$2.4M

Since it began in 2003, the program has funded 601 community organisations with an investment of \$2.4M in regional Victoria.

WestVic Dairy Community Grant recipients

In the wake of a devastating arson attack that destroyed its clubrooms, the Fish Creek Football Netball Club is turning to the power of community stories and recipes to rebuild.

The club received a \$5,000 grant to create a recipe book sourced from locals. Club Co-President, Ray Stefani said the project aims to build community resilience by acknowledging the contributions of generations of member families.

"Through the 'Recipes for Recovery' project, we aim to capture the rich culinary traditions and personal histories of local families, creating a treasured recipe book that will not only preserve memories for generations but also support fundraising efforts for the Club's restoration."



Pictured left to right: FRRR Program Manager Sarah Gradie, Fish Creek Club Volunteer Sharon Wright, Gardiner Foundation Board Member Conny Lenneberg





Community Development

Gippsland \$49,545

A Better Life For Foster Kids Incorporated **Crisis Cases for Emergency Foster Care**

Improving community health and social wellbeing via the provision of Crisis Cases to support the transition of children into a foster home emergency foster care is required in the Sale area.

Baw Baw Shire Council

Tables and chairs for the social club room

Build community resilience through improvements to a meeting place that is used by local groups to improve social connectedness in Ellinbank and the surrounding region.

Bruthen and District Citizens Association Inc.

Community Grow Swap Learn Program & Workshops

Build community resilience through purchasing equipment and running workshops that increase capability and capacity for local community gardening and increase participation and learning to improve community health and wellbeing.

Fish Creek Football Netball Club Inc.

Recipes for Recovery Cookbook

Build community resilience by recording the stories of the families within our community through food, and producing a functional recipe book that will be treasured by generations to come and support local fundraising.

Friends of Coal Creek Inc.

Digitisation of the Historical Assets of Coal Creek that are held by the Friends of Coal Creek to be stored on a web site for all to access so to enable people to learn of the history of South Gippsland

Build organisational capacity to preserve historical items through digitisation which will support tourism and enhance local identity and pride.

Heyfield War Memorial Hall Committee of Management Inc.

Upgrade Kitchen Cupboards

Improve community infrastructure with new kitchen drawers to increase utility for senior and disabled community members at the Heyfield War Memorial Hall.

Hillview Bunyip Aged Care Inc.

Community Kitchen Project

Build community resilience through installing a kitchen to provide a facility for local catering and programs to address food insecurity in Bunyip and surrounding communities.

Labertouche and District Mens Shed

Upgrade wood-splitter to electric start motor

Build organisational capacity by installing an electric start motor on the wood-splitter that enables the local Men's Shed to contribute services of land clearing, firewood collection and woodwork to the Labertouche community.

TREBLE F SINGERS INCORPORATED

Training and Administration aids

Build organisational capability through purchasing audiovisual equipment and a laptop to improve operations and administration for the local choir supporting local

opportunities for participation and performances to support community activity.

Venus Bay Tarwin Lower and District Mens Shed Inc. **Festival FREE fun for Kids**

Build community resilience and a stronger economy through providing free activities for children and entertainment for locals and tourists to support attendance of the 2024 Tarwin District Community Show.

Fishy Stories Fabelo Inc.

Fishy Stories

Improving community health and social wellbeing by contributing to young children learning activities at a local festival.

Northern Victoria \$36,881

Greta Valley Landcare Group

Moyhu Walking Track Landscaping Project

Enhance community infrastructure by establishing a safe and educational pathway for accessing the King River from Moyhu to support both residents and visitor enjoyment of and connection to the local environment.

Gundowring Recreation and Hall Reserve Committee of Management

The Gundowring Hall in the 21st century: warm in winter, cool in summer

Improve community infrastructure with a split system air conditioner installed at Gundowring Hall to support increased community meetings, craft and wellbeing activities.

Lockington District Business Centre Inc.

Locky Ukers Project

Build community resilience and cultural vibrancy in Lockington with musical gear to support the Locky Ukers in their community ukele practice and performance ensuring inclusive participation and improvement.

Murrabit Advancement Association Inc.

Murrabit - keeping up with the news!

Improve capability of organisation by purchasing a new photocopier to support local information distribution including a monthly community newsletter that enables connection, enhances the service volunteers provide to community and promotes local activity for greater participation and economic strength.

NCN Health

Chills Skills across the community - supporting the mental wellbeing of children in Moira Shire

Build the resilience of primary school children through implementing a mental health program with local facilitators trained in an evidence-based program and supported to develop an ongoing community of practice.

Friends of Gargarro & Nursery - Gargarro Botanic Garden Ltd.

Growing More Than Plants

Build community resilience through extending a community run nursery to support volunteers, grow plants for the local botanic garden and support community organisation financial sustainability.





Community Development

Kiewa Valley Community Garden & Lions Club of Upper Kiewa Valley Inc.

Sprout & Stow - Kiewa Valley's Garden Gear Garage
Enhance community facilities with a lock up container installed to store and maintain gardening equipment for all the users and visitors to the Kiewa Valley Community Garden.

Whorouly and District Preschool North East Regional Pre-School Association Inc.

A Water Garden for Whorouly Kindergarten Increase the capacity for learning through play with the installation of a water play area with shade sail at Whorouly Kindergarten supporting educational and social development of current and future preschoolers and children attending playgroup.

South West Victoria \$38,052

A is for Atlas Limited

Dining Room Tales X Keayang Maar 2024 (DRTxKYM)
Build community resilience through delivering unique international artist experiences to enable rural communities access to global learning experiences for social resilience and enable tourism opportunity.

Anam Cara House Colac Inc.

Renewable Rays for Respite - sustainable end-of-life care through solar energy

Improve organisational infrastructure with a solar panel system that will reduce operational costs and allow for savings to increase care services.

Beech Forest & District Progress Association Inc.

Strengthening community through rebuild of the old Beech Forest bakery oven

Building community resilience and foster connection through installing seating and steel benches to complement the re-build of old Beech Forest bakery oven to benefit the

community with staple food access and increasing economic and educational opportunities to build a more inclusive, sustainable future.

Coragulac & District Kindergarten Inc.

Skylights and ventilation

Increase the capacity for learning through installation of skylights and ventilation at Coragulac & District Kindergarten supporting educational and social development of current and future pre-schoolers.

Terang & District Progress Association

Activities at Colour Terang Festival 2024

Foster community vibrancy and social connection via free activities for children at the Terang Colour Festival to enable affordable participation for the whole community.

United Way Glenelg Victoria Incorporated

Imagination Bush Library

Increase the capacity for learning and social development by providing children with books to build their literacy skills and love of reading.

Cobden & District Historical Society Progressing Cobden Inc.

Equipment to enable Cataloguing, labelling and storage of Collected History

Build community organisational capacity by upgrading the equipment of the local historical society to enable digital cataloguing and conservation that will preserve local identity and support research on local and family history.

Cobden Men's Shed, Cobden District Health Services Inc.

The Cobden Men's Shed – Shed Extension

Build community resilience with an extension to expand Cobden's Men's Shed facility and increase the capacity for participation and activity that supports mental health and social wellbeing.

Community Showcase Events

To celebrate the Community Grant Program recipients, Gardiner Foundation held three events for its alumni, dairy farmers and community members across Victoria. Gardiner worked collaboratively with Regional Development Programs to tailor each event to the region.

Gardiner led the proceedings by presenting on its strategic priorities, including Community Development. Regional Managers from WestVic Dairy, GippsDairy and Murray Dairy presented on dairy in the region

and its impact on the economy and community.

Professor Jacki Schirmer was guest speaker. Jacki leads the Regional Wellbeing Survey team at the University of Canberra. She presented her research, which focuses on understanding wellbeing and resilience in regional and rural communities.

The event concluded with a community consultation, where participants had a chance to discuss opportunities, challenges and barriers in the region.



Murray Dairy Community Showcase Event





Research & Innovation

Research and innovation investments deliver outputs that improve the productivity and sustainability of the Victorian dairy industry and the vibrancy of Victorian dairy communities

The Research & Innovation portfolio seeks to achieve substantial productivity improvements across all sectors of the industry. By prioritising advanced science and innovative solutions, we support the growth and sustainability of dairy businesses and communities.

Victorian Dairy Innovation Agreement (VDIA)

Gardiner Foundation, through VDIA, co-invests with Dairy Australia and Agriculture Victoria in two major, world-class research initiatives – DairyBio and DairyFeedbase. The initiatives leverage bioscience and applied science capabilities to deliver transformative benefits for the dairy industry in forage and animal genetics, and feedbase and animal nutrition.

VDIA Governance

DairyBio and DairyFeedbase initiatives are governed by Technical and Executive Management Committees. In the last 12 months, the Technical Committee expanded to include Michelle Goldsmith, CEO of Agriculture Victoria Services, and Matt Shaffer, CEO of DataGene, ensuring commercialisation issues are considered in more detail.

Project Committees, established in September 2023, support research teams with quarterly meetings involving industry leaders from Dairy Australia, DataGene and commercial partners to champion best practices and ensure market value.

Cross-industry collaboration is enhanced through VDIA's MOUs with the University of Sydney DairyUp team and Dairy New Zealand, fostering innovation and data sharing.

DairyFeedbase

In 2023, the DairyFeedbase (2017-23) program concluded. Dairy Australia initiated engagement and extension programs, including fact sheets, podcasts and videos to support Feeding Cool Cows, First 100 Days and SmartFeeding initiatives, aiming to enhance farmers' adoption of research findings for improved productivity, resilience and sustainability.

In June 2023, the Victorian Minister for Agriculture announced funding

for DairyFeedbase (2023-2028), comprising six projects: DairySoils, Resilient Forages, Measuring and Enhancing Nutrient Intake, Optimising Lifetime Production, Climate Resilience and Sensing Data into Actionable Insight.

As of 2024, the projects are progressing well. DairySoils is developing a site at Ellinbank SmartFarm for organic application experiments. Resilient Forages has started paddock-scale testing of field sensors. The Improving Lifetime Production project is monitoring first lactation cows' milk production, live weight, and body condition. Climate Resilience is assessing GreenFeed data against methane emissions from previous experiments.

DairyBio

Gardiner contributes \$1 million annually to the DairyBio (2021-2026) initiative, focusing on genetic improvements in pasture cultivars (primarily perennial ryegrass) and dairy cattle through bioscience capability. Three years into the five-year program, a mid-term review in early 2024 recommended changes in scope and governance to enhance output quality and efficiency.

DairyBio's Calf Vitality project has identified six predictors of survival traits. Researchers will now collaborate with DataGene to develop a resilience breeding value, anticipated to be on the market by 2025. These efforts aim to ensure the program delivers significant industry benefits.

Key Achievements

Dairy Innovation Open Day – In May, Agriculture Victoria's Ellinbank SmartFarm held a Dairy Innovation Open Day to feature the latest DairyFeedbase research and practical applications. Around 200 attendees, including researchers, industry experts and farmers, participated in sessions on cow performance, climate preparedness and pasture productivity.

Pasture Smarts launch

The *PastureSmarts* App was launched at Dairy Innovation Open Day. The web tool helps farmers manage pasture by centralising grazing records and estimating pasture availability. Developed under the DairyFeedbase program, the app simplifies pasture management, fostering efficiency and better decisions which should enhance farm productivity and profitability.



Gardiner invests
\$1 million per annum
into DairyBio

Gardiner invests
\$1.5 million per annum
into DairyFeedbase





Research & Innovation



Stewart McRae discussing on-farm impact at the Dairy Innovation Open Day in Ellinbank SmartFarm

East Gippsland dairy farmer Stewart McRae says he has permanently split his herd in two after achieving increased milk yields by participating in a research trial through Dairy Feedbase.

"We got better results than expected. While it took a bit of work to split the herd, there was a clear rise in the daily milk yield at around 1.6L per cow. Now that the hard work is done, we are benefitting from what began as a small research project,"

Facilitated through Dairy Feedbase, the Smart Feeding research project aims to offer dairy farmers strategies to optimise the nutrient intake of their herd resulting in increased milk production without increasing total feed requirements.

Back On Track

The National Centre for Farmer Health (NCFH) has received funding from Gardiner Foundation to undertake an 18-month feasibility trial protocol aimed at delivering a new peer-led mental health support model to farming communities in Victoria.

Back On Track will be supported by an experienced team of researchers and clinicians from Deakin University, Western District Health Service, La Trobe University and the University of South Australia.

The collaboration represents a significant milestone in addressing the mental health challenges faced by farmers and underscores the commitment to the wellbeing of the agricultural community.

Farmers face up to twice the risk of suicide when compared to the general Australian population

Wellbeing Index

The 'Building wellbeing into regional decision-making: supporting and enabling Australia's rural leaders' project referred to as the "Wellbeing Index Project" aims to support regional and rural communities to make decisions that include wellbeing indicators alongside financial considerations.

Through the development of tools, resources and capability, this project investment aims to enable Australia's rural

leaders to better understand and monitor wellbeing in their communities and build the capacity of community leaders to use and integrate this understanding into discussion and decision-making processes in their communities.

The project is being delivered over two years through a collaboration with the University of Canberra and University of Southern Queensland.

Professor Schirmer leads the Regional Wellbeing Survey, an annual survey examining the views of 15,000 rural, regional and urban Australians about the livability and resilience of their community, and their own wellbeing and resilience.

It covers topics ranging from understanding how to support carers living in the bush, to identifying the impacts of poor internet connectivity, and understanding how events such as droughts, floods and environmental policy change affect rural communities.

Professor Schirmer was appointed to the Health Research Institute and Centre for Change Governance and Chair of the University of Canberra's Climate Change Adaptation and Resilience Research Network.



Professor Jacki Schirmer presents wellbeing research at the Gardiner Foundation Community Showcase Event





Research & Innovation

C4Milk

C4Milk research program is a 3-year collaboration between Murray Dairy, Queensland Department of Agriculture and Fisheries, Dairy Australia and Gardiner Foundation. Gardiner will invest over \$1m over the duration of the program.

In Victoria, a C4Milk project aims to evaluate consecutive crop effects in forage production systems. By understanding the cumulative impact of intensive cropping rotations on the profitability and sustainability of dairy farms, the research will shed light on the role break crops play in these systems.

The project builds on the now completed Fodder for the Future project, which sought to address crucial aspects of fodder production and its impact on regional agriculture. Experiments are being carried out by two field research organisations at two locations in Northern Victoria – a dryland site near Mitiamo and an irrigated site near Kerang.

Our Farm Our Plan (OFOP)

Over 780 Victorian dairy farmers and 1,250 dairy farmers nationwide have participated in OFOP since it piloted in 2019.

Gardiner Foundation has invested in the development and delivery of OFOP since inception. That support, along with funding from the Commonwealth Government's Future Drought Fund, state government's Farm Business Resilience Programs and other investors, has seen OFOP rolled out in Victoria and across Australia.

Dairy Australia's regional teams have used innovative ways to engage farmers and bring them into the program. Applying a guiding principle of 'meeting farmers where they're at', multiple delivery models have been used successfully, including face-to-face, online and intensive overnight workshops.

Over 780
Victorian dairy
farmers have
participated in
OFOP since it
piloted in 2019

Survey results from OFOP farmers in April 2024 indicate significant positive outcomes:

- 87% have improved clarity of both business and personal goals
- 88% have a clearer understanding of the next steps and actions needed to achieve these goals
- 83% have increased confidence and a greater sense of control
- 80% have enhanced skills to track their progress and adjust their plans over time.

Participating in OFOP has given Leigh and Ange Verhey great insight into their business.

The Verheys have been considering succession planning, and OFOP has provided the structured and personalised support they needed to develop a customised plan for their farm and family.

"Doing Our Farm, Our Plan was a real opportunity to look at our business and where we sat. Where are we at now and where we want to get to, but also looking back to see where we've come from and what we've achieved," Leigh said.



Richy Simons and Leigh Verhey from Koondrook, Murray Dairy region



Industry Support

We support the whole industry to work together to ignite transformative change

The Industry Support portfolio is dedicated to inspiring change for the better. Gardiner strategically invests in several short term and on-going projects and activities that support the interactions of people across the dairy value chain.

We support the whole industry to work together to inspire lasting change that benefits people's lives and livelihoods.

Australian Food Waste Challenge

The Australian Food Waste Challenge (AFWC) sought innovators and small businesses to address food loss and waste, aligning with the United Nation's Sustainable Development Goal 12.3 to halve food waste by 2030.

With 1 in 5 dairy products currently wasted, the AFWC is targeting solutions within the dairy industry's supply chain. Gardiner Foundation, Dairy Australia, and the Australian Dairy Products Federation have partnered with Rocket Seeder for the inaugural AFWC, sponsoring the Dairy Category. As a sponsor, Gardiner served on the judging panel.

Murray Dairy Region Floods Response & Recovery Program

Gardiner Foundation invests in responding to emerging issues and needs of the Victorian dairy industry.

A major issue to dairy communities and the industry were the severe rain events (greater than 220mm) across Northern Victoria in late 2022. This year, the 18-month program was completed. Gardiner provided a final contribution of \$60,000, bringing the total financial contribution to \$180,000.

Gardiner's funding supported community engagement, Soil Pit Days & Autumn Start-Up events focused on flood impacts on soil and preparation for autumn sowing, and the Taking Stock program, a tailored, one-on-one support program for dairy businesses.

Dairy Leaders Lunch

Gardiner Foundation has hosted the Dairy Leaders Lunch for several years.

The event brings together leadership from across the dairy industry in combination with a guest speaker and opportunity for networking.

Featured guest speaker Bernard Salt AM, Australian futurist, analyst, commentator and author, presented on the demographics of dairy farming in Victoria.

Gardiner alumni also presented at the event, including Australian Rural Leadership Program graduates Ella Credlin and Aaron Thomas and 2023 Nuffield Scholar Lucy Collins.

Dairy Moving Forward (DMF)

Gardiner Foundation has continued its support of Dairy Moving Forward (DMF).

Established in 2009, DMF is the national dairy pre-farmgate RD&E strategy, guiding the Australian dairy industry and governments on research priorities to enhance on-farm performance, productivity, and sustainability.

In 2023-24, Australian Dairy Farmers, Dairy Australia, Agriculture Victoria and Gardiner continued to reinvigorate DMF, committing to collaborate with the NSW, TAS, SA and QLD governments to improve national coordination and effectiveness in dairy RD&E.



Gardiner Foundation has hosted the Dairy Leaders Lunch for several years. The event brings together leadership from across the dairy industry in combination with a guest speaker and opportunity for networking.



Industry Support

Australian Dairy Plan (ADP)

The ADP was launched in September 2020 and is a joint initiative of Australian Dairy Farmers, Australian Dairy Products Federation, Dairy Australia and Gardiner Foundation which seeks to deliver increased profitability, confidence and unity across the industry.

Gardiner remains committed to ensuring that our efforts and investments based on our expertise and experience are

aligned with those ADP Commitments and outcomes where we can add the most value. Gardiner has continued to provide thought leadership and support to the governance and reporting on the implementation of the ADP.

To learn more about ADP, visit:

<https://www.dairyplan.com.au/>

Proud to be a Dairy Farmer

Twenty-five young dairy farmers from across Australia gathered for the fourth annual Proud to be a Dairy Farmer program in early March.

Spearheaded by the Fonterra Australia Suppliers' Council (FASC), the program is run by farmers, for farmers, and aims to showcase career pathways available within the dairy industry.

Over three days, participants were immersed in all that dairy has to offer, visiting two dairy farms to see firsthand examples of farmers thinking outside of the box. Gardiner Foundation's sponsorship allowed the program to expand by an additional day.

FASC Director and Gippsland dairy farmer, Dean Turner, who led this year's program, said the goal was to get participants out of their comfort zone to embrace new thinking, build industry knowledge, and support future careers.

"Our goal is to spark a greater interest in the industry to keep young workers in it for the long-term. Thanks to Gardiner, we've been able to create a longer and richer experience."



Northern Victorian farmer Matyka Walpole said the program helped to build her confidence and network across the industry.

"I live and work with my family and don't often get the chance to see what other farms are doing."

The program has helped with my confidence and meeting new people. It's been so easy to get along with everyone because we're all talking about the same thing,"



Matyka Walpole



Industry Support

Sponsorship

Gardiner Foundation supported various local dairy initiatives this year by funding each Victorian industry RDPs (Murray Dairy, GippsDairy, and WestVic Dairy) with around \$40,000.

This support goes towards attracting, developing and retaining young talent, leadership development, business

skill enhancement and conference attendance. Funded programs included the GippsDairy Muster, executive training, the Great South West Dairy Awards and Young Dairy Network (YDN) sponsorships.

Gardiner provided sponsorship for other parts of the industry, including mentor training for the National Herd Improvement Centre, Picasso Cows, the Alpine Valley Dairy Study Tour and Crawford Fund.



Pictured: Donna Gibson (Gardiner), Ashley Rosewarne (Gardiner), Zoe Greenslade (YDN) from Peterborough, Patrick MacDonald (Gardiner), Meghan Lodwick (Gardiner), Max Bond (YDN) from Timboon, Galina Fidler (Gardiner), Allan Cameron (Gardiner), Gregor Mews (YDN) from Koroit, and Matthew Swayn (YDN) from Nalangil.

Gardiner Foundation sponsored three dairy farmers from YDN, Western Victoria, to attend the Australian Dairy Conference (ADC) in Melbourne.

The ADC is the national premier dairy event. With an excellent line up of topics, expert speakers and fantastic networking opportunities it is a great place for young farmers.

The grant covered two nights' accommodation in Melbourne and event registration.

Australian Dairy Sustainability Framework

The Australian dairy industry's Sustainability Framework is owned and led by the Australian Dairy Industry Council (ADIC) on behalf of dairy farmers and dairy companies.

The framework is a whole-of-industry effort, continually evolving to meet new challenges and provide leadership in sustainable, nutritious food production.

The Sustainability Framework is developed and implemented by the Sustainability Steering Committee and supported by Dairy Australia. Gardiner Foundation joined the steering committee in 2022. This year, Gardiner continued to contribute to the strategic leadership of the framework and supporting industry initiatives that seek to deliver on the sustainability promise.

To learn more about Framework, visit:

<https://australiandairyfarmers.com.au/adsf/>

Dairy Manufacturers Sustainability Council (DMSC)

The DMSC is a nationally recognised community of practice, primarily made up of environmental and sustainability managers from Australian dairy manufacturing companies.

With an industry-wide focus, the DMSC helps members collaborate pre-competitively to enhance environmental performance and sustainability.

The Australian Dairy Sustainability Framework guides the entire industry toward sustainable production, setting goals and targets for 2030.

Gardiner Foundation provides thought leadership on essential pre-competitive research for dairy manufacturing and is committed to contributing to strategic initiatives to help meet key targets.



Our Board



Dr Len Stephens

DipAgSci, BVSc, MSc, PhD, GAICD

Board Chair

Len Stephens joined the Gardiner Foundation Board in October 2019 as the Chair Elect and was appointed Chair at the AGM in October 2020. Len is a veterinarian, with specialist expertise in research management. He also has extensive experience in governance and operations of industry owned rural R&D corporations.

In his early years Len worked with the Victorian Department of Agriculture, servicing the dairy industry in Gippsland, where he also has family connections to dairy farming. He moved from Gippsland to become the inaugural director of the Victorian Institute of Animal Science.

Len is currently a Director of Animal Health Australia Ltd and concluded his role as Chair of Australian Seafood Industries Pty Ltd in April 2024. His previous positions include Chair of Oysters Australia Ltd, Managing Director of the Seafood CRC Company Ltd, Director Agrifutures Australia, Director Dairy Australia Ltd, Chief Executive Officer – Australian Wool Innovation Ltd, and General Manager – Meat & Livestock Australia. He also runs a small consultancy business.

Special Responsibilities

Member: Finance, Audit, Investment and Risk Committee



Dr Michael Strachan

BSc(Hons), PhD, MBA, GAICD

Michael Strachan joined the Gardiner Foundation Board in October 2022 and is Chair of the Finance Audit and Investment Committee. Having worked in investment management, wealth management and superannuation funds, Michael has extensive experience across all traditional asset classes and alternative investments. Michael's roles have included; Chief Investment Officer at LUCRF Super, Equip Super and Rio Tinto Staff Super, Head of Multi Asset Class Funds at Invesco Australia and County NatWest Australia. Michael is the founder of Corinella Capital Partners a business providing investment governance, investment management and risk management services to superannuation funds, wealth managers, endowments and foundations, and Family Offices.

Special Responsibilities

Chair: Finance, Audit, Investment and Risk Committee



Aubrey Pellett

GAICD, PostGradDiplS, BComm, DipFarmMgt

Aubrey Pellett joined the Gardiner Foundation Board in October 2021. Aubrey is a dairy farmer in Hill End, West Gippsland. For the last 20 years Aubrey has grown his dairy business from new entrant to cow ownership to a 200 ha pasture based dairy farm. Prior to dairy farming, Aubrey had a short career in banking and a stint travelling and living in the UK. Aubrey has previously served as a director of Rural Financial Counselling Service Gippsland (four years as Chair), GippsDairy Board Inc., and the Bonlac Supply Company (Deputy Chair). Aubrey was awarded a Nuffield Scholarship in 2014 and travelled the world researching the future of pasture based dairy productivity.



Conny Lenneberg

BA (Hons), MA (Research), D.Litt (h.c.), GAICD

Conny Lenneberg joined the Gardiner Foundation Board in October 2021. She is a community development practitioner, currently working as a Non-Executive Director and consultant.

Conny's previous roles include Executive Director of the Brotherhood of St. Laurence, Regional Leader for World Vision in the Middle East and Eastern Europe, Deputy CEO for World Vision Australia and Rural Development Advisor for the Danish Committee for Afghanistan.

Conny has a Master of Arts (Research) and an Honorary Doctorate. Conny is the Chair of the Advisory Committee for La Trobe University's Institute for Human Security and Social Change, and currently serves on the boards of Good Shepherd ANZ and the Human Services Skills Organisation.



Fabrizio Jorge

BBus(BA), MIB, IMD

Fabrizio Jorge joined the Gardiner Foundation Board in October 2023. Fabrizio is a seasoned senior executive with a wealth of experience spanning over 25 years. His professional journey has taken him across Latin America, Europe, Africa, the Middle East, Asia, and Oceania.

Currently serving as the Chief Executive Officer of the BESTON Global Food Company, an ASX listed company, Fabrizio brings a strategic perspective in dairy supply chains, product innovation and a global network with dairy processors.

Fabrizio has further demonstrated his commitment to industry leadership by serving as past Board Member of the Australian Dairy Industry Council (ADIC) and is currently a member of the Australian Dairy Products Federation (ADPF) Executive Committee. In these capacities, he has played a pivotal role in shaping the policy direction of Australia's dairy industry.



Our Team



Allan Cameron

BAGSci, GradDipAppFin, GradDipFinPlan

Chief Executive Officer

Allan Cameron was appointed Chief Executive Officer of the Gardiner Foundation in September 2021. Allan's professional career has been spent in rural and regional communities developing a strong background in agriculture, agribusiness, financial services and rural extension. Allan has a deep understanding of Australian agriculture and extensive relationships across stakeholders in the Australian dairy industry.



Galina Fidler

AdvDipBusAcc, MProfAcc, CPA

Chief Financial Officer

Galina is a senior finance executive boasting more than two decades of experience in finance and governance, she exemplifies a commitment to professional advancement and expertise.

Galina's professional journey has primarily unfolded within the not-for-profit sector, with a notable decade-long tenure in the medical research community. Galina's recent executive roles include serving as Financial Controller at the Catholic Archdiocese of Melbourne and as Deputy CFO at the Murdoch Children's Research Institute. Galina adds value through Finance as a key driver for sustainable growth.



Jenny Wilson

BAppSc(EnvSc), AdvCertSust, AICD

General Manager, People and Community Development

Jenny Wilson joined Gardiner Foundation in November 2023 after working for several years as Chief Executive Officer of Murray Dairy. She's also a director on the board of Goulburn Valley Water and deputy chair of GOTAFE. Jenny has previously worked in senior management roles for multiple Victorian State Government Departments in the areas of agriculture and natural resource management.

Passionate about regional Victoria, agriculture, and skills and training, Jenny has led several programs supporting agricultural communities in the adoption of new science, innovation and skills, particularly in response to water policy reform and climate change.



Jenny Walsh

Finance and Project Administrator

Joining the Gardiner Foundation in 2007, Jenny has extensive experience in the dairy industry. Jenny's role supports the Financial Stewardship objective of the Gardiner Foundation Strategy and encompasses finance and compliance, governance, human resources, project and contract administration as well as operational functions. Jenny has a strong connection with regional Victoria and the issues facing the industry and rural communities.



Sallie Clynes

Executive Assistant

Sallie Clynes joined Gardiner Foundation in January 2024 in the newly created Executive Assistant role.

She has a strong and diverse background in organisational administration and has experience working across a range of industries. Demonstrating a keen eye for detail, forward-thinking, and an unwavering commitment to excellence, Sallie aims to ensure seamless operations within any organisational setting, contributing to the overall success of the team and organisation.



Ashley Rosewarne

BComm(PR)

People and Community Development Project Coordinator

Ashley was appointed as People and Community Development Project Coordinator in August 2017. She has a strong background in media, advertising, marketing and stakeholder management.

Her previous experience working in a creative advertising agency equipped Ashley with a proficient level of exposure to regional Australia and New Zealand working with Agricultural and Machinery clients. She has also worked in one of Australia's leading media publications where she worked with motoring and machinery dealer associates.



Donna Gibson

BEnvSci

Program Manager, Research and Innovation

Donna joined the Gardiner Foundation in 2022 with over 20 years of experience in dairy from farming to research and extension. She's passionate about the dairy industry and through her roles on farms, with Agriculture Victoria and Dairy Australia has gained a broad understanding of the Australian Dairy Industry and its importance to dairying communities.



Meghan Lodwick

BA, GradCertJour, MComm(Global)

Communications Manager

Meghan joined the Gardiner Foundation in 2024 as the Communications Manager. She is a seasoned public relations and communications professional with experience in both the private and public sectors. Previously, Meghan worked as a research communicator at various universities, bringing a strong background in corporate communications, social media and digital storytelling.



Geoffrey Gardiner Dairy Foundation

ABN: 18094733418

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Directors' Report

The directors present their report together with the financial report of Geoffrey Gardiner Dairy Foundation, the "Foundation", for the year ended 30 June 2024 and auditor's report thereon.

Directors names

The names of the directors in office at any time during or since the end of the year are:

Dr Leonard Stephens

Mr René Dedoncker [Resigned 17 October 2023]

Mr Fabrizio Jorge [Appointed 13 October 2023]

Ms Conny Lenneberg

Mr Aubrey Pellett

Dr Michael Strachan

The directors have been in office since the start of the year to the date of this report unless otherwise stated.

Company secretary

Mrs Galina Fidler was appointed to the role of Company Secretary of the Foundation on 20 December 2023 following the Directors' circular resolution.

Results

The Foundation's operating surplus for the year amounted

to \$1,185,549 (2023: \$2,664,501). Following accounting for changes in the fair value of the financial assets, which include realised gains of \$451,396 (2023: gains of \$511,237) and unrealised gains of \$10,063,515 (2023: gains of \$10,589,899), the Foundation's surplus during the year amounted to \$11,700,460 (2023: surplus \$13,765,637).

Review of operations

The Foundation continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Significant changes in state of affairs

There were no significant changes in the Foundation's state of affairs that occurred during the financial year, other than those referred to elsewhere in this report.

Principal activities

The Foundation's principal activity is to manage the investment of funds to maximise the benefits to all sectors of the Victorian Dairy Industry and Victorian Dairy Communities, in accordance with section 65 of the Dairy Act 2000.

There were no significant changes in the nature of the Foundation's principal activities during the financial year.

Short-term and long-term objectives and strategies

Strategy

The Foundation has a vision of thriving, vibrant Victorian dairy communities where people want to live, work and invest. The Foundation Strategic Plan 2024-2028 was approved by the Board in October 2023 to realise that vision. The Foundation Strategic Plan 2024-2028 includes five long-term strategic priorities:

1. Financial stewardship

To achieve annual investment returns equivalent to inflation (CPI) plus 4.5% over rolling 10-year periods with a probability of a negative return in any financial year is less than one in four years.

Our ongoing action is to steward the Corpus according to the best practices. We will explore utilising alternative asset class investment opportunities, either directly or indirectly, that enhance our strategic assets allocation (SAA) and support the development of the Victorian dairy industry and/or Victorian dairy communities.

2. People in dairy

- To increase depth in industry and community leadership.
- To facilitate forums for industry and communities and encourage new ideas and creative solutions to complex problems.
- Enable people to obtain the skills and experiences they require to work and invest within the industry and Victorian dairy communities.

We will continue to support various leadership programs that provide experiential leadership. We will renew an industry mentoring framework and we will support Dairy Australia and the education sector to promote the development of farm business management skills and career opportunities.

3. Community development

- Attract and retain the skilled workforce required by all sectors of the Victorian dairy industry and dairy communities.
- Invest purposely guided by an evidence-based understanding of why people live, work and invest within Victorian dairy communities and the dairy industry.

We will fund a revamped Community Grants program and actively seek community development investment opportunities to address dairy community needs in better infrastructure, workforce, health and education.

4. Research & innovation

- To deliver productivity gains that support the growth and sustainability of all sectors of the Victorian dairy industry and dairying communities.
- To enhance our existing Research & Innovation (R & I) portfolio by investing in opportunities that deliver transformational outcomes for dairy businesses.
- To accelerate research into adoption and commercial availability.

We will invest in the enablers of the 'path to market' for research outputs, development, education, extension and commercialisation.

5. Industry support

- Contribute to a profitable, confident and united industry, producing nutritious food for a healthier world.
- Enhance the dairy industry's social license to operate.

We will continue to support tactical projects that address time critical industry issues, and we will work with industry stakeholders to refresh the Dairy Industry Leadership Strategy.

Directors' Report

Key Performance Measures

The Foundation measures its performance through the use of both quantitative and qualitative key performance indicators (KPIs). These KPIs are used by the Directors to assess the financial sustainability of the company and whether the company's short term and long-term objectives are being met.

In assessing progress against stated strategies, the Foundation puts at the forefront of its assessment the outcomes achieved for the dairy industry and communities and ensures that adopted KPIs are linked to the strategy, relevant, reliable, forward-looking, show progress over time and, where applicable, comparable to industry benchmarks.

Directors	Board Meetings		Finance, Audit, Investment and Risk Committee meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Dr Leonard Stephens	6	6	4	4
Mr René Dedoncker	2	1	1	1
Mr Fabrizio Jorge	4	4	-	-
Ms Conny Lenneberg	6	6	-	-
Mr Aubrey Pellett	6	6	3	3
Dr Michael Strachan	6	6	4	4

Members guarantee

The Foundation is incorporated under the *Corporations Act 2001* and is a Foundation limited by guarantee. If the Foundation is wound up, the Constitution states that each member is required to contribute to a maximum of \$10 each towards meeting any outstandings and obligations of the Foundation. At 30 June 2024 there were three members. The combined total amount that members of the Foundation are liable to contribute if the Foundation is wound up is \$30 (2023: \$30).

Likely developments

The Foundation expects to maintain the present status and level of operations.

After balance date events

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

Auditor's independence declaration

A copy of the auditor's independence declaration in relation to the audit for the financial year is provided with this report.


Dr Leonard Stephens

Director


Michael G Strachan

Dr Michael Strachan

Director

Signed on behalf of the board of directors.

Dated this 20th day of August 2024



Auditor's Independence Declaration



GEOFFREY GARDINER DAIRY FOUNDATION
ABN: 18094733418

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF GEOFFREY GARDINER DAIRY FOUNDATION

In relation to the independent audit for the year ended 30 June 2024, to the best of my knowledge and belief there have been no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

A handwritten signature in black ink, appearing to read 'K L Byrne'.

K L BYRNE
Partner

A handwritten signature in black ink, appearing to read 'Pitcher Partners'.

PITCHER PARTNERS
Melbourne

Date: 20 August 2024

Pitcher Partners. An independent Victorian Partnership ABN 27 975 255 196. Level 13, 664 Collins Street, Docklands, VIC 3008
Pitcher Partners is an association of independent firms. Liability limited by a scheme approved under Professional Standards Legislation.
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Statement of Profit or Loss and Other Comprehensive Income

	Note	2024 \$	2023 \$
Revenue and other income			
Investment revenue	3	8,493,282	8,722,507
Less: Management fees	3	(667,259)	(687,020)
Project co-funding income	4	56,606	-
Other revenue	4	<u>32,016</u>	<u>115,829</u>
		<u>7,914,645</u>	<u>8,151,316</u>
Less: expenses			
Project payments	5	(5,747,412)	(4,947,656)
Administration expenses	6	(969,483)	(536,076)
Finance costs		<u>(12,201)</u>	<u>(3,083)</u>
		<u>(6,729,096)</u>	<u>(5,486,815)</u>
		<u>1,185,549</u>	<u>2,664,501</u>
Operating surplus			
Net unrealised gains/(losses) on financial assets held at fair value through profit and loss (Pooled Unit Trust Structure)		10,063,515	10,589,899
Net realised gains/(losses) on financial assets held at fair value through profit and loss (Pooled Unit Trust Structure)		<u>451,396</u>	<u>511,237</u>
Surplus for the year		<u>11,700,460</u>	<u>13,765,637</u>



Statement of Financial Position

	Note	2024 \$	2023 \$
Current assets			
Cash and cash equivalents	7	885,982	434,584
Receivables	8	3,022,179	3,730,454
Other financial assets	10	56,134	-
Other assets	9	2,917	28,343
Total current assets		<u>3,967,212</u>	<u>4,193,381</u>
Non-current assets			
Other financial assets	10	169,568,175	156,387,266
Lease assets	11	708,526	58,528
Plant and equipment	12	31,834	24,755
Total non-current assets		<u>170,308,535</u>	<u>156,470,549</u>
Total assets		<u>174,275,747</u>	<u>160,663,930</u>
Current liabilities			
Payables	13	931,040	275,514
Lease liabilities	11	61,851	54,877
Provisions	14	79,250	97,736
Other liabilities	15	610,000	-
Total current liabilities		<u>1,682,141</u>	<u>428,127</u>
Non-current liabilities			
Lease liabilities	11	655,541	4,668
Provisions	14	12,347	5,877
Total non-current liabilities		<u>667,888</u>	<u>10,545</u>
Total liabilities		<u>2,350,029</u>	<u>438,672</u>
Net assets		<u>171,925,718</u>	<u>160,225,258</u>
Equity			
Capital contribution reserve		62,126,314	62,126,314
Retained earnings	16	109,799,404	98,098,944
Total equity		<u>171,925,718</u>	<u>160,225,258</u>

Statement of Changes in Equity

	Capital contribution reserve \$	Retained earnings \$	Total equity \$
Balance as at 1 July 2022	62,126,314	84,333,307	146,459,621
Deficit for the year	-	13,765,637	13,765,637
Total comprehensive loss for the year	-	13,765,637	13,765,637
Balance as at 30 June 2023	62,126,314	98,098,944	160,225,258
Balance as at 1 July 2023	62,126,314	98,098,944	160,225,258
Surplus for the year	-	11,700,460	11,700,460
Total comprehensive income for the year	-	11,700,460	11,700,460
Balance as at 30 June 2024	62,126,314	109,799,404	171,925,718

Statement of Cash Flows

	2024 \$	2023 \$
Cash flow from operating activities		
Dividends, distributions and franking credits ^[1]	9,141,026	11,565,968
Management rebates received	258,339	234,312
Project co-funding income	666,606	-
Interest received	32,016	115,829
Project expense payments and administration costs	(6,153,229)	(5,402,575)
Management fees paid	(127,469)	(149,108)
Interest paid	(12,201)	(3,422)
Net cash provided by operating activities	<u>3,805,088</u>	<u>6,361,004</u>
Cash flow from investing activities		
Payment for plant and equipment	(20,623)	(6,905)
Payments for investments	(18,101,014)	(13,594,410)
Proceeds from sale of investments	14,800,000	7,300,000
Net cash used in investing activities	<u>(3,321,637)</u>	<u>(6,301,315)</u>
Cash flow from financing activities		
Principal portion of lease payments	(32,053)	(36,279)
Net cash used in financing activities	<u>(32,053)</u>	<u>(36,279)</u>
Reconciliation of cash		
Cash at beginning of the financial year	434,584	411,174
Net increase in cash held	451,398	23,410
Cash at end of financial year	<u>885,982</u>	<u>434,584</u>

^[1] Dividends and distributions re-invested are shown as a cash receipt in operating activities and a payment for investments in investing activities.



Notes to Financial Statements

Note 1: Basis of Preparation

General information

The financial report is a general purpose financial report that has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards - Simplified Disclosures, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.

The financial report covers Geoffrey Gardiner Dairy Foundation (the "Foundation") as an individual entity. Geoffrey Gardiner Dairy Foundation is a Foundation limited by guarantee, incorporated and domiciled in Australia. Geoffrey Gardiner Dairy Foundation is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the directors at the date of the directors' report.

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

Fair value measurement

For financial reporting purposes, 'fair value' is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants (under current market conditions) at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

When estimating the fair value of an asset or liability, the Foundation uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Inputs to valuation techniques used to measure fair value are categorised into three levels according to the extent to which the inputs are observable:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Going Concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

Significant accounting estimates and judgements

The preparation of the financial report requires the use of certain estimates and judgements in applying the Foundation's accounting policies. Those estimates and judgements significant to the financial report are disclosed in Note 2 to the financial statements.

Accounting policies

The following accounting policies have been applied in the preparation and presentation of the financial report.

(a) Revenue

Investment revenue

Investment revenue derived from the investment portfolio includes interest, dividend and franking credit income recognised on an accruals basis as follows:

- Dividend and distribution income is recognised when the right to receive a dividend has been established.
- Franking credits are recognised when the right to the franking credit arises, which is at the same time when the right to receive a dividend has been established.

Management fees charged by the fund manager to the fund (non-cash expense to the Foundation) are classified separately from unrealised gains / (losses). Management fees also include fees paid by the Foundation to consultants. Investment management fee rebates received in cash from the fund manager are netted off within management fees.

Royalty income

Royalty income is recognised on an accrual basis in the period which the income relates to.

Will and bequests income

Bequeathed items are recognised as income when the Foundation has obtained a present legal right to, and therefore control of, the bequeathed items. This occurs when probate has been granted and the period for challenging the Will has expired and or the Will has been challenged and it is legally determined that the Foundation is entitled to particular assets or amounts.

Project co-funding income

Where project co-funding income has been received under an agreement that contains performance obligations that are sufficiently specific, co-funding income is recognised when the performance obligations of the grant have been satisfied. Where the Foundation has received co-funding income and performance obligations have not been satisfied as at the end of the financial year, a contract liability is recognised.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Notes to Financial Statements

Note 1: Basis of Preparation (Continued)

(b) Cash and cash equivalents

Cash and cash equivalents include cash on hand, short-term deposits with an original maturity of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(c) Employee benefits

(i) Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the statement of financial position.

(ii) Long-term employee benefit obligations

The provision for other long-term employee benefits, including obligations for long service leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that are denominated in the currency in which the benefits will be paid. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the change occurs.

Other long-term employee benefit obligations are presented as current liabilities in the statement of financial position if the Foundation does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the statement of financial position.

(d) Income tax

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

(e) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Foundation becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Foundation commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

Classification of financial assets

Financial assets recognised by the Foundation are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the Foundation irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9.

Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- (a) the Foundation's business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial asset.

Financial liabilities

Financial liabilities classified as held-for-trading, contingent consideration payable by the Foundation for the acquisition of a business, and financial liabilities designated at FVtPL, are subsequently measured at fair value.

All other financial liabilities recognised by the Foundation are subsequently measured at amortised cost.

Receivables

Trade and other receivables arise from the Foundation's transactions with its customers and are normally settled within 30 days.

Consistent with both the Foundation's business model for managing the financial assets and the contractual cash flow characteristics of the assets, receivables are subsequently measured at amortised cost.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss (FVTPL) include financial assets that are either classified as held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists. For units in managed funds, this is considered to be the redemption price of units as advised by the fund manager.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Foundation no



Notes to Financial Statements

Note 1: Basis of Preparation (Continued)

longer has any significant continuing involvement in the risks and benefits associated with the asset. The cost base used to determine realised gains or losses on disposal of the financial asset is determined by reference to the oldest securities held by the Foundation first (first-in first-out basis). Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

(f) Leases

Lease assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, on a basis that is consistent with the expected pattern of consumption of the economic benefits embodied in the underlying asset.

Lease liabilities are measured at the present value of the remaining lease payments. Interest expense on lease liabilities is recognised in profit or loss. Variable lease payments not included in the measurement of lease liabilities are recognised as an expense in the period in which they are incurred.

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

(g) Capital contributions reserve

The Gardiner Dairy Foundation is limited by guarantee and does not have share capital. The Foundation was formed for the purpose of managing the investment of funds to be used to benefit all sectors of the Victorian Dairy Industry and Communities in accordance with Section 65 of the Dairy Act 2000.

Gardiner Dairy Foundation was created with \$62 million in funding from the sale of assets, including milk brands, as part of deregulation of the dairy industry.

(h) Plant and equipment

Plant and equipment

Plant and equipment is measured on the cost basis.

Depreciation

The depreciable amount of plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

Class of fixed assets	Depreciation rates	Depreciation basis
Leasehold improvements at cost	16.6	Straight line
Plant and equipment at cost	20.0 - 25.0%	Straight line

Notes to Financial Statements

Note 2: Significant Accounting Estimates and Judgements

In the process of applying the Foundation's accounting policies, management makes various judgements that can significantly affect the amounts recognised in the financial statements. In addition, the determination of carrying amounts of some assets and liabilities require estimation of the effects of uncertain future events. Outcomes within the next financial year that are different from the assumptions made could require a material adjustment to the carrying amounts of those assets and liabilities affected by the assumption.

The following outlines the major judgements made by management in applying the Foundation's accounting policies and the major sources of estimation uncertainty, that have the most significant effect on the amounts recognised in the financial statements and/or have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year:

(a) Long service leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

(b) Project co-funding income

The Foundation derives revenue and other income from a range of activities and sources, including revenue from the operating grants and capital grants. In accordance with Australian Accounting Standards, the Foundation is required to determine whether it is appropriate to recognise revenue and other income in the financial year in which cash or non-cash assets are received or to defer the recognition of

revenue and other income until associated obligations and/or conditions (if any) are satisfied. In making this judgement, the Foundation considers the guidance outlined in AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities and, in particular, whether the arrangement contains enforceable and sufficiently specific performance obligations.

Where the Foundation identifies the existence of enforceable and sufficiently specific performance obligations, or the arrangement requires the Foundation to use the funds received to acquire or construct items of property, plant and equipment to identified specifications, the recognition of revenue and other income is deferred until the identified obligations are satisfied.

(c) Leases assets and lease liabilities

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the Foundation recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. In order to measure a lease asset and corresponding lease liability, the Foundation is required to make a determination of the lease term. This determination includes an assessment of whether the Foundation is reasonably certain to exercise an option to extend the lease or to purchase the underlying asset, or not to exercise an option to terminate the lease. In making this judgement, the Foundation considers all relevant facts and circumstances that create an economic incentive for the Foundation to exercise, or not to exercise, the option, including any expected changes in facts and circumstances from the commencement date of the lease until the exercise date of the option.

Note 3: Net Investment Revenue

	2024 \$	2023 \$
- Dividend income	4,569,730	5,520,261
- Franking credit revenue	1,329,275	1,629,054
- Distribution income	2,594,277	1,573,192
- Less management fees	(667,259)	(687,020)
	<u>7,826,023</u>	<u>8,035,487</u>

Note 4: Other Revenue

Project co-funding income	56,606	-
Interest income	<u>32,016</u>	<u>115,829</u>
	<u>88,622</u>	<u>115,829</u>



Notes to Financial Statements

Note 5: Project Payments

	2024 \$	2023 \$
Research & Innovation	3,163,858	2,814,324
Community Development	568,130	444,206
People in Dairy	1,390,005	1,093,718
Industry Support	<u>625,419</u>	<u>595,408</u>
Total Project payments	<u>5,747,412</u>	<u>4,947,656</u>

Research & Innovation

Our strategy is to invest in well targeted, large-scale research & innovation projects commonly as a co- investor which ensures an efficient use of funds to deliver high impact innovations to the dairy industry.

Community Development

Community development projects include support activities for families which own or operate Victorian dairy farms, change management programs for Victorian dairy communities, local infrastructure programs within Victorian dairy communities and regional economic development projects benefiting Victorian dairy communities.

People in Dairy

The People in Dairy projects empower the people and businesses in dairy to make informed and impactful decisions about their businesses, our industry and the communities in which they live, work and invest.

Industry Support

Support industry wide engagement, together with the provision of strategic thought leadership and tactical projects to respond to emerging industry needs and opportunities.

Note 6: Administration Expenses

Other expenses

- Occupancy expenses	79,250	2,244
- Depreciation on plant and equipment	13,545	27,738
- Remuneration of auditors	33,300	34,500
- Consultant fees	71,364	13,058
- Legal fees	7,142	6,467
- Insurance expenses	30,040	2,248
- Record management	1,551	1,749
- Board costs	277,571	69,406
- Employment expenses	418,824	331,339
- Other administration expenses	<u>36,896</u>	<u>47,327</u>
	<u>969,483</u>	<u>536,076</u>

Notes to Financial Statements

Note 6: Administration Expenses (Continued)

	2024 \$	2023 \$
Employee benefits expenses		
- Employee expenses	1,218,451	901,236
- Superannuation	<u>117,782</u>	<u>85,627</u>
	<u>1,336,233</u>	<u>986,863</u>

Project related employee expenses and indirect support costs are allocated to the project for which they have been incurred. The methodology for indirect support costs allocation to the projects has been changed from 1 July 2023. The "Board costs" include directors' fee, travel and other logistical expenses. Employee expenses and related superannuation include all employees' costs, from which \$917,409 relates to the project delivery and \$418,824 relates to administration.

Note 7: Cash and Cash Equivalents

Cash at bank	<u>885,982</u>	<u>434,584</u>
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Note 8: Receivables

CURRENT

Receivables from contracts with customers	11,000	-
Accrued income	2,835,214	3,482,008
Other receivables	<u>175,965</u>	<u>248,446</u>
	<u>3,022,179</u>	<u>3,730,454</u>

Income accrued includes dividends and distributions declared but not yet received and franking credits on dividends earned during the current financial year. Franking credits are claimed from the Australian Taxation Office after the end of the financial year.

The balance of accrued income at 30 June 2024 includes \$1.3m (2023: \$1.6m) of franking credits refundable.

Note 9: Other Assets

CURRENT

Prepayments	<u>2,917</u>	<u>28,343</u>
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Notes to Financial Statements

Note 10: Other Assets

	2024 \$	2023 \$
CURRENT		
Financial assets at fair value through profit or loss		
Term deposits	56,134	-
NON-CURRENT		
Financial assets at fair value through profit or loss		
Australian equities	76,332,636	74,684,778
International equities	39,426,699	33,862,812
Unlisted property	13,653,765	15,590,561
Unlisted infrastructure	27,099,008	24,800,280
International fixed interest	4,173,282	-
Cash funds	8,882,785	7,448,835
	<u>169,568,175</u>	<u>156,387,266</u>

Note 11: Lease Assets and Lease Liabilities

(a) Lease assets

Land and buildings		
Under lease	731,382	108,052
Accumulated depreciation	(22,856)	(49,524)
	<u>708,526</u>	<u>58,528</u>

Reconciliations

Reconciliation of the carry amount of lease assets at the beginning and end of the financial year:

Land and buildings		
Opening carrying amount	58,528	10,360
Additions	731,382	108,052
Amortisation	(52,973)	(59,884)
Disposal of lease	(28,411)	-
Closing carrying amount	<u>708,526</u>	<u>58,528</u>

(b) Lease liabilities

CURRENT		
Buildings	61,851	54,877
NON-CURRENT		
Buildings	655,541	4,668
Total carrying amount of lease liabilities	<u>717,392</u>	<u>59,545</u>

Notes to Financial Statements

Note 12: Plant and Equipment

	2024 \$	2023 \$
Plant and equipment		
Plant and equipment at cost	70,746	50,123
Accumulated depreciation	(38,912)	(25,368)
Total plant and equipment	<u>31,834</u>	<u>24,755</u>

(a) Reconciliations

Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year

Plant and equipment		
Opening carrying amount	24,755	31,621
Additions	20,624	6,905
Disposals	-	(1,965)
Depreciation expense	(13,545)	(11,806)
Closing carrying amount	<u>31,834</u>	<u>24,755</u>

Note 13: Payables

CURRENT

Unsecured liabilities

Trade creditors	233,215	38,460
Sundry creditors and accruals	697,825	237,054
	<u>931,040</u>	<u>275,514</u>

Note 14: Provisions

CURRENT

Employee benefits	<u>79,250</u>	<u>97,736</u>
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NON CURRENT

Employee benefits	<u>12,347</u>	<u>5,877</u>
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Note 15: Other Liabilities

CURRENT

Grants received in advance	<u>610,000</u>	<u>-</u>
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Government grants

Where government co-funding arrangements include enforceable and sufficiently specific performance obligations, the recognition of revenue is deferred until the identified obligations are satisfied.

During the year, the Foundation received a co-funding grant of \$610,000 from the Department of Energy, Environment and Climate Action for accelerating the engagement of the culturally and linguistically diverse ("CALD") workforce into Victorian communities. Revenue will be recognised as project expenditure is incurred by the Foundation.



Notes to Financial Statements

Note 16: Retained Earnings

	2024 \$	2023 \$
Retained earnings at beginning of year	98,098,944	84,333,307
Surplus for the year	<u>11,700,460</u>	<u>13,765,637</u>
	<u>109,799,404</u>	<u>98,098,944</u>

The Foundation is prohibited by the Constitution from making distributions to its members. In the event of winding up, the assets of the Foundation shall be applied in satisfaction of its debts and liabilities and any surplus after such application shall be given or transferred to one or more bodies ("Successor Body(s)") having objectives consistent with the objects of the Foundation. The allocation of the surplus between Successor Body(s) must be approved by unanimous resolution of each class of member and by the Minister of the Victorian Government whose portfolio or responsibilities include agriculture. If the Successor Body(s) fail to meet the objectives and surplus approval criteria by the date the Foundation is wound up, any surplus will be transferred to the Minister on behalf of the State of Victoria.

Note 17: Commitments

Project expenditure commitments:

Within one year	4,270,554	1,395,000
One to five years	<u>6,882,974</u>	<u>2,170,000</u>
	<u>11,153,528</u>	<u>3,565,000</u>

Project expenditure commitments relate to future commitments approved by the Board where either an agreement has either been signed or agreed 'in-principle' between the Foundation and the counterparty prior to the end of the financial year.

Note 18: Key Management Personnel Compensation

Board Chair	72,505	71,763
Directors	152,838	151,715
Management	<u>685,746</u>	<u>465,971</u>
	<u>911,089</u>	<u>689,449</u>

The increase in key management personnel compensation for the year ended 30 June 2024 relates to the appointment of an additional member of management.

Notes to Financial Statements

Note 19: Related Party Transactions

(a) Transactions with entities with joint control or significant influence over the entity

During the prior financial year, the Foundation received external consulting services from Somerset Capital Pty Ltd for \$5,310. Andrew Maughan, who was a director of the Foundation during the financial year, is a director of Somerset Capital Pty Ltd.

(b) Transactions with key management personnel of the Foundation

There were no transactions with related parties during the current and previous financial year outside of those reported under Note 17 above.

(c) Transactions with other related parties

There were no transactions with related parties during the current and previous financial year outside of those reported under Note 18(a) above.

Note 20: Contingent Liabilities and Contingent Assets

In February 2014, the Foundation was advised by the executors of the Estate of Niel Black, that the Foundation was one of a number a beneficiaries of the late Mr Black's estate in accordance with his Will (the Will). The late Mr Black bequeathed a significant portion (the residuary estate) of his estate to the Foundation. One of the conditions stipulated in the Will was that the Trustees of the estate will service and maintain Mr Black's Mt Noorat Homestead property (Homestead property), currently occupied by Mr Black's widow Mrs Eve Marie Black (life tenant). The Will however did not specify the amount to be set aside for the service and maintenance of the Homestead property. The maintenance obligation amongst other things include repairs, insuring the Homestead property against loss and damage by fire, keeping the house, garden and grounds in good order and condition and pay and discharge all rates, taxes and other outgoings while the life tenant resides at the property.

An agreement was reached between the Trustees and the Foundation for the Trustees to set aside out of the estate the sum of \$1.0 million (Trustees funds) to fulfil the maintenance obligations for the Homestead property. In the event that the Trustees funds for the maintenance obligation is insufficient under a deed between the Trustees and the Foundation, the Foundation will be required to make a payment or payments to the Trustees up to a maximum amount in aggregate of \$1.0m to enable the Trustees to fulfil the maintenance obligations. In the event that the life tenant vacates the Homestead property, the balance of the Trustees funds will be made available to the Foundation.

Note 21: Remuneration of Auditors

	2024 \$	2023 \$
Remuneration of auditors for:		
Pitcher Partners (Melbourne)		
Audit and assurance services		
- Audit of the financial report	33,300	32,500
Other non-audit services		
- Investment administration services	35,200	35,200
- General advisory	7,500	-
Total remuneration of auditors	76,000	67,700



Notes to Financial Statements

Note 22: Fair Value Measurement

The following tables detail the Foundation's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
2024				
Australian equities	-	76,332,636	-	76,332,636
International equities	-	39,426,699	-	39,426,699
International fixed interest	-	4,173,282	-	4,173,282
Unlisted property	-	13,653,765	-	13,653,765
Cash	-	8,882,785	-	8,882,785
Unlisted infrastructure	-	27,099,008	-	27,099,008
	-	169,568,175	-	169,568,175
2023				
Australian equities	-	74,684,778	-	74,684,778
International equities	-	33,862,812	-	33,862,812
Unlisted property	-	15,590,561	-	15,590,561
Cash	-	7,448,835	-	7,448,835
Unlisted infrastructure	-	24,800,280	-	24,800,280
	-	156,387,266	-	156,387,266

Note 23: Events Subsequent to Reporting Date

There has been no matter or circumstance, which has arisen since 30 June 2024 that has significantly affected or may significantly affect:

- the operations, in financial years subsequent to 30 June 2024, of the Foundation, or
- the results of those operations, or
- the state of affairs, in financial years subsequent to 30 June 2024, of the Foundation.

Directors' Declaration

The directors of the Foundation declare that:

1. In the directors' opinion, the financial statements and notes thereto, as set out on pages 9 - 27, satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (a) complying with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulations 2022*; and
 - (b) giving a true and fair view of the financial position as at 30 June 2024 and performance for the year ended on that date of the Foundation.
2. In the directors' opinion there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulations 2022*.



Director _____

Dr Leonard Stephens



Director _____

Dr Michael Strachan

Dated this 20th day of August 2024



Independent Auditor's Report



GEOFFREY GARDINER DAIRY FOUNDATION
ABN: 18094733418

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GEOFFREY GARDINER DAIRY FOUNDATION

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Geoffrey Gardiner Dairy Foundation, "the Foundation", which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of Geoffrey Gardiner Dairy Foundation, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Foundation's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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 Foundation in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* "ACNC Act" and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* "the Code" that are relevant to our audit of the financial report in Australia. 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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Foundation's annual report and directors' report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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Independent Auditor's Report



GEOFFREY GARDINER DAIRY FOUNDATION
ABN: 18094733418

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GEOFFREY GARDINER DAIRY FOUNDATION

Other Information (Continued)

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation'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 the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism 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 Foundation's internal control.

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Independent Auditor's Report



GEOFFREY GARDINER DAIRY FOUNDATION
ABN: 18094733418

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GEOFFREY GARDINER DAIRY FOUNDATION

Auditor's Responsibilities for the Audit of the Financial Report (Continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Foundation'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 Foundation 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 the directors 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.

K L BYRNE
Partner

PITCHER PARTNERS
Melbourne

Date: 20 August 2024

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