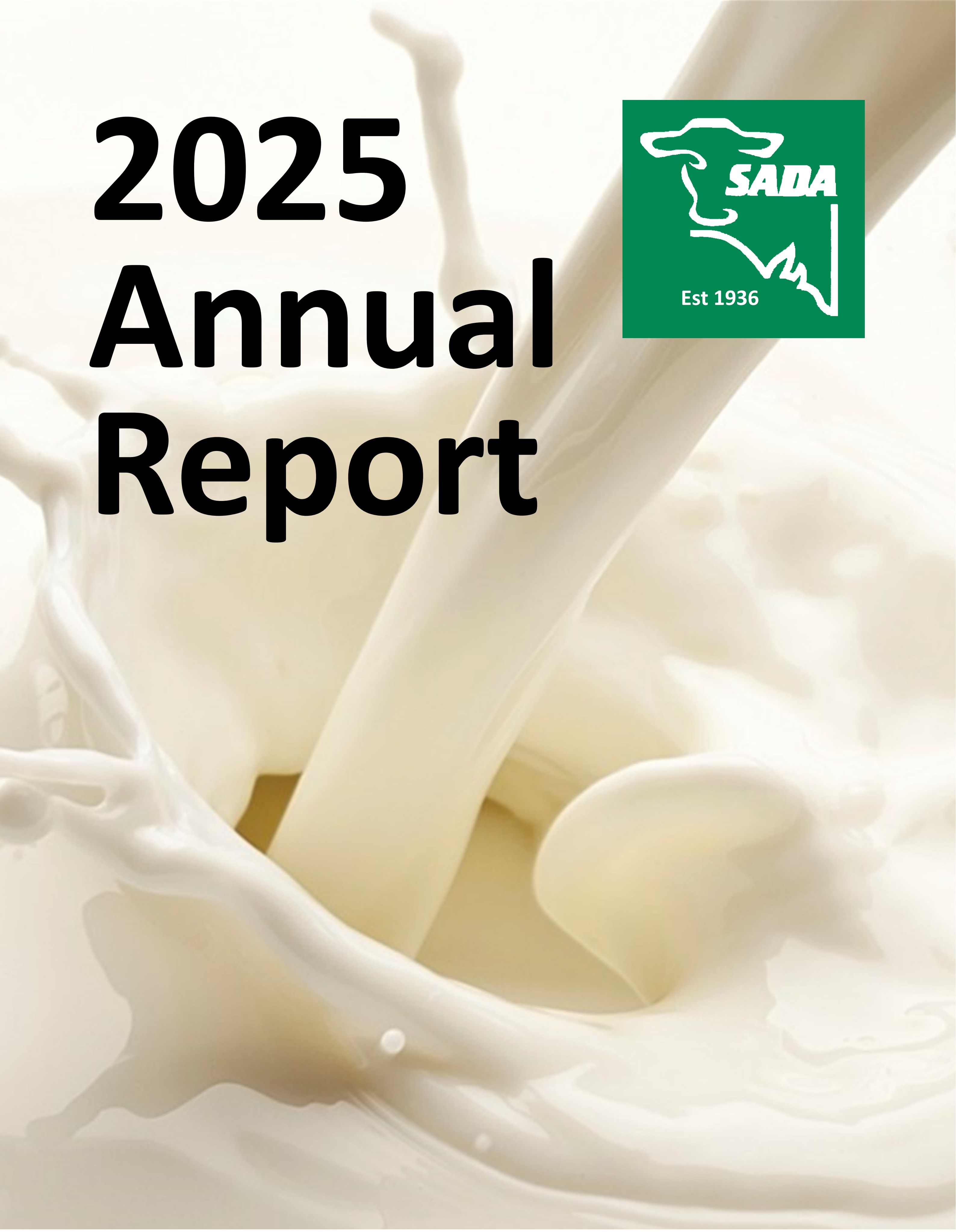
2025 Annual Report



South Australian Dairyfarmers Association | Unit 5, 780 South Road, Glandore SA 5037 | Phone: 8293 2399 | sada@sada.asn.au

www.sadafresh.com.au

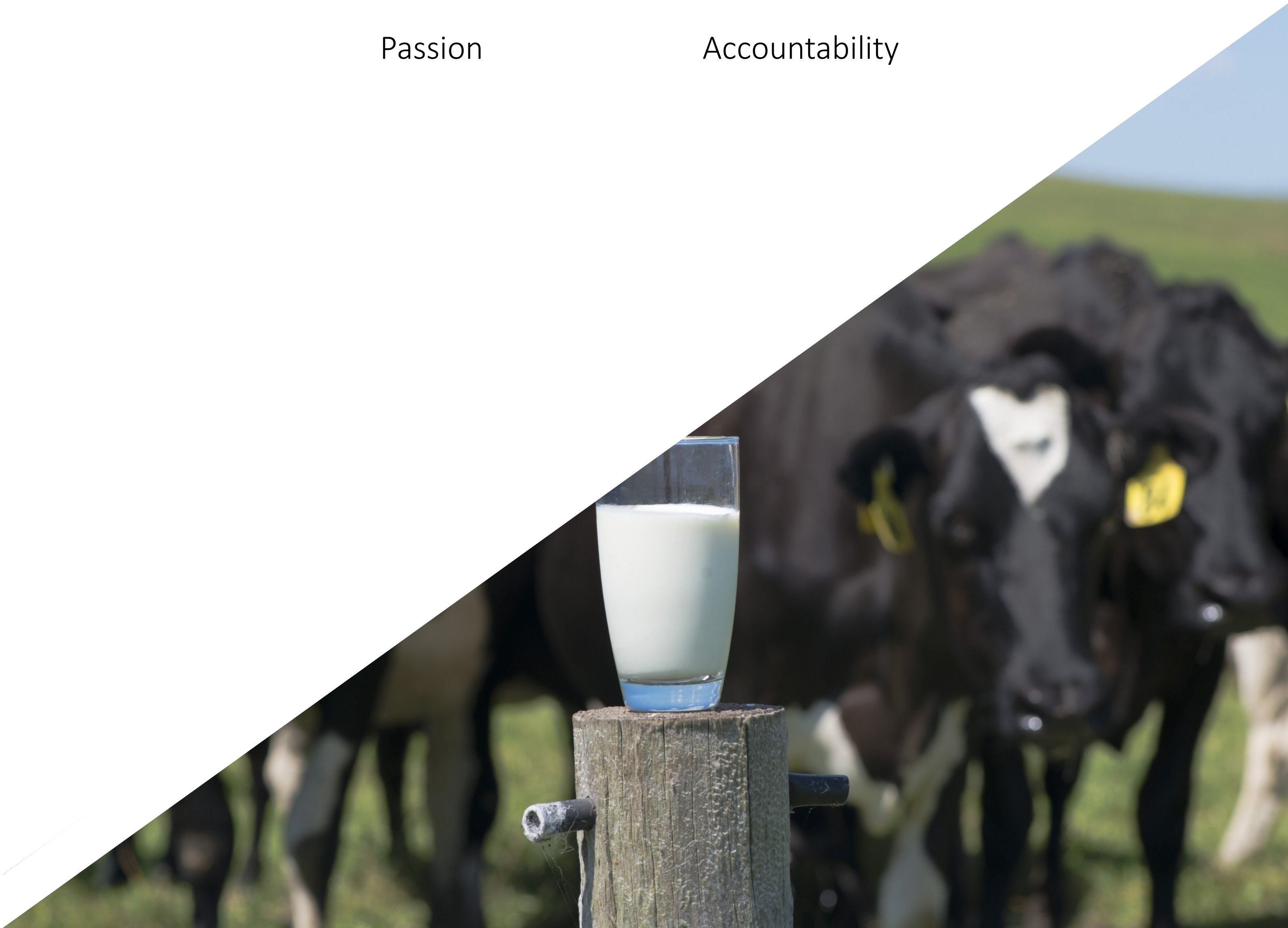
#dodairy
#sadairyfarmers
#sadafreshmilk

Mission Statement

"To provide strong leadership and effective advocacy enabling a growing profitable and sustainable industry for members."

Our Values

Integrity	Representation
Respect	Ethical Practice
Passion	Accountability



South
Australian
Dairyfarmers'
Association Inc.

2024—2025 Annual Report

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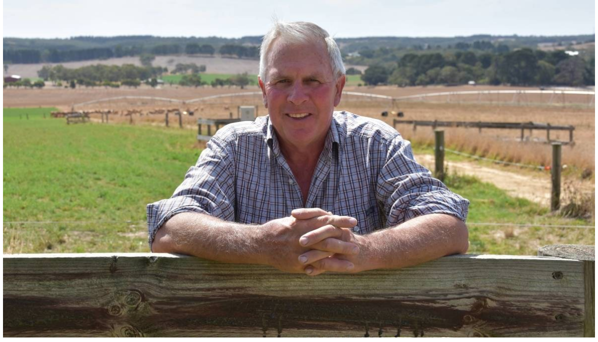
President's Message

Robert Brokenshire | *President*



It has been another defining year for South Australia's dairy industry. While we continue to face significant headwinds — including milk price cuts, soaring input costs, interest rate pressures, seasonal dry conditions, and the collapse of Beston's dairy operations — I remain confident that our industry's long-term prospects are strong.

Challenges on Farm and in the Market

This year has reminded us of the fragility that comes with being part of a global food supply chain. Seasonal conditions have driven up fodder prices, while rising costs for energy, finance, and water have cut deeply into profitability. At the same time, some of our members supplying Beston experienced late payments and financial uncertainty.

The final closure of Beston's dairy division in December was a blow not just to those directly affected, but to our whole industry. Beston had been responsible for processing nearly a third of the state's milk. In response, SADA worked intensively with government and stakeholders to secure a $3 million support package for affected farmers and continues to ensure all creditors are treated fairly. This is a clear example of how SADA steps up in times of crisis — advocating for practical solutions when they are needed most.

Signs of Long-Term Strength

Despite these challenges, there is good reason for optimism. Processors have told us that national and global demand for dairy is growing. South Australia currently produces around 500 million litres of milk annually, but demand projections point to a need for 700 million litres by 2029. Our five-year Action Plan, launched in April, provides a clear blueprint for how we can meet this opportunity through growth, innovation, and resilience.

Recent nutritional guidelines also back our product — recommending three serves of dairy a day, particularly for children and older Australians. This evidence reinforces the critical role our industry plays in both health and food security.

Advocacy and Industry Leadership

Throughout the year, SADA has delivered strong advocacy across a range of fronts. Together with PPSA, we made joint submissions on issues including animal welfare, biodiversity, water allocation, and disaster preparedness. We secured government support for drought-affected farmers, including freight subsidies for fodder and a comprehensive $73 million drought assistance package announced in April 2025.

On water, we have consistently advocated for fair and sustainable allocation across the Murray-Darling Basin, the Limestone Coast, and the Mount Lofty Ranges. Water is our lifeblood, and SADA will continue to argue for policy settings that protect both production and vibrant regional communities.

We also marked key milestones, including the Premier's launch of the SA Dairy Industry Action Plan, which lays out a clear path for industry growth.

Celebrating Our People

One of the highlights of the year was the SA Dairy Awards, held at Adelaide Oval with more than 300 people in attendance. It was an evening of celebration, recognising the outstanding contributions of our farmers, innovators, and industry leaders.

I would also like to acknowledge the retirement of Geoff Raven after six years leading DairySAFE. Geoff has modernised food safety processes and strengthened training initiatives. We welcome his successor, Alistair McFarlane, who brings strong leadership and a deep passion for agribusiness and dairy safety.

A special mention must also go to James Mann, whose decades of service — including 10 years on the Dairy Australia Board, six as Chair — have helped shape our industry nationally. His example at Donovans in the South East is a testament to innovation and excellence in dairy.

Building Community and Resilience

This year also marked the 99th Royal Adelaide Show, a tradition SADA proudly supports through our sponsorship of the dairy exhibition, junior handlers, and cow awards. These events showcase our industry to the broader community and inspire the next generation.

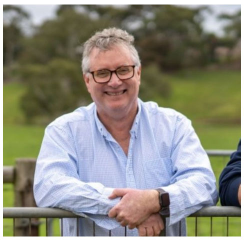
We were equally proud to celebrate milestones such as the Stock Journal's 120th anniversary and to represent SA farmers on the national stage at ADC25. Our delegation brought home new ideas and perspectives on sustainability, technology, and market resilience.

Looking Ahead

As we look to the year ahead, there is no denying the pressure drought continues to place on our farmers. Soil moisture is low, reservoirs are depleted, and many regions face their driest season on record. SADA will remain vigilant in securing support for farmers and in advocating for fair, sustainable pricing that ensures milk supply can continue in South Australia.

Our industry has endured setbacks, but it is also building momentum. We have a roadmap for growth, strong advocacy at every level of government, and — most importantly — a community of farmers who stand together in tough times.

To our members: thank you for your resilience, your innovation, and your commitment to this industry. It is an honour to serve as your President, and I look forward to continuing this work with you in the year ahead.



CEO's Message

Andrew Curtis

Chief Executive Officer

The past year has been one of the most challenging on record for South Australian dairy farmers. Severe drought conditions, high input costs, processor uncertainty, and global supply chain pressures have all tested farm businesses. Yet amidst these challenges, our industry continues to show resilience and determination.

Opening Milk Prices 2025–26

In June, processors released their opening milk prices in line with the mandatory Dairy Industry Code. While some offered modest increases, SADA has expressed concern that many of these prices fall short of covering the real costs of production in the current environment. We have strongly urged members to treat published prices as starting points for negotiation, not final offers.

To support decision-making, SADA worked with Australian Dairy Farmers (ADF) to deliver a national online price comparison tool. This provides farmers with clear, accessible information about indicative processor pricing and is available via both the SADA and ADF websites.

Beston Support Program

The collapse of Beston Global Food Company and Beston Pure Dairies in early 2025 created immense stress and uncertainty for affected suppliers. SADA moved quickly to secure support for farmers during and after the administration and liquidation process.

Key actions have included:

- **Farmer Support** – In partnership with Dairy Australia, SADA engaged respected farm consultant Beck Burgess to provide one-on-one assistance to impacted farmers.
- **Representation with Administrators** – Even before the creditors' meeting that placed Bestons into liquidation, SADA wrote to KPMG outlining serious concerns, including evidence of potential insolvent trading, the timing of recapitalisation bids, and questions around the use of Safe Harbour provisions.
- **Investigation of Insolvency Issues** – KPMG has identified $7.4 million in potentially voidable transactions and confirmed that Bestons was trading insolvent from at least April 2024. SADA is continuing to raise specific questions about these findings on behalf of members.
- **Farmer Testimonies** – We continue to encourage any farmer who believes they were misled by Bestons' representatives to come forward, so these accounts can be provided directly to the liquidators.

While the liquidation process is ongoing, SADA remains committed to ensuring that the interests of South Australian dairy farmers are represented and that lessons are learned from this collapse.

Drought Support

This year's record-breaking drought has demanded urgent responses. SADA has worked closely with the State Government and PIRSA to ensure that dairy farmers are recognised within support measures. Key outcomes include:

- **Donated Fodder Transport Scheme** – For the first time, tailored to dairy's specific feed needs.
- **On-Farm Drought Infrastructure Grants** – Extended and heavily utilised to strengthen long-term resilience.

Mental Health & Community Programs – Recognising the toll of prolonged drought conditions.

Water Policy and Allocation Planning

SADA has been deeply engaged in the review of the **Lower Limestone Coast Water Allocation Plan**, including commissioning an economic return study with PIRSA to demonstrate the value of productive water use. Water security remains a top priority for our advocacy.

Biosecurity and Industry Risks

The outbreak of **avian influenza (H7N8)** in Victoria reinforced the need for strong biosecurity. SADA has maintained close communication with authorities to ensure members remain vigilant and informed.

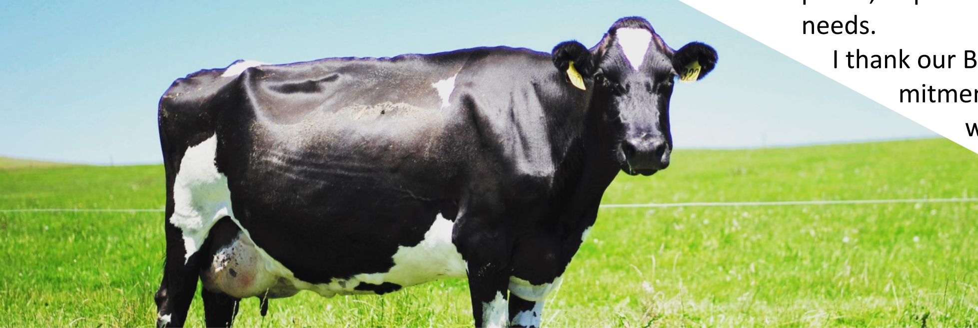
Workforce and Skills

Labour remains a critical challenge. Through the Agricultural Workforce Forum and Jobs & Skills Council projects, SADA has contributed to national migration and training policy, including improvements to the Dairy Industry Labour Agreement (DILA) to address issues around business restructures and ABN changes.

Looking Forward

Despite the pressures of drought, processor instability, and rising costs, our industry remains resilient. SADA's role is to ensure members are supported, informed, and represented on the issues that matter most — whether navigating a collapse like Bestons, negotiating fairer milk prices, or planning for long-term water and workforce needs.

I thank our Board, staff, and members for their commitment and resilience this year. Together, we will continue to advocate for a profitable, sustainable, and resilient South Australian dairy industry.



Est 1936

2025 Highlights

Concierge Service

SADA offered one on one services **129** times for the year

132 Members Updates

Including Media Releases Newsletters IR Updates

$3 Million

Dairy Farmer Support Package
for those affected by the closure of Beston Global Foods.

56 Advocacy

Including State and Federal Government inquiries, submissions, consultations on issues of relevance to SA Dairy

32 EVENTS

Newsletter Subscriptions increased by

22%

Social followers increased by **18%**

Views 2.3K

Reach 1.8K

136

Policy Engagements

83

Project Engagement

Across 8 different projects

DO DAIRY Support SA

64.5% > Reach
87.1% > Views
73.3% > Followers

RELAUNCHED

South Australian dairy industry key statistics 2024–25FY

Farmgate Value $345 million	Milk Production 471 Million Litres	Export $171 million	Number of farms 200	Average Herd size 374

Key Priority Areas

In 2016 SADA developed a strategic plan to create a clear pathway for the future. In 2019 the plan was extended to operate for another two years to the year ending 2021. To further pursue SADA's vision for the future the South Australian Dairy Industry Action Plan 2019-2024 was developed. The plan has now been widely adopted across industry including by many processors.

The Strategic Plan of SADA maintains five Key priority areas. These areas form the spine of SADA's activities.

1. Membership
2. Financials
3. Communication
4. Advocacy and Relevance
5. Industry Growth

SADA continues to focus on its members but has adopted a position of leadership and partnership within the industry enabling the expansion of SADA's role. Using this expanded role the South Australian dairy industry as a whole has seen an increase in productivity. There continues to be an increasing concentration of productivity in fewer but more efficient farms.

The plan continues to represent the needs of SADA and its members. Fair contractual arrangements, industry confidence, social licence and regulatory oversight are all issues that are top of mind for the members of SADA. It is SADA's function to advocate, represent, lobby and to address these real and present issues facing dairy farmers today.

"In the past twelve months, our industry has faced significant disruptions, ranging from unseasonable weather patterns to above-average input costs driven by inflation. These challenges have been felt across the entire state, following a relatively stable year in 2023, which, after more than a decade of volatility, offered a brief respite. Unfortunately, the unpredictability of the weather and rising costs have once again tested the resilience of dairy farmers, reminding us of the ongoing uncertainties in our industry."

Priority Area 1:

Membership

The 2024–25 year saw the largest increase in SADA membership to date, reaching 106 members, including share farmers. This significant growth reflects the strong advocacy work undertaken by SADA throughout the year and members' recognition of the value of SADA membership in supporting the long-term sustainability of South Australia's dairy industry. We are proud to now represent more than half of the South Australian market.

Across Australia, since 1980 there has been a consistent contraction in the number of dairy farms. Nationally in 1980 dairy boasted 21,994 farms. By 2021 that had contracted to 5,055 farms. The national herd size has fluctuated during the same period from 1.88 million cows in 1980 to 1.411 million by the end of the 2019-2020 financial year.

In SA milk production in 2017 equalled 483 megalitres and in 2018 it was 496 megalitres in financial year starting in 2019 that number contracted to 488 megalitres. For the 2020-21 milk production in SA saw a slight increase of 490.4 megalitres. Last year was reported as an all time low with only 474.1 megalitres. It's good to see an increase in 2024 with 484,000 megalitres (increase of 1.6%). 2025 produced 000,000 megalitres

This was from 64,430 cows (decrease of 2.8%).

2024-2025 saw a slight increase, the SADA Board has remained alive to the pressure on the industry in the past few years, as a result has kept membership fee increases to below CPI.

Outcomes

Better informed membership through effective delivery of useful, current and timely information through communication. This information should reflect the local, national and global environment.

Member engagement remained strong in 2025, with newsletter open rates consistently above 90%. Targeted communication with farmers affected by Beston Global Food Company and increased drought support drove significant engagement gains.

Timely, relevant information reflecting local, national and global conditions keeps members well informed. Monitoring engagement and listening to members remains key to a strong advocacy model.

Strategies

Providing Services to members to make membership more attractive:

In 2025, SADA placed a stronger focus on both member and non-member engagement, adapting our communications processes to ensure vital information reaches a wider audience during challenging times. This has included targeted updates, expanded outreach, and practical support aimed at strengthening industry resilience.

SADA continues to provide policy, legal and environmental services to members — and where needed, to non-members — to demonstrate the value of membership. Support has included assistance with employment disputes, drafting and amending contracts for processor members, and guidance on EPA matters such as wastewater disposal.

By responding swiftly and professionally to a wide range of issues, SADA reinforces confidence that members can rely on us for comprehensive support, making membership more attractive and meaningful.

Concierge Service: Since launching in 2017–18, SADA's farm visitation program has continued to grow, with a strong focus this year on providing tailored support to members. A key area of increased activity has been assisting farmers with effluent management plans, ensuring they have the guidance and resources needed to meet regulatory and environmental requirements.

Year	Number of Farms SA
2010-11	286
2011-12	275
2012-13	268
2013-14	264
2014-15	252
2015-16	259
2016-17	240
2017-18	228
2018-19	212
2019-20	206
2020-21	198
2022-23	181
2023-24	175
2024-25	170

Priority Area 2

Financial

For 2024–25, SADA remains in a strong and stable financial position. Our income continues to be sourced from a diverse range of streams, helping to spread risk and ensure long-term security.

SADA's core funding comes from the State Government (PIRSA), the SA Dairy Industry Fund, the Cattle Industry Fund, insurance royalties, and membership subscriptions.

In addition to these regular income sources, SADA successfully secured $3 million in support for Beston-affected farmers, distributed on a pro rata basis to 39 farmers. A further $1 million was obtained to cover donated drought fodder freight costs. Importantly, no administration fees were recovered from these funds.

Outcomes

SADA's income continues to be assisted with the continuation of grants from the Government to enhance the Dairy Industry Action Plan. SADA has managed this project and utilised the resources that were put in place at the start to ensure it's continuity.

SADA Fresh milk is continuing to perform well in terms of domestic sales however returning some $**146.811.59** to the Dairy Industry Fund.

In 2020–21, SADA Fresh launched its Colby, Cheddar and Gouda cheeses into Coles. After a slow start and supply challenges with Beston, SADA Fresh no longer supplies Colby to Coles and is now firmly placed in Foodland.

Although the Foodland rollout is still relatively new, it has been performing responsibly well across their 96 stores statewide. This successful establishment provides strong grounds for optimism, and it will be exciting to report further progress in the next Annual Report.

Strategies

Membership Fees

SADA continues to collect membership fees from the farmers we represent. As noted earlier in this report, the association has kept fees as minimal as possible for both the current and following year. All funds collected are directed toward delivering tangible benefits to SADA members.

WFI Income

The Wesfarmers Insurance income remains a valuable source of income for our organisation.

Grants

SADA has been successful in raising $130,000 to fund the position for the roll out of the South Australian Dairy Industry Action Plan. $80,000 from SA Govt and SADIF respectively.

SADA Fresh

SADA Fresh has made contributions to SADA's expenses however most of that income is still transferred to the Industry Fund. All income is outlined in this reports' financial statements.

Performance Indicators

Collection of Membership Fees: Completed and continuing.

Increased income from this source: 2.4% increase to Membership fees.

Grant opportunities to be identified and applied for when appropriate:

SADA continues to receive grant funding from SADIF and other sources as described.

SADA continues to operate its business from Unit 5, 780-802 South Road in Glandore. The building is owned by SADA.

SADA will continue to source funding from State and National Government opportunities to fit with our Strategic goals and remain sustainable.

Priority Area 3

Communication

In 2024–25, SADA continued to strengthen its communication and engagement — not only with members, but also with dairy farmer associations across other jurisdictions, government agencies, regulatory bodies, and key industry partners.

Throughout the year, SADA provided ongoing support to farmers and processors to help ensure strong compliance with the Dairy Industry Code, which has been in place since early 2020. We also worked closely with farmers and the EPA to progress Effluent Management Plans, which are being implemented across all South Australian dairies in 2024.

The year was marked by two major challenges for the industry: the closure of Bestons, which impacted 40 of our SADA members, and the widespread pressures of drought and rising input costs across all regions. Additional communications was put in place to ensure adequate information flow and the wellbeing of our industry.

Outcomes

The outcomes that we have aimed for as an organisation in the communications sphere are aimed at:

- Ongoing concierge, activities with all members.
- Continued maintenance of websites and social media pages, including joining the Instagram realm.
- The issuance of updates and newsletters, including matters of local, national and international relevance
- Regular contact with individual members via electronic means.
- Continued contact with political Leaders, senior management in Dairy related Industries and other interested organisations such as animal welfare organisations.
- Media releases on issues effecting the industry leading to greater confidence in the industry at a consumer level.

The websites continue to be maintained. The https://sada.asn.au portal has been supported by the www.sadafresh.com.au web address which is the website for the SADA Fresh milk brand.

SADA continues to be active in the social media space which enables SADA to keep itself firmly on the map with communicating with farmers. This includes DoDairy.com.au on both social pages and the updated Website.

Strategies

Contact with external organisations and external interests are regularly created and maintained. This is particularly true of Government officials including Ministers, Shadow Ministers and senior public servants.

SADA has maintained good relationships with regular meetings with both the Ministry, backbenchers and also with the Shadow Minister and their staff.

The Media and public are repeatedly targeted with our core messages.

SADA has held member education programs, issued press releases, written to multiple ministers and been responsive to changes and programs within government.

Performance Indicators:

Website

Has evolved and maintained to reflect the changes in the organisation and the industry.

Number of Newsletters

Monthly, 12 issued in the last year.

Number of specific advices issued

As required updates have been circulated to members.

126 such updates have been issued in the financial year. This includes monthly industrial relations updates.

Number of external contacts

These contacts with external organisations have been occurring on a daily basis.

Number of Press releases issued

9 Press releases had been issued across a number of issues

Qualitative feedback to board members

The board members report consistent communication with the membership in their respective areas.

Priority Area 4

Advocacy and Relevance

As in previous years, advocacy remained the core focus of SADA, and we continued to perform strongly at both the state and national levels.

The 2024–25 year was one of the driest on record, with all regions across the state feeling the impact.

This is the ninth Annual Report directly aligned with the organisation's strategic plan. Comparing these reports over time provides a clear picture of SADA's direction and positioning, enabling us to measure progress in a structured and transparent way. This ensures members can easily track the performance and achievements of their representative organisation.

The Board continued to manage its responsibilities effectively, holding four face-to-face meetings throughout the year, supported by monthly teleconferences.

Outcomes

Advocacy work to date by SADA has led to engagement directly or in partnership has seen successes in many areas not least of which were;

- Securing the Dairy Farmer Support Package for those affected by the closure of Beston Global Foods.
- Securing dairy specific Freight Subsidy during drought.
- Continuing to provide legal support to processors in developing their dairy contracts.
- Working with and supporting PPSA with all cross commodity policy work.
- Meetings with the DIAA SA branch including participating with DIAA Dairy Awards
- SADA staff have continued to provide prompt and effective advice to board members as an when required.

South Australian Dairy Industry Action Plan

The SA Dairy Action Plan is in it's second year of renewal and travelling well with the focus on all nine outcomes coming to fruition.

Strategies

SADA and Government continue to enjoy a close relationship. During the course of the year SADA has worked closely with Department for Water and Department on Water Allocations Plan for both the South East and Adelaide Hills/ Fleurieu regions. With PIRSA to alleviate the burden of those affected by drought.

SADA has had numerous meetings with Dr Susan Close Deputy Premier as well as Ms Clare Scriven, the Minster for Primary Industries including field trips to demonstrate the work that SADA has co-ordinated between department and farmer.

SADA is in a stronger and better connected environment, with it's reach not only bounded within the state but it's impact nationally has been recognised by other states. SADA will continue to press on and continue to develop it's sphere of influence and advance its interests on the national as well as the local stage.

Performance Indicators:

Qualitative feedback from members

Positive responses from members is evident through our regular member update engagement.

Number of successful lobbying events

SADA engaged in over 50 events last financial year. (including meetings with Political leaders). These events also included meeting major processors, meetings with the EPA and meeting Ministers and Members of Parliament at both a state and Commonwealth level.

Number of contacts created

The SADA team maintain and develop many contacts, locally, nationally and internationally.

Growth in the size of the overall network

The network possessed by the SADA team has continued to expand.

Number of Board Meetings Achieved

One AGM

Four Face to Face quarterly board meetings

Seven Online Monthly Board Meetings

Priority Area 5

Industry Growth

In 2024-2025 SADA continued to represent the Dairy industry in partnership with DIAA, DairySafe and Dairy Australia (DairySA).

2024-2025 did not see the expected increase in the market place for it's 500 million litres target, due to the seasonal pressures.

The Dairy Industry Action Plan 2024-2029 represents the SA dairy industry's response to the contracting industry. It is aimed at increasing state outcomes through the twin aims of increasing exports and positioning South Australia as a premier dairy producing jurisdiction.

Industry growth means promoting the South Australian milk product in other places where the market share for the South Australian dairy farmer can see positive returns.

Work in with blockchain technology into the future provides good grounds for our traceability projects.

Outcomes

Domestically, SADA Fresh milks performance has declined. We have negotiate with Coles SA and other suppliers like Foodland to market and stock SADA Fresh Milk.

SADA Fresh continues to be a firm source of income for the Dairy Industry fund which continues to grow and support projects for the SA dairy industry.

SADA Fresh cheeses is now available in Foodland stores, this will ensure the validity and sustainability in 2025.

In the later part of this financial year SADA has continues to work through an education offering to Indonesia through a 'milk in schools' program the government is pushing.

Strategies

The industry growth strategy developed into the Dairy Industry Action Plan was the result of extensive consultation across the state with both farmers and processors and now Government. It sets the blue print for advancing the dairy industry in South Australia. The new government has shown a commitment to supporting the plan. The Dairy Industry Action Plan is at the heart of SADA's commitment to growth of the South Australian dairy product.

SADA remains proud of the SADA Fresh premium product and the excellent reputation that South Australia has carved for itself as a premium food producing jurisdiction.

The roll out of the South Australian Dairy Industry Action Plan 2024-2029 will serve to advance these ambitions.

SADA Fresh remains committed to its ambition of creating premium dairy products, SADA's vision for its products have not diminished.

Indicators of Success:

Volume of milk sold:

Down by 1.6% in the 2021-2022 financial year.

Number of new relationships generated:

SADA Fresh is now supplying cheese into Coles and will expand into Foodland in the next financial year.

Increase in dollar value of sales

In the past three years the amount of milk sold has fluctuated. The fluctuation has been between 468m/l, 504m/l and in 2018-19 496m/l, 2019-20 488m/l, 498m/l 2020-21 and 490 m/l in 2021-2022. SADA anticipates an increase to over 500 m/l in the 2022-2023 year.

Increased demand in South Australian Product

An increase of over 2.5% for the year is expected.

Completion of SADA Fresh Strategic Plan to explore new markets.

Ongoing.

Association Report

South Australian Dairy Farmers Association Inc
ABN 70 250 523 225
For the year ended 30 June 2025

Prepared by PBS Accountants & Advisers Pty Ltd

Contents

Committee's Report

South Australian Dairy Farmers Association Inc
For the year ended 30 June 2025

Committee's Report

Your committee members submit the financial report of South Australian Dairy Farmers Association Inc for the financial year ended 30 June 2025.

Committee Members

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

Committee Member
Ben McHugh
Gary Zweck
Louise Taylor
Tracey Cowie
Robert Brokenshire

Principal Activities

The principal activities of the association during the financial year were: the peak dairy organisation representing dairy farmers on issues relating to dairy farmers in the state of South Australia at local, state, national and international levels.

Significant Changes

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

Operating Result

The net deficit for the year amounted to $91,104 (2024: $56,925 Deficit).

Officer Benefits

During the financial year ended 30 June 2025, no office bearer, or firm of which an officer is a member, or body corporate in which the officer has a substantial financial interest, has received or become entitled to receive a benefit as a result of a contract between the officer, firm or body corporate and the association.

Signed in accordance with a resolution of the Members of the Committee on:

Robert Brokenshire (President)

Date 23 / 06 / 2026

Ben McHugh (Treasurer)

Date 23 / 06 / 2026

Statement of Profit or Loss and Other Comprehensive Income

South Australian Dairy Farmers Association Inc
For the year ended 30 June 2025

	NOTES	2025	2024
Income			
Revenue	3	1,156,291	1,528,589
Total Income		**1,156,291**	**1,528,589**
Gross Profit		**1,156,291**	**1,528,589**
Expenditure			
Foreign Currency Gains and Losses		640	274
Personnel Expenses		637,944	571,561
Finance & Investment Expenses		38,578	20,982
Operating Expenses		570,233	992,697
Total Expenditure		**1,247,395**	**1,585,514**
Net Surplus/(Deficit)		**(91,104)**	**(56,925)**

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Assets and Liabilities Statement

South Australian Dairy Farmers Association Inc
As at 30 June 2025

	NOTES	30 JUNE 2025	30 JUNE 2024
Assets			
Current Assets			
Cash and Cash Equivalents	4	68,696	138,785
Receivables	5	175,391	100,344
Other Financial Assets	6	421,290	377,484
Inventories	7	13,921	2,300
Related Party Receivables		3,965	4,056
Total Current Assets		**683,264**	**622,969**
Non-Current Assets			
Property, Plant and Equipment	8	529,690	465,818
Right of Use Assets	9	3,778	2,853
Total Non-Current Assets		**533,468**	**468,671**
Total Assets		**1,216,731**	**1,091,640**
Liabilities			
Current Liabilities			
Trade and Other Payables	11	217,730	89,935
Lease Liability		4,405	6,697
Provisions	12	123,482	105,145
Financial Liabilities	13	26,507	20,504
Total Current Liabilities		**372,124**	**222,281**
Non-Current Liabilities			
Provisions	12	-	11,645
Total Non-Current Liabilities		-	**11,645**
Total Liabilities		**372,124**	**233,926**
Net Assets		**844,607**	**857,714**
Member's Funds			
Reserves		369,550	357,164
Retained Surplus		475,057	500,550
Total Member's Funds		**844,607**	**857,714**

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Movement in Equity and Reserves

South Australian Dairy Farmers Association Inc
For the year ended 30 June 2025

	Retained Surplus	Reserves	Total
2024			
Opening Balance	554,156	317,164	871,320
Surplus/(Deficit) for the Year	-56,925	-	-56,925
Transfer to/(from) Reserves	-	40,000	40,000
Prior Period Adjustments	3,319	-	3,319
Closing Balance	500,550	357,164	857,714
2025			
Opening Balance	500,550	357,164	857,714
Surplus/(Deficit) for the Year	-91,104	-	-91,104
Transfer to/(from) Reserves	65,278	12,386	77,664
Prior Period Adjustments	333	-	333
Closing Balance	475,057	369,550	844,607

Statement of Cash Flows - Direct Method

South Australian Dairy Farmers Association Inc
For the year ended 30 June 2025

	2025	2024
Cash Flow From Operating Activities		
Receipts from Customers	1,158,909	1,492,256
Payments to Suppliers and Employees	(1,184,083)	(1,694,478)
Net Cash Flows from Operating Activities	**(25,175)**	**(202,222)**
Cash Flow from Investing Activities		
Receipts from Listed Shares & Investment	19,512	-
Payment for Property, Plant and Equipment	(11,978)	(17,626)
Net Cash Flows from Investing Activities	**7,534**	**(20,544)**
Cash Flow from Financing Activities		
Investment in Portfolio	(43,806)	(12,880)
Repayment of Leases	(8,643)	(436)
Net Cash Flows from Financing Activities	**(52,448)**	**(13,316)**
Net Cash Flows	**(70,089)**	**(233,164)**
Cash at End of the Year		
Cash and Cash Equivalents at Beginning of Period	138,785	371,949
Net Change in Cash for Period		
Cheque Account #9621	(58,229)	(249,906)
SADA Wrap Working Cash Account	(11,860)	16,742
Total Net Change in Cash for Period	**(70,089)**	**(233,164)**
Cash and Cash Equivalents at End of Period	68,696	138,785

Notes to the Financial Statements

South Australian Dairy Farmers Association Inc
For the year ended 30 June 2025

1. Basis of Preparation

The financial statements are Special Purpose Financial Statements prepared to satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012, the Australian Charities and Not-for-profits Commission Regulation 2022, the Associations Incorporation Act 1985 (SA) and Australian Accounting Standards.

The financial statements have been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, and AASB 1054 Australian Additional Disclosures.

The Committee has determined that the Association is not a reporting entity. The financial statements have been prepared to give a true and fair view of the financial position and performance of the Association.

The financial statements are prepared on the historical cost basis, except where otherwise stated, and are modified by the measurement at fair value of selected non-current assets and financial assets. Material accounting policy information is consistent with prior reporting periods, unless otherwise stated.

The Association is a not-for-profit entity for financial reporting purposes.

The Committee has assessed the Association's ability to continue as a going concern and believes the Association will be able to pay its debts as and when they fall due. Accordingly, the financial statements have been prepared on a going concern basis, and the Committee has identified no material uncertainties that would cast significant doubt on the Association's ability to continue as a going concern.

Material Accounting Policies

Critical Accounting Estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Management evaluates these judgements and estimates on an ongoing basis based on historical experience and other relevant factors, including expectations of future events that management believes to be reasonable in the circumstances.

Areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

Income Tax

The Association is exempt from income tax under the provisions of the Income Tax Assessment Act 1997 and, accordingly, no provision for income tax has been made.

Property, Plant and Equipment (PPE)

Property, plant and equipment are recognised at cost or fair value, as appropriate, less accumulated depreciation and impairment losses.

(a) Property

Freehold land and buildings are measured at fair value, being the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. Independent valuations are obtained at least every three years, with interim assessments performed by the Committee.

The revaluation of freehold land and buildings has not taken into account potential capital gains tax on assets acquired after the introduction of capital gains tax.

(b) Plant and Equipment

Plant and equipment are measured at cost less accumulated depreciation and impairment losses. The carrying amount is reviewed annually to ensure it does not exceed recoverable amount, assessed based on expected net cash flows from continued use and disposal. Cash flows are not discounted.

(c) Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, commencing when the asset is available for use. Freehold land is not depreciated.

Leasehold improvements are depreciated over the shorter of the lease term or their estimated useful lives. Assets held for investment purposes are not depreciated.

Right-of-Use Assets and Leases

The Association recognises a right-of-use asset and a corresponding lease liability at the commencement of a lease.
Right-of-use assets are measured at cost less accumulated depreciation and impairment losses and are depreciated on a straight-line basis over the shorter of the lease term or the useful life of the asset.

Lease liabilities are measured at the present value of future lease payments.

Investments and Other Financial Assets

Listed investments classified as current assets are measured at fair value at the reporting date, with realised and unrealised gains and losses recognised in profit or loss.

Non-current investments are measured at cost less impairment. The carrying amount is reviewed annually to ensure it does not exceed recoverable amount, determined by reference to quoted market values or underlying net assets. Expected cash flows are not discounted.

Employee Entitlements

Provisions for employee entitlements are recognised for services rendered by employees up to the reporting date.
Employee entitlements expected to be settled within twelve months are measured at nominal value. Entitlements payable beyond twelve months are measured at the present value of expected future cash outflows.

Superannuation contributions are recognised as an expense when incurred.

These notes should be read in conjunction with the attached compilation report.

Cash

Cash includes cash on hand and at bank, together with investments in money market instruments maturing within two months, net of bank overdrafts.

Provisions

Provisions are recognised when the Association has a present legal or constructive obligation as a result of past events, it is probable that an outflow of economic benefits will be required, and the amount can be reliably estimated. Provisions are measured at the best estimate required to settle the obligation at the reporting date.

Revenue

Revenue is recognised at fair value and is recognised net of GST when the Association satisfies the performance obligations associated with the revenue.

- **Grant Revenue** is recognised when the Association has obtained control of the funds and the related performance obligations, if any, have been satisfied. Where grant funding is received subject to conditions that require the funds to be returned if the conditions are not satisfied, the unexpended portion of the grant is recognised as a financial liability at the reporting date.
- **Revenue from sale of goods** is recognised when control of the goods passes to the customer.
- **Revenue from services** is recognised when the service is provided.
- **Interest revenue** is recognised on a proportional basis using the effective interest method.
- **Dividend revenue** is recognised when the right to receive the dividend is established.

Financial Risk Management

The Association's principal financial instruments comprise cash and cash equivalents, receivables, payables and listed investments. The main risks arising from these financial instruments are credit risk, liquidity risk, and market risk. The Committee manages these risks by:

- Maintaining sufficient cash reserves to meet operational requirements;
- Monitoring receivable balances on a regular basis; and
- holding investments in diversified listed securities and monitoring market movements.

The Association does not use derivative financial instruments.

Fair Value Measurement

Fair values of assets and liabilities are determined using observable market data where available. Where observable market data is not available, fair values are estimated using assumptions and valuation techniques considered reasonable by the Committee, having regard to the specific characteristics of the asset.

Prior Period Adjustments

Prior period adjustments relate to corrections of errors identified in the prior year financial statements. Comparative figures have been restated where necessary to ensure consistency with the current year presentation. The adjustments had no impact on total equity as at 1 July 2024.

Comparative Figures

Comparative figures have been adjusted where necessary to conform with the presentation adopted in the current financial year.

These notes should be read in conjunction with the attached compilation report.

2. Critical Accounting Judgements, Estimates and Assumptions

Estimation of Useful Lives

The Association estimates the useful lives of property, plant and equipment for depreciation purposes. Changes in expected usage or technological developments may result in changes to these estimates, affecting depreciation expense in future periods.

Employee Benefits Provision

The measurement of employee benefit provisions involves estimates relating to employee service, salary growth and the timing of expected payments. Actual outcomes may differ from these estimates.

3. Revenue and Other Income

	2025	2024
Commissions Received	173,770	137,358
Dairy Industry Funding	170,000	-
Dividend, Interest & Trust Distributions	16,868	13,926
Interest Received	1,406	1,152
Fuel Tax Credits Received	-	47,844
Grants Received	294,737	534,855
Other Operating Income	6,127	7,994
Recoveries - Admin Staff & Office Costs	1,426	21,561
Royalties	155,136	311,292
SA Cattle Advisory Funding	120,504	241,996
SADA Fresh Income - Cheese	37,999	31,441
Subscriptions & Associate Memberships	175,995	141,862
Realised (gain)/loss on investments	-	(13,945)
Unrealised (gain)/loss on investments	2,322	51,254
Total Revenue and Other Income	**1,156,291**	**1,528,589**

4. Cash Assets

	2025	2024
Cheque Account #9621	37,164	95,393
SADA Wrap Working Cash Account	31,532	43,392
Total Cash Assets	**68,696**	**138,785**

5. Receivables

	2025	2024
Sundry Receivables	51,236	-
Tax Assets	-	11,939
Trade Debtors	124,155	88,405
Total Receivables	**175,391**	**100,344**

These notes should be read in conjunction with the attached compilation report.

	2025	2024

6. Other Financial Assets

	2025	2024
Shares in other corporations - at market value:		
Shares in listed companies	421,290	377,484
Total Shares in other corporations - at market value:	**421,290**	**377,484**
Total Other Financial Assets	**421,290**	**377,484**

The following table summarises movements in investments during the reporting period:

	Listed Investments
Opening Balance at 1 July 2024	377,484
Additions	23,587
Unrealised Fair Value Gains	20,219
Realised Gains/(Losses)	-
Closing Balance at 30 June 2025	**421,290**

7. Inventories

	2025	2024
Stock on Hand - SADA Fresh Cheese	13,921	2,300
Total Inventories	**13,921**	**2,300**

8. Property, Plant and Equipment

	2025	2024
Buildings	495,000	430,000
Plant & Equipment	34,690	35,818
Total Property, Plant and Equipment	**529,690**	**465,818**

The following table summarises movements in investments during the reporting period:

	Buildings	**Plant & Equipment**	**Total**
Opening Balance at 1 July 2024	430,000	35,818	465,818
Additions	-	6,730	6,730
Revaluation Increment	75,750	-	75,750
Depreciation Expense	(10,750)	(7,858)	(18,608)
Closing Balance at 30 June 2025	**495,000**	**34,690**	**529,690**

These notes should be read in conjunction with the attached compilation report.

	2025	2024

9. Right of Use Assets

	2025	2024
Right of Use Assets	6,717	17,119
Accumulated Depreciation on Right of Use Assets	(2,938)	(14,266)
Total Right of Use Assets	**3,778**	**2,853**

10. Lease Liabilities

The Association recognises lease liabilities in accordance with AASB 16 Leases. Lease liabilities represent the present value of future lease payments.

The movement in lease liabilities during the reporting period is as follows:

	2025 ($)
Opening Balance at 1 July 2024	6,697
Lease Liability Recognised	376
Lease Payments Made	(8,643)
Interest Expense	5,975
Closing Balance at 30 June 2025	**4,405**

11. Trade and Other Payables

	2025	2024
Accounts Payable	70,023	44,758
Accrued Expenses	123,237	-
Accrued Wages	-	12,419
GST	(12,268)	5,188
Wages Payable	-	1,730
Superannuation Payable	27,629	17,977
SADA Consolidated Credit Card	9,110	7,864
Total Trade and Other Payables	**217,730**	**89,935**

12. Provisions

	2025	2024
Current		
Provision for Annual Leave	34,673	28,041
Provision for Long Service Leave	88,809	77,104
Total Current	**123,482**	**105,145**
Non-Current		
Provision for Long Service Leave	-	11,645
Total Non-Current	**-**	**11,645**
Total Provisions	**123,482**	**116,790**

These notes should be read in conjunction with the attached compilation report.

	2025	2024

13. Financial Liabilities

	2025	2024
Current		
Unexpended Grant Liability	26,507	20,504
Total Current	**26,507**	**20,504**
Total Financial Liabilities	**26,507**	**20,504**

14. Auditor's Remuneration

	2025	2024
Audit Fees	-	6,600
Total Auditor's Remuneration	**-**	**6,600**

15. Key Management Personnel Compensation

Key Management Personnel
Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Association, directly or indirectly. For the Association, key management personnel comprise the members of the Committee and senior management.

Compensation of Key Management Personnel

The aggregate compensation paid to key management personnel during the financial year ended 30 June 2025 was $224,746 (2024: $199,354).

The amount includes salaries, wages, superannuation and other short term employee benefits.

Key management personnel are not remunerated for their services as Committee members, other than reimbursement of out-of-pocket expenses incurred in the ordinary course of Association activities.

The Association did not receive volunteer services during the reporting period.

16. Related Party Transactions

Responsible Persons

Responsible Persons of the Association are members of the Committee who are responsible for the governance of the Association in accordance with the **Australian Charities and Not-for-profits Commission Act 2012**.

Related Parties

Related parties of the Association include key management personnel and Responsible Persons, together with any entities over which those persons have control or significant influence.

Transactions with Related Parties

Other than the compensation disclosed in Note 15, there were no transactions with related parties during the current or comparative financial year that were not conducted on normal commercial terms.

Receivables from and Payables to Related Parties

There were no trade receivables from or trade payables to related parties at the reporting date (2024: nil).

These notes should be read in conjunction with the attached compilation report.

Loans to Related Parties

At 30 June 2025, the Association had the following loans outstanding to related parties:

- **Robert Brokenshire** - $139 (President)
- **Andrew Curtis** - $3,826 (CEO)

The loans are unsecured, interest-free and repayable on demand. No impairment has been recognised in respect of these balances.

17. Contingent Liabilities

In the opinion of the members of the committee the Association did not have any contingent liabilities at 30 June 2025 (2024: None).

18. Economic Dependency

The Association is partially dependent on funding received through government grants. The Committee considers there is no material dependency that would significantly affect the Association's ability to continue operations should this funding cease.

19. Events After the Reporting Period

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

20. Reconciliation of Cash Flows from Operating Activites with Net Current Year Surplus

	2025 ($)	**2024 ($)**
Net current year surplus/(deficit)	**(91,104)**	**(56,925)**
Adjustments for:		
Depreciation expense	23,329	14,616
Prior Period Adjustments	333	3,317
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(74,956)	287,371
Decrease/(increase) in inventories	(11,621)	(3)
Decrease/(increase) in trade and other payables	141,539	(46,449)
Decrease/(increase) in unearned income	(6,003)	(442,760)
Decrease/(increase) in provisions	(6,692)	38,612
Net cash from operating activities	**(25,175)**	**(202,222)**

Responsible Person's Declaration

South Australian Dairy Farmers Association Inc
For the year ended 30 June 2025

In the opinion of the Committee the Financial Statements:

1. Present fairly the financial position of South Australian Dairy Farmers Association Inc as at 30 June 2025 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. Satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the provisions of the Associations Incorporation Act 1985 (South Australia)
3. At the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2022:

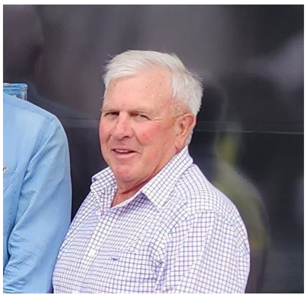
Robert Brokenshire (President)

Date 23 / 06 / 2026

Ben McHugh (Treasurer)

Date 23 / 06 / 2026

Our SADA Board

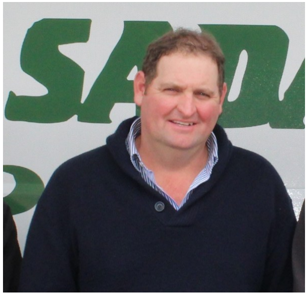


Robert Brokenshire - President

Robert is a dairy farmer from Mount Compass and former member of the South Australian Parliament. The Brokenshire family currently milk 440 jersey cows and maintain a Jersey Stud breeding from a fourth-generation herd. The dairy is in an expansion stage at the moment and while they milk in a conventional herringbone dairy, they are in the process of upgrading to a high-tech rotary. “In my 40 years as a dairy farmer I see the immediate future as being the most exciting it’s ever been. SADA will work hard for our members and the industry to grow and meet the demand for processors, retailers and consumers, focusing on our social license.”

Ben McHugh - Board Member

Ben is third generation dairy farmer at Mt Compass, together with his wife Katie and 3 boys, in a family partnership with his brother and parents. Ben has been involved in the dairy industry for 16 years, milking 300 Jersey Cows in an all year round calving herd. Also running a cropping enterprise at Finniss with Hay, Wheat, Barley, Lupins, Beans & Canola for thier dairy and other markets. Ben completed a Diploma of Agriculture with TAFE in 2010. I was on the SADA board for 2 years in 2014-15 before the board restructure. Ben then rejoined the SADA board in 2018 as the

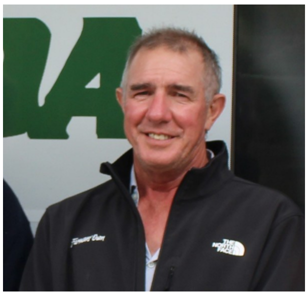


Tracey Cowie - Board Member

Tracey started out dairy farming on a 1400 cow farm in Canterbury New Zealand in 2005 with her husband who was raised as a beef and sheep farmer. Moved to Australia in 2006 where they spent their time traveling before decided to settle down on the lime stone coast. Now share farming 500 dairy cows, in Kongorong. We have a 15 year old daughter who also helps with the day to day running. Tracey is passionate about dairy farming how the wider communities see farmers and how to raise awareness around mental health surrounding small county communities

Gary Zweck—Board Member

Running a 250-cow TMR dairy in the predominantly broadacre cropping region of Blyth with wife Ros and son Justin, the second-generation farmer remains positive about the future potential for dairying in his home region. Utilising new technologies to improve profit and maximise efficiencies on-farm is a key driver for Mid North dairy farmer, especially those operating PMR and TMR systems– stand to benefit from keeping abreast of new research and developments, and being willing to incorporate new technology into existing dairy systems in order to have ‘all the tools in the toolbox’ to be more profitable



Louise Paltridge- Board Member

Louise grew up on a small dairy farm just north of Melbourne. She went to school and university in Melbourne and was a research scientist in the field of molecular microbiology before meeting and marrying her dairyfarmer husband, Tom, and moving to Eight Mile Creek in SA. Together they run the family farm, milking 400 pasture based dairy cows, raising dairy/beef cows and calves, and fattening steers. They have a 12 year old son, called Lachy. Louise is keen to help promote dairy farming as a vital part of South Australia’s future economic sustainability and food security.

South Australian Dairyfarmers' Association
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