

Dairy Industry Association of Australia Limited

(A Company Limited by Guarantee)

ABN 98 549 642 932

Financial Statements

For the Year Ended 31 December 2022

Dairy Industry Association of Australia Limited

ABN 98 549 642 932

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For the Year Ended 31 December 2022

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Dairy Industry Association of Australia Limited

ABN 98 549 642 932

Directors' Report

31 December 2022

The directors present their report on Dairy Industry Association of Australia Limited for the financial year ended 31 December 2022.

1. General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Chase Seaton Williams	Director
Qualifications	Diploma of Food Science & Technology, Diploma of Laboratory Technology
Experience	Manufacturing, Dairy processing
Special responsibilities	Finance & Risk Committee
Karen Denise McIntyre	Director (President from 1st September 2022)
Qualifications	Bachelor of Science – Microbiological & Molecular Biology Major
Experience	Dairy in Quality Management, Standards and Information systems
Special responsibilities	National President, DIAA Women Special Interest Group
Raymond Robert De La Motte	Director
Qualifications	Diploma Applied Science Dairy Technology
Experience	Manufacturing, General Manager, Technical Manager, R&D Manager
Darryl Stewart Cardona	President - Director (Resigned 31st August 2022)
Qualifications	Master Baker, Food Technologist
Experience	Company director for 18 years, Owners Corporation Chairperson for eight years, previously held positions in dairy including CEO, COO and GM
Dean John Carlish	Director (from 1st September 2022)
Qualifications	Trade in Stonemasonry, International TEFL and TESOL
Experience	Sales, Account Management and Customer Service, DIAA Vic Committee member since 2019
Special responsibilities	National Vice President
Monica Lynnette Doyle	Vice President – Director (Resigned 31st August 2022)
Qualifications	Bachelor of Science (Engineering Science – Mechanical)
Experience	Food Science, food technology, marketing, procurement
Special responsibilities	Special Interest Group Product Competitions
Philip Dayson	Director (from 1st September 2022)
Qualifications	MQB Honours Mining Electrical Engineering; Certified Level 1 Water Treatment Service Provider; Mental Health First Aid Accredited
Experience	National Sales Manager; National Engineering Manager; Sales and Service Manager; Past President NZ Electrical Institute.
Memberships & Post Nominal	IEng; MIMMM; CMEngNZ (Ret.); FDIAA

Dairy Industry Association of Australia Limited

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Directors' Report

31 December 2022

1. General information

Information on directors

Robin William Johnson	Director - (Resigned 31st August 2022)
Qualifications	Dip Dairy Technology, Company Directors Course Diploma
Experience	Project Manager
Special responsibilities	Chair Finance & Risk Committee
Ross Matthews	Director (from 1st September 2022)
Qualifications	Bachelor of App Science (Food Tech)
Experience	Dairy QA Management

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

Principal activities

The principal activity of Dairy Industry Association of Australia Limited during the financial year was providing information and technical training to the post farm-gate dairy industry via:

- Conferences
- ENews
- Webinars as a benefit to members
- Magazine bi-monthly and other publications
- Member net-working events
- Product competitions (judging)
- Scholarships
- Technical seminars (including Dairy Science World Series short courses)
- Technical Data Archive (AJDT)

No significant changes in the nature of the Company's activities occurred during the financial year.

Review of operations

During the period, the Company engaged in its principal activities, the results of which are disclosed in the attached financial statements.

The net current year profit of the Company for the financial year ended 31 December 2022 amounted to \$2,633 (2021: Loss of \$2,134).

Dairy Industry Association of Australia Limited

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Directors' Report

31 December 2022

1. General information

Major sources of revenue

Membership levies (Individuals)

Publication (Advertising)

Conferences (Registrations/Industry partnerships)

Product Competitions / Awards (Registrations/Industry partnerships)

Member Networking Functions (Registrations/Industry partnerships)

The Company continues to look for new opportunities to provide benefits to members and industry partners.

Dividends

The Company's Constitution precludes the payment of dividends.

Membership

As at 31 December 2022, the total number of financial members was 870 (2021: 886).

Environmental regulations

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or state or territory.

Indemnifications

During the financial period, the Company has paid a premium to insure its Officers and Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Officer or Director of the Company, other than conduct involving a wilful breach of duty in relation to the Company. Officers indemnified include the Company Secretary, all Directors, and all Executive Officers in the management of the Company.

Contributions on winding-up

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by shares and by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$1 each towards any outstanding obligations of the Company.

Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any of those proceedings.

The Company was not a party to any such proceedings during the period.

Dairy Industry Association of Australia Limited

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Directors' Report

31 December 2022

2. Other items

Future developments

Likely developments in the operations of the Company and the expected results of those operations in the future financial years have not been included in the report, as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Meetings of directors


During the financial year, the following meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:


Directors' Meetings		
	Number eligible to attend	Number attended
Chase Seaton Williams	7	7
Karen Denise McIntyre	7	7
Raymond Robert De La Motte	7	7
Darryl Stewart Cardona	4	4
Dean John Carlish	3	3
Monica Lynnette Doyle	4	4
Philip Dayson	3	2
Robin William Johnson	4	4
Ross Matthews	3	3
Carl Patridge (Company Secretary)	7	7

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 December 2022 has been received and can be found on page 5 of the financial report.

Signed in accordance with a resolution of the Board of Directors:


Director:


Director:

05/04/2023

Dated this day of 2023

AUDITOR'S INDEPENDENCE DECLARATION

To the directors of Dairy Industry Association of Australia Limited

In accordance with the requirement of S307C of the *Corporations Act 2001*, as lead auditor for the review of Dairy Industry Association of Australia Limited for the year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

- (a) No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (b) No contraventions of any applicable code of professional conduct in relation to the review.

CROWE AUDIT AUSTRALIA



Bruce Preston

Partner

Toowoomba, 05/04/2023

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The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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Dairy Industry Association of Australia Limited

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2022

	Note	2022 \$	2021 \$
Continuing Operations			
Revenue	4	<u>985,588</u>	769,284
TOTAL INCOME		<u>985,588</u>	769,284
Expenses			
Administration		76,262	54,611
Conferences and Seminars		282,377	214,681
Competitions		37,775	25,054
Contractor Expenses		369,434	327,706
Publications		62,250	68,168
Scholarship		(13,253)	10,095
Short Course Expenses		40,724	-
Other expenses		127,386	71,103
TOTAL EXPENSES		<u>982,955</u>	771,418
Profit before income tax		2,633	(2,134)
Income tax expense		-	-
Profit/ (loss) for the year		<u>2,633</u>	(2,134)
Other comprehensive income		-	-
Total comprehensive income/ (loss) for the year		<u>2,633</u>	(2,134)

The accompanying notes form part of these financial statements.

Dairy Industry Association of Australia Limited

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Statement of Financial Position

As At 31 December 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	369,502	406,319
Trade and other receivables	6	123,727	50,580
Financial assets	7	501,993	501,491
Prepayments	8	60,000	76,092
TOTAL CURRENT ASSETS		1,055,222	1,034,482
NON-CURRENT ASSETS			
Property, plant and equipment	9	26,438	30,989
TOTAL NON-CURRENT ASSETS		26,438	30,989
TOTAL ASSETS		1,081,660	1,065,471
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	310,370	274,314
Provisions	11	-	22,500
TOTAL CURRENT LIABILITIES		310,370	296,814
TOTAL LIABILITIES		310,370	296,814
NET ASSETS		771,290	768,657
MEMBERS' FUNDS			
Reserves		857,715	857,715
Retained losses		(86,425)	(89,058)
TOTAL MEMBERS' FUNDS		771,290	768,657

The accompanying notes form part of these financial statements.

Dairy Industry Association of Australia Limited

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Statement of Changes in Equity For the Year Ended 31 December 2022

2022

	Special Occasion Reserve	Merger Reserve	Retained Losses	Total
	\$	\$	\$	\$
Balance at 1 January 2022	1,600	856,115	(89,058)	768,657
Profit for the year	-	-	2,633	2,633
Balance at 31 December 2022	1,600	856,115	(86,425)	771,290

2021

	Special Occasion Reserve	Merger Reserve	Retained Losses	Total
	\$	\$	\$	\$
Balance at 1 January 2021	1,600	856,115	(86,924)	770,791
Loss for the year	-	-	(2,134)	(2,134)
Balance at 31 December 2021	1,600	856,115	(89,058)	768,657

The accompanying notes form part of these financial statements.

Dairy Industry Association of Australia Limited

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Statement of Cash Flows For the Year Ended 31 December 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from members, registrations and other operating activities	910,818	822,205
Interest received	1,121	-
Payments to suppliers	(946,786)	(772,592)
Net cash provided by/(used in) operating activities	14 <u>(34,847)</u>	<u>49,613</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(1,970)	(20,894)
Reallocation of term-deposit to non-cash	-	(500,000)
Net cash used in investing activities	<u>(1,970)</u>	<u>(520,894)</u>
Net increase/(decrease) in cash and cash equivalents held	(36,817)	(471,281)
Cash and cash equivalents at beginning of year	<u>406,319</u>	<u>877,600</u>
Cash and cash equivalents at end of financial year	5 <u><u>369,502</u></u>	<u><u>406,319</u></u>

The accompanying notes form part of these financial statements.

Dairy Industry Association of Australia Limited

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Notes to the Financial Statements For the Year Ended 31 December 2022

The financial report covers Dairy Industry Association of Australia Limited as an individual entity. Dairy Industry Association of Australia Limited is a Company limited by guarantee domiciled in Australia.

The functional and presentation currency of Dairy Industry Association of Australia Limited is Australian dollars.

1 Basis of Preparation

In the Directors' opinion, the Company is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. This special purpose financial report has been prepared to meet the reporting requirements of the *Corporations Act 2001*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the 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 financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

The financial statements and material accounting policies all comply with the recognition and measurement requirements in Australian Accounting Standards.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

The Company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Notes to the Financial Statements
For the Year Ended 31 December 2022

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Specific revenue streams

Sales revenue

Events, fundraising and raffles are recognised when received or receivable.

Donations

Donations are recognised at the time the pledge is made.

Grants

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

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

Volunteer services

The Company has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

(b) Income tax

The Company is exempt from income tax under Division 50-40 of the *Income Tax Assessment Act 1997*.

Notes to the Financial Statements

For the Year Ended 31 December 2022

2 Summary of Significant Accounting Policies

(c) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

(d) Cash and cash equivalents

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

(e) Trade and other receivables

Receivables are recognised at amortised cost, less any allowance for expected credit losses.

(f) Contract assets

Contract assets are recognised when the Company has transferred goods or services to the customer but where the Company is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

(g) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

Notes to the Financial Statements

For the Year Ended 31 December 2022

2 Summary of Significant Accounting Policies

(h) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(i) Contract liabilities

Contract liabilities represent the company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the goods or services to the customer.

(j) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

(k) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case, it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payable are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

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Notes to the Financial Statements For the Year Ended 31 December 2022

2 Summary of Significant Accounting Policies

(I) Comparative figures

Certain reclassifications have been made to the comparative information to enhance comparability with current year's financial statements.

The following reclassifications were made:

	2021		
	\$	2021 Classification	2022 Classification
Depreciation expense	1,115	Other expenses	Administration expenses
Contractor - Accounting	34,877	Administration expenses	Contractor expenses
Contractor - Editor	98,141	WEB site	Contractor expenses
Product Competition - Travels/ Meals/ Accommodation	524	Publication expenses	Competition expenses

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - estimation of useful lives of assets

The Company determines the estimated useful lives and related depreciation for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

4 Revenue

	2022	2021
	\$	\$
Members Subscriptions	134,316	142,196
Conferences and Seminars	456,175	326,311
Publications	173,086	153,452
Product Competition	154,470	145,795
Short Course Income	65,458	-
Interest Received	1,623	1,530
Other Income	460	-
Total revenue	985,588	769,284

Dairy Industry Association of Australia Limited

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Notes to the Financial Statements For the Year Ended 31 December 2022

5 Cash and cash equivalents

	2022	2021
	\$	\$
Cash at bank	369,502	406,319
Total cash and cash equivalents	369,502	406,319

6 Trade receivables

	2022	2021
	\$	\$
Trade receivables	123,727	50,580
Total trade receivables	123,727	50,580

7 Financial assets

	2022	2021
	\$	\$
Short-term deposits	501,993	501,491
Total financial assets	501,993	501,491

8 Prepayments

	2022	2021
	\$	\$
Prepayments	60,000	76,092
Total prepayments	60,000	76,092

9 Property, Plant and Equipment

	2022	2021
	\$	\$
At cost	34,074	32,104
Accumulated depreciation	(7,636)	(1,115)
Total plant and equipment	26,438	30,989

10 Trade and Other Payables

	2022	2021
	\$	\$
Sundry creditors and GST liabilities	310,370	274,314
Total payables	310,370	274,314

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Dairy Industry Association of Australia Limited

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Notes to the Financial Statements For the Year Ended 31 December 2022

11 Other current liabilities

	2022	2021
	\$	\$
Provisions	-	22,500
Total provisions	-	22,500

12 Members' Guarantee

The Company is a Public Company limited by guarantee. The Constitution specifies that in the event of winding up of the Company, each member undertakes to contribute to the property of the Company an amount not exceeding one dollar while he/she is a member or within one year after he/she ceases to be a member.

13 Merger reserve

The Company was incorporated on 29 July 2019 and received the residual net assets from The Dairy Industry Association of Australia Inc. of \$856,115 upon incorporation.

14 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2022	2021
	\$	\$
Profit/ (loss) for the year	2,633	(2,134)
Non-cash flows in profit:		
- depreciation	6,521	1,115
- interest on financial assets	(502)	(1,491)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(73,147)	(23,727)
- (increase)/decrease in prepayments	16,092	5,632
- increase/(decrease) in trade and other payables	36,056	67,718
- increase/(decrease) in provisions	(22,500)	2,500
Cashflows from operations	(34,847)	49,613

15 Commitment for expenditure

The Company has no material contract commitments for capital, lease, hire or other expenditure as at 31 December 2022 (31 December 2021:None).

Dairy Industry Association of Australia Limited

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Notes to the Financial Statements For the Year Ended 31 December 2022

16 Segment reporting

The Company operates predominantly in one industry - that being the dairy industry. The Company operates predominantly in one geographical area - that being Australia.

17 Related party information

Other than the receipt of membership and related fees and the reimbursement of travel and administrative costs incurred, there were no transactions between Directors and the Company during the period.

18 Statutory Information

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

Dairy Industry Association of Australia Limited
671 Sneydes Rd
Werribee Victoria 3030

19 Events After the End of 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 Company, the results of those operations or the state of affairs of the Company in future financial years.

20 Auditors' Remuneration

The amount paid to Crowe Audit Australia for the review of the financial report was \$3,630 (2021: \$3,525).

Dairy Industry Association of Australia Limited

ABN 98 549 642 932

Directors' Declaration

The directors have determined that the Company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 2 of the financial statements.

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 17, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards as stated in Note 1; and
 - (b) give a true and fair view of the financial position as at 31 December 2022 and of the performance for the year ended on that date of is in accordance with the accounting policy described in Note 2 of the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Director



Director

Dated 05/04/2023

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF DAIRY INDUSTRY ASSOCIATION OF AUSTRALIA LIMITED

REPORT ON THE FINANCIAL REPORT

We have reviewed the accompanying financial report, being a special purpose financial report, of Dairy Industry Association of Australia Limited (the Company), which comprises the Director's report, the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, notes comprising a summary of significant accounting policies, other explanatory notes and the statement by the Board of Directors (the Board) on the financial report giving a fair view of the financial position and performance of the Company.

Director's Responsibility for the Financial Report

The Directors' of the Company are responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the *Corporations Act 2001*. The Director's responsibilities also include such internal control as the Board determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2415 *Review of a Financial Report*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the financial report is not presented fairly, in all material respects, in accordance with the reporting requirements of the Association.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of *the Corporations Act 2001*.

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the financial report of Dairy Industry Association of Australia Limited does not present fairly the financial position of Dairy Industry Association of Australia Limited as at 31 December 2022 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of Accounting and Restriction on Distribution

Without modifying our conclusion, we draw attention to Note 1 to the financial report, which describes the basis for accounting. The financial report has been prepared to assist Dairy Industry Association of Australia Limited to meet its reporting requirements. As a result, the financial report may not be suitable for another purpose.

CROWE AUDIT AUSTRALIA



Bruce Preston

Partner

Toowoomba, 05/04/2023

Bruce Preston
Crowe Audit Australia
Digital Audit Hub

Dear Bruce,

This representation letter is provided in connection with your review of the financial report of Dairy Industry Association of Australia Limited for the period 1 January 2022 to 31 December 2022, for the purpose of you expressing an opinion as to whether the financial report is, in all material respects, in accordance with the accounting policies described in Note 1 to the financial report.

We acknowledge our responsibility for the preparation and fair presentation of the financial report in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Dairy Industry Association of Australia Limited's financial position as at 31 December 2022 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Regulations 2001* to the extent of the accounting policies described in Note 1 to the financial report,

and confirm that the financial report is free of material misstatements, including omissions.

We confirm, to the best of our knowledge and belief, the following representations made to you during your review.

Financial Report

1. We have fulfilled our responsibilities, as set out in the terms of the review engagement letter, for the preparation of the financial report in accordance with Note 1 to the financial report, in particular the financial report is fairly in accordance therewith.
2. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
3. We have considered the requirements of AASB 136 Impairment of Assets when assessing the carrying amount of non-current assets and in ensuring that no non-current assets are stated in excess of their recoverable amount.
4. The following have been properly recorded and/or disclosed in the financial report, as applicable:
 - (a) related party transactions and related amounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements and guarantees (written or oral);
 - (b) arrangements involving restrictions on cash balances, compensating balances and line-of-credit or similar arrangements;
 - (c) agreements to repurchase assets previously sold;
 - (d) material liabilities or contingent liabilities or assets including those arising under derivative financial instruments;
 - (e) unasserted claims or assessments that our lawyer has advised us are probable of assertion; and
 - (f) losses arising from the fulfilment of, or an inability to fulfil, any sale commitments or as a result of purchase commitments for inventory quantities in excess of normal requirements or at prices in excess of prevailing market prices.
5. Related party relationships and transactions have been appropriately accounted for and disclosed.
6. All events subsequent to the date of the financial report and for which Australian Accounting Standards require adjustment or disclosure have been adjusted or disclosed.

7. We confirm that there were no uncorrected misstatements identified during the course of the review.
8. We confirm that all related party transactions, including the type and purpose of the transaction, and the nature of the relationship between the related parties has been brought to your attention and that these transactions, and associated outstanding balances, where applicable, and are appropriately disclosed in the financial report.
9. We confirm that we are not aware of and have not authorised any other related party transaction or benefit which has not been disclosed to you or disclosed in the financial report for the year ended 31 December 2022.
10. The entity has complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of non-compliance.
11. All material liabilities or contingent liabilities or assets including those arising under derivative financial instruments have been properly disclosed in the financial report, if any.
12. There were no material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets, such as investments or intangibles, other than those disclosed in the financial report.
13. Adequate provision has been made in respect to impairment of receivables, and that all receivables without such a provision are considered to be collectible in full, if any.
14. We are of the opinion that the entity is a going concern and that we have reasonable grounds to form this opinion.
15. We acknowledge our responsibility for the design and implementation of appropriate internal controls that:
 - Identify, account for, and disclose related party relationships and transactions in accordance with the applicable financial reporting framework;
 - Authorise and approve significant transactions and arrangements with related parties; and
 - Authorise and approve significant transactions and arrangements outside the normal course of business.

Information Provided

16. We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation, and other matters;
 - Additional information that you have requested from us for the purpose of the review; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain review evidence.
17. All transactions have been recorded in the accounting records and are reflected in the financial report.
18. We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.
19. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial report.
20. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, analysts, regulators or others.

21. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report.
22. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
23. We have provided you with all requested information, explanations, and assistance for the purposes of the review.
24. We have provided you with all information required.

We confirm that the above representations are made on the basis of adequate enquiries of management and staff (and where appropriate, inspection of evidence) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

We understand that your review was conducted in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the entity taken as a whole, and that your test of the financial records and other review procedures were limited to those which you considered necessary for that purpose.

Yours sincerely

Organisation: Dairy Industry Association of Australia Limited

Signature: 

Name: Karen McIntyre

Position: PRESIDENT DIAA

Date: 05/04/2023

Signature: 

Name: Dean Carlish

Position: VP and Director

Date: 05/04/2023

Board of Directors
Dairy Industry Association of Australia Ltd
671 Sneydes Road
WERRIBEE VIC 3030

Dear Board,

We have completed our review of your financial statements for the year ended 31 December 2022 and attach a copy of the financial statements including our review report, together with a representation letter. Please sign and return the financial statements together with the representation letter.

We highlight that the objective of our review is to obtain reasonable assurance that the financial report is free of material misstatement. We are responsible for forming and expressing an opinion on the financial report that has been prepared by management and, as applicable, with the oversight of those charged with governance. Our review of the financial report does not relieve management or those charged with governance of their responsibilities.

Our review was not designed for the purpose of expressing an opinion on the effectiveness of internal controls or for identifying all significant deficiencies that may exist. Accordingly, our review would not usually identify all such matters that may be of interest to you, and it is inappropriate to conclude that no such matters exist.

Boards consideration

The Company's revenue is approaching the reporting threshold and the Board should consider an audit next year. The Board should evaluate the benefits of registering with the Australian Charities and Not-for-profits Commission (ACNC) to enjoy the concession of preparing special purpose financial reports. If the Company's revenue reaches the reporting threshold under the Australian Securities and Investments Commission (ASIC) general purpose simplified disclosure financial reports will have to be prepared (these are far more comprehensive and costly).

This communication is prepared solely for your information and is not intended for any other purpose. We accept no responsibility to a third party who uses this communication.

If you would like to discuss any matters regarding the review process further, please feel free to contact me.

Yours faithfully



CROWE AUDIT AUSTRALIA

Bruce Preston

Partner

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