

AUSTRALIAN DAIRY CONFERENCE LIMITED

ABN 31 099 697 248

FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011

AUSTRALIAN DAIRY CONFERENCE LIMITED
ABN 31 099 697 248

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AUSTRALIAN DAIRY CONFERENCE LIMITED
ABN 31 099 697 248

DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 31 December 2011.

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

Terry Hehir
Ken Kimber
David Mulcahy
Danny Donaghy
Rod Banks
Simon Bennett
Paul Bethune
Michael Perich
Steve Coats
Matt Reid
Jamie Snell
James McKinnon (retired 22 February 2011)

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

The net profit of the company for the financial year after providing for income tax amounted to \$88,313.

A review of the operations of the company during the financial year and the results of those operations are as follows:

The company held its annual conference in Busselton WA on February 22nd, 23rd and 24th 2011. Farmers numbers were good considering the difficult year. The conference returned a small surplus of funds due to lower numbers than budgeted.

No significant changes in the company's state of affairs occurred during the financial year.

The principal activities of the company during the financial year were:

Holding a National Dairy Conference

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

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.

There are no likely developments in the operations of the company that the directors foresee.

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

No dividends have been paid or declared since the start of the financial year.

AUSTRALIAN DAIRY CONFERENCE LIMITED
ABN 31 089 697 248

DIRECTORS' REPORT

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Insurance premiums have been paid, during or since the end of the financial year, for any person who is or has been an officer or auditor 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 part of those proceedings.


The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is attached to this financial report.

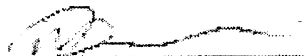
Signed in accordance with a resolution of the board of directors.

Director



Ken Kimber

Director



Matt Reid

Dated: 7.12.2012

**AUSTRALIAN DAIRY CONFERENCE LIMITED
ABN 31 099 697 248**

**AUDITOR'S INDEPENDENCE DECLARATION UNDER
SECTION 307C OF THE CORPORATIONS ACT 2001**

**TO THE DIRECTORS OF
AUSTRALIAN DAIRY CONFERENCE LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2011 there have been:

- (i) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) No contraventions of any applicable code of professional conduct in relation to the audit.

**Peter F Morley
Certified Practising Accountant
55 Railway Street
Euroa, Vic, 3666**



Partner: Peter F Morley

Euroa

Dated: 7/2/2012 .

AUSTRALIAN DAIRY CONFERENCE LIMITED
ABN 31 099 697 248

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 \$	2010 \$
Revenue	2	403,699.21	467,019.63
Company expenses		(30,372.81)	(38,433.12)
2011 Conference organiser fees		(38,134.85)	(16,000.00)
2010 Conference expenses		-	(316,438.20)
2012 Conference organiser fees		(26,205.45)	-
2011 Conference expenses		(230,190.59)	-
Doubtful debts expense written back		9,518.00	(11,630.00)
Awards		-	(3,510.10)
2010 Conference organiser fees		-	(39,168.40)
Sponsorships and scholarships		-	(28,545.45)
Other expenses		-	-
Profit before income tax expense	3	88,313.51	13,294.36
Income tax expense		-	-
Profit attributable to members of the company		<u>88,313.51</u>	<u>13,294.36</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN DAIRY CONFERENCE LIMITED
ABN 31 099 697 248

BALANCE SHEET
AS AT 31 DECEMBER 2011

	Note	2011 \$	2010 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	310,569.93	194,935.05
Trade and other receivables	7	78,709.00	84,512.00
Other current assets	8	7,448.91	2,627.66
TOTAL CURRENT ASSETS		<u>396,727.84</u>	<u>282,074.71</u>
TOTAL ASSETS		<u><u>396,727.84</u></u>	<u><u>282,074.71</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	36,468.40	10,128.78
TOTAL CURRENT LIABILITIES		<u>36,468.40</u>	<u>10,128.78</u>
TOTAL LIABILITIES		<u><u>36,468.40</u></u>	<u><u>10,128.78</u></u>
NET ASSETS		<u><u>360,259.44</u></u>	<u><u>271,945.93</u></u>
EQUITY			
Retained profits		<u>360,259.44</u>	<u>271,945.93</u>
TOTAL EQUITY		<u><u>360,259.44</u></u>	<u><u>271,945.93</u></u>

The accompanying notes form part of these financial statements.

AUSTRALIAN DAIRY CONFERENCE LIMITED
ABN 31 099 697 248

STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2011

Balance at 1 January 2010
 Profit attributable to promoting the
 company objectives

Balance at 31 December 2010
 Profit attributable to promoting the
 company objectives

Balance at 31 December 2011

Retained Earnings	Total
\$ 258,651.57	\$ 258,651.57
<u>13,294.36</u>	<u>13,294.36</u>
<u>271,945.93</u>	<u>271,945.93</u>
88,313.51	88,313.51
<u>360,259.44</u>	<u>360,259.44</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN DAIRY CONFERENCE LIMITED
ABN 31 099 697 248

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 \$	2010 \$
Cash flows from operating activities			
Cashflow from conference activities		138,755.32	3,572.05
Payment of award		-	(3,510.10)
Payment of company expenses		(31,557.37)	(38,646.68)
Payment of Nuffield Scholarship		-	(24,000.00)
Interest received		8,436.94	7,620.23
Payment of Sponsorship		-	(4,545.45)
Net cash provided by (used in) operating activities	14	115,634.89	(59,509.95)
Net increase (decrease) in cash held		115,634.89	(59,509.95)
Cash at beginning of financial year		194,935.05	254,445.00
Cash at end of financial year	14	310,569.94	194,935.05

The accompanying notes form part of these financial statements.

AUSTRALIAN DAIRY CONFERENCE LIMITED
ABN 31 099 697 248

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

This financial report covers Australian Dairy Conference Limited as an individual entity. Australian Dairy Conference Limited is a company limited by guarantee, incorporated and domiciled in Australia.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Income Tax

The company is exempt from income tax as a charitable institution.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

AUSTRALIAN DAIRY CONFERENCE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

(c) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Sponsorship income is recognised when the completed sponsorship application is received as there is no right of refund.

All revenue is stated net of the amount of goods and services tax (GST).

(d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(e) Comparative Figures

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

(f) Limit of Shareholders Guarantee

The liability of members is limited to the following guarantee. The contributions of an amount not more than \$1.00 in the event the company is wound up whilst the member is still a member or within one year after ceasing to be a member for (a) payment of the company's debts and liabilities contracted for before the time the member ceased to be a member, (b) the costs, charges and expenses of winding up and (c) the adjustment of the rights of contributories among themselves.

AUSTRALIAN DAIRY CONFERENCE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 \$	2010 \$
2. REVENUE AND OTHER INCOME			
Rendering of services		395,262.27	459,399.40
Interest received	2(a)	<u>8,436.94</u>	<u>7,620.23</u>
Total Revenue		<u>403,699.21</u>	<u>467,019.63</u>
(a) Interest received from: Other corporations		<u>8,436.94</u>	<u>7,620.23</u>
3. PROFIT			
(a) Expenses:			
Bad and doubtful debts		(9,518.00)	11,630.00
(b) Significant revenue and expenses:			
The following significant revenue and expense items are relevant in explaining the financial performance:			
Sponsorship Income 2012 Conference		<u>196,000.00</u>	<u>-</u>
Registration 2012 Conference		<u>31,620.01</u>	<u>-</u>
Sponsorship Income 2010 Conference		-	82,221.81
Registration Income 2010 Conference		-	237,077.59
		<u>-</u>	<u>319,299.40</u>
		<u>-</u>	<u>-</u>
Sponsorship Income 2011 Conference		(5,000.00)	99,500.00
Registration Income 2011 Conference		<u>172,642.26</u>	<u>40,600.00</u>
		<u>167,642.26</u>	<u>140,100.00</u>
4. KEY MANAGEMENT PERSONNEL COMPENSATION			
Conference committee travel		259.09	455.77
Conference registration fees		17,820.00	6,600.00
Conference Accommodation Directors and Programming Committee		<u>10,750.00</u>	<u>5,643.00</u>
Total compensation		<u><u>28,829.09</u></u>	<u><u>12,698.77</u></u>

AUSTRALIAN DAIRY CONFERENCE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 \$	2010 \$
5. AUDITORS' REMUNERATION			
Auditing or reviewing the financial report		1,700.00	1,500.00
		<hr/>	<hr/>
6. CASH AND CASH EQUIVALENTS			
Cash at bank		180,586.17	71,683.07
Short Term Deposit Account		129,983.76	123,251.98
		<hr/>	<hr/>
		310,569.93	194,935.05
		<hr/>	<hr/>
7. TRADE AND OTHER RECEIVABLES			
CURRENT			
Trade receivables		78,709.00	96,142.00
Less provision for impairment of receivables		-	(11,630.00)
		<hr/>	<hr/>
		78,709.00	84,512.00
		<hr/>	<hr/>
8. OTHER ASSETS			
CURRENT			
Prepayments		7,448.91	2,627.66
		<hr/>	<hr/>
9. TRADE AND OTHER PAYABLES			
CURRENT			
Good and services tax		16,410.95	10,128.78
Trade creditors		20,057.45	-
		<hr/>	<hr/>
		36,468.40	10,128.78
		<hr/>	<hr/>
10. CAPITAL COMMITMENTS			
(a) Capital Expenditure Commitments			
Capital expenditure commitments contracted for: The directors have engaged Esther Price Promotions to organise the February 2012 conference in Gippsland at a contracted fee of \$44,000.00 plus an incentive payment based on sponsorship raised and exhibitions sold.			
As at the reporting date \$26,000.00 had been invoiced.		44,000.00	43,200.00
		-	-
		<hr/>	<hr/>
		44,000.00	43,200.00
		<hr/>	<hr/>

AUSTRALIAN DAIRY CONFERENCE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 \$	2010 \$
11. RELATED PARTY TRANSACTIONS			
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.			
Transactions with related parties:			
(a) Secretarial fees			
The secretary is paid fees on an hourly basis plus reimbursement of out of pocket expenses		5,747.11	8,986.91
		5,747.11	8,986.91

12. FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, short-term investments and accounts receivable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets

Cash and cash equivalents	6	310,569.93	194,935.05
Trade Receivables	7	78,709.00	84,512.00
		389,278.93	279,447.05

Financial Risk Management Policies

The main purpose of non-derivative financial instruments is to raise finance for company operations. The company does not have any derivative instruments at year end.

The finance committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the group is exposed to through its financial instruments is credit risk.

AUSTRALIAN DAIRY CONFERENCE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 \$	2010 \$
(a) Liquidity Risk			
Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The company manages this risk through the following mechanisms:			
<ul style="list-style-type: none">- preparing forward-looking cash flow analyses in relation to its operational, investing and financing activities;- obtaining funding from a variety of sources;- only investing surplus cash with major financial institutions			

(b) Foreign exchange risk

The company is not exposed to fluctuations in foreign currencies.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness and regular monitoring of outstanding receivables for follow up.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the finance committee has otherwise cleared as being financially sound.

Credit risk exposures

The company has no significant concentration of credit risk with any single counterparty or group of counterparties.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality.

Price risk

The company is not exposed to any material commodity price risk.

AUSTRALIAN DAIRY CONFERENCE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 \$	2010 \$
13. COMPANY DETAILS			
<p>The registered office and principal place of business of the company is: Australian Dairy Conference Limited 157 Maude Street Shepparton VIC 3630</p> <p>The principal activities of the company during the financial year were: Holding a National Dairy Conference</p>			
14. CASH FLOW INFORMATION			
(a) Reconciliation of Cash			
<p>Cash at the end of financial year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:</p>			
Cash at Bank		180,586.17	71,683.07
Term Deposits		129,983.76	123,251.98
		310,569.93	194,935.05
(b) Reconciliation of cash flow from operations with profit			
Profit after income tax		88,313.51	13,294.36
<p>Changes in Assets & Liabilities:</p>			
Decrease (Increase) in prepayments		(4,821.25)	16,146.89
Increase (Decrease) in trade creditors		26,507.81	(15,439.20)
Decrease (Increase) in other receivables		5,634.81	(73,152.00)
Net cash provided by (used in) operating activities		115,634.88	(59,509.95)

AUSTRALIAN DAIRY CONFERENCE LIMITED
ABN 31 099 697 248


DIRECTORS' DECLARATION

The directors of the company declare that:

1. the financial statements and notes as set out on pages 5 to 15 presents fairly the company's financial position as at 31 December 2011 and its performance for the year ended on that date in accordance with Australian Accounting Standards and other mandatory professional reporting requirements;
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



Ken Kimber

Director



Matt Reid

Dated:

7/2/2012

**AUSTRALIAN DAIRY CONFERENCE LIMITED
ABN 31 099 697 248**

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
AUSTRALIAN DAIRY CONFERENCE LIMITED**

We have audited the accompanying financial report of Australian Dairy Conference Limited (the company) which comprises the balance sheet as at 31 December 2011 and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the director's declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the financial reporting requirements of the company's constitution. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: 'Presentation of Financial Statements', that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

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

**AUSTRALIAN DAIRY CONFERENCE LIMITED
ABN 31 099 697 248**

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
AUSTRALIAN DAIRY CONFERENCE LIMITED**

Auditors Opinion

In our opinion:

- a. The financial report of Australian Dairy Conference Limited is in accordance with the company's constitution including:
 - (i) giving a true and fair view of the company's financial position as at 31 December 2011 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the the company's constitution.
- b. The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Peter F Morley
Certified Practising Accountant
55 Railway Street
Euroa, Vic, 3666



Partner: Peter F Morley

Euroa

Dated: 7/2/2012.