

JERSEY *Australia*



2020 ANNUAL REPORT

Notice of Meeting

Dear Members

It is my pleasure on behalf of the Board of Jersey Australia to invite you to the 2020 Jersey Australia Annual General Meeting.

This year Jersey Australia breaks new ground in hosting their AGM via video conference for the very first time. While an exciting and new way to host the AGM, we certainly look forward to returning to the more conventional face to face meeting and conference in 2021.

Jersey Australia will be using Zoom to host the Video Conference and we provide below the meeting information. Please note that if this is the first time you have used Zoom, you will be required to download some software to your computer. When connecting please ensure that you select the join with audio and video.

Meeting Date: Thursday June 25th, 2020

Time: 10am

Zoom Details: Topic: Jersey Australia 2020 AGM

Time: Jun 25, 2020 10:00 AM Canberra, Melbourne, Sydney

Join Zoom Meeting:

<https://us02web.zoom.us/j/83512658882?pwd=WlBqUzE2VmVjNkFoeDZlUzVhRzZaZz09>

Meeting ID: 835 1265 8882

Password: 544240

One tap mobile:

+61861193900,83512658882#,1#,544240# Australia

+61871501149,83512658882#,1#,544240# Australia

Dial by your location

+61 861 193 900 Australia

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Password: 544240

Find your local number: <https://us02web.zoom.us/j/kdqkKHQGiW>

The Jersey Australia office is available to support members in connecting to the video conference.



Glen Barrett

Returning Officer

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Annual General Meeting Agenda

1. Present
2. Apologies
3. Opening 2020 AGM
4. Confirmation of minutes of 2019 AGM
5. Business arising from minutes
6. Annual Reports
 - a. President
 - b. General Manager
 - c. Treasurer
 - d. Genetic Development
 - e. Promotions
7. Consideration of financial statements
8. Appointment of Auditors for coming year
9. Annual election of Board of Management members

In line with Jersey Australia's Board rotational policy, the following directors are required to step down from the Board of Australia:

- Trevor Saunders
- Lisa Broad
- Jane Sykes
- Alan Carson
- Hayley Menzies

Nominations were called for by the returning officer to fill four (4) vacant positions. A total of 6 nominations has been received and by requirement of the constitution of Jersey Australia, the returning officer has convened a ballot of eligible members according to the rules of the Association. The nominees are:

- Jane Sykes
- Lisa Broad
- Hayley Menzies
- Robert Anderson
- Alan Carson
- Reece Attenborough

The returning officer will announce the result of the ballot at the AGM.

10. Setting of Annual Membership Fee

It is recommended by the Board that Membership Fees remain unchanged at

Membership Type	Fee
Full	\$240.00 + GST
Family	\$260.00 + GST
Associate	\$120.00 + GST
Junior	\$80.00 + GST

11. General Business

Minutes of the Annual General Meeting held May 23rd, 2019

<div>  <div> Jersey Australia Inc Minutes of General Meeting Held 23rd May 2019 Mid-City Motel Princess Hwy Warrnambool </div> </div>				
1	Meeting Open and Welcome			
	Attendees:			
	Members			
	Lisa Broad	Richard Scoones	Robert Anderson	Kerrie Anderson
	Roger Heath	Mike Huth (GA)	Paul Lenehan	Lynette Lenehan
	Reece Attenborough	Frank Walsh	Trevor Saunders	Anthea Day
	Alan Carson	Janine Carson	Wayne Kuhne	Keith Kuhne
				Geoff Heazelwood
	Sarah Hill	Andrew Marks	Natalie Booker	Brian Wilson
	Steve Mathers	Robyn Mathers	Hayley Menzies	Mark Flemming
				William Cochrane
	Phillipa Flemming	Jamie Drury	Brad Gavenlock	Trevor Campbell
				Julie Campbell
	Peter Farrell	Darryn Hourigan	Alan Launder	Cheryl Launder
	Robert Bacon	Sandra Bacon	Jim Carson	Glenda Carson
	Jenny Dowel	Kelvin Trotman	Ron Baker	John Cockerell
				Margaret Cockerell
	Eric Johnson	Sandra Johnson	John Sykes	Con Glennen
	Staff and Guests			
	Glen Barrett	Lucy Webb-Wilson	Graeme Gillan	Peter Gilbert
				Ben Boyd
	Ann Gilbert			
	<p>The Chair opened the meeting at 9.15am and welcomed all members and guests. The chair acknowledged the attendance of Mr Peter Gilbert director of Jersey NZ and other guests including: Mr Graeme Gillan, CEO Holstein Australia Professor Ben Boyd</p>			
2	Apologies			
	<p>Belinda Egan Lindsay and Jacinta Anderson Winsome Anderson Ian Andersons and Cathryn Brewster</p>			
	Motion			
	<ul style="list-style-type: none"> That Apologies be received 			
	<p>Moved: Janine Carson Seconded: Peter Ness</p>			
	<u>CARRIED</u>			
3	Minutes Silence			

	The Chair asked all members to stand for a minute's silence in honour of members who had passed away during the previous year
4	Minutes of Previous meeting
	<p>Motion</p> <ul style="list-style-type: none"> • That the minutes of the 2018 Annual General Meeting be accepted as a true and correct record <p>Moved: Anthea Day Seconded: Kelvin Trotman</p> <p>CARRIED</p>
5	Business Arising Nil
	Nil
6	Annual Reports
	<p><u>President's Report</u> President Mr Chris Mackenzie presented the President's Report</p> <p>Motion</p> <ul style="list-style-type: none"> • That the President's Report be received <p>Moved: Trevor Saunders Seconded: William Cochrane</p> <p><u>CARRIED</u></p> <p><u>General Manager's Report</u> General Manager Mr Glen Barrett presented the General Manager's Report</p> <p>Motion</p> <ul style="list-style-type: none"> • That the General Manager's report be received <p>Moved: Ron Baker Seconded: Robert Anderson</p> <p><u>CARRIED</u></p> <p><u>Treasurers Report</u> Treasurer Mr Paul Lenehan presented the Treasurers report</p> <p>Motion</p> <ul style="list-style-type: none"> • <u>That the Treasurers report be received</u> <p>Moved: Paul Lenehan Seconded: Peter Ness</p> <p><u>CARRIED</u></p> <p><u>Genetics Report</u> Chair of Genetics, Lisa Broad presented the Genetics Report</p> <p>Motion</p> <ul style="list-style-type: none"> • That the Genetics Report be received <p>Moved: Lisa Broad Seconded: Kerry Anderson</p>

	<p><u>CARRIED</u></p> <p><u>Promotions Report</u> Chair of Promotions Ms Jane Sykes presented the Promotions Report</p> <p><u>Motion</u></p> <ul style="list-style-type: none"> • That the Promotions Report be received <p>Moved: Jane Sykes Seconded: Peter Farrell</p>
7	<p>Financial Report</p> <p>Treasurer Mr. Paul Lenehan and General Manager Mr. Glen Barrett presented and provided comments to the financial reports. Key points:</p> <ul style="list-style-type: none"> • While a profit has been recorded it was noted that operationally the Association does not run at a profit. • Profitable position for the year is backed by book transactions that removed items from the Balance Sheet relating to State Loans. • Finalisation of the state loan with NSW was completed. • Removal of liabilities relating to the Youth and Research Fund. • Advice had been received that with no commitment of funds or requirement to repay the funds to donors that there is no present liability and as such not be recorded. • Members services fees are relatively static to previous years. • Expense were in line with expectation. <p><u>Questions from members relating to the Financial Reports</u></p> <p>Investments:</p> <ul style="list-style-type: none"> • Members queried as to why the Board went with AMP as the consolidated financial planner. <ul style="list-style-type: none"> ○ Mr Barrett advised members that a due diligence process was undertaken which had both the existing MLC and AMP fund Manager's and a third planner presented to the Board. • It should be noted that the investment platforms proposed by all 3 had a high level of similarity. • The appointment of Blazer Wealth was based on available reference and resource information, wider depth of investment platforms to utilise and management fees. • Members questioned if consideration had been undertaken to return dividends in cash rather than re-invest. • Mr Barrett advised that this had been considered. It will certainly be a requirement moving forward to manage cash flow as the overall profitability of the business does rely on investment returns. <p>Youth Funds:</p> <ul style="list-style-type: none"> • Members queried the reduction in value of the Youth Fund in the AMP investments. <ul style="list-style-type: none"> ○ Mr Barrett advised that members need to include the RaboBank term deposit and account listed on the Balance Sheet. These had not been closed at the end of the financial year but have been since and the funds invested into the AMP plan. <p>Member rebate to Jersey NSW:</p> <ul style="list-style-type: none"> • Members queried how long Jersey Aust will continue to pay the \$5.00-member rebate to Jersey NSW. <ul style="list-style-type: none"> ○ Mr Barrett advised that correspondence has been provided to Jersey NSW advising them that expectation is they implement the agreed changes to move Jersey NSW from incorporated to un-incorporated this year and that the \$5.00-member levy will no longer be provided post 2019. <p>Motion</p>

	<ul style="list-style-type: none"> • That the Financial Reports for the year March 1, 2018 to February 28, 2019 be accepted <p>Moved: Paul Lenehan Seconded: Peter Ness</p> <p><u>CARRIED</u></p>
8	<p>Appointment of Auditors</p> <p>Mr Lenehan advised members that the Board had considered it appropriate to review and change auditors.</p> <p>The current auditors have been appointed by Jersey Australia for many years and it was appropriate and good governance for a new set of eyes to review the company's accounts. Jersey Australia had consulted with 6 firms and received expression of interest from 4.</p> <p>Following a review of the expression of interest by the Board, a recommendation was provided to change Auditors to Dillon Partners.</p> <p>Motion</p> <ul style="list-style-type: none"> • That Jersey Australia appoint Dillon Partners as auditors for the 2019 / 20 Financial year <p>Moved: Paul Lenehan Seconded: Trevor Saunders</p> <p><u>CARRIED</u></p>
9	<p>Election of Board Members</p> <p>The chair invited the Returning Office Mr Glen Barrett to announce the results of the election of Board Members.</p> <p>Mr Barrett advised the meeting that votes had been received and counted in accordance with the rules of the Association and the following 5 nominees have been elected to the Board:</p> <ul style="list-style-type: none"> • Chris Mackenzie • Brian Wilson • Paul Lenehan • Wayne Kuhne • Jamie Drury <p>The Chair on behalf of members acknowledged and thanked retiring director Ms Sarah Hill and Mr Tim Beattie for their contributions to the Board and Association.</p>
10	<p>Membership Fees</p> <p>Motion</p> <p>That membership fees be set as per the following</p> <ul style="list-style-type: none"> • Full Membership \$240.00 + GST • Family Membership \$260.00 + GST • Associate Members \$120.00 + GST • Junior Membership \$80.00 + GST <p>Moved: Paul Lenehan Seconded: Andrew Younger</p> <p><u>CARRIED</u></p>
11	<p>General Business</p> <p>With motions pertaining to both constitutional change and general affairs tabled for consideration, the chair confirmed with members that:</p> <ul style="list-style-type: none"> • Constitutional motions required 75% of members present to vote yes to pass the motion. • Non-constitutional motions only required 50% of members present to vote yes to pass the motion.

- 42 Members have registered to vote meaning 32 Yes are required to pass a constitutional motion.

Ms Broad proposed to the meeting that the Board sought to move the number of days ballot papers need to be received by the secretary prior to the AGM. Logistically it creates challenges to be able to collect the ballot papers and hold a vote count prior to the AGM as currently the rule only provides 1 day to count the vote. This becomes a bigger logistical challenge when the AGM is hosted out of Victoria.

Motion

- That clause 10.8.b of the constitution be changed from:

To be valid, every ballot paper returned must reach the secretary not later than two (2) working days prior to the Annual General Meeting

to

To be valid, every ballot paper returned must reach the secretary not later than four (4) working days prior to the Annual General Meeting

Moved: Lisa Broad

Seconded: Trevor Saunders

CARRIED

Mr Saunders proposed to the meeting the Board recommendation to reduce the size of elected Board from 10 to 8. The move is in line with original planning when Jersey Australia was formed and was appropriate time to implement a reduction in size of the Board.

Motion

- That clause 9.2.d of the Jersey Australia constitution be changed from

The Board consist of not more than 10 directors together with the secretary

To

Consist of not more than 10 directors together with the secretary and be reduced by 1 each year from the 2020 Annual General Meeting to reach a maximum total of 8 directors

Moved: Trevor Saunders

Seconded: Peter Farrell

Members debated the motion. Some of the comments raised are as follows:

- Consensus was supportive of a reduction in size of the Board
- Consideration should be given to a full structural and governance review
- Diversity of input through sub-committees should be considered
- Regional representation should be reconsidered

The chair put the motion and the motion was **CARRIED** with 33 Yes

Motion

- That clause 9.7 of the Jersey Australia constitution be changed from

A quorum of the Board shall be six

To

A quorum of the Board is 50% of the number of directors + 1

Moved: Trevor Saunders

Seconded: Andrew Younger

The chair put the motion and the motion was **CARRIED** with 35 affirmative votes

Motion

- **That clause 10.1 of the Jersey Australia constitution be changed from**

Each year five new Directors shall be elected by the membership. Retiring Directors shall be eligible to stand for election. The elected Directors shall be elected for a period of two years

to

Each year four (4) new Directors shall be elected by the membership. Retiring Directors shall be eligible to stand for election. The elected Directors shall be elected for a period of two years

Moved: Trevor Saunders

Seconded: Andrew Younger

The chair put the motion and the motion was **CARRIED** with 35 affirmative votes

Motion

- **That clause 10.2 of the Jersey Australia constitution be changed from**

Each year the five Directors who did not retire at the previous election shall retire. A further five Directors shall be elected by the membership. The retiring Directors shall be eligible to stand for re-election. The Directors shall be elected for a two-year period.

To

Each year the four Directors who did not retire at the previous election shall retire. A further four Directors shall be elected by the membership. The retiring Directors shall be eligible to stand for re-election. The Directors shall be elected for a two-year period.

Moved: Trevor Saunders

Seconded: Roger Heath

Amendment

- **Each year the four Directors who did not retire at the previous election shall retire. A further four Directors shall be elected by the membership. The retiring Directors shall be eligible to stand for re-election. The Directors shall be elected for a two-year period (in 2020 and 2021 five directors will retire and thereafter 4)**

Moved: William Cochrane

Seconded: Alan Launder

The amendment became the motion

The chair put the motion and the motion was **CARRIED** with 35 affirmative votes

Mr Wilson proposed to the meeting that the Board recommended a change to clause 10.4 of the constitution to ensure the constitution was clear and concise on what membership categories can nominate for the Board.

Motion

- **That Clause 10.4 of the constitution be amended from**

Junior and Associate members shall not be entitled to be on the Board of the Association

to

Nominations for the Board of Jersey Australia:

Can only be received from fully paid voting members at time of nomination

CAN NOT be received from Junior or Associate members as they are not entitled to be on the Board of the Association

Moved: Brian Wilson

Seconded: Janine Carson

The chair put the motion and the motion was **CARRIED** with 36 affirmative votes

Ms Sykes proposed to the meeting a motion to support a marketing levy to partially fund the Jersey Australia marketing Plan. Ms Sykes outline the marketing plan.

The JA marketing plan is targeting 2 key areas.

Jersey Milk

Jersey Milk is a growing premium demand product in the consumer market and our target support is aimed at building consumer knowledge and demand. Our plan leverages a digital marketing platform provided by LeapFrogger in key high-density population areas in Melbourne in year 1 and Sydney in Year 2 to promote Jersey Milk.

Jersey Milk is a premium product that JA sees great value in promoting. Changing consumer buying habits is key to increasing the sales for Jersey Milk and our promotion will target key suburbs where know outlets exist to purchase Jersey Milk and the café scene where Jersey Milk turns a simple cup of coffee into something special.

The campaign is flexible and adaptable and most importantly measurable by monitoring hits, likes, comment and click through content access. Content can be changed on the fly if something does not resonate and pushed harder where positive results are identified. We are also realistic about its impact. If Year 1 is not successful we will make significant change or consider a different approach before we head into year 2.

Internal Marketing support

Jersey Australia is seeking to engage a dedicated marketing and promotion resource for 1 day per week to beef up our capabilities. The resource will be tasked with the following key activities:

- Development of social media content
- Monitoring of social media sites for issues to address or external content to be shared by JA
- Maintenance of website and content for the website to ensure its up to date
- Ongoing review and update of JA marketing materials
- Development of new marketing material to support new Dairy's Finest and Jersey Australia Calendar
- Source advertising and coordinated production and distribution

	<ul style="list-style-type: none"> Jersey Journal Source Advertising and content Manage internal timelines for print deadlines <p>Motion</p> <ul style="list-style-type: none"> That Jersey Australia apply a member levy of \$100.00 over 3 years payable on full family and syndicate memberships to partially fund the Jersey Australia Marketing Plan <p>Moved: Jane Sykes Seconded: Keith Kuhne</p> <p>Members debated the motion</p> <ul style="list-style-type: none"> Consensus was supportive of the marketing plan and a member levy Some comment was raised as to why a focus on milk rather than just the "Australian Jersey Cow." Concern was raised as to whether it should be applicable to syndicate as most syndicate members were already full members and would potentially see some members pay several times. <p>Amendment</p> <ul style="list-style-type: none"> That Jersey Australia apply a member levy of \$100.00 over 3 years payable on full and family memberships to partially fund the Jersey Australia Marketing Plan <p>Moved: Robert Andersons Seconded: Mark Flemming</p> <ul style="list-style-type: none"> Mr Anderson raised consideration of additions to the amendment to exclude the requirement of 2 separate full or family memberships at the same residential location on having to pay the levy Following discussion on how this was to be appropriately worded Ms Sykes advised that she withdraw the original motion with the support of the seconder and that of the mover and seconder of the amendment.
	<p>General Discussion</p> <ul style="list-style-type: none"> Members queried the proposed classification as to what will it entail. <ul style="list-style-type: none"> Ms Broad and Mr Barrett advised that the Board has asked for a review of all aspects of classification. This will include: <ul style="list-style-type: none"> Systems and reporting All class policies Scoring of linear and bottom lines Member queried the level of content in the Jersey Journal. It was noted by members of the lack of member support for the Journal Members asked for farm gate signs with the 5 Star Jersey and Jersey Milk logos
Meeting Closed 11.55am	

President's Report

It is my pleasure to present the 2020 President's Report.

The year's happenings of disasters and struggles certainly captured everybody's attention.

Amidst all this, the Board was determined to press on and continue trying to be proactive in its decision-making.

- Review of Policies is regularly happening.
- Dairy House gradually reaching the point hoped for in reducing duplications across respective business. This we are confident will reduce costs for each organisation.
- At a previous AGM it was suggested Jersey Australia arrange to have a representative to China to increase the possibilities for heifer export. A few outcomes have been reported with good media coverage exposing possible outcomes because of our General Manager attending a Trade Mission to China. We thank Genetics Australia for the instigating the opportunity for Glen to join the Austrade mission to develop and expand export opportunities.
- Governance Training Days enabled Directors and members to gain insight of responsibilities and risk management as Directors. These days were opened to other breeds and organisations with some further days for the JA Board.
- Financially a tight year was experienced, what with drought, then fire devastating large areas, before COVID19 plunged the Stock Market and impacting the Investments savagely.

It was a pleasure to have Peter Gilbert and his wife, Ann from New Zealand share with us at our last AGM, representing Jersey NZ Board. Lisa Broad served us well attending their AGM on our behalf. Unfortunately, with the current restrictions in place this exchange will not happen this year.

The work that Glen Barrett, our General Manager has put in this year has been tremendous. His pursuit of striving to see the development and promotion of the Jersey Breed too progress ahead gives the Board members a greater incentive and confidence in decision making. Thank you, Glen, along with other staff members, Lucy, Jenny, and Doris, for attending to the general running of J.A.

To Board Members, thank you for your sacrifices on behalf of the membership to regularly meet, go through governance changes, make the hard decisions and desire to see the breed grow. We welcomed Wayne Kuhne and Jamie Drury on to the Board and their contribution has been great. We also appreciated Sarah Hills input during the previous couple of years, with her nomination being unsuccessful in the last election.

At this AGM we have the retirement of long serving Board member Trevor Saunders. Trevor your contribution over many years has simply been tremendous. Thank you.

The Jersey Breed has great opportunities going forward through the efficiency of the cow. There will be challenges, but I believe that the time and effort that the Board has put in this year, will prepare for progressing the Breed.

Chris MacKenzie

General Manager's Report

It does not seem that long ago that we congregated in Western Vic for the 2019 AGM, but another year has past and it is great to reflect on the year that it was. Droughts, fires, flood, and tragedies have affected many but along the way there have also been some amazing highlights and achievements. That of course was before coronavirus turned the world upside down.

I start with a big thank you to the Sunshine Coast Club. Their work in putting together the 2020 AGM and Conference was significant and should not go unrecognised and I am sure I speak for more than 1 member gripped in an early winter blast this Autumn that a few days on the Sunshine Coast was something we were very much looking forward to.

It has been a pleasure to be out amongst the members throughout the year. Your enthusiasm is infectious, and I certainly get a lot of joy and satisfaction from leading your organisation.

New Database

The transition to the new database at the commencement of the year was smooth. Despite the year being a learning year for us all in how to use the new system, we have developed new and better ways to use data and information to the members and JA advantage. New reports such as the Performance Certificate were introduced this year which present more data in improved formats. These are greatly improving how we can support our members and industry news.

Figure 1: JA Performance Certificate

A key ongoing project that we have embarked on is Data Improvement. We have been progressively working through removal of duplicates, adding missing information and better recording of overseas animals. With over 2000 animals corrected, or duplicates removed this has been a big improvement to the data quality.

China Trade Mission

It was a great honour to represent JA in China last July and a terrific opportunity to build a stronger understanding of the Chinese dairy industry. Australian Jerseys are performing well in China and are certainly a fit for purpose animals in an environment where fertility, feed efficiency, heat tolerance and stature are a growing problem. Within the Chinese national herd more focus on jersey imports and crossbreeding with jersey would most certainly start to address their herd concerns.



Figure 2: Presenting at the Sino-Australian Dairy Expo

Staff

I thank the staff for their ongoing commitments and efforts to JA and who without, the Association and I would not function. To the Member Services Team in the office led by Lucy Webb-Wilson and Alan Carson our Head Classifier and the classification team your efforts and commitment an integral part of what makes our Association tick. After many staff changes the previous year, office stability makes for a far better working environment for staff and improved service delivery to members. Our classification team have done an enormous job throughout the year in delivering on farm services in what at times can seem like a thankless task.

Membership

Interest in joining the Association was positively strong in the year with 37 new members joining the Jersey Family.

The strong interest is a great sign for the Association and we warmly welcome all new members.



Member Services

It was a slow year for member services as drought and water availability continued to impact farms across the country. JA was able to support members to get their registrations up to date through the drought relief program and at all times we are open to discuss with members individually on how we can best support and work with members to get your herd books up to date.

herds registering					
	2015/16	2016/17	2017/18	2018/19	2019/20
NSW	71	60	72	65	62
QLD	33	23	27	25	24
SA	14	8	15	17	15
TAS	12	3	10	16	10
VIC	159	124	151	171	135
WA	5	3	3	3	2
Total	294	221	278	297	248

animals registered					
	2015/16	2016/17	2017/18	2018/19	2019/20
NSW	2402	3155	2202	2348	1355
QLD	360	729	408	532	232
SA	357	365	321	364	341
TAS	353	330	507	343	224
VIC	6141	7592	5429	5655	5330
WA	15	40	37	18	6
EXPORT	1779	8211	9368	7029	4511
Total	11407	20422	18272	16289	11999

Classification numbers were down across the year although we did miss Nth NSW in the spring class with bushfires in the area, across the country, numbers were down overall. It was a great opportunity to expand Ginfo class through members and non-members.

herds classified					
	2015/16	2016/17	2017/18	2018/19	2019/20
NSW	50	49	47	52	40
QLD	20	23	20	19	8
SA	11	11	8	12	10
TAS	9	7	9	8	10
VIC	108	115	120	116	110
WA	1	2	2	1	0
GINFO				8	31
LTE				17	5
Total	199	207	206	233	214

cows/heifers classified					
	2015/16	2016/17	2017/18	2018/19	2019/20
NSW	795	932	962	954	503
QLD	201	268	255	245	162
SA	190	120	109	186	89
TAS	185	106	172	116	162
VIC	2514	2857	2890	3139	2810
WA	3	15	24	19	0
GINFO				441	1409
LTE				231	46
Total	3888	4298	4412	5331	5181

Bush Fire Appeal

I add my thanks to those who supported the IDW Bushfire Appeal. I never cease to be amazed by the generosity of people in times of need, and while a little biased, the Australian Dairy industry is right at the top of the tree of amazing people. My thanks to the donors who did not hesitate when asked to contribute and to the buyers without whom we could not have achieved the results we did. Finally, to those we can support and to other affected farmers, rest assured the Australian dairy industry is there for you.

EYBS

The European Young Breeders School was a new initiative for our Youth and JA was pleased to be a founding partner alongside the RASV and Holstein Australia. A team of 5 young Australians travelled to Belgium and successfully competed against some of the world's best young talent in the showing. This is a planned ongoing opportunity for young members.

Board and Governance

I thank Board for their continued support and guidance across the year. I know I challenge you all perhaps a little too much at times but it is valuable to have the strength and capacity in the Board to accept the challenges, difference of views and new thinking that I put in front of you and debate the merit of and implement change to drive the betterment of the Association as well as maintain the status quo where necessary.

Glen Barrett



Figure 3 JA's Lucy Webb-Wilson with EYBS team member Julia Paulger

Treasurer's Report

It is with pleasure I present to you the 2019-2020 Financial report. While the bottom-line figure does not represent a positive outlook with a loss of \$91,807, the year was not in itself a bad outcome for Jersey Australia with 2 significant financial circumstances contributing to the loss

- On March 1, JA went live with the ILR2 Database. The establishment one off cost to install this system of \$30,000 was incurred in this period
- After a strong performance throughout the year on our investments, the impact on the economy due to coronavirus had a negative impact on our investment of approximately \$70,000.

This year we have continued to add improvement to the presentation and recording of our financial accounts to ensure the financial reports and information provided to the Board is as informative, accurate and up to date as possible. The final step was introduced this year with our investment where we are monthly recording and reporting our investment performance and appropriately splitting the recording into income, growth, and expenditure on the P&L.

Income

Member Services Income

Income from Member Services was on a par with the previous year with a total \$265,950 up 1.4%. It was very positive to see membership fees up on previous year by nearly 12% with good steady number of new members and concerted effort to re-engage with recent past members. Registrations however were down 18% as the drought and water restrictions across the country continued to impact with Class and transfers on relative par to previous years.

Industry Service

It was disappointing to see exports down 11% on previous years however we have seen a market move from larger irregular shipments to smaller shipments spread across the year. LTE figures were positive however a larger proportion of this did relate to LTE's in 2018/19 meaning a drop in demand however offset by a big rise in GINFO as the project expanded and requirements increased. The Ginfo increase unfortunately impacted LTE demand as reliance on LTE and member class of 2-Year-old for critical bull needs.

Publications

Journal revenue was up 15.5% on the back of the 50th Year celebration edition. The support of this edition highlighted on what we can achieve in the Journal of a full colour expansive edition. While the JA calendar has opportunities to grow revenues through filling the advertising spots, it is covering costs.

Investment Performance

Investment performance was up significant on the previous year with an increase overall return of \$75,766. Our investment was tracking far stronger up until late February when the market falls associated with coronavirus retracted our annualised gain by nearly 35% to finish on an overall return of \$103,579. We also note that during the year AMP ceased to continue to support their Flexilife investment fund. The Association took the opportunity to close the fund and reinvest in a MyNorth investment alongside the balance of the Association investments. Throughout the year the Association drew down \$100,000 from the investment for working cashflow needs.

Expenses

Member Services

- Member services were within expectations with the establishment cost of ILR2 and the annual licence fees being the most significant cost increase. The establishment cost was a one-off cost. The annual fee of \$22,530 is a significant cost over and above the old system however a lack of ongoing investment in the old system was creating a significant service impact.
- Class costs were down a little year and we have also recoded separately costs associated with industry services.
- Journal costs were up on previous years with the extra costs associated with the 50th anniversary edition which was a 60-page full colour publication.

Office and Administration

- Admin costs were up on the previous year with the full year of occupancy of Dairy House bringing an increase in rental costs.
- Employment costs were up on previous year by 13.5% due to key positions being fully occupied for the full year.
- Marketing and promotions costs increased from the previous year with the Jersey Milk Digital marketing campaign costs of \$12,000 accounting for the increase.
- Affiliate contributions were down with a new funding model introduced which fixed costs for states operating a functional committee. We also increased dedicated funding for Youth and State events.
- Overall expenses were down with trade mission expenditure a significant reduction on previous years with a smaller delegation to the WJCB conference this year comparatively to the previous.
- While a loss is never a palatable outcome, as an Association, we have invested in our future, improved our productive capability, improved our recording and reporting and continue to improve our financial management through budgeting, forecasting and continued review.

The organisation is continuing to review its operating structures and seek new revenue opportunities. It is the board ambition to see the organisations covering our association running costs from member service revenue rather than continued reliance on investment returns and export services to provide profitability and cashflow.

Paul Lenehan

Genetics and Breed Development Report 2020

Another year draws to a close, strength and resilience brings us together to fight for the industry and the jersey cow that we love, at last the message is finally getting through that “Farmers” do matter.

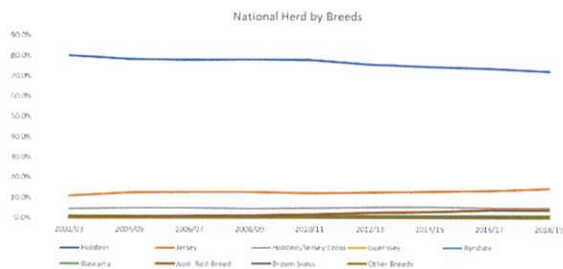


Figure 4 Data courtesy of National Stats. Unknown Breed data excluded

The Jersey breed in Australia and worldwide is continuing to grow with data trends in Australia continuing a growth trend for Jerseys in the national herd. In a declining period for dairy in Australia, the Australian Jersey is standing the test of time and a growth breed as its tremendous value as a highly profitable, feed efficient highly fertile cow is proving a resilient dairy cow for the Australian Dairy industry.

ABV / National Index

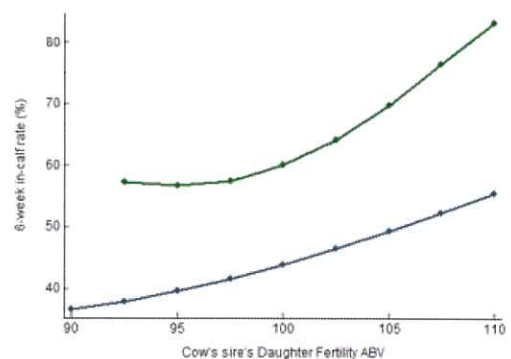
Jersey Australia is aggressively petitioning to ensure the true value of the Jersey breed is accurately represented in the Australian Breeding Values and the National Index. While we appreciate that indexes cannot be compared across breeds but disparity in the achievable numbers of various breeds is creating an incorrect market assumption that some breeds are more profitable than others.

We urge members and Jersey enthusiasts to maintain faith in the breed and not just published indexes when comparing breed performance. A good example is fertility. Jersey has long been a clear leader of the pack when it comes to fertility and remain to this day despite any concern when comparing fertility trend graphs. It is always important to look beyond the ABV or index to get a true picture. The Fertility ABV is a good example of this. As you can see on the below graph published by DataGene, bulls from different breeds have a remarkably different performance yet the same economic contribution to BPI. If you compare bulls with an ABV of 110 with a Jersey bull with the same ABV, you find the following information based on DataGene reported data:

- The Fertility ABV is based on the 6-week in calf rate. The Jersey Bull at 110 has a reported 55% more cows in calf than the Holstein bull.
- The Holstein bull with an ABV of a 110 has the same in calf rate as a Jersey bull with an ABV of 95.
- In BPI terms that equals an approximately 120 BPI\$ virtual benefit to the final BPI because breeding values are compared within breed not across breed.

Therefore, Jersey Australia is pursuing in 2020 better recognition of breed economic variance to the National index or at the very least a standalone jersey index

DataGene is undertaking a review of the National Breeding Objective in 2020 and we urge all members and enthusiast to engage in this project and send a clear message to DataGene on the true value of the Jersey Breed.



6-week in-calf rates for Jersey (upper line - green) and Holstein (lower line - blue) cows by cow's sire's Daughter Fertility ABV

Figure 5: DataGene Fertility ABV Technote / Fact Sheet

Cattle Sales

In a declining industry, we have not seen any more than the typical amount of Jersey cows' sales in comparison to the rest of the industry. The sales we have seen though have been strong and a great reflection of the many years of breeding by the vendors and the premium value of registered Jerseys.

Sales of note throughout the year are:

- Jugiong milking herds dispersal 253 cows @ \$2,782.00
- Kings Vale Herd Dispersal 96 cows @ \$2,903.00
- IDW Global Impact sale 23 cows \$5,876.00 an IDW sale record and new yearling record price of \$24,000.00

Cows were purchased across the country as members took the opportunity to invest in great cow families bred by great breeders. The sale averages clearly demonstrated the value of registered cattle as many years of documented breeding, classifications and members enthusiasm enhanced the animal value. \$10 for a JA registration and \$11 for a classification is a small investment when the returns are significantly greater than the value of unregistered cattle.

Export

Semen exports of Australian Jersey continue to grow and are an industry leader as the Global dairy industry is continuously seeking Australian Jersey Genetics. Export destinations include South Africa, Canada, USA, China, South America, New Zealand, and Europe.

Jersey Heifer Exports have remained strong with increasing demand in China. JA trade mission to China in July 2019 identified consistent issues raised by Chinese dairy farmers of their cows being infertile, too big, inefficient converters of feeds and growing awareness of heat tolerance affecting production. The Australian Jersey has long been a small player in the China export market, and we continue to see growing opportunities. Additional demand from Pakistan, Japan, UAE, and Indonesia continues.

Industry Projects

JA has been a strong supporter of GINFO since its inception and we were pleased to see an expansion of the project this year with a stronger emphasis on Jersey. JA supported and encourage many members to join the program this year and play a key role in supporting the maintenance of current and development of new ABV's / ABV(g)'s.

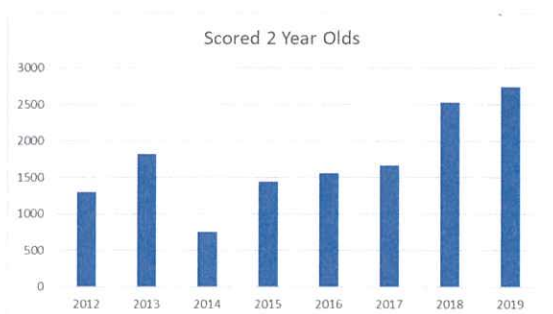


Figure 6: 2 Year Old's - Member + GINFO

There was a key focus this year to increase Jersey numbers in an expanded Ginfo including the addition of many member herds. This provided some increased but welcomed pressure on our class team to meet the project requirements.

1st lactation 2-year old class data is the only class data that feeds into breeding values and we cannot under emphasise the importance to members and participants of the need and value proposition of classifying your heifer in the 1st lactation.

All data is important whether it be class, production, repro, or health. If you have it, make sure it is recorded in your farm management software and provided to your herd test centre as it can be value added on to provide an industry benefit.

Research and Development

We are disappointed that far too much industry R&D is single breed focussed and we continue to reinforce to our industry partners that focussing R&D on a single breed is creating a 2-tier outcome for the industry. We certainly challenge the common response of insufficient cows/data. At 15% of the national herd that equates to around 225,000 Jerseys in the country which is more than enough.

JA is currently striving to achieve breed purity analysis from DataGene to support determining the registerable status of bulls' progeny. There is much confusion in the marketplace surrounding the suitability of JX bulls from the US and establishing a clear process for members and industry.

JA is supportive of the work undertaken by the Genetics Standing Committee facilitated by DataGene and please to see GM Glen Barrett appointed to the committee at the start of the year. There is an adage that the world is run by those who turn up and it is vital that JA is present, engage and well represented at key industry conferences and meetings to drive the Jersey agenda.

Classification

I firstly would like to acknowledge the resignation of long serving classifier Mr Roger Heath from the classification panel. Thank you, Roger. Your knowledge, commitment and dedication to the panel is greatly appreciated and when time permits in the future, you will be most welcome to return to the panel.

Classification remains a strong service delivery requirement with our class team spending 77 days in the field servicing members and industry needs. 220 Herd were visited with 2442 2-Year-Olds and 2970 cows were classified throughout the year. My thanks to Alan and the class team for their work in the field and Lucy in the office for the logistical coordination and service support.

Two classification workshop / training days have been held this year. Key focus has been on bringing uniformity to linear trait scores. These days are very informative and an opportunity to continue to hone and develop our classifier and allows our classifiers as a group, the chance to discuss any topics associated with classification. These workshops are also an important training ground for new classifiers. We have 3 classifiers under training and would be happy to hear from anyone interested in joining the class team. If you would like to consider being a classifier, please get in touch with Glen at the office, myself, or Alan.

JA has continued the ongoing work in reviewing, maintaining, and developing our classification system. We are currently working on developing additional resources and training guides for our class team. We were pleased to have the support of Dr Phil Henschke in re-drafting our linear definitions. This document will become a vital tool when explaining and describing linear scores to trainee classifiers and members and provide the guiding principle scoring methodology on each trait.

Data and Resources

Jersey Online is an easy way to register your calves or to check a pedigree. I encourage all members to jump online and have a go, if you have any questions the office will be more than happy to help you out. Better analysis and use of the data available on the data base will help to drive genetic improvement and much more importantly continue to provide detailed reports and information back to members.

At a Board level, we have had a strong focus on developing and improving our governance leadership skills and capability to improve our leadership of your organisation as well as strategic focus on risk. We are in the process of developing sub-committees and will be a key objective to implement a Genetics and Breed Development Sub-Committee this coming year. We are also developing an on-farm policy to support our staff in carrying out members services works.

To my fellow Board Members thank you for your continued commitment to the Board and the jersey breed it is a pleasure to work with you.

Members, thank you, for your part in helping to keep the Australian jersey cow recognised worldwide, your efforts are noted and appreciated.

As we are faced with the uncertainties of living through a pandemic, I encourage you to stay positive, talk to your mates and on the other side we will be stronger than ever.

"In the middle of difficulty lies opportunity" Albert Einstein

Lisa Broad

Promotion Sub Committee Report 2019/2020

2019 AGM

The 2019/2020 promotional year for Jersey Australia began with an excellent AGM and tour by the Western District Jersey Cattle club. A diverse range of herds were seen, and many good cows admired during the tour.

The off-farm visits were also very enjoyable - with a wrong turn resulting in an accidental visit to the Timboon railway shed Distillery proving to be a favourite stop for some, while others enjoyed the Timboon Ice Creamy.

The awarding of a life membership to current Jersey Australia President Chris Mackenzie, as well as the announcement of herd production awards, 50- and 75-Year awards and the Great Australian Challenge winners were all equal highlights of the presentation dinner. Congratulations to all those who won awards and we thank all members for participating in such events.

Marketing

Following positive feedback on the intent of the proposed marketing campaign presented at the 2019 AGM, JA took the liberty to build on this intent and moved forward with the campaign with or without the financial contributions we sought from the members marketing levy.

Farm Gate Signs

At the request of members Our Farm Gate Signs were updated, and 3 options are now available to members being: Jersey Australia Standard, Jersey Milk and 5 Star Jersey. The Farm Gate Signs have been a welcomed addition to many members farms across the country. Members can order these on the JA Online shop.

Digital Marketing

Jersey Australia commissioned LeapFrogger to undertake a digital marketing campaign to promote Jersey Milk which went live to air across our social media platforms from October to January.






Picture 7: Jersey Milk FGS. Photo Janine Carson






Figure 8: Ivy Matthews & Aiden & Chelsea
Launders enjoying a glass of Jersey Milk @ Bushlea
Farms. Photo: Brad Cullen

The campaign was broken into 3 components based on:

-  Jersey Milk – promoting jersey milk generically
-  Great Coffee Matters – extolling the benefits of using the extra creaminess of Jersey Milk to make a good coffee a great coffee.
-  Natures Wonder Drink – Promoting the additional nutrient advantage jersey milk has over other breeds as a better milk to feed your family

The campaign was a success in promoting and increasing the brand awareness of Jersey Milk to the consumer and while targeted at the population dense Melbourne marketplace, the social media campaign had a global reach which was reflected by where online comments were received from.

The campaign in total reached 189,235 people across the 4 months period as well:

-  2662 times people clicked through to the Jersey Milk pages on the JA website with 85% of these being new viewers to the page
-  731,640 impressions – the number of times across the platforms the ad was shown
-  6629 click on the add within the social media posts.

It is difficult to assess and know if the campaign had an impact on buying habits or whether it was able to generate new and or increased contacts or sales for processors around country. However, considering the reach, the number of landing page views and the number of enquiries on where to buy we responded to, we should be confident that alongside significant increases in consumer awareness, that practice change in buying habits was also achieved.

Publications

Jersey Journal

The Australian Jersey journal continues to be published bi-monthly and is also available to be viewed online. A highlight of the year was the 50th anniversary edition of the Jersey Journal in Sept 2019. The Full Colour anniversary edition was a great example of what the Jersey Journal can be with a good level of advertising support. If 90 members took out 1 ad per year spread across the year that would allow for the Jersey Journal to be published in full colour and support more content stories on members and events.

The journal is always after new stories so please feel free to contact the office with your story suggestions.

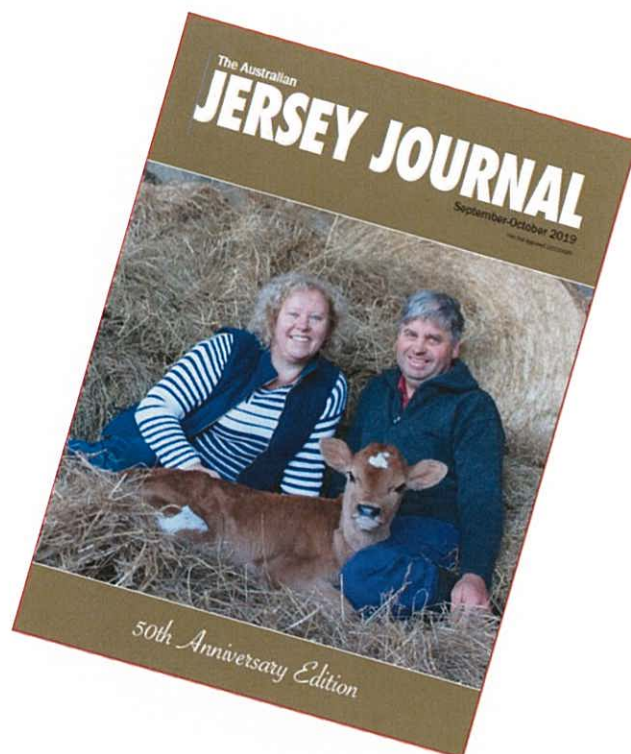
Calendar

Late in the year the Jersey Australia calendar was released and arrived in time for Christmas. Thank you to all those advertisers that placed an ad in the calendar and the calendar will be happening again this year- please note that the Calendar deadline will be 30/9/2020. For anyone wanting advertising space I would encourage you to book early to secure your spots!

Online

Social Media

Our online presence continues to grow and is a key promotional and communication tool used by the Association. This year we added an Instagram account alongside Facebook and Twitter and has been a valuable addition. Different platforms reach different demographics. It is important to ensure we target as many groups as possible.



Websites

The JA is an integral part of our communications and interactions with members. Jersey Online is an integral part of our Herd Book registry for members to maintain and register animals and this year we also introduce the online Jersey Shop. This is a great way for members to purchase JA merchandise and we have also been able to use the online shop to take class and member event bookings.

We are always on the lookout for content and different ways we can use social media and the website to engage with members. Let us know your club events and activities. JA can also provide advertising packages to support a sale or for-profit event to market and promote direct to members.

Event and Competitions

International Dairy Week

Our Major event for the year again proved to be International Dairy Week and holy wow what a dairy week this proved to be. It was exceptionally humbling the amount of time, effort and goodwill shown by the wider Australian dairy community to come together with Jersey Australia along with the Global Impact Supremacy Sale and International Dairy Week to form and contribute to the IDW Bushfire Appeal. Over \$113,000 was raised to be distributed and credit must go to all those donors, sponsors and buyers who were involved in this.



Picture 9 Director Jane Sykes stocking up the members with coffee and donuts @ IDW

The Global Impact Supremacy Sale was highly successful and saw an Average price of \$5880 (beating the previous IDW Jersey Sale's highest average price of \$5386 in 2015) and an Australian record price paid for a yearling heifer \$24,000. It was terrific to be able to take a back seat on managing the sale this year and our thanks and congratulations on a very successful sale goes to Declan Patten.

Jersey Australia once again did Jersey milk coffees on the stand, and a highly popular donut run was introduced on Wednesday morning prior to judging to fuel the members and their staff for the busy day ahead.

Our thanks to sponsors Coles at Shepparton for the donation of the donuts with the funds raised from the coffee and donuts going to the bushfire fund.

Great Australian Challenge

The Jersey Australia/ Semex Great Southern and Great Northern Challenges were held, and we congratulate all winners and the judges of these events. We would also like to thank our major sponsors Semex for their continued support of this event. Many thanks to Pat Buckley and Pat Nicholson for judging the competition.

The announcement of the winners of the Great Australian Challenge would normally occur at the presentation and awards dinner at the AGM conference, but due to this year's conditions the announcement will be made online.

In conclusion a sincere thank you should go to all those promoting the Jersey breed in Australia, Globally or Online.

The promotions sub-committee (Currently made up of Hayley, Wayne, Glen and Myself) endeavour to do our best for the benefit of the Jersey breed and the members of Jersey Australia.

We always welcome ideas and feedback from members so if you have any ideas or plans for promotion of the Jersey breed let us know!

Many Thanks to all who have offered support, guidance, or advice during the last year, and special thanks to Hayley, Wayne and Glen for your commitment to the small but effective Promotions sub-committee.

"If you think you are too small to be effective, you have never been in the dark with a Mosquito"- Betty Reese

Jane Sykes

State Wrap



Tasmania

It has been a somewhat quieter year for the Jersey Australia Tasmanian branch.

The 2019 annual general meeting was held at Latrobe, and saw Judy Johns once again elected to the role of State President, with Nathan Chilcott elected as Vice President. Our committee was left with one vacant seat, and mid-year we welcomed Samantha Johns, the young enthusiastic daughter of Judy, to sit on the committee. Sam was the 2019 winner of Jersey Australia's youth encouragement award and we congratulate her on this achievement. With Sam's focus on showing and youth projects, we are optimistic that going forward the youth in Tasmania will be well represented on the committee.

The 2019 On Farm Challenge and all breeds youth show were both highly successful, with good numbers of entries from a wide range of members. We thank local Shanae Perkins for judging our on-farm challenge event and were pleased to see such a high quality of entries presented.

It was also pleasing to have an increase in numbers of cattle classified in Tasmania, with a few GINFO herds being introduced into the system. This saw a significant increase in numbers classified and saw the classifiers going to herds not visited previously.

We would also like to acknowledge the success of the heifer Merseybank Tequila Song now owned by Shae Tweedle of South Australia. Shae purchased the heifer from the Merseybank stud of Geoff and Anne Heazlewood of Latrobe and has won Supreme Junior Exhibit at the Royal Adelaide Show as well as Reserve Junior Champion at the National Youth Show at IDW. We congratulate both Shae on her purchase and Geoff and Anne for their years of breeding such quality animals.

The 2020 AGM was due to be held June this year but circumstances at this stage look likely to prevent this from happening. We would like to take the opportunity to thank long standing committee member and previous President Donna Evans for her contribution to the committee. Donna has announced she will not re-stand and her commitment to the breed will be sorely missed. We wish her and her husband Geoff well in retirement from dairying.

Wishing all members, a safe and happy year



New South Wales

2019 was a very difficult year for all in N.S.W., with the continuing drought, then the devastating Bushfires that saw the loss of N.S.W. Jersey Member, Robert Salway and his son, Patrick, our heartfelt condolences to the Salway family, and to all Jersey Breeders impacted by the Fires. The rains finally came, however, some areas of N.S.W. also experienced flooding.

The 2019 Sydney Royal Easter Show saw an excellent display of Jerseys paraded before the Judge, Mr. Wayne Kuhne from "Bushlea Jerseys", Victoria. The Jersey breed again had a very successful Show. Jerseys won all Supreme Champion Classes. "Brunchilli Vanahlem Eileen 2" exhibited by Brunchilli Farming Trust was awarded Supreme Champion. B & J Gavenlock and Windy Ways took out Supreme Intermediate Champion with "Windy Ways Galaxies Dawn 7". Supreme Juvenile Champion was "Shirlinn Joel Mely2" exhibited by the Wilson Family, Tamworth. The Supreme Pen was won by Brunchilli Farming Trust. Congratulations to all who exhibited.

Despite the continued dry conditions, the Jersey Australia (NSW) Inc. State Show and Youth Show was held at Camden Showground on the 30 and 31 October 2019. The State Show Judge, Mr. Jeff Sayles, from Bridon Farms, Canada judged a quality display of Jerseys, with Mr. Lachlan Fry, from W.A., capably judging the excellent Youth Show.

The Jersey Australia (NSW) Inc. Annual General Meeting was held the Tuesday evening prior to the Show. The "Parrabel Rockstar Spectacular" Sale was held Wednesday afternoon and was very successful. Wednesday evening's annual Show Dinner and trivia was enjoyed by a large crowd of Jersey enthusiasts.

We thank all who participated, exhibited, and attended our State Show and Youth Show which continues to be a major event on the N.S.W. Jersey calendar bringing dairy enthusiasts from across N.S.W. and Australia. We thank Semex Pty.

Ltd. and Jersey Canada for their assistance with the Judge and to all our many Sponsors, who without their continued support, we could not have staged such a successful Show.

We thank all our N.S.W. Members who continue to promote our Jersey breed in what was a very tough year and look forward to improved dairying conditions throughout N.S.W. during 2020.



South Australia

Thank you for the opportunity to present a report for the South Australian branch of Jersey Australia for 2019.

While our membership in South Australia is remaining stable with a passionate group of Jersey breeders.

Our year starts off on the 16th of March with the Jersey Autumn fair held in conjunction with the Mt Pleasant show. Our judge Lou Seuren of Fish Creek VIC and his wife Faye were impressed by the size and organisation of the show and the quality of exhibits. Despite our numbers being down from 71 class entries the year before to 51 a good day was enjoyed.

Our combined Mt Compass Jersey Cattle club and branch AGM was held at Mt Torrens hotel in June, where Jason Steinborne stepped down as president. We wish Jason all the best in his new career path. Glen Schutz was elected President, Amy McDonald Secretary and Treasurer and committee members Belinda Schutz, Rebekah McCaul, James Krieg, Peter Ness and Brett Schutz. We appreciate the time and effort these people put into our state.

Todd Wilson did the honours of judging at the Royal Adelaide show in September. If my source is correct that makes three generations of Wilsons judging at Adelaide. Despite the drought and high feed prices Jerseys maintained good exhibit numbers and quality. Thank you to everyone from the staff at the show grounds, dairy committee members, exhibitors, and sponsors for making this one of Australia's finest shows.

Early November we held our state on farm challenge. Bronte Symonds of Symonds Livestock services took up the challenge of visiting and judging jerseys from Naracoorte to the Barossa. Thanks, must also go to his side kick wife Sam for helping with photos and adding up score sheets. We had two new exhibitors and was once again a well-supported event finishing up with the presentations at Murray Bridge.

Our only remaining club, Mt Compass Jersey cattle club hosted their annual heifer competition in March 2020, normally a February event so we will add it to the report. Exhibitors from the Fleurieu and Barossa presented some good quality heifers judged by Gino Pacitti of Misty Brae Holsteins. A wonderful opportunity for the club members to have a day out.

We do not have enough Jersey youth to run our own youth events, but we are very fortunate to be able to combine with other breeds for the following events. Handler's classes at Mt Pleasant show, the annual calf day held at Murray Bridge hosted by the Holsteins, handler's classes and youth show at the Royal Adelaide Show. Congratulations to all the young people who participate.

Jersey Australia Inc

ABN: 25 894 603 423

**Financial Statements
for the year ended 29 February 2020**

Jersey Australia Inc
Financial Statements
for the year ended 29 February 2020

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Jersey Australia Inc

Directors' Report

The Directors' of Jersey Australia Inc submit the financial report for the year ended 29 February 2020.

Directors

The names of Directors in office of the Association for the entire financial year, up to the date of this report are:

Current Board Members

Chris MacKenzie
Lisa Broad
Brian Wilson
Paul Lenehan
Jane Sykes
Trevor Saunders
Alan Carson
Hayley Menzies
Wayne Kuhne
Jamie Drury

There were no changes to the above during the period.

Establishment

Jersey Australia Inc is a registered Australian body formed on 1 September 2008.

Principal Activities

The principal activity of the Association is to promote and develop the Jersey breed.

Matters Subsequent to the End of the Financial Year

No matter or circumstance has arisen since balance date that has significantly affected, or may significantly affect:

- (a) the Association's operations in future financial years; or
- (b) the results of those operations in future financial years; or
- (c) the Association's state of affairs in future financial years.

Future Developments

The Directors are not aware of any likely developments in the Association's operations that will impact future financial years that require reporting.

Jersey Australia Inc

Directors' Report Continued

Environmental Issues

The Association continues to acknowledge and operate within the environmental regulation under the laws of the Commonwealth, States or Territories in which it operates.

Information on Directors

Chris Mackenzie - Jireh Jersey's, Cooriemungle VIC

Chris has been a long-standing board member of Jersey Australia since 2008 and has a strong focus on the research and development of enhancing the Jersey Breed. Chris has been President since 2017 and has also held the role of Genetics & Breed Development Chairman.

Lisa Broad - Broadlin Jersey's, Wonthaggi VIC

Lisa has been a member of the Jersey Australia Board of Directors since 2010, currently holding the position of Senior Vic President and Genetics Chairperson. Previously Promotions Chairperson. Lisa's involvement with the Jersey Breed has stretched throughout her lifetime from holding numerous executive roles, judging shows, and classifying. Lisa believes her role on the Board is to bring knowledge, commitment, and passion to help grow, promote, and drive the breed within the dairy industry.

Brian Wilson - Shirlinn Jersey's, Tamworth NSW

Brian has been a director of Jersey Australia for 7 years and held positions of Junior VP and Senior VP on the JA Board. Brian is also owner/director of Peel Valley Milk and on the RAS NSW Council and has previously been on the NSW Farm Dairy Committee.

Paul Lenehan - Murray Brook Jersey's, Crossley VIC

A board member for 5 years, Paul has been Treasurer of Jersey Australia for 3 years now. Paul with wife Lynette and son Adam and operate a family dairy in Crossley Western Victoria and are currently in the process of transitioning a mixed breed of herd to straight Jersey.

Jane Sykes - Minstonette Jersey's, Ringarooma TAS

Jane is a passionate Jersey breeder who joined the Jersey Australia board in 2016. Jane has been the chair of the promotions subcommittee since 2017. Graduated from the University of Tasmania with Bachelor of Agricultural Science (honours) in 2008. Has since completed a developing dairy leader program and is one course off completing a Diploma of Agri-Business Management. Previously worked in animal nutrition and sales in Victoria (2011-2013). Jane has also completed a HR management course as part of the Agri-Business Management course. Finally, Jane is currently on the Tasmania State Jersey breeders committee and is head steward of the local dairy show.

Jersey Australia Inc

Directors' Report Continued

Trevor Saunders - Araluen Park & Stonyrun Aus Jersey's, Shady Creek VIC

Trevor has been on the board of Jersey Australia since its inception in 2008 and was the founding President and held all major executive positions in that time. Trevor milks approximately 1000 cows across 2 farms in Shady Creek, and holds an Oceania VP position on the World Jersey Cattle Bureau.

Alan Carson - Cairnbrae Jersey's, Irrewillipe VIC

Alan has been a keen Jersey enthusiast all his life and a board member for 4 years and has been renominated for another 2 years. Alan married his wife Janine in 1976 and took over running the family stud Jersey farm "Cairnbrae" in South West Victoria. Both Alan and Janine have been active members of Jersey Australia in that time, registering approximately 120 calves and classifying approximately 100 females annually. Alan has been a Jersey Classifier for 37 years and usually exhibits at IDW each year.

Hayley Menzies - Signature Jersey's

Hayley Menzies joined the board in May 2018. Hayley lives on the South Coast of NSW and is part of a dairy operation milking 600 registered Jerseys. Hayley also runs a graphic design business, working closely with dairy breeders across Australia and internationally. Hayley has experience across many sectors of the dairy industry and is passionate about working with promotions and the youth.

Wayne Kuhne - Bushlea Jersey's, Leongatha VIC

Wayne was elected onto the Jersey Australia board in 2019. Wayne lives in Koonwarra Victoria, where along with his wife Lisa, milk 450 registered Jerseys

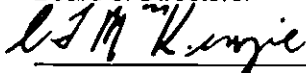
Jamie Drury - Jayden Jersey's, Tamworth NSW

Jamie has served on the Board of Jersey Australia for the past twelve months. Together with his wife Michelle, they milk 300 Jerseys in the Tamworth region under the Jayden Jersey prefix. Jamie has completed a Bachelor of Science degree majoring in Chemistry and Biochemistry, with post-graduate studies in Animal Nutrition and Agriculture and Resource Economics. Jamie previously served on the Board of Dairy NSW and a committee member of Mid Coast Dairy Advancement Group and NSW Farmers' Association

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is enclosed.

Dated on this day of May 2020 and signed in accordance with the resolution of the Board of Directors.



Chris MacKenzie
President



Paul Lenehan
Treasurer

Jersey Australia Inc
Profit and Loss Statement
for the year ended 29 February 2020

	2020	2019
	\$	\$
Income		
Operating Income	469,356	509,538
Investment Income	54,291	1,194
Profit on Disposal of Investments	5,004	-
Unrealised Movement in Value of Investments	44,381	55,024
Other Income	10,648	129,226
Total Income	583,680	694,982
Expenditure		
Operating Expenses	668,098	643,412
Investment Expenses	2,512	-
Loss on Disposal of Investments	-	28,125
Depreciation & Amortisation	4,877	2,239
Total Expenditure	675,487	673,866
(Loss)/Profit	(91,807)	21,116

To be read in conjunction with the attached Auditor's report.

Jersey Australia Inc
Balance Sheet
as at 29 February 2020

	<i>Note</i>	2020 \$	2019 \$
Current Assets			
Cash and Cash Equivalents	2	128,883	168,459
Trade and Other Receivables	3	73,880	42,374
Financial Assets	4	1,109,938	1,074,407
Other Current Assets	5	7,652	10,583
Total Current Assets		1,320,353	1,295,823
Non-Current Assets			
Property, Plant and Equipment	6	69,354	69,616
Total Non-Current Assets		69,354	69,616
Total Assets		1,389,707	1,365,439
Current Liabilities			
Trade and Other Payables	7	167,913	57,879
Employee Provisions	8	19,427	13,386
Total Current Liabilities		187,340	71,265
Total Liabilities		187,340	71,265
Net Assets		1,202,367	1,294,174
Equity			
Retained Profits		1,202,367	1,294,174
Total Equity		1,202,367	1,294,174

To be read in conjunction with the attached Auditor's report.

Jersey Australia Inc
Statement of Cash Flows
for the year ended 29 February 2020

	2020	2019
	\$	\$
Cash Flows from Operating Activities		
Receipts from Customers	500,143	628,233
Payments to Suppliers and Employees	(704,077)	(729,448)
Net cash provided by (used in) operating activities	(203,934)	(101,215)
Cash Flow from Investing Activities		
Interest Received	97	1,194
Withdrawals from Investment Account	100,000	-
Additional Investments	(34,469)	345,742
Loss on Sale of Investments	-	(28,125)
Investment in fixed assets and other investments	(4,615)	(69,617)
Net cash provided by (used in) investing activities	61,013	249,194
Cash Flow from Financing Activities		
Repayment of NAB Margin Loan	-	(70,000)
Donations Received for the Bushfire Appeal	103,345	-
Repayments of borrowings	-	2,652
Net cash provided by (used in) financing activities	103,345	(67,348)
Net Increase/Decrease in Cash Held	(39,576)	80,631
Cash & Cash Equivalents at 1 March 2019	168,459	87,828
Cash & Cash Equivalents at 29 February 2020	128,883	168,459

To be read in conjunction with the attached Auditor's report.

Jersey Australia Inc
Statement of Appropriations
for the year ended 29 February 2020

	2020	2019
	\$	\$
Retained Profits at Beginning of Year	1,294,174	1,273,058
Total Profit (Loss) Attributed to Members of the Entity	(91,807)	21,116
Retained Profits at End of Year	<u><u>1,202,367</u></u>	<u><u>1,294,174</u></u>

To be read in conjunction with the attached Auditor's report.

Jersey Australia Inc

Notes to the Financial Statements

for the year ended 29 February 2020

1 Significant Accounting Policies

The financial statements have been prepared on the basis that the association is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

Basis of Preparation

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

- (a) **Income Tax**
Any income derived by the association is exempt from income tax in accordance with the Income Tax Assessment Act 1997.
- (b) **Cash and Cash Equivalents**
Cash and cash equivalents include cash on hand.
- (c) **Investments**
Current investments are reviewed annually and revalued to the market at balance sheet date, with the unrealised gain/loss (inclusive of reinvested net distributions) recorded in the profit and loss statement.
- (d) **Property Plant and Equipment**
Property plant and equipment are measured on the basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of property plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised in the statement of profit or loss.

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available for use.

The asset's residual values and useful lives are reviews and adjusted, if appropriate, at the end of each reporting period.
- (e) **Impairment of Assets**
The association completes an assessment of the carrying amounts of its assets at the end of each reporting period for indicators of impairment. If any such indicators exist, the asset's recoverable amount is compared against its carrying amount and any excess of the asset's carrying value over its recoverable amount is recognised as an impairment loss in the statement of profit or loss.
- (f) **Provisions**
Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Jersey Australia Inc
Notes to the Financial Statements
for the year ended 29 February 2020

- (g) **Employee Benefits**
Provision is made for the associations liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.
- (h) **Trade and Other Receivables**
Account receivables and other debtors include amounts due from members as well as amounts receivable from customers for goods and or services sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets.
- (i) **Revenue and Other Income**
Non-reciprocal grant revenue is recognised as profit or loss when the association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

If there are conditions attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the association incurs an obligation to deliver economic value directly back to the contributor , this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of a service is recognised upon the delivery of the service to customers.

All revenue is stated net of the amount of goods and services tax.
- (j) **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 Australian Taxation Office (ATO).

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.
- (k) **Accounts Payable and Other Payables**
Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability.

Jersey Australia Inc
Notes to the Financial Statements
for the year ended 29 February 2020

2	Cash and Cash Equivalents	2020	2019
		\$	\$
	Cash and Cash Equivalents		
	Cheque Account	17,461	121,990
	Business Online Saver	111,422	11,800
	Petty Cash	-	200
	RABO Youth Fund	-	3,381
	RABO Term Deposit	-	30,659
	Total Cash and Cash Equivalents	128,883	168,459
	Cash Reconciliation	128,883	168,459
	Cash and Cash Equivalents	128,883	168,459
3	Trade and Other Receivables		
	Trade Debtors	74,343	43,123
	Provision for Doubtful Debts	(749)	(749)
	Other Debtors	287	-
		73,880	42,374
	Total Trade and Other Receivables	73,880	42,374
4	Financial Assets		
	AMP My North	554,512	504,273
	AMP Flexilife	475,090	533,073
	AMP Jersey Australia Youth Fund	37,605	32,641
	AMP Jersey Australia Research Fund	42,632	4,321
	Shares in Unlisted Companies	99	99
		1,109,938	1,074,407
	Total Financial Assets	1,109,938	1,074,407
5	Other Debtors		
	Bond - Office Rental	5,109	5,109
	Prepaid Expenses	2,543	5,474
		7,652	10,583
	Total Other Debtors	7,652	10,583

To be read in conjunction with the attached Auditor's report.

Jersey Australia Inc
Notes to the Financial Statements
for the year ended 29 February 2020

6	Property, Plant and Equipment	2020	2019
		\$	\$
	Furniture & Fittings	2,241	2,241
	Less: Accumulated Depreciation	(2,241)	(2,241)
		<u>-</u>	<u>-</u>
	General Equipment	38,964	38,460
	Less: Accumulated Depreciation	(38,460)	(38,460)
		<u>504</u>	<u>-</u>
	Dairy House Fit-Out	73,727	69,616
	Less: Accumulated Depreciation	(4,877)	-
		<u>68,850</u>	<u>69,616</u>
		<u>69,354</u>	<u>69,616</u>
	Total Property, Plant and Equipment	<u>69,354</u>	<u>69,616</u>
7	Trade and Other Payables		
	Trade Creditors	6,597	18,320
	Accrued Expenses	-	19,734
	GSTGST	22,376	1,231
	PAYG-Withholdingg	4,452	15,326
	Provision for Bushfire Appeal Donation	113,638	-
	Other Payables	20,850	3,268
		<u>167,913</u>	<u>57,879</u>
	Total Trade and Other Payables	<u>167,913</u>	<u>57,879</u>
8	Employee Provisions		
	Provision for Long Service Leave	8,280	2,965
	Provision for Annual Leave	11,116	7,022
	Provision for Superannuation Payable	31	3,399
		<u>19,427</u>	<u>13,386</u>
	Total Employee Provisions	<u>19,427</u>	<u>13,386</u>

Association Details

The principal place of business is:
Jersey Australia Inc
5 Ring Road
Bundoora VIC 3086

**Jersey Australia Inc
Directors' Declaration
for the year ended 29 February 2020**

The Directors have determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in the Notes to the Financial Statements.

The Directors of the Association declare that:

1. The financial statements and notes, as set out in the financial report present fairly the Association's financial position as at 29 February 2020 and its performance for the reporting year ended on that date in accordance with the accounting policies described in the Notes to the Financial Statements; and
2. In the Directors' opinion there are reasonable grounds to believe that the Association 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.



Chris Mackenzie
President



Paul Lenehan
Treasurer

Dated this 20th day of May 2020

AUDITOR'S INDEPENDENCE DECLARATION
JERSEY AUSTRALIA INC

I declare that, to the best of my knowledge and belief, during the year ended 29 February 2020 there has 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.

Dillon Partners

Dillon Partners



Gerard Dillon FCA

Partner

15th May 2020
Level 1, 10-12 York Street
South Melbourne VIC 3205

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF
JERSEY AUSTRALIA INC

Report on the Annual Financial Report

We have audited the accompanying annual financial report, being a special purpose financial report of Jersey Australia Inc, which comprises the balance sheet as at 29 February 2020, the profit & loss statement, the statement of appropriations and the statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Association during the financial year.

Directors' Responsibility for the Annual Financial Report

The Directors of the Association are responsible for the preparation of the financial report that gives a true and fair view had have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the annual financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to 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 judgement, 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 Association'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 have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Jersey Australia Inc, would be in the same terms if provided to the Directors as at the time of this auditor's report.

**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF
JERSEY AUSTRALIA INC**

Auditor's Opinion

In our opinion the financial report;

- i. gives a true and fair view of the Associations's financial position as at 29 February 2020 and of its performance for the year ended on that date; and
- ii. complies with Australian Accounting Standards and to the extent described in Note 1, the Corporations Regulations 2001.

Dated the 20th day of May 2020

Dillon Partners

Dillon Partners



Gerard Dillon FCA
Partner

Level 1, 10-12 York Street
South Melbourne Vic 3205

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www.jersey.com.au/shop

Orders and payment can be made through our secure online portal. Check out our range of Jersey apparel whilst you're there.

For more information contact the Jersey Australia Office on +61 3 9370 9105

Jersey Australia Inc.

C/- AGRIBIO

5 Ring Road Bundoora Vic 3083

PH + 61 3 9370 9105

Fax + 61 3 9018 4391

Email jersey@jersey.com.au

www.jersey.com.au

Service Contacts

Office Phone + 61 3 9370 9105

Registrations: rego@jersey.com.au

Classification: class@jersey.com.au

Accounts: accounts@jersey.com.au

Jersey Journal / Calendar

Sharon Clark

jerseyjournal@iinet.net.au

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