

OFFICIAL

**AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED**

**ABN 86 071 890 956**

**FINANCIAL STATEMENTS**

**For the year ended 30 JUNE 2024**

OFFICIAL

**AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED**  
**DIRECTORS' REPORT for the year ended 30 JUNE 2024**

**DIRECTOR REPORT**

Directors present their report together with the financial report of the Australian Animal Health Council Limited ("the Company") for the year ended 30 June 2024 and the auditor's report thereon.

**Information on directors**

<b>Name:</b>	<b>Sharon Starick</b>
Title:	Non-Executive Chair
Qualifications:	BAGSci (Hons), Member GAICD
Experience and expertise:	Extensive experience in livestock farming, industry organisation, stakeholder relationships, and ESG compliance as a company director.
Special responsibilities:	AHA director since 2010 (Chair since 2019). Member of Audit & Risk Management Committee.
<b>Name:</b>	<b>Renata Paliskis</b>
Title:	Non-Executive Director
Qualifications:	Dip Ag Sci Ag (Hawkesbury), MBA, Masters Degree Professional Accounting (Curtin), Fellow AICD, Fellow Australian Rural Leadership Foundation.
Experience and expertise:	A Western Australian beef producer with extensive experience spanning 30 years in the meat and livestock industry, serving across a variety of sectors as a chief executive and company director as well as on finance and audit committees.
Special responsibilities:	AHA director since November 2019 Chair of the Audit & Risk Management Committee
<b>Name:</b>	<b>Malcolm Letts</b>
Title:	Non-Executive Director
Qualifications:	B.App.Sc M.App.Sc GAICD
Experience and expertise:	Extensive experience in senior executive roles in state government, particularly relating to agricultural industry development, resource management, biosecurity and trade development. Broad experience in corporate governance and leadership. Strengths in stakeholder engagement and communication.
Special responsibilities:	AHA director since November 2020. Chair of the People, Culture and Performance Committee.

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**Name:** Michelle Gorman  
**Title:** Non-Executive Director  
**Qualifications:** BScAg (Syd), MSc (Reading), MBA (MGSM), GAICD

**Experience and expertise:** Extensive national and international experience in food and agriculture, including market access, business development and industry systems. More recently Michelle has held senior leadership roles in financial services with accountabilities for strategy, product management and business transformation.

AHA director since 2016.

**Special responsibilities:** Member of People Culture & Performance Committee.

**Name:** Dr Len Stephens  
**Title:** Non-Executive Director  
**Qualifications:** Dip Agr Sci, BVSc, MSc, PhD, GAICD  
**Experience and expertise:** Extensive experience in biosecurity and research management, with CEO and company director experience across cattle, sheep, wool, dairy and seafood sectors.

**Special responsibilities:** AHA Director since 2016.  
Member of the Audit & Risk Management Committee

**Name:** Lucinda Corrigan  
**Title:** Non-Executive Director  
**Qualifications:** B.Sc. Agr (Hons 1 Syd), FAICD, Fellow Australian Rural Leadership Foundation.

**Experience and expertise:** A successful Farm Business owner and Independent Director with a deep understanding of sustainability and innovation in livestock systems. Skills and experience in business growth, communication, supply chain innovation and ESG.

**Special responsibilities:** AHA director since November 2022  
Member of the People Culture and Performance Committee

**Name:** Stuart Crockett  
**Title:** Non-Executive Director  
**Qualifications:** BBus, GAICD, Dip ESG

**Experience and expertise:** Highly experienced government and private sector senior executive. Significant focus on international market access and advocacy. Former Australian and State government Trade Commissioner (China and USA). Current MD of Ag life sciences organisation commercialising world-leading IP domestically and internationally.

**Special responsibilities:** AHA Director since November 2022  
Member of the Audit & Risk Management Committee

**AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED**  
**DIRECTORS' REPORT for the year ended 30 JUNE 2024**

**Directors' meetings**

The number of directors' meetings and attendance during the financial year were:

Director Name	Board Meetings		Audit & Risk Management Committee		People, Culture and Performance Committee	
	No of meetings held <sup>1</sup>	No of meetings attended	No of meetings held <sup>1</sup>	No of meetings attended	No of meetings held <sup>1</sup>	No of meetings attended
Sharon Starick	9	9	3	3	3	3
Renata Paliskis	9	9	3	3	1	1
Malcolm Letts	9	8	1	1	3	3
Len Stephens	9	7	3	3	-	-
Michelle Gorman	9	7	1	1	3	3
Stuart Crockett	9	8	3	3	-	-
Lucinda Corrigan	9	8	1	1	3	3

1. Reflects the number of meetings held, including the board and board committees convened by conference call during the time the director held office during the year.

**Objectives**

The vision of the Company is a national biosecurity system that provides every opportunity for Australian agriculture to succeed at home and overseas.

The Company's mission is to inform the government and industry about national action required and delivering solutions together that enhance, strengthen and protect animal health and the biosecurity system.

**Strategic Priorities**

The Company's three strategic priorities, as set out in its strategic plan for 2020-2025, are:

- Enhancing Australia's capability to detect and respond to emergency animal disease, supporting Australia's domestic and international market access.
- Strengthening on-farm and supply chain biosecurity practices with a focus on prevention and resilience to protect animal health, welfare and product integrity.
- Delivering cross-sectoral outcomes that improve regional, state and national biosecurity systems, contributing to the protection of markets and the identification of new opportunities.

The strategic priorities are to be delivered through the implementation of specific strategies with specific deliverables, with progress and success monitored, evaluated and reported against success measures.

**Principal activities**

The principal activities of the Company were working with members to develop and deliver projects to keep Australia free of new and emerging diseases and improve animal health, enhance market access and foster the resilience and integrity of the Australian animal health and biosecurity system. The Company plays an active role in maximising the effectiveness of government and industry partnerships and consultative mechanisms to manage livestock biosecurity risks, which help Australia maintain its enviable disease-free status and contributes to its strong reputation for food safety product integrity.

**AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED**  
**DIRECTORS' REPORT for the year ended 30 JUNE 2024**

**Review and result of operations**

The Company achieved a net operating surplus of \$3.5 million for 2024. This was driven by a difference of \$2.8 million in industry levy income received over industry levy expenditures as well as improved returns from AHA investments.

Levy income was up on the prior year by 0.7m, primarily as a result of a 20% increase in Cattle Levies and a 16% increase in Sheep and lamb levies. Revenue from non-subscription programs fell to \$3.6m, a decrease of \$0.4m from the prior year as several programs returned to normal activity from a post-COVID catch-up in 2023. Other income was in line with the preceding year, with AHA support services generating a majority of the other income.

A sharp uplift in interest rates and a strong investment environment increased the return on AHA investments from the prior year across the AHA portfolio. The impacts of a strong recovery in domestic and global markets have seen the valuation of AHA's medium and long-term investments measured at their fair value and subsequently marked-to-market by \$0.5m at 30 June.

Total expenditure increased marginally in 2024. Higher expenditure in subscription program activity (\$0.2m to a total of \$5.9m) was partially offset by minor reductions in the overall cost of non-subscription program activity. Pleasingly, the 2023-24 AOP program ran to schedule with no material variations.

The increase in equity of \$3.5 million is reflected in a \$4.4 million increase in total assets (\$4.6 million increase in cash & investments less a \$0.5 million write-down of the foot-and-mouth disease (FMD) Vaccine bank) and a \$0.8 million increase in total liabilities (\$0.1.6 million in trade and other payables offset by a \$0.07m decrease in contracted liabilities).

**State of affairs**

On the 11<sup>th</sup> July 2024, Dr Samantha Allan was appointed as the new CEO of the Australian Animal Health Council. In the opinion of directors there has been no other significant change in the state of affairs of the Company that occurred during the financial year under review, not otherwise disclosed in this report or the financial report.

**Member commitment on winding up**

The Company is limited by guarantee, and in the event of the Company being wound up, every Member of the Company undertakes to contribute an amount not exceeding \$100.

**Auditor's independence and non-audit services**

The auditor's independence declaration is set out on page 23 and forms part of the directors' report. During the year, RSM, the Company's Auditor, have not performed services in addition to their statutory duties.

**Directors' interests and benefits**

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than that included in the aggregate amount of remuneration shown in the financial statements) by reason of a contract with a director, their firm, or one in which they have a financial interest.

**Insurance of officers and directors**

Premiums of \$15,748 have been paid on behalf of directors and officers for professional liability insurance. The policies cover costs in defending proceedings, civil or criminal, whatever their outcome, arising from their position, with the exception of wilful misconduct and improper use of information/position for personal advantage.

**AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED**  
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Signed in Canberra on 25<sup>th</sup> September 2024 in accordance with a resolution of directors:



Sharon Starick  
Chairperson of the Board



Renata Paliskis  
Chair - Audit & Risk Management Committee

**AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED**  
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**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE  
INCOME FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2024 \$	2023 \$
<b>Continued Operations</b>			
Revenue from members, associates and service providers	2(a)	14,991,118	14,545,671
Interest and Distribution income		1,309,773	858,807
Other income	2(b)	215,592	240,779
<b>TOTAL REVENUE</b>		<b>16,516,483</b>	<b>15,645,257</b>
Core activities		(5,938,049)	(5,737,827)
Other activities		(6,524,798)	(6,584,813)
EADRA Cwth Reimbursement		(437,036)	(430,894)
FMD Inventory Write-down		(501,830)	(501,830)
Levy collection costs		(28,674)	(44,368)
<b>TOTAL EXPENDITURE</b>	<b>3</b>	<b>(13,430,387)</b>	<b>(13,299,732)</b>
<b>OPERATING SURPLUS BEFORE FAIR VALUE ADJUSTMENT AND INCOME TAX EXPENSE</b>		<b>3,086,096</b>	<b>2,345,525</b>
Fair Value Adjustment <sup>1</sup>		451,067	394,629
Income tax attributable to an operating surplus	1(e)	-	-
<b>NET OPERATING SURPLUS</b>		<b>3,537,163</b>	<b>2,740,154</b>

<sup>1</sup> Fair Value Adjustment: AHA's purchase of TCorpIM short, medium and long-term unit trusts' are classified as "Puttable financial instruments" and in accordance with accounting standards, are classified as equity, and subsequently, the AHA investments are measured at fair value through the Profit and Loss account. Revenue generated as a result of the fair value adjustment has been separately identified as revenue after operating results. This is to ensure that the operating results are not distorted by annual market fluctuations in AHA investments.

**AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED**  
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**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024**

	Notes	2024 \$	2023 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	1,001,212	705,439
Investments	4	34,150,879	29,545,558
Inventory held for distribution	5	2,814,420	3,316,249
Trade and other receivables	6	1,439,341	1,171,495
Other	7	93,909	145,677
<b>TOTAL CURRENT ASSETS</b>		<b>39,499,761</b>	<b>34,884,418</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	1,926,932	2,161,305
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,926,932</b>	<b>2,161,305</b>
<b>TOTAL ASSETS</b>		<b>41,426,693</b>	<b>37,045,723</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	4,298,880	2,609,775
Contract Liability	10	1,830,975	2,504,482
Lease Liability	11	111,810	100,695
Employee benefits	12	421,086	467,157
<b>TOTAL CURRENT LIABILITIES</b>		<b>6,662,751</b>	<b>5,682,109</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease Liability	11	1,479,870	1,591,680
Employee benefits	12	19,213	44,238
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,499,083</b>	<b>1,635,918</b>
<b>TOTAL LIABILITIES</b>		<b>8,161,834</b>	<b>7,318,027</b>
<b>NET ASSETS</b>		<b>33,264,859</b>	<b>29,727,696</b>
<b>EQUITY</b>			
Accumulated members' funds		33,264,859	29,727,696
<b>TOTAL EQUITY</b>		<b>33,264,859</b>	<b>29,727,696</b>



**AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED**  
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**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024**

	Accumulated Members' Funds \$	Total Equity \$
<b>Balance at 30 June 2023</b>	<b>29,727,696</b>	<b>29,727,696</b>
Operating surplus for the year	3,537,163	3,537,163
<b>Balance at 30 June 2024</b>	<b>33,264,859</b>	<b>33,264,859</b>

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2024 \$	2023 \$
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>			
Cash receipts in the course of operations		15,947,281	14,985,010
Cash payments in the course of operations		(12,602,017)	(13,219,626)
Interest paid on Lease		(64,310)	(66,324)
Interest received		579,797	175,406
<b>Net activities generated from/ (used in) operating expenses</b>	<b>13</b>	<b>3,860,751</b>	<b>1,874,466</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of investments		(6,408,793)	(6,500,000)
Redemption of investments		2,998,589	5,102,302
Repayment of Lease Liability		(100,695)	(53,004)
Purchase of property, plant and equipment		(54,079)	(308,976)
<b>-Net cash flows used in investing activities</b>		<b>(3,564,978)</b>	<b>(1,759,678)</b>
<b>Net increase in cash and cash equivalents held</b>		<b>295,773</b>	<b>114,788</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>705,439</b>	<b>590,651</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>4</b>	<b>1,001,212</b>	<b>705,439</b>

**AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**for the year ended 30 JUNE 2024**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The financial reports of Australian Animal Health Council Limited for the year ended 30 June 2024 are issued in accordance with a directors' resolution of 25<sup>th</sup> September 2024. The principal accounting policies adopted in the preparation of the financial statements are set out below and consistently applied to the years presented unless otherwise stated.

**Adoption of New and Revised Accounting Standards**

The Company has adopted the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory. The adoption of these standards impacted the recognition, measurement, and disclosure of certain transactions.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**(a) Basis of preparation**

These general-purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate Not-for-profit entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

The financial statements are presented in Australian dollars.

Subsection 295(3A)(a) of the Corporations Act 2001 does not apply to the Company, because the Company is not required to prepare consolidated financial statements by Australian Accounting standards.

**(b) Historical cost convention**

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

**(c) Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires Management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, Management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Estimation of useful lives of assets*

The entity determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change. The depreciation and charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

**AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED**  
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*Incremental borrowing rate*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

*Employee benefits provision*

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

**(d) Revenue**

*Industry levies collected by the Commonwealth*

The Australian government collects levies from AHA' industry levy members' under the authority of the Australian Animal Health Council (Livestock Industries) Act 1996. AHA receives an amount equal to levies collected. Revenue received in accordance with the Act is treated as a non-reciprocal transfer and recognised as income when received.

*Revenue from contracts with customers*

*Direct member subscriptions* – Subscription funding for all classes of members is set by the Company at a general meeting. Subscriptions are recognised as income when the subscription becomes receivable.

*Non-subscription programs revenue* – Non-subscription program funding is agreed upon on a project-by-project basis, on the condition that specified project services are delivered, and specific conditions met. This funding is considered to be a reciprocal transaction. Income is recognised as services are performed, and conditions met. To the extent services are not met, cash received is recognised as a 'Contract Liability'.

*Interest income*

is recognised as accrued using the effective interest method.

*Other revenue*

includes minor and/or ad hoc and one-off revenue sources.

**(e) Income tax**

Under the provisions of Sections 50-1 and 50-40 of the Income Tax Assessment Act 1997, as amended, the Company is eligible for exemption from income tax, and currently, no tax provision has been provided for in the financial statements. Such eligibility is reviewable by the Australian Taxation Office (ATO).

**(f) Other taxes**

Revenues, expenses, and assets are recognised net of the goods and services tax (GST), except where the GST incurred is not recoverable from the ATO. The net GST recoverable from or payable to the ATO is included as a current asset/liability in the balance sheet.

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Cash flows are included in the statement of cash flows on a gross basis. The GST components of the cash flows, arising from investing and financing activities, which are recoverable from, or payable to, the ATO, are classified as operating cash flows. Commitments and contingencies are stated with the amount of GST included.

**(g) Foreign currency transactions**

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

**(h) Treasury policy**

The Animal Health Australia (AHA) Treasury and Investments Policy is to service the funding, liquidity, and growth needs of AHA. AHA will invest surplus funds after authorisation from the Board in appropriate instruments that allow AHA to meet its funding, growth and return objectives.

**(i) Inventories held for distribution**

The Company holds inventories of antigens in guaranteed quantities in specialist banks in the event of a disease outbreak of anthrax or foot and mouth disease. The inventories are valued at cost less amortisation due to the guaranteed delivery over the multi-year provisioning contracts.

**(j) Trade and other receivables**

The Company's terms are typically settlement within 30 days, though they vary for members according to circumstances. Receivables are carried at the amount due. The collectability of debts is assessed at balance date, and provision is made for any doubtful accounts.

**(k) Impairment**

The Company assesses whether there is any indication that an asset may be impaired. If so, an estimate of the recoverable amount is made. Where the carrying amount of an asset exceeds its recoverable amount, it is considered impaired and written down to its recoverable amount. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows and the asset would be replaced if the Company were deprived of the asset, its value in use is taken to be its depreciated replacement cost. For 2023/24, no assets are considered to be impaired.

**(l) Property, plant and equipment**

Plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Non-capital repairs and maintenance are recognised as expenses are incurred. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount; these are included in the income statement.

Depreciation is calculated on a straight line value basis over the estimated useful life of the specific assets as follows:

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Asset Class	Useful Lives
Furniture and fittings	5 years
Office equipment	3 to 5 years
ICT	3 years
Office Fitout	Lease term
Right of use asset	Lease term

**(m) Trade and other payables**

Trade and other payables are carried at nominal cost, representing goods and services provided prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

**(n) Employee benefits**

Current liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date, are measured at the amounts expected to be paid when the liabilities are settled.

Non-current liabilities for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made for services provided by employees up to the reporting. Consideration is given to likely future wage rises, historical trends of departures and periods of service.

**(o) Leases**

At the inception of a contract, the entity assesses whether a contract is or contains a lease. A contract is considered to contain a lease if it allows the entity the right to control the use of an identified asset over a period of time in return for consideration. Where a contract or arrangement contains a lease, the entity recognises a right-of-use asset and a lease liability at the commencement date of the lease.

A right-of-use asset is initially measured at cost, which is the present value of the future lease payments adjusted for any lease payments made at or before the commencement date, plus any make-good obligations. Lease assets are depreciated using the straight-line method over the shorter of their useful life and the lease term. Periodic adjustments are made for any re-measurements of the lease liabilities and for impairment losses.

**(p) Contract liabilities**

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

**(q) Comparative figures**

Where required by Accounting Standards and where appropriate, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

**AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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## 2. Revenue

	2024	2023
	\$	\$
<b>2(a) Revenue from members, associates and service providers<sup>1</sup></b>		
Levy Collection <sup>2</sup>	8,018,789	7,354,344
Direct member subscriptions	3,330,850	3,239,608
Revenue for non-subscription programs	3,641,479	3,951,719
<b>Total revenue from members, associates, and service providers</b>	<b>14,991,118</b>	<b>14,545,671</b>
<b>2(b) Other Income</b>		
Apprenticeship Training Subsidy	-	11,250
Duck industry voluntary levy <sup>1</sup>	102,955	80,000
AHA Support Services	87,935	94,263
Gate signs	3,336	36,401
Training resources	20,618	17,327
Other	748	1,538
	<b>215,592</b>	<b>240,779</b>

<sup>1</sup> Member groups consist of the Commonwealth, State/Territory governments, industry, service providers and associates. AHA's subscription programs are funded according to member resolutions at the general meeting. Other non-subscription programs are funded according to contributing members' agreement. Industry members for whom the Commonwealth collects levies under the authority of the *Australian Animal Health Council (Livestock Industries) Act 1996* contribute by that means.

<sup>2</sup> Pursuant to the Act, an amount equivalent to the levies collected by the Commonwealth is paid to AHA. Levy collections are made up of two components: those for use by the Company in program delivery and EADRA levies to repay previous emergency disease response events the Commonwealth has underwritten. Levies received from industry amounted to \$6.923 million, and EADRA levies for the repayment of avian influenza events amounted to \$0.430 million (chicken meat and egg industries).

1. The duck industry made a voluntary levy contribution in 2023/24 of \$102,955 in accordance with the provisions of the deed entered into with AHA.

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### 3. Expenses

	2024	2023
	\$	\$
<b>Employee Benefits Expense</b>		
Salaries, wages, and accrued leave entitlements	4,327,894	4,087,796
Workers compensation insurance	42,017	36,436
Superannuation - defined contribution plans	449,331	413,782
<b>Total employee benefits expense</b>	<b>4,819,242</b>	<b>4,538,014</b>
Audit fees	37,600	35,800
Commonwealth member services delivery	226,085	238,153
Contractors and Consultants	2,438,988	2,550,433
Depreciation and amortisation	288,451	253,038
Directors fees	257,254	256,102
EADRA Repayments	437,036	430,894
FMD Inventory Write-down	501,830	501,830
Industry member services delivery	438,048	550,869
Information Communications Technology (ICT)	163,664	198,516
Interest	64,071	67,374
Labour Hire	96,271	89,900
Levy collection costs	28,674	44,368
Legals	156,087	10,443
Non-staff travel reimbursement	85,835	365,097
Other administration and program expenses	420,862	447,453
Property operating	42,717	53,487
Recruitment	73,433	84,603
State member services delivery	2,095,828	1,961,215
Travel & Accommodation	327,327	226,674
Venue Hire	232,531	213,249
Website / Database hosting	198,553	182,220
	<b>8,611,145</b>	<b>8,761,718</b>
	<b>13,430,387</b>	<b>13,299,732</b>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 30 JUNE 2024

## 4. CASH AND INVESTMENTS

	2024	2023
	\$	\$
<b>Cash and Cash Equivalents</b>		
Cash at Bank – Cheque account	70,859	80,619
Cash at Bank – Reserve account	930,353	624,820
<b>Total Cash and Cash Equivalents</b>	<b>1,001,212</b>	<b>705,439</b>
<b>Term Deposits</b>		
Westpac Notice Saver @5.1% p.a., maturing 30/09/24	700,040	-
Westpac 366 Day Term Deposit @5.09% p.a., maturing 16/01/25	2,000,000	-
Westpac 273 Day Term Deposit @5.20% p.a., maturing 27/03/25	1,304,088	-
Westpac 365 Day Term Deposit @5.28% p.a., maturing 16/10/24	1,362,220	-
Westpac 365 Day Term Deposit @5.35% p.a., maturing 07/05/25	2,000,000	-
Westpac 365 Day Term Deposit @5.35% p.a., maturing 27/06/25	2,000,000	-
NAB 366 Day Term Deposit @5.19% p.a., maturing 31/08/24	2,000,000	-
NAB 365 Day Term Deposit @5.09% p.a., maturing 22/01/25	2,123,905	-
Suncorp 366 Day Term Deposit @5.10% p.a., maturing 31/01/25	2,616,000	-
Westpac 365 Day Term Deposit @3.85% p.a., maturing 02/03/25 <sup>2</sup>	108,710	-
Westpac 181 Day Term Deposit @4.55% p.a., maturing 10/08/23	-	2,000,000
Westpac 274 Day Term Deposit @4.10% p.a., maturing 22/09/23	-	1,217,267
Westpac 273 Day Term Deposit @4.27% p.a., maturing 16/10/23	-	1,320,061
Westpac 365-Day Term Deposit @3.82% p.a., maturing 02/03/24	-	108,710
Westpac 365 Day Term Deposit @4.43% p.a., maturing 16/01/24	-	1,523,707
NAB 365 Day Term Deposit @4.40% p.a., maturing 23/01/24	-	2,034,391
Suncorp 365 Day Term Deposit @4.65% p.a., maturing 31/01/24	-	2,500,000
Suncorp 365 Day Term Deposit @4.65% p.a., maturing 04/05/24	-	2,000,000
<b>Total Term Deposits</b>	<b>16,214,963</b>	<b>12,704,136</b>
<b>Investments<sup>1</sup></b>		
TCorpIM Short-Term Income Fund	10,756,302	10,207,739
TCorpIM Medium-Term Growth Fund	3,978,463	3,740,125
TCorpIM Long-Term Growth Fund	3,201,151	2,893,558
<b>TOTAL INVESTMENTS</b>	<b>17,935,916</b>	<b>16,841,422</b>
<b>TOTAL CASH AND INVESTMENTS</b>	<b>35,152,091</b>	<b>30,250,997</b>

1. NSW Treasury Corporation (TCorp) is the financial markets' partner of the NSW public sector. TCorp helps government agencies and certain entities with a strong nexus to NSW achieve better financing investment outcomes. For further details, please refer to [www.tcorp.nsw.gov.au](http://www.tcorp.nsw.gov.au).

2. Term deposit held as a bank guarantee over the office lease agreement.



**AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 30 JUNE 2024

## 5. INVENTORIES HELD FOR DISTRIBUTION

	2024	2023
	\$	\$
Anthrax antigen bank inventory at cost	75,667	75,667
Foot & Mouth Disease antigen bank inventory at cost (2019/20 - 2024/25)		
Less FMD antigen bank inventory write-down	5,018,296 (2,279,543)	5,018,296 (1,777,714)
	<b>2,814,420</b>	<b>3,316,249</b>

## 6. TRADE AND OTHER RECEIVABLES

	2024	2023
	\$	\$
Trade receivable	451,939	180,238
Interest receivable	307,045	217,758
Industry levies receivable	671,025	591,421
GST Receivable	-	152,626
Other receivables	9,332	29,452
	<b>1,439,341</b>	<b>1,171,495</b>

## 7. OTHER ASSETS

	2024	2023
	\$	\$
Prepayments	93,909	69,326
Deposits	-	76,351
<b>TOTAL OTHER ASSETS</b>	<b>93,909</b>	<b>145,677</b>

**AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 30 JUNE 2024

## 8. PROPERTY, PLANT AND EQUIPMENT

	Office Equip	Fixtures & fittings	ICT	Office Fitout	Right of Use Asset	Total
<b>Cost</b>						
<b>Balance at 30 June 2023</b>	57,597	47,450	325,221	748,255	1,745,379	2,923,902
Additions	6,840	-	617	46,622	-	54,079
<b>Balance at 30 June 2024</b>	<b>64,437</b>	<b>47,450</b>	<b>325,838</b>	<b>794,877</b>	<b>1,745,379</b>	<b>2,977,981</b>
<b>Depreciation and impairment losses</b>						
<b>Balance at 30 June 2023</b>	54,667	44,883	183,640	333,960	145,448	762,598
Depreciation for the year	3,471	1,304	59,368	49,770	174,538	288,451
<b>Balance at 30 June 2024</b>	<b>58,137</b>	<b>46,187</b>	<b>243,008</b>	<b>383,730</b>	<b>319,986</b>	<b>1,051,049</b>
<b>Carrying amounts</b>						
At 30 June 2023	2,930	2,567	141,581	414,295	1,599,931	2,161,305
<b>At 30 June 2024</b>	<b>6,299</b>	<b>1,263</b>	<b>82,830</b>	<b>411,147</b>	<b>1,425,393</b>	<b>1,926,932</b>

**AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 30 JUNE 2024

## 9. TRADE AND OTHER PAYABLES

	2024	2023
	\$	\$
Trade accounts payable	349,517	698,238
Accrued expenses	1,695,126	1,833,780
Prepaid Revenue	2,160,061	70,000
GST Payable	50,424	-
Other	43,752	7,757
<b>TOTAL TRADE AND LIABILITIES</b>	<b>4,298,880</b>	<b>2,609,775</b>

## 10. CONTRACT LIABILITY

	2024	2023
	\$	\$
Project funding received in advance	1,830,975	2,504,482
<b>TOTAL CONTRACT LIABILITY</b>	<b>1,830,975</b>	<b>2,504,482</b>

## 11. LEASE LIABILITIES

	2024	2023
	\$	\$
Current	111,810	100,695
Non-current	1,479,870	1,591,680
<b>TOTAL LEASE LIABILITIES</b>	<b>1,591,680</b>	<b>1,692,375</b>

## 12. EMPLOYEE BENEFITS

	2024	2023
	\$	\$
Current	421,086	467,157
Non-Current	19,213	44,238
<b>TOTA EMPLOYEE BENEFITS</b>	<b>440,299</b>	<b>511,395</b>
a) Number of employees at year-end	24	35

**AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 30 JUNE 2024

### 13. RECONCILIATION OF CASH FROM OPERATING ACTIVITIES TO OPERATING RESULT

	2024	2023
	\$	\$
<b>Operating result</b>	<b>3,537,163</b>	<b>2,740,154</b>
<i>Non-cash flows in operating result</i>		
<i>depreciation &amp; amortisation</i>	288,451	253,038
<i>distribution income reinvestment</i>	(643,355)	(477,860)
<i>fair value adjustment</i>	(451,067)	(394,629)
<i>other movements</i>		
<i>Net changes in working capital:</i>		
<i>change in inventories</i>	501,830	501,830
<i>change in trade &amp; other receivables</i>	(267,846)	(234,922)
<i>change in other assets</i>	51,768	(18,139)
<i>change in trade &amp; other payables</i>	1,689,105	59,681
<i>change in unapplied other program funds</i>	(673,507)	(559,060)
<i>change in lease liability</i>	(100,695)	(53,004)
<i>change in provisions</i>	(71,096)	57,377
<b>Net cash generated from operating activities</b>	<b>3,860,751</b>	<b>1,874,466</b>

### 14. RELATED PARTIES

#### a. Cattle Disease Contingency Fund Pty Ltd

The Company has a 25% shareholding in Cattle Disease Contingency Fund Pty Ltd (CDCF), a trustee for the Cattle Disease Contingency Fund Trust. The shareholding is in 'B' class shares, meaning the Company is not entitled to any dividends or capital returns. The Company is entitled to appoint a director, and this is included in the CEO's duties. Transactions with the CDCF as trustee were as follows:

	2024	2023
	\$	\$
<b>REVENUE</b>		
Received from CDCF for administrative services	13,784	13,514
Received from CDCF for portfolio management	10,544	23,251
	<b>24,328</b>	<b>36,765</b>

**AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**for the year ended 30 JUNE 2024**

**b. Sheep Industry Health and Welfare Pty Ltd**

The Company has a 33.3% shareholding in Sheep Industry Health and Welfare Pty Ltd (SIHW), trustee for the Sheep Industry Health and Welfare Trust. The shareholding is in 'B' class shares, meaning the Company is not entitled to any dividends or capital returns. AHA is entitled to appoint a director, and this is included in the CEO's duties. Transactions with the SIHW as trustee were as follows:

	2024	2023
	\$	\$
<b>REVENUE</b>		
Received from SIHW for administrative services	13,784	13,514
Received from SIHW for portfolio management	11,569	1,859
	<b>25,353</b>	<b>15,373</b>

**15. KEY MANAGEMENT PERSONNEL**

The Company considers key management personnel for the purposes of accounting standards, as those in positions of influence in the Company, as its Board of Directors and its executive management personnel, as listed below. Directors' and executive management personnel remuneration for the year was \$2,001,022 (2023: \$1,344,578). *\*The Directors' and executive management personnel remuneration is inclusive of entitlements for employees who ceased employment with AHA during the financial year.*

Kathleen Plowman – Chief Executive Officer (01/07/2023 – 18/03/2024)

Dr Samantha Allan – Acting CEO (25/10/2023 – 30/06/2024) and General Manager, Emergency Preparedness, Animal Health & Biosecurity (01/07/2023 – 25/10/2023)

Adam Pate - General Manager, Customer, Strategy & Operations (01/07/2023 – 21/12/2023)

Peter Dagg (Contractor)– Acting General Manager, Emergency Preparedness, Animal Health & Biosecurity (25/10/2023 – 30/06/2024)

Jackie Poyser (Contractor) – Acting General Manager, Customer, Strategy & Operations (25/10/2023 – 30/06/2024)

Ashley Turner – Company Secretary and Head of Finance

**AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED**  
**for the year ended 30 JUNE 2024**

**DIRECTORS' DECLARATION**

- 1 In the opinion of the directors of Australian Animal Health Council Limited (the Company):
  - (a) the financial statements and notes are in accordance with the *Corporations Act 2001*, including:
    - (i) giving a true and fair view of the Company's financial position as at 30 June 2024 and of their performance for the financial year ended on that date; and
    - (ii) complying with Australian Accounting Standards – Simplified Disclosure Requirements and other mandatory professional reporting requirements; and
  - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
  
- 2 The directors have been given declarations equivalent to those required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and General Manager – Customer, Strategy, and Operations for the financial year ended 30 June 2024.

Signed in accordance with a resolution of the Directors:



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Sharon Starick  
Chairperson of the Board



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Renata Paliskis  
Director and  
Chair – Audit & Risk Management Committee.

Dated at Canberra, ACT, this 25<sup>th</sup> day of September 2024

**RSM Australia Partners**

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of Australian Animal Health Council Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



**RSM AUSTRALIA PARTNERS**



**GED STENHOUSE**  
Partner

Canberra, Australian Capital Territory  
Date: 26 September 2024

**THE POWER OF BEING UNDERSTOOD**  
**AUDIT | TAX | CONSULTING**

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## INDEPENDENT AUDITOR'S REPORT To the Members of Australian Animal Health Council Limited

### Opinion

We have audited the financial report of Australian Animal Health Council Limited (the Company), which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – *Simplified Disclosures under AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the Corporations Regulations 2001.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

### Other Information

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

**THE POWER OF BEING UNDERSTOOD**  
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Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

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

**Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – *Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.



**RSM AUSTRALIA PARTNERS**



**GED STENHOUSE**  
Partner

Canberra, Australian Capital Territory  
Date: 26 September 2024