



2016-17 **ANNUAL REPORT**

CONTENTS

ABOUT AHA	1
OUR MEMBERS	2
OUR PEOPLE	3
BOARD OF DIRECTORS	4
FROM THE CHAIRMAN	6
FROM THE CEO	8
FINANCIAL OVERVIEW	10
PROJECTS OVERVIEW	12
KEY ACHIEVEMENTS	14
AHA STRATEGIC PLAN 2015-2020	16
AUSTRALIAN AGRICULTURAL LANDSCAPE	18
MONITORING AND EVALUATION JOURNEY	20
COMMITTEE MEMBERSHIP	46
STRATEGIC PRIORITY ONE	49
STRATEGIC PRIORITY TWO	55
STRATEGIC PRIORITY THREE	59
STRATEGIC PRIORITY FOUR	69
CORPORATE GOVERNANCE	78
FINANCIAL STATEMENTS	81
ABBREVIATIONS	104



WORKING TOGETHER FOR ANIMAL HEALTH
**We must continue to strengthen, enhance and
evolve the national animal health system.**

© Australian Animal Health Council Ltd 2017
ACN 071 890 956

Animal Health Australia contact details:
PO BOX 5116, Braddon ACT 2612
+61 2 6232 5522
aha@animalhealthaustralia.com.au
animalhealthaustralia.com.au

Design by Animal Health Australia

Photos All images are from AHA unless credited otherwise



ABOUT AHA

OUR ROLE

Animal Health Australia (AHA) works in partnership with our Members and other stakeholders to keep Australia free of new and emerging diseases and to improve animal health, strengthen biosecurity, enhance market access and foster the resilience and integrity of the Australian animal health system. AHA is a not-for-profit public company that facilitates innovative partnerships between governments, major livestock industries and other stakeholders to protect animal health and the sustainability of Australia's livestock industry.

A crucial function that AHA provides is to be a conduit facilitating trust and cooperation between industry and government on animal health matters. The AHA model supports negotiation and discussions between parties to generate sustainable change whilst also maintaining goodwill. AHA allows Members to share ideas, develop joint positions and policy and provides a forum for different perspectives that can result in a common voice.

OUR VISION

A resilient Australian animal health system through effective partnerships, known for its integrity, and recognised nationally and internationally.

OUR MISSION

To assist our Members and partners to enhance, strengthen and protect animal health and the sustainability of Australia's livestock¹ industries.

OUR VALUE

As a service and Member-oriented enterprise, AHA strives to model five key behaviours:

- Innovation and excellence
- Leadership through collaboration
- Integrity and commitment
- Making a difference
- Commitment to our people

¹ For AHA purposes, livestock are animals kept for use or profit including any class of cattle, sheep, goats, pigs, horses (including mules and donkeys), poultry, emus, ostrich, alpaca, deer, camel or buffalo, and farmed aquatic species.

OUR MEMBERS

The key factor behind the success of AHA's programs is the ability of Members to work together through partnerships to enable investments and outcomes that would never be possible if the parties operated alone.

Members have a high level of involvement in the management of all activities and have formal input to the development of company annual and strategic plans.

AHA has 33 Members spread across four categories:

- Australian Government, state and territory governments
- Livestock industries
- Service providers
- Associate Members

Australian Government

- Australian Government Department of Agriculture and Water Resources

State and Territory Governments

- The State of New South Wales
- The State of Queensland
- The State of South Australia
- The State of Tasmania
- The State of Victoria
- The State of Western Australia
- The Australian Capital Territory
- The Northern Territory

Livestock Industries

- Australian Alpaca Association Limited (AAA)
- Australian Chicken Meat Federation Inc. (ACMF)
- Australian Dairy Farmers Limited (ADF)
- Australian Duck Meat Association Inc. (ADMA)
- Australian Eggs
- Australian Horse Industry Council (AHIC)
- Australian Lot Feeders' Association Inc. (ALFA)
- Australian Pork Limited (APL)
- Cattle Council of Australia Inc. (CCA)
- Equestrian Australia Limited (EA)
- Goat Industry Council of Australia Inc. (GICA)
- Harness Racing Australia Inc. (HRA)
- Sheepmeat Council of Australia Inc. (SCA)
- WoolProducers Australia Limited (WPA)

Service Providers

- Australian Veterinary Association Limited (AVA)
- Commonwealth Scientific and Industrial Research Organisation (CSIRO)

Associate Members

- Australian Livestock Export Corporation Limited (LiveCorp)
- Dairy Australia Limited (DA)
- Meat & Livestock Australia (MLA)
- National Aquaculture Council Inc. (NAC)
- Racing Australia Limited (RA)
- Veterinary Schools of Australia and New Zealand Inc.
- Wildlife Health Australia (WHA)
- Zoo and Aquarium Association Inc.

OUR PEOPLE

SKILLS

- Strategic planning and policy development
- Work health and safety
- Monitoring and evaluation
- E-learning development and design
- Information technology
- Graphic design, social media, photography, marketing and advertising, event management
- Emergency response and preparedness
- Facilitation

QUALIFICATIONS

- Agriculture and veterinary science and aquatic veterinary studies
- Economics, accounting and administration management
- Communications
- Training and assessment
- Business management, leadership, company directorship and entrepreneurship
- Project and financial management
- Veterinary public health management

AHA prides itself on maintaining a work environment that supports and enhances the abilities of staff, fosters collaboration and encourages innovation. AHA's success is dependent upon its dedicated team applying their diverse range of skills and qualifications to develop and achieve agreed outcomes.

TRAINING

AHA prioritises staff development and strives to promote and sponsor training. This year AHA staff received training in:

- anti-bullying awareness
- company directorship
- CPA, MYOB and payroll
- editing and proofreading
- first aid
- leadership and management
- learning and adaption
- management and project planning
- Microsoft Office Suite
- monitoring and evaluation
- social media
- stakeholder engagement
- veterinary services
- work health and safety.



BOARD OF DIRECTORS

AHA's Board comprises seven non-executive directors selected on the basis of complementary skill sets and appointed by Members.

The primary role of the Board is to set and monitor the implementation of the company's strategic direction and establish goals by which the achievement of this may be measured.

The November 2016 Annual General Meeting (AGM) saw us farewell and acknowledge the substantial contributions of Dr Bill Darmody and Professor Martyn Jeggo after being members of our Board for four and eight years respectively. We also welcomed three new Board members - Ms Paula Fitzgerald, Ms Michelle Gorman and Dr Len Stephens.

2016-17 AHA DIRECTORS

- Mr Peter Milne – Chair
- Dr Bruce Christie
- Dr Bill Darmody (until Nov 16)
- Ms Paula Fitzgerald (appointed Nov 16)
- Ms Michelle Gorman (appointed Nov 16)
- Professor Martyn Jeggo (until Nov 16)
- Mr David Palmer
- Ms Sharon Starick
- Dr Len Stephens (appointed Nov 16)



From L-R: Mr David Palmer, Ms Michelle Gorman, Dr Len Stephens, Mr Peter Milne, Ms Paula Fitzgerald, Dr Bruce Christie and Ms Sharon Starick.

FROM THE CHAIRMAN

Peter Milne, A.M

In this year's *Annual Report* I'm going to talk about our people right up front, so it's clear and unambiguous that our people are at the heart of this organisation. AHA's Members, the executive team, staff and the Board together constitute AHA and I have appreciated the goodwill of each of these groups throughout the year. Their dedication has ensured that the occasional issues that arose were quickly resolved and helped AHA largely deliver on the commitments in the *2016-17 Annual Operating Plan* (AOP). With the myriad of interactions we have with each other, the shared vision and the professionalism of our people is regularly on display and the comradery emerges easily.

AHA's Members play a big part in the success of AHA through their valued contribution to our planning processes by helping determine what we do and how we fund our activities. AHA is one of the most consultative organisations I know, and it is certain to remain that way into the future, given the benefits which have flowed from the practice over time.

During the year, AHA made a greater effort to induct and mentor new people in the Members group, to ensure they were quickly able to contribute at the Members' Forums and other meetings, benefitting their organisations as well as AHA. The diversity of views, combined with the willingness of people to make decisions for the common good, ensured Members' Forums continued to provide a valuable opportunity for organisations in the livestock biosecurity system to develop consensus on difficult issues.

In July, the Board worked with the executive management team and staff in the Reflections Workshop, which was all about the monitoring and evaluation (M&E) process that Kathleen Plowman, AHA CEO, has driven through the company. A couple of things happened that day; firstly, I had been a bit of a closet M&E sceptic and I became an M&E believer. I suddenly 'got it' and appreciated the value of the model in use.



"Progress with delivering future financial sustainability to AHA is going to be much more challenging and yet it is arguably the most important thing we can do..."

Secondly, and more importantly, the Reflections Workshop reinforced to myself and other directors how committed our people are to delivering outcomes and value for our Members and for the livestock industry. It's not just about the task at hand! The M&E process put the culture and enthusiasm of our staff clearly on display, as well as highlighting the progress with programs over the year (and the areas that needed a tweak!)

At the tail end of 2016, the Board acknowledged the performance and achievements of Kathleen Plowman in her first term in office, by offering to renew her CEO contract. We were thrilled by her acceptance of our offer and note the continuation of significant progress driven by Kathleen and her executive team in the period since, and her key role in creating the organisational culture I mentioned earlier.

The last group of people I want to discuss are our directors. In November 2016, at the AGM, three new directors were appointed to the AHA Board and they have settled into their role well. We have the most diverse Board we have ever had and I'd like to acknowledge the individual skills and experience of the Board members and the value their collective contribution has added to AHA over the year. Towards the end of 2017 there will be an internal review of Board performance, with the intention of determining any further enhancements to our activities that can be adopted.

While it seems like yesterday we were beavering away together developing the *AHA Strategic Plan 2015-2020* (*the Plan*), we are now almost at the half-way point. My comments on how we are travelling against *the Plan* are based on the opportunities I've had over the year to be aware of progress, but have more of a 'gut feel' basis than the precision and detail found in AHA's M&E reporting. In developing *the Plan*, Members clearly wanted AHA to continue to deliver programs on emergency animal disease response agreements, enhance preparedness and response capability and strengthen biosecurity, surveillance and animal welfare.

These areas are covered in *the Plan* in strategic priorities one through to three and provide the strongest justification for AHA's existence. While there are some areas such as surveillance receiving additional focus, my view is that AHA is well positioned to achieve the outcomes spelt out in *the Plan* for these priorities by 2020.

The quantum change from 2015 to today is in the delivery of these programs. The implementation of one of the enabling strategies from strategic priority four, in particular "Manage the company effectively, using best practice systems and processes, and deliver ongoing business efficiencies" – has had a profoundly beneficial impact on how we achieve priorities one to three.

Priority four in *the Plan* is about Member value, organisational performance enhancement and sustainable resourcing. I mentioned one of the strategies above, but other strategies under this priority are well advanced too, including in the areas of information technology and human resources. Other strategies surrounding technological systems and future financial sustainability have had plenty of thought and preliminary actions but substantive progress is for the period ahead.

The technological systems area is comparatively straightforward and the greatest difficulty is with funding rather than what needs to be done. Progress with delivering future financial sustainability to AHA is going to be much more challenging and yet it is arguably the most important thing we can do to really differentiate AHA in 2020 from AHA in 2015. It's the critical key to allowing AHA to become the organisation Members planned for it to be two and a half years ago.

AHA has made good progress over the year and indeed for the last couple of years and we are well positioned, with the time available, to ultimately deliver on *the Plan*. I'm not suggesting it will be easy, much of it is a stretch, but on recent performance I am very optimistic we will get there in 2020. My thanks to everyone for what has been achieved and I look forward to working with Members and the AHA team on the opportunities and challenges that lay ahead.

CHAIRMAN KEYPOINTS 16-17

1

Refined induction process for new people and Members

2

Value and appreciation of the M&E model and how committed our people are to our Members

3

Kathleen Plowman accepting a renewal of her position as CEO

4

Three new directors welcomed to the Board

5

Halfway through the Strategic Plan 2015-2020 and well positioned for successful delivery

6

Future financial sustainability is the most challenging yet significant delivery

FROM THE CEO

Kathleen Plowman

This *Annual Report* marks the second year of the *Plan*'s journey. In 2016, as part of our M&E process, AHA evaluated its progress in implementing the *Plan* by commissioning an independent provider to undertake a regular, repeated survey of our Members. Designed to help us better understand how effective we are in performing our role, the survey measured the extent AHA has delivered value to our Members and what improvements could be made.

Overall, participants in the research painted AHA's role, delivery of value and performance in a very positive light and reflected the high degree of engagement and desire of Members to help AHA achieve its goals (see Members Evaluation Summary https://www.animalhealthaustralia.com.au/wp-content/uploads/Attachment-B_Members-Evaluation-Report_Summary.pdf). The findings reveal that AHA is tracking well and although there were a number of identified areas and ideas for improvement, no fundamental changes are currently needed.

Members believe that the concept of AHA is a worthy cause and is a genuine attempt to enlist the support of all stakeholders to protect and promote animal health; that AHA provides the bridge that facilitates trust and cooperation between industry and government on animal health matters. Crucial to achieving this, is the oft-mentioned concept of goodwill encompassing competence, acceptance and expertise. This goodwill ensures sufficient trust and cooperation to broker the sometimes difficult but necessary conversations between Members and to facilitate partnerships and opportunities among Members and key stakeholders who may view an issue from a different standpoint.

Unsurprisingly, despite the shared interest in AHA, Members' expectations, familiarity, level of involvement, attitudes and the perceived value they receive from their membership varies considerably



"The coming year continues to be demanding and challenging but I am confident that together we can continue to build on our successes and learnings, because together we can achieve more."

depending on the nature of their organisation. Nevertheless the *Monitoring and Evaluation Report 2016-17*² clearly shows that over the last two years we have achieved a number of the *Plan*'s key outcomes; of the 77 indicators, 41 (53%) are currently above their 2016-17 target, 27 (35%) are on target and 9 (12%) are not on target. Critically, this snapshot enables us to learn – to reflect and review – and adjust our focus and resources accordingly to improve our performance, results and value-add in consultation with the project investors and our Members.

The past year has been a rewarding one for AHA and our Members, with the delivery of a number of successes that positively impact on our biosecurity system. Key highlights include:

- Farm Biosecurity Project awarded the 2017 Australian Biosecurity Award
- AHA celebrating its 20th birthday and 25 years of AUSVETPLAN with Members and industry champions alike
- implementation of an M&E process and successful completion of a full 12 months of reporting

² Animal Health Australia Annual Report 2016-17, page 20

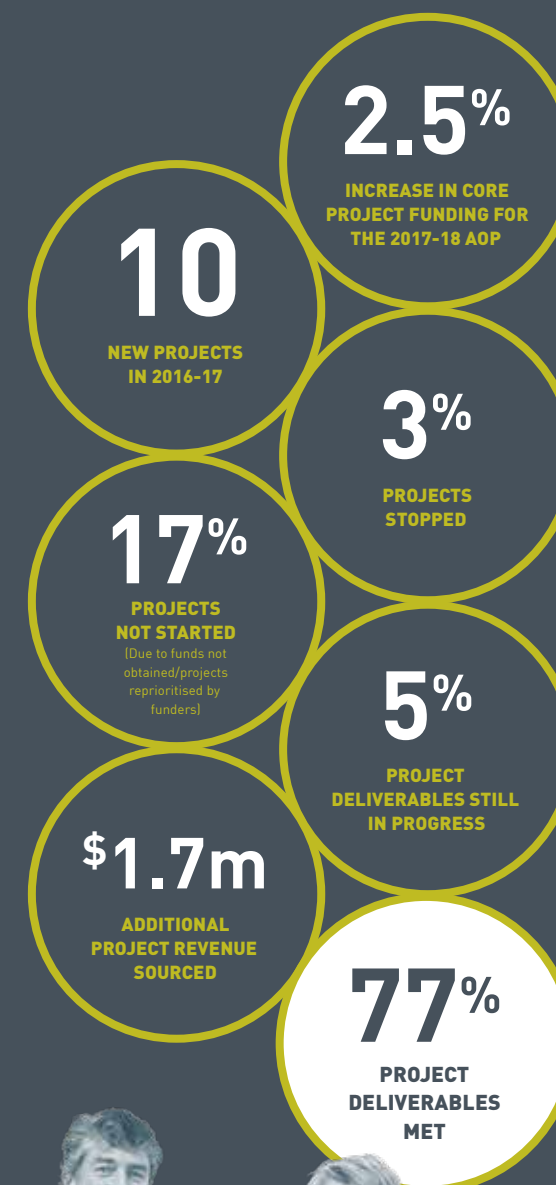
- Members unanimously adopting changes for AHA's constitution
- performance of AHA meeting Members requirements, as reflected in Member survey and other feedback mechanisms
- all 15 industry Members having a biosecurity manual in place
- a new version of the Emergency Animal Disease Response Agreement (EADRA) published three months ahead of schedule.

My sincere thanks to AHA's Members for their commitment and efforts which are reflected in our successes. I also thank the Board, executive team and staff for their continued support and confidence; their professionalism, enthusiasm and dedication to AHA and our Members is unwavering.

The company and staff are now well prepared to progress to the next stage of AHA's strategic journey. Internal changes have led to the development of more efficient systems and processes, establishment of strong M&E practices, improved services, reframed communication and an enhanced company culture – all providing the foundation to achieve the remaining outcomes of the *Plan*.

Over the next three years, AHA will be focusing on increasing its leadership, influence and nimbleness in the Australian animal health system, to establish itself as the 'go-to' organisation for information, expertise and project initiatives on biosecurity, surveillance and emergency animal disease (EAD) information and training. AHA will also continue its efforts to improve service innovation and systems to evolve its collaborations and relationships, to investigate business opportunities for sustainability and to enhance the animal health biosecurity system, all the while continuing to strengthen our much valued existing partnerships ensuring maximum leverage. The coming year continues to be demanding and challenging but I am confident that together we can continue to build on our successes and learnings, because together we can achieve more.

PROJECT SUMMARY 16-17



FINANCIAL OVERVIEW

Tony Marks

Executive Manager Corporate and Member Services

AHA's operating result was a surplus of \$1.8 million in 2016-17 against a budgeted deficit of \$0.26 million. This better-than-budget outcome has resulted equally from additional income of \$1 million over budget and expenditure being \$1.1 million less than budget. The operating surplus is reflected in increased cash holdings and increases in industry levy Member reserves and core reserves.

1 **Total income** was \$15.5 million, exceeding the AOP budget of \$14.5 million by \$1 million, predominantly as a result of several key factors. Firstly, the recognition of the carrying value of Livestock Biosecurity Network (LBN) net assets of \$0.45 million for the 51% shareholding adopted by AHA. Secondly, due to the recognition of \$0.33 million income for long-completed projects previously held as unearned revenue. Thirdly, \$0.22 million for a range of additional revenues for gate signs, training resources, AHA facilities hire for events and subscriptions and grants for private veterinarian access to training and accreditation.

Levy income overall was in line with budget at \$6.9 million, although individual Members' results varied with grass-fed cattle, dairy and goat industry levies declining and sheep and wool industry levies improving. EADRA levies received for laying and meat chicken producers were slightly better than budget at \$0.47 million, as the levy for laying chicken producers continued for a short period after the entire amount of the Commonwealth's underwriting of the 2012-13 avian influenza outbreaks had been collected.

Interest income of \$0.34 million was better than budget of \$0.3 million due to the invoicing of, and payment by Members early in the year and tight management of cash and investment accounts.



"AHA's financial position has been strengthened by the operating result..."

2 **Total expenditure** was \$13.7 million, being \$1.1 million below budget. A number of projects have deferred deliverable milestones or delivered efficiencies throughout the year, including sheep production conditions (\$0.4 million) where the Research & Development (R&D) component of the project was not undertaken by agreement; Transmissible Spongiform Encephalopathy Freedom Assurance Program (TSEFAP) (\$0.4 million) where surveillance costs are not passed on in full by two jurisdictions; Biosecurity Research Development & Extension (RD&E) (\$0.3 million), where a new strategy is to be developed prior to implementation; and National EAD training (\$0.1 million) as a result of a lack of staff training resources. There were six projects which did not commence for various reasons, increasing the under-budget outcome (\$0.3 million). Offsetting this was some expenditure incurred for the ten additional projects that were not in the AOP or budget (\$0.4 million).

AHA's financial position has been strengthened by the operating result with the balance sheet showing equity at \$16.4 million, up from \$14.6 million in 2015-16. This total AHA equity balance is attributable to two distinct sources – 'core' operating surpluses since AHA's inception of \$5.7 million and industry levies that have exceeded industry expenditure by \$10.7 million. The individual levy reserves are maintained according to industry advice to AHA.

AHA's total assets of \$25.1 million is comprised of \$19.3 million in cash and investments. This balance

is invested across a minimum of two 'AAA' rated banks and products with an appropriate spread of maturity dates to meet AHA's planned and unplanned requirements.

AHA's liabilities of \$3.5 million includes GST and accounts payable of \$1.3 million which has increased in line with AHA policy to pay invoices when due, rather than immediately upon receipt of invoice and accruals of \$2.2 million. The substantial amount of accrued expenses relates to the sample collection and laboratory costs for National Arbovirus Monitoring Program (NAMP) and TSEFAP where work undertaken for the disease cycles in the financial year isn't finalised until several months after the end of the cycle (consistent with prior years).

Provisions for annual and long service leave and salary related payables amounts to \$0.37 million. Unearned revenue of \$4.8 million represents the balance of cash received by AHA, primarily from government Members, for which project milestones have not yet been delivered, and therefore not yet recognised as revenue in the income statement.

AHA's net assets dichotomy of 'core' (\$5.7 million) and industry levy Member (\$10.7 million) can also be considered separately in terms of their asset and liability elements. The industry levy Member equity reserve is comprised solely of current asset – cash of \$10.7 million. On the other hand, the core equity reserve is comprised of all the current and non-current asset and liability components.

Notably this core equity can be expressed in net asset terms of \$3.6 million antigen banks (at cost), \$0.3 million office equipment, and \$1.8 million cash. AHA's core reserve, contingency, and treasury policies ensure AHA operates with fiscal prudence. Members acknowledged at the March 2017 Members' Forum the Board's intention to maintain and grow the real value of the core cash reserve through the retention of interest (at a minimum).

3 **Core subscriptions** increased for the first time in six years in 2016-17, by 6% upon the recommendation of Members at the November 2015 Members Forum, at which it was highlighted the importance of properly resourcing AHA's core programs.



PROJECTS OVERVIEW

CORE

25

SPECIAL

40

OUTSIDE OF AOP

10

PROJECTS OUTSIDE 16-17 AOP*

● Evaluation of Training of Veterinarians in EAD Surveillance

- Conducted an evaluation of the training needs of veterinarians in respect of EAD surveillance

[DAWR]

● Livestock Biosecurity Network Management Services

- Livestock Biosecurity Network is a subsidiary company of AHA that works closely with producers to provide tools and information which help safeguard biosecurity, animal health and welfare, productivity, market access and food safety

[LBN Pty Ltd]

● Agreement to manage funds for Commonwealth projects on behalf of NSW Department of Primary Industries

- Supporting NSW Department of Primary Industries with the Greater Sydney Peri-Urban Biosecurity Program

[NSW DPI]

● Aquatic Industry Liaison Officer

- Build partnerships between aquatic industries, science organisations and governments to improve biosecurity, EAD preparedness and response, surveillance and diagnostic capabilities for aquatics across northern Australia

[DAWR]

● Exercise Athena - International Animal Health Emergency Reserve exercise

- This exercise promoted awareness and support for the IAHER arrangement which allows signatory countries to share personnel in an EAD event

[DAWR]

● Exotic Disease Preparedness, Evidence of Absence

- Project engages private veterinary practitioners to provide evidence of absence of exotic pig diseases

[APL]

● Animal Health Alerts Smartphone App Prototype

- Developing and piloting a smartphone app for enhancing surveillance

[DAWR]

● Biosecurity Emergency Response Training and Assessment Materials

- Developing a set of nationally consistent training materials for the biosecurity response qualifications

[Commonwealth, state & territory governments]

● Marine Pest Emergency Response Exercise

- Development of an exercise program for invasive marine pests

[DAWR]

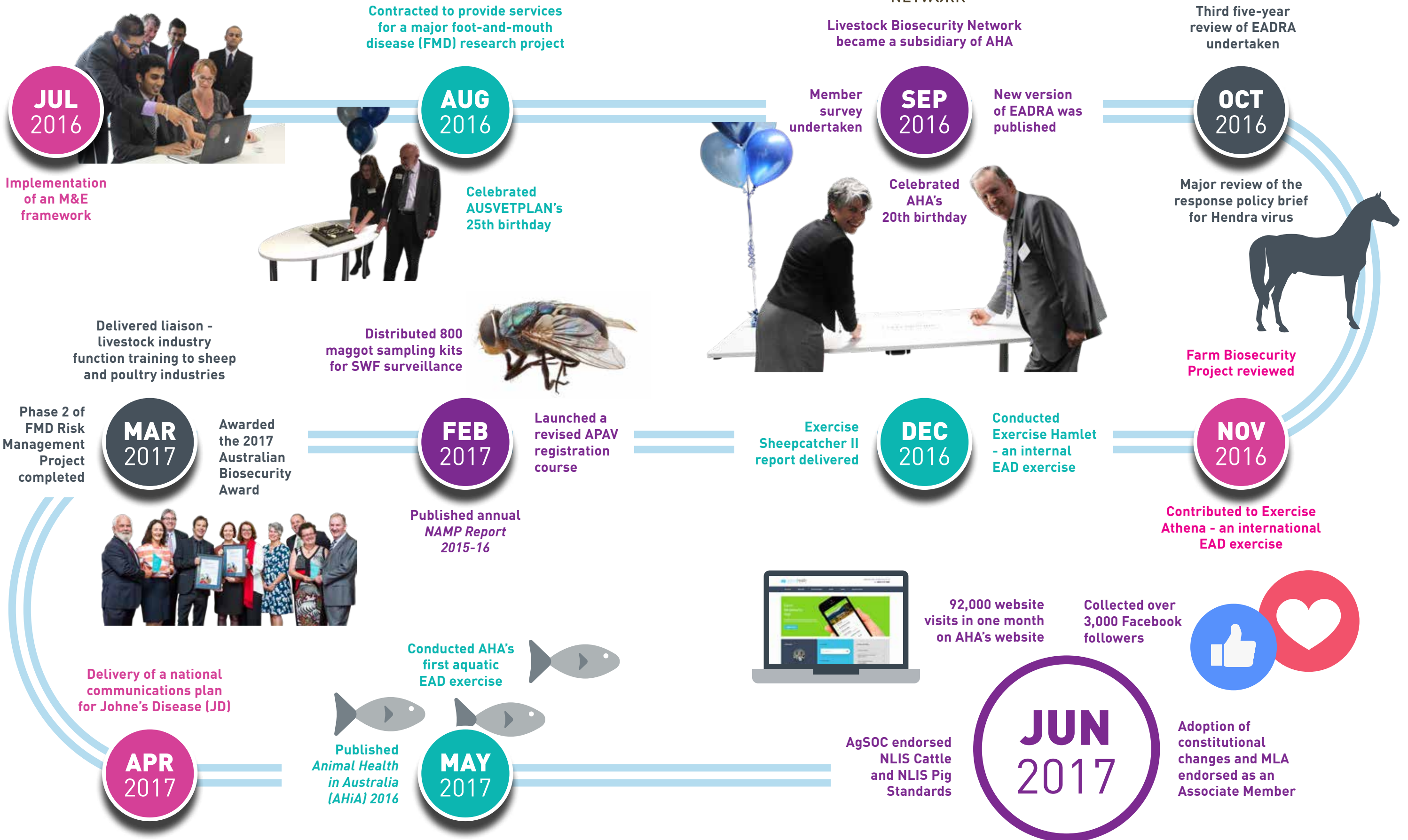
● Publication on Australia's Tuberculosis Freedom

- Funded a peer reviewed publication evaluating Australian surveillance for freedom from bovine tuberculosis

[MLA]

*The 10 projects developed outside the 16-17 AOP were conducted in addition to our core and special projects at the request of our Members.

KEY ACHIEVEMENTS



AHA STRATEGIC PLAN 2015–2020

STRATEGIC JOURNEY

The *AHA Strategic Plan 2015–2020* focuses on service innovation to enhance and evolve collaboration and engagement with our Members and stakeholders to leverage our performance and enhance our services and delivery to maximise the return on investment for our Members.

During this second year of *the Plan* we continued to focus on improving organisational strength, innovation and communications to enhance collaborations and relationships with all our Members and stakeholders. AHA has already achieved a number of *the Plan's* key outcomes as reflected in our M&E summary report³ and are well equipped to progress to the next stage of the strategic journey.

For the next three years AHA will focus on its capability to lead and influence within the biosecurity, surveillance, animal health and welfare, market access and EAD information and training sphere, for the benefit of our Members and to enhance the animal health system. We will also continue in our efforts to improve service innovation and systems, including the investigation of new business opportunities, whilst continuing to strengthen our valued existing partnerships.

³ *Animal Health Australia Annual Report 2016–17*, page 20.

⁴ Biosecurity is the management of risks to the economy, environment and the community, of pests and diseases entering, emerging, establishing or spreading.

STRATEGIC PRIORITY

1

Effectively manage and strengthen Australia's EAD response arrangements through successful partnerships with Members.

- Nationally agreed response framework and supporting tools.
- Enhanced EAD preparedness and response arrangements through improved collaboration between Members.
- All signatories to the Deed are Members of AHA.

STRATEGIC PRIORITY

3

Strengthen biosecurity⁴, surveillance and animal welfare to enhance animal health and support market access and trade.

- Increased biosecurity awareness among livestock producers and within industry supply chains.
- Increased partnerships with Members, Plant Health Australia (PHA) and R&D corporations.
- Harmonised biosecurity and animal welfare arrangements delivering consistent outcomes.
- Integrated animal health system based on improving policies and an animal health surveillance strategy in which national/international trading partners have confidence.
- Enhanced national policies and strategies to address 'one health' issues.
- Proven improvements in traceability in livestock.

STRATEGIC PRIORITY

2

Enhance the EAD preparedness and response capability of AHA and its Members.

- Consistent and useable EAD preparedness and response training, resources and support.
- Enhanced design and delivery of accessible training resources.
- Raised awareness of training resources regarding roles and responsibilities in an EAD situation.

STRATEGIC PRIORITY

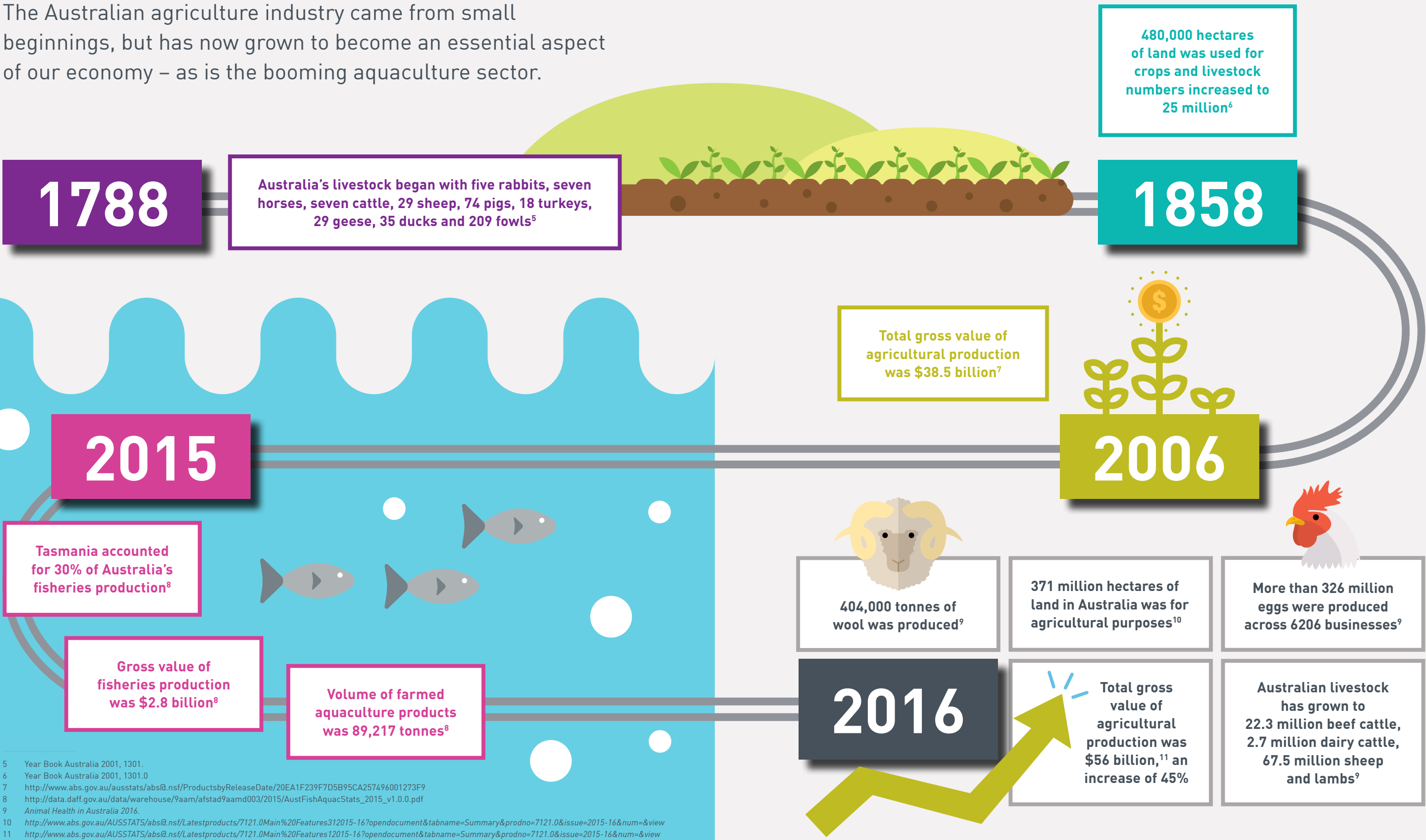
4

Deliver Member value, organisational performance enhancement and sustainable resourcing.

- Best practice corporate and program reporting, governance and management of operations.
- Enhanced partnerships with PHA and other organisations.
- Alternative and enhanced funding sources.
- Full potential of human resources is realised.
- Safe, healthy, positive and professional working environment.
- Service delivery is modern, flexible and professional.

AUSTRALIAN AGRICULTURE LANDSCAPE

The Australian agriculture industry came from small beginnings, but has now grown to become an essential aspect of our economy – as is the booming aquaculture sector.



5 Year Book Australia 2001, 1301.
6 Year Book Australia 2001, 1301.0
7 <http://www.abs.gov.au/ausstats/abs@.nsf/ProductsbyReleaseDate/20EA1F239F7D5B95CA257496001273F9>
8 http://data.daff.gov.au/data/warehouse/9aam/afstad9aamd003/2015/AustFishAquacStats_2015_v1.0.0.pdf
9 Animal Health in Australia 2016.
10 <http://www.abs.gov.au/AUSSTATS/abs@.nsf/Latestproducts/7121.0Main%20Features312015-16?opendocument&tabname=Summary&prodno=7121.0&issue=2015-16&num=&view>
11 <http://www.abs.gov.au/AUSSTATS/abs@.nsf/Latestproducts/7121.0Main%20Features12015-16?opendocument&tabname=Summary&prodno=7121.0&issue=2015-16&num=&view>

MONITORING AND EVALUATION JOURNEY

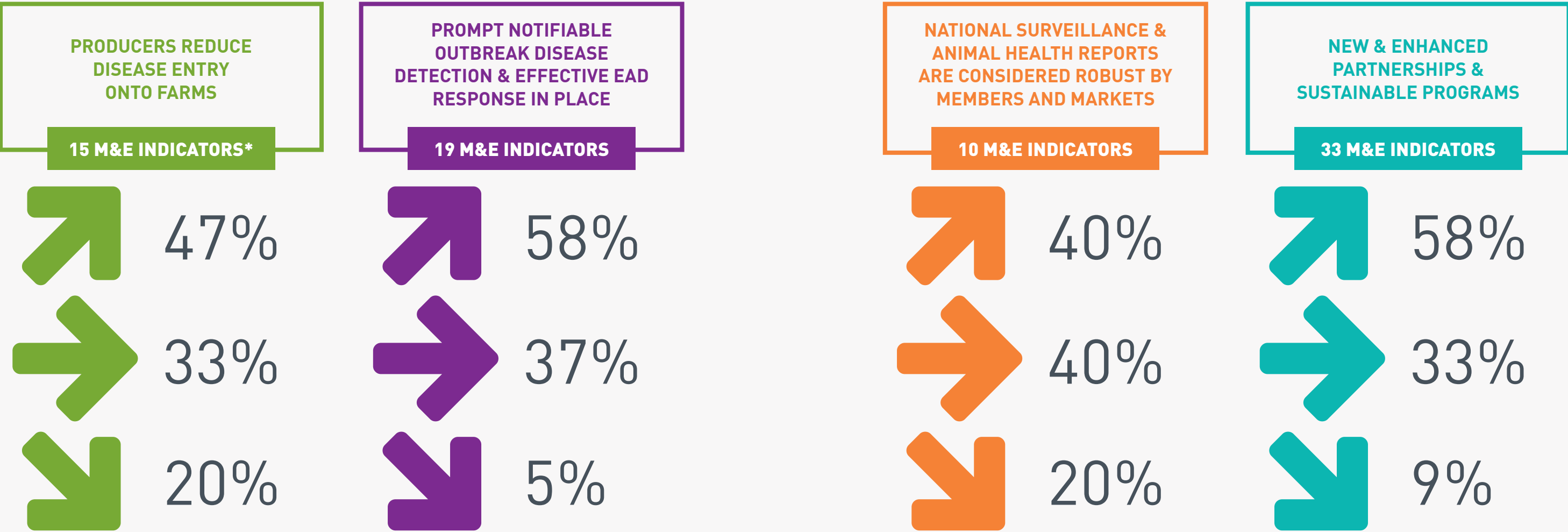
This year has seen the first full year of implementation of our M&E approach. Our four end-of-program outcomes, which align with our strategic priorities, have been closely monitored and evaluated to ensure we embrace a results-based culture, from which we can learn and grow.

Throughout 2016-17 we have tracked our progress, reflected on our successes and weaknesses, made modifications to our business practices and reported our findings, leading to full accountability to our Members.

In addition to this, LBN staff work towards their M&E indicators that support biosecurity, food safety, livestock health and welfare, which complements three of our four end-of-program outcomes.



FOUR END-OF-PROGRAM OUTCOMES



Above target On target Not on target

*AHA's M&E indicators are used to measure the company's progress towards outcomes in key business areas, which are directly aligned with AHA's broader strategic priorities.

END OF PROGRAM OUTCOME

PRODUCERS REDUCE DISEASE ENTRY ONTO FARMS

Primary Strategic Priority Source

Strategic Priority Three: Strengthen biosecurity, surveillance and animal welfare to enhance animal health, and support market access and trade

PRODUCERS REDUCE DISEASE ENTRY ONTO FARMS

15 M&E INDICATORS*

47% 33% 20%

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	15/16 Baseline	16/17 Target	16/17 Actuals	How did we track?	17/18 Targets	2020 Targets
1. Producers & supply chain apply effective biosecurity	1.1 AHA's contribution to strengthening biosecurity along the livestock supply chain meets the needs of Members	No baseline available	Member survey: "AHA's contribution to the strengthening of biosecurity along the supply chain" - 3.4 or above (out of 5)	Member survey: 3.1 "I'm just not seeing the biosecurity jigsaw nationally... we're all working independently"	↘	3.5 or above (out of 5)	4.0 or above (out of 5)
	1.2 Number and value of projects which address biosecurity in the livestock supply chain	10 projects underway	11	11	↗	\$2m	\$3.5m
	1.3 AHA's contribution to strengthening biosecurity on-farm meets the needs of Members	No baseline available	Member survey: "AHA's contribution to the strengthening of biosecurity on-farm" - 3.4 or above (out of 5)	Member survey: 3.3 "On farm biosecurity planning there's a bit to do there" Additional activities: <ul style="list-style-type: none"> Widespread adoption of biosecurity planning due to J-BAS and Livestock Production Assurance (LPA) requirements Over 200 phone calls recorded by staff members (conservative estimate) for biosecurity planning requirements of J-BAS and LPA Winner 2017 Biosecurity award 	↘	3.5 or above (out of 5)	4.0 or above (out of 5)
2. Practice change on-farm	2.1 Percentage of producers that adopt biosecurity practice(s) resulting from contact with the Farm Biosecurity project	49%	40%	Not achieved: According to the 2017 Producer survey, the most popular reason producers did not undertake an action was "no need/no problem". This indicates the Program needs to focus on reminding producers about biosecurity threats and the danger of complacency.	↘	NA	85%
	2.2 Number of Farm Biosecurity gate signs sold	225 total for 15/16	300	987 Additional activities: <ul style="list-style-type: none"> Significant gate sign increase in 4th quarter driven by J-BAS/JD in cattle campaign 	↗	2,000 annually	3,000 annually
	2.3 Total Farm Biosecurity app downloads	No data available (app published 2016)	100	1147	↗	5,000 total	15,000 total
3. Increased awareness of biosecurity practices at the farm level	3.1 Percentage of users opening Farm Biosecurity Newsletter	42% (industry standard 20-25%)	50%	44%	→	45%	50%
	3.2 Total number of subscribers to Farm Biosecurity Newsletter	919	NA	1,241	↗	3,000 total	10,000 total
	3.3 Number of Farm Biosecurity Essentials video views	4,553	4,000	7,189	↗	10,000 annually	13,000 annually
	3.4 Number of Farm Biosecurity website views	105,128	150,000	208,611	↗	210,000 annually	250,000 annually
	3.5 Percentage of farm owners who have an understanding of biosecurity practices	45% (based on 2013 producer survey)	56%	Not achieved: Awareness had increased from 2013 but did not meet expectations. More work in promoting the Program more broadly is required.	→	60%	80%

↗ Above target → On target ↘ Not on target

*AHA's M&E indicators are used to measure the company's progress towards outcomes in key business areas, which are directly aligned with AHA's broader strategic priorities.

END OF PROGRAM OUTCOME

PRODUCERS REDUCE DISEASE ENTRY ONTO FARMS

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	15/16 Baseline	16/17 Target	16/17 Actuals	How did we track?	17/18 Targets	2020 Targets
4. Members & partners disseminate biosecurity messages	4.1 Percentage of Industry Members with a biosecurity plan and/or strategy in place	100% - All 15 Industry Members have a biosecurity manual in place	All 15 Industry Members have a biosecurity manual in place, manuals to be reviewed	100% <ul style="list-style-type: none"> National Poultry Manual (2009; under review) Chicken Meat Manual (2010; under review) Horse Venue Work Book (2010) Egg Manual (2015) Pig production Manual (2013) Grazing Reference Manual (2012) Feedlot Manual (2013) Duck Production Manual (2010; under review) Zoo and Aquarium Manual (2011; under review) 	→	100%	100%
	4.2 Percentage of Industry Members with biosecurity standards incorporated into a compliance/verification scheme/checklist	33% (5 out of 15) of Industry Members have biosecurity standards included into a verification system 87% (13 out of 15) of Industry Members have a verification system in place	No target set	33%	→	60%	75%
	4.3 Percentage of Government Members with a biosecurity statement/strategy in place	67% (6 out of 9 Government Members)	78% (7 out of 9)	78% <ul style="list-style-type: none"> ACT (2016-26) NSW (2013-21) NT (2016-26) QLD (2017-22) SA (2013-16) TAS (2013-17) WA (2015-25) 	↗	100%	100%
	4.4 Percentage of Members disseminating biosecurity standards/plans/checklists on their websites	No baseline available	No target available	55% - 17/31 Members (who have websites) are disseminating biosecurity standards on their websites <ul style="list-style-type: none"> AAA ACMF Australian Eggs AHIC APL AVA DA DAWR GICA MLA NSW QLD SA TAS VIC WA WPA 	→	65%	90%

↗ Above target → On target ↘ Not on target

*AHA's M&E indicators are used to measure the company's progress towards outcomes in key business areas, which are directly aligned with AHA's broader strategic priorities.

END OF PROGRAM OUTCOME

PROMPT NOTIFIABLE OUTBREAK DISEASE DETECTION & EFFECTIVE EAD RESPONSE IN PLACE

Primary Strategic Priority Source

Strategic Priority One: Effectively manage and strengthen Australia's emergency animal disease response arrangements through successful partnerships with Members

Strategic Priority Two: Enhance the EAD preparedness and response capability of AHA and its Members

**PROMPT NOTIFIABLE
OUTBREAK DISEASE
DETECTION & EFFECTIVE EAD
RESPONSE IN PLACE**

19 M&E INDICATORS*

58% 37% 5%

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	15/16 Baseline	16/17 Target	16/17 Actuals	How did we track?	17/18 Targets	2020 Targets
5. Australia's EAD response arrangements are effective & efficient	5.1 EADRA and required guidance documents are updated annually	EADRA last updated 09-09-16 (version no. 16/02)	Formal processes to be implemented to ensure new version will be published in early 2017-18	Formal process for variations and amendments to the EADRA are in progress EADRA published three months early	↗	New version published October 2017; Recommitment by all Signatories following 3rd 5 year review	New version published October 2020
	5.2 AUSVETPLAN documents are fit for purpose	Not all AUSVETPLAN documents are perceived as fit-for-purpose	Secure resources to address currency challenges Identify mechanisms to support annual monitoring of underpinning information (e.g. science, OIE Code changes)	Achieved – Members endorsed additional resources, and mechanisms have been established ready for implementation in 2017-18 Achieved – mechanisms identified ready for implementation in 2017-18 Additional activities: • New baselines established – 30% AUSVETPLAN updated in past 5 years • 75% minor reviews completed in less than 2 years; no major reviews completed	→	50% updated in past 5 years 80% of disease strategy manuals (DSMs) & response policy briefs (RPs) annually monitored	100% updated in past 5 years 100% of DSMs & RPs annually monitored 100% enterprise manuals updated
	5.3 Endorsed AUSVETPLAN documents are readily available on the AHA website	Available on AHA website in PDF format; inconsistent and/or outdated templates	Identify response function needs from AUSVETPLAN Update disease strategy and response policy brief templates	Achieved – information mapping consultancy completed that identifies response function needs Achieved – templates updated	→	80% DSMs & RPs in new templates Enterprise manual templates updated	100% DSMs & RPs in new templates
	5.4 Emergency disease vaccine banks (FMD and anthrax) are fit for purpose	Banks available for use. FMD strains and quantities of antigens based on advice from Vaccination Expert Advisory Group and Vaccine Contract Advisory Committee in 2013 and 2014	Banks are available for use	Achieved – banks are available for use and verified annually by manufacturer	↗	Banks are available for use with appropriate strains and quantities of antigens Anthrax consultation re future requirements (e.g. number of doses)	FMD – new contractual arrangements and vaccine bank in place and ready for use Anthrax – to be advised following consultation with funding parties
	5.5 AHA's contribution to the effective management and strengthening of Australia's emergency response arrangements	No baseline available	Member survey: "AHA's contribution to the effective management and strengthening of Australia's emergency response arrangements" - 3.4 or above (out of 5)	Member survey: 4.1	↗	4.0 or above (out of 5)	4.0 or above (out of 5)
	5.6 Emergency disease vaccine banks (FMD and anthrax) manufacture, storage and delivery arrangements are in place	Manufacture arrangements in place Supply and delivery arrangements documented but not tested	Examine supply and delivery arrangements (permits and processes) in preparation for updating and testing	Achieved – supply and delivery exercise in preparation	↗	Supply chain exercise conducted Exercise findings improve processes for FMD vaccine delivery Anthrax - Negotiate extension of supply agreement under clause 3	FMD – new contractual arrangements and vaccine bank in place and ready for use Anthrax – to be advised following consultation with funding parties

↗ Above target → On target ↘ Not on target

*AHA's M&E indicators are used to measure the company's progress towards outcomes in key business areas, which are directly aligned with AHA's broader strategic priorities.

END OF PROGRAM OUTCOME

PROMPT NOTIFIABLE OUTBREAK DISEASE DETECTION & EFFECTIVE EAD RESPONSE IN PLACE

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	15/16 Baseline	16/17 Target	16/17 Actuals	How did we track?	17/18 Targets	2020 Targets
6. The EAD preparedness & response capability of AHA & its Members is enhanced	6.1 Signatories meet their EADRA obligations for managing an EAD	Biosecurity Plans and statements in place for all signatories but no public reporting or review No coordinated risk mitigation framework	Proposal for risk mitigation framework* endorsed at EADRA workshop (*Covers biosecurity plans & statements, normal commitments, national animal health standards & EAD training)	Achieved - Risk mitigation framework project endorsed at EADRA workshop	➔	Review of normal commitment 2018 Progression of risk mitigation framework	Risk mitigation framework agreed and in place
	6.2 AHA's contribution to the enhancement of the response preparedness capabilities of our Members	No baseline available	Member survey: "AHA's contribution to the enhancement of the response preparedness capabilities of our Members" - 3.4 or above (out of 5)	Member survey: 3.8	↗	4.0 or above (out of 5)	4.0 or above (out of 5)
	6.3 Members have ready access to training	2 channels delivering training needs (F2F and online)	2 channels of delivering training needs	Achieved	↗	1 new training channel delivered	3 new training channels delivered
		46 Members received Consultative Committee on Emergency Animal Diseases (CCEAD) or National Management Group (NMG) training; 21 Industry Members received industry liaison training	20 Members receive CCEAD or NMG training 20 Industry Members receive industry liaison training (from at least two different industry member organisations)	Achieved - 28 Members received CCEAD or NMG training Achieved - 20 Industry Members from poultry and 20 from sheep		90% of participants indicate training is: 1. readily accessible 2. meets their needs At least 3 different sectors receive industry liaison training	90% of participants indicate training is: 1. readily accessible 2. meets their needs At least 4 different sectors receive industry liaison training
		1 exercise (Apollo) with 46 Rapid Response Team (RRT) attending	Hold 1 exercise with majority of the RRT attending	Achieved - Exercise Fintan involved 29/46 RRT		1 exercise with 80% of National Biosecurity Response Team (NBRT) attending, and all jurisdictions represented	1 exercise with 90% of NBRT attending, and all jurisdictions represented
		158 completed the EAD Foundation online course	120	Achieved - 460		500 annually	700 annually
	6.4 Personnel who receive training understand policies, legal requirements and roles and responsibilities for an EAD response	90% CCEAD/NMG participants indicated preparedness to serve on CCEAD/NMG had increased	90% of participants indicate a significant increase in understanding	91%	↗	90%	100%
		72% (CCEAD and NMG) indicated the EAD foundation online course was very useful	75% of participants indicate the EAD Foundation online course is very useful	90% Additional activities: Exercise Fintan participants • 97% agreed, or strongly agreed, that they were able to apply the principles of biosecurity incident management • 79% indicated their ability to fulfil their role in a biosecurity emergency response was significantly improved		90%	100% of participants from all AHA EAD response training programs understand policies, legal requirements and roles and responsibilities for an EAD response
	6.5 The participation and cooperation of government and Industry Members either in a simulated EAD response exercise and/or by review of an actual EAD response is improved	Exercise observations & learnings	Response processes are strengthened as a result of conducting the exercises	Achieved - No cost shared responses however Exercise Fintan involved the aquatic industry and 100% jurisdictional representation through the RRT 97% of participants agreed, or strongly agreed, that they were able to apply the principles of biosecurity incident management in Exercise Fintan 79% of participants indicated that their ability to fulfil their role in a biosecurity emergency response was significantly improved	↗	To have more than 1 industry group and 100% jurisdictions represented in the NBRT exercise Response processes are improved as a result of conducting exercises	By 2020, 100% of Industry Members and 100% of jurisdictions have participated in EAD responses and/or simulation exercises
		No EAD responses Exercise Apollo 2016; all jurisdictions participated & 3 jurisdictions engaged in planning					

END OF PROGRAM OUTCOME

PROMPT NOTIFIABLE OUTBREAK DISEASE DETECTION & EFFECTIVE EAD RESPONSE IN PLACE

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	15/16 Baseline	16/17 Target	16/17 Actuals	How did we track?	17/18 Targets	2020 Targets
7. Significant disease events are investigated early	7.1 Member understanding of general surveillance system performance/timeliness	Delay to detection of FMD up to 43 days (Martin et al 2011)	Periodic general surveillance system modelling is required to monitor status of timeliness. Initiate project in 2016-17	New project initiated (AHA AOP 2017-18) to repeat modelling of timeliness	↗	Completion of new project to assess expected time-to-detection of FMD Report to AHA Members and Animal Health Committee (AHC)	Initiation of 2020-21 assessment of general surveillance system timeliness
8. Government/private veterinarians have knowledge, skills & justification to investigate & report on disease events	8.1 Private livestock veterinarians have adequate opportunity through subsidised training on disease investigation offered annually in every state/territory to gain knowledge and skills to investigate and report on disease events	No data available	National Significant Disease Investigation (NSDI) covers gaps to ensure annual training in every state/territory	Training delivered in WA (30 private vets), Qld (14 private vets) and NSW (online course launched) under the NSDI Program	↗	Subsidised annual training opportunity offered in every state/territory (through NSDI Program or others) Determine a training target level	Subsidised annual training opportunity offered in every state/territory Agreed target level met
	8.2 Level of notifiable disease investigations meet laboratory sample submission requirements	No data available	Support National Laboratory Task Group (NLTG) monitoring of sample submissions	NLTG Member-labs agreed to undertake monitoring	↗	Initiate annual information collection via NLTG with report to AHA Members and AHC	Effective, routine monitoring and evaluation of adequacy of sample submissions established with report to AHA Members and AHC

↗ Above target ↘ On target ↙ Not on target

END OF PROGRAM OUTCOME

PROMPT NOTIFIABLE OUTBREAK DISEASE DETECTION & EFFECTIVE EAD RESPONSE IN PLACE

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	15/16 Baseline	16/17 Target	16/17 Actuals	How did we track?	17/18 Targets	2020 Targets
9. Improved national policy & procedures for *surveillance, traceability & welfare <i>(refer to intermediate outcomes 10 & 11)</i>	9.1 Percentage of Industry Members who have traceability standards included into a compliance/verification scheme/checklist	80% (12 out of a possible 15 Industry Members)	No target set	80% (12 out of a possible 15 Industry Members) <ul style="list-style-type: none"> ACMF ADF AECL ALFA APL CCA EA GICA HRA RA SCA WPA 	➔	87%	100%
	9.2 AHA's contribution to the strengthening of traceability meets the needs of Members	No baseline available	Member survey: "AHA's contribution to the strengthening of traceability" - 3.4 or above (out of 5)	Member survey: 3.3	➡	3.5 or above (out of 5)	4.0 or above (out of 5)
	9.3 Percentage of Members promoting traceability on their website	55% (17 out of 31 Members)	No target set	55% (17 out of 31 Members) <ul style="list-style-type: none"> ADF AECL APL CCA DA GICA MLA NT NSW QLD RA SCA SA TAS VIC WA WPA 	➔	65%	90%
	9.4 Improved traceability performance against national short term traceability standards 1.1 and 1.2 for National Livestock Identification System (NLIS) cattle	Improvements from the 2007 traceability exercises (baseline figures) NLIS Cattle (1.1) 98% (1.2) 99.5% NLIS Sheep & goats (1.1) 62% (1.2) 46% NLIS Pig (1.1) 75% (1.2) 36%	Agriculture Senior Officials Committee (AgSOC) benchmark was set at 98% for short term traceability	Within 24 hours of the relevant Chief Veterinary Officer (CVO) being notified, 90% (54/60) sheep included in the exercise, could be traced back to all previous location(s) where a specified animal resided during the previous 30 days Within 24 hours of the relevant CVO being notified, the location of all susceptible animals that resided with 50% (30/60) sheep included in the exercise, at any stage during the specified animals life could be determined	➔	AgSOC traceability standard benchmark	AgSOC traceability standard benchmark
	9.5 Animal Welfare Standards and Guidelines (S&Gs) project milestones delivered efficiently and effectively	No baseline available	Revised timeline adhered to	Over the past 12 months the timeline has been revised three times due to stakeholder delays; current timeline is on-track Additional activities: <ul style="list-style-type: none"> Review of S&G documents 	➔	Revised timeline adhered to and feedback about AHAs involvement is positive	S&G process is revised resulting in fewer delays and positive feedback from stakeholders

END OF PROGRAM OUTCOME

NATIONAL SURVEILLANCE & ANIMAL HEALTH REPORTS ARE CONSIDERED ROBUST BY MEMBERS AND MARKETS




Primary Strategic Priority Source

Strategic Priority Three: Strengthen biosecurity, surveillance and animal welfare to enhance animal health, and support market access and trade

NATIONAL SURVEILLANCE & ANIMAL HEALTH REPORTS ARE CONSIDERED ROBUST BY MEMBERS AND MARKETS

10 M&E INDICATORS*

 40%
  40%
  20%

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	15/16 Baseline	16/17 Target	16/17 Actuals	How did we track?	17/18 Targets	2020 Targets
10. National surveillance & animal health reports are considered robust by Members & markets	10.1 Government and Industry Members consider that national surveillance publications (i.e. OIE reports, AHIA, AHSQ) are credible and robust	Member feedback that Australia's surveillance as reported in AHIA is insufficient and reporting incomplete Member feedback that surveillance as reporting in Animal Health Surveillance Quarterly (AHSQ) is insufficiently transparent	Address Member feedback through consultation and addressing where AHA can effect change	All feedback on AHIA and AHSQ addressed prior to publication <ul style="list-style-type: none"> Formal feedback on AHIA available August 2017 AHC decision and requirements of AHA on AHSQ surveillance reporting is outstanding Improvement on both publications to continue Additional activities: <ul style="list-style-type: none"> Discussion on surveillance whereby Government Members provided feedback indicating areas for improvement of NAHIS program; accepted CVO/AHC work required (Member Forum 17) Progressing 2 additional core projects arising from Forum AHA working with AHC to effect real change 		Implement required changes to NAHIS publications as required by AHC agreement.	Satisfied the publication requirements of AHC Members.
11. Surveillance data are available to Members & partners to support policy development, decision making & trade	11.1 National Minimum Data Sets (NMDS) for surveillance are established and formats /protocols for transfer of national surveillance data are updated	NAHIS data set satisfies surveillance information needs of Members Agreement on NMDS for surveillance outstanding (AHC 2014)	NAHIS data set satisfies surveillance information needs of Members NMDS for surveillance agreed	NAHIS data set satisfies surveillance information needs of Members No resolution on NMDS – subject of consultation between National Biosecurity Information Governance Expert Group and AHC Additional activities: <ul style="list-style-type: none"> DAWR has commissioned a consultancy project to better inform requirements and support an agreement between CVOs (due November 2017) Correspondence sent to AHC identifying key issues for resolution 		Implement NMDS in the NAHIS as informed and agreed by AHC	NAHIS data set satisfies surveillance information needs of Members
	11.2 Satisfied the national surveillance data and reporting of needs of Members	National Animal Health Information System (NAHIS) and NAMP satisfied needs of Members; revision to reporting requested No baseline available	NAHIS and NAMP satisfied needs of Members Member survey: “AHA's contribution to strengthening surveillance” - 3.4 or above (out of 5)	Work commissioned on the NAHIS database management system to deliver new functionality and new NAHIS report for CVOs (due October 2017) <ul style="list-style-type: none"> Written feedback on NAHIS and NAMP next available in November Member survey: 3.6 <ul style="list-style-type: none"> Qualitative surveillance results indicate that we collectively are not meeting expectations 		3.5 or above (out of 5)	4.0 or above (out of 5)

 Above target
  On target
  Not on target

*AHA's M&E indicators are used to measure the company's progress towards outcomes in key business areas, which are directly aligned with AHA's broader strategic priorities.

END OF PROGRAM OUTCOME

NATIONAL SURVEILLANCE & ANIMAL HEALTH REPORTS ARE CONSIDERED ROBUST BY MEMBERS AND MARKETS

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	15/16 Baseline	16/17 Target	16/17 Actuals	How did we track?	17/18 Targets	2020 Targets
12. Animal welfare is strengthened on-farm & in supply chain	12.1 AHA's contribution to strengthening animal welfare meets the needs of Members	No baseline available	Member survey: "AHA's contribution to strengthening animal welfare" - 3.4 or above (out of 5)	Member survey: 3.7	↗	3.7 or above (out of 5)	4.0 or above (out of 5)
	12.2 Number and value of welfare projects that AHA funds or has carriage of	5 projects	7 projects	9 projects	↗	\$500,000 funding	\$1m funding
	12.3 Number of Industry Members that have an animal welfare strategy or a plan which includes animal welfare	No baseline available	100% all Industry Members have a welfare plan/strategy in place	100% all Industry Members have a welfare plan/strategy in place	→	100%	100%
13. Improved awareness & adoption of animal welfare standards	13.1 Percentage of Industry Members with animal welfare standards incorporated into a compliance/verification scheme or checklist	2 out of 15 Industry Members • AAA • AECL • CCA • RA • ACMF • AHIC • EA • SCA • ADF • ALFA • GICA • WPA • ADMA • APL • HRA	Target not set	13% (2 out of a possible 15 Industry Members) • APL • AECL	↘	47%	60%
	13.2 Number of page views on the Animal Welfare Standards Website	35,561	40,000	47,445	↗	70,000	75,000
	13.3 Number of jurisdictions to mandate animal welfare standards and guidelines in state and territory legislation	6/8 jurisdictions mandated standards for 1 industry sector (land transport) 0/8 jurisdictions mandated standards for cattle and 0/8 for sheep	Target not set	6 jurisdictions mandated land transport S&Gs, 1 jurisdiction mandated sheep S&G, 1 jurisdiction mandated cattle S&Gs • VIC, NT, SA, TAS, NSW & QLD mandated land transport S&Gs • SA was the first state to mandate the sheep and cattle S&Gs on the 15 April 2017	↗	NT & TAS to mandate cattle S&G. TAS to mandate sheep S&G	All jurisdictions to mandate animal welfare S&Gs as agreed by AGMIN
	13.4 Percentage of Members and number of key stakeholders promoting S&Gs on their websites	No baseline available	Target not set	29% of Members and stakeholders promote S&G on websites • GICA did not have a link to welfare S&G but after sending an online enquiry they updated the website	↘	50%	90%

↗ Above target → On target ↘ Not on target

END OF PROGRAM OUTCOME

NEW & ENHANCED PARTNERSHIPS & SUSTAINABLE PROGRAMS

Primary Strategic Priority Source

Strategic Priority Four: Deliver Member value, organisational performance enhancement and sustainable resourcing.

NEW & ENHANCED PARTNERSHIPS & SUSTAINABLE PROGRAMS

33 M&E INDICATORS*

58% 33% 9%

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	15/16 Baseline	16/17 Target	16/17 Actuals	How did we track?	17/18 Targets	2020 Targets
14. Enhanced Member capability & capacity	14.1 Extent to which AHA has facilitated sustainable partnerships (existing and new) (Refer also to indicator 16.5)	No baseline available	Member survey: “AHA facilitates sustainable partnerships” - level of agreement 7.9 or above (out of 10) Member survey: Gov’t, Service Provider and Industry cohorts score “new partnerships are developed and existing ones strengthened” as ‘adequate’ to ‘positive’	Member survey: 8.3 <ul style="list-style-type: none"> • “[AHA] facilitates joint partnerships on agreed projects” and “brings people together” • Induction process instigated to combat ‘newcomer issues’ • Government Forum introduced (Breakfast Forum) • Two new surveillance projects developed for 17/18 	↗	8.0 or above (out of 10)	8.0 or above (out of 10)
				Member survey: Gov’t = Adequate Service Provider = Positive Industry = Positive Additional activities/feedback: <ul style="list-style-type: none"> • Welfare Standards and Guidelines: maintained relationships with participants noting variable levels of support; work will continue in 17/18 • Meat & Livestock Australia became an AHA Associate Member • EADRA workshop: “As a new participant it was valuable for understanding how the EADRA ties in... and its relevance to my industry” • FMD Project: “Without you [AHA staff] we would not have made the progress that we have. There was nobody [within our organisation] to guide us through the Animal Health Committee process and the project benefits greatly from AHA’s established contacts” 	↗	Gov’t = Positive Service Provider = Positive Industry = Positive	Gov’t = Positive Service Provider = Positive Industry = Positive
	14.2 Extent to which AHA has collaborated and tailored information for and with Members & stakeholders	No baseline available	More Members are involved and have direct contribution to communications outputs	11 projects involved member/stakeholder information collaboration, with mutually beneficial outcomes <ul style="list-style-type: none"> • PHA and AHA awarded the Australian Biosecurity Award (Farm Biosecurity Program) • JD management in cattle communications and practice change campaign: shared with relevant industry stakeholders to ensure consistent messaging and uptake (confusion and resistance in some sectors; will continue to work on this 17/18) • Shared booth with Wildlife Health Australia • Communications Manager assisted with Qld White Spot Disease (WSD) Response 	↗	5 collaborative/partnership activities satisfactorily completed annually	15 collaborative/partnership activities satisfactorily completed annually
	14.3 Extent to which AHA meeting facilities are utilised	No baseline available	Internal events = 70 External events = 20	Internal events = 76 Additional activities/feedback: <ul style="list-style-type: none"> • “[AHA meeting rooms] are considered a fantastic resource. Great facility to meet with industry” 	↗	3 AHA Members have used AHA facilities beyond their credit allocation annually	5 AHA Members have used AHA facilities beyond their credit allocation annually
	14.4 Extent to which AHA is delivering value to Members	No baseline available	Member survey: “AHA is delivering value to Members” - level of agreement 7.9 or above (out of 10)	Member survey: 8.0 <ul style="list-style-type: none"> • “[AHA] responsive to Members, innovative, facilitates collaboration” 	↗	5 non-Member organisations hire AHA facilities annually 8.0 or above (out of 10) 90% of 17/18 communication and partnerships activities are delivered	10 non-Member organisations hire AHA facilities annually 8.0 or above (out of 10) 90% of 19/20 communication and partnerships activities are delivered

↗ Above target → On target ↘ Not on target

*AHA’s M&E indicators are used to measure the company’s progress towards outcomes in key business areas, which are directly aligned with AHA’s broader strategic priorities.

END OF PROGRAM OUTCOME

NEW & ENHANCED PARTNERSHIPS & SUSTAINABLE PROGRAMS

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	15/16 Baseline	16/17 Target	16/17 Actuals	How did we track?	17/18 Targets	2020 Targets
15. Strong productive relationships & information flow	15.1 Number of AHA website views	234,794	250,000	298,929	↗	310,000 annually	330,000 annually
	15.2 Percentage of users opening AHA Express	33%	35% (industry standard 20-25%)	35%	→	35%	40%
	15.3 Total number of subscribers to AHA Express	570	1,000	757	↘	2,000 total	6,000 total
	15.4 Total number of followers on social media	1,514	4,300	4,961	↗	8,000 total	18,000 total
	15.5 Percentage engagement on Facebook	No baseline available	5% (industry standard 1-1.5%)	3% Additional feedback: • AHA shared 149 Member/stakeholder posts on Facebook	↘	5%	5%
	15.6 Extent to which Member's Forum content is useful	No baseline available	90%	96.5%	↗	90%	90%
	15.7 Extent to which Members' Forum meets the Member's organisational needs	No baseline available	90%	94%	↗	90%	90%
	15.8 Extent to which AHA is responsive to Members	No baseline available	Member survey: "AHA is responsive to its Members" - level of agreement 7.9 or above (out of 10)	Member survey: 7.9 • "[AHA] has done some good work in providing communication in making people aware of what's going on in the organisation, the sector and the industry" Additional feedback: • "A quick note to thank you for including the details of our National Safety Officer role in your December newsletter. We appreciate the plug!"	→	8.0 or above (out of 10) Qualitative assessment based on feedback is mostly positive	8.0 or above (out of 10) Qualitative assessment based on feedback is mostly positive
	15.9 Members are satisfied with AHA communications; timings, channels and frequency of contact	No baseline available	Qualitative feedback is mostly positive	Qualitative assessment based on feedback is assessed as mostly positive Feedback: • "Just wanted to say how great the illustration is for the Goat Health Declaration - I now understand all the different elements of PICs, NLIS etc and how they work together!" • "[Member Forums]... provides a very good platform for bringing all stakeholders ie. Govt and industry together and regularly" • "Forum discussions could be more robust and at times it didn't feel like anybody had ownership" • "It's an excellent, brilliant publication [Goat Industry Welfare Standards and Guidelines]. Probably the best quick reference guide ever produced for the goat industry" • "I think communication is pretty good and improved with monthly newsletter email. I've noticed different communication channels lately"	↗	Qualitative assessment based on feedback is mostly positive	Qualitative assessment based on feedback is mostly positive

↗ Above target → On target ↘ Not on target

END OF PROGRAM OUTCOME

NEW & ENHANCED PARTNERSHIPS & SUSTAINABLE PROGRAMS

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	15/16 Baseline	16/17 Target	16/17 Actuals	How did we track?	17/18 Targets	2020 Targets
16. AHA financial sustainability	16.1 Percentage annual increase in Gross Revenue (measured by 5 year rolling average gross revenue from audited financial statements)	\$14,655,000	2% = \$14,948,000	\$15,296,000	↗	5% = \$17,197,000	5% = \$18,960,000
	16.2 Industry Member reserves are greater than their respective minimum agreed levels	Eight industries who need reserve policies	No target set	Three members have industry reserves greater than their agreed level (SCA, WPA, DA). Five members do not have agreed levels (CCA, GICA, ALFA, AECL, ACMF)	→	Industry Member reserves are greater than their respective minimum agreed levels	Industry Member reserves are greater than their respective minimum agreed levels
	16.3 Percentage annual increase in core retained earnings (measured from audited balance sheet)	\$4,517,000	2% = \$4,607,000	\$5.7m Recognition of income for LBN subsidiary, past completed projects, under-spent core programs and retention of interest	↗	3% = \$4,872,000	3% = \$5,164,000
	16.4 Total annual average income of special projects (percentage is the annual increase)	\$268,000	2% = \$273,000	\$223,000	↘	3% = \$281,000	5% = \$309,000
	16.5 Number of partners other than Members involved in special projects	TBC	No target set	12 partners including: private vets, private companies and individuals who are involved in special projects	→	13 partners including: private vets, private companies and individuals who are involved in special projects	17 partners including: private vets, private companies and individuals who are involved in special projects
	16.6 Number and type of diversified funding options* (Exclude core, special or Government funding)	TBC	No target set	Two diversified funding options: private funding (Australian Animal Pathology Standards Program) and the Direct tender (APL evidence of absence of exotic disease project)	→	Continue to improve the diversified funding options by two \$250,000	Continue to improve the diversified funding options by four \$2,000,000
	16.7 Corporate overhead charge on operational projects	43%	43%	46.65% Overhead is allocated according to budget and many projects were under-budget. Overhead was reduced on a case by case basis, reducing the total overhead charge from \$1.5m budget to \$1.4m	↗	43%	43%
	16.8 Timeliness of financial reporting and project progress reports to Members	No baseline available	Reports circulated to Members within the agreed timeliness (align with Board cycle)	Industry Members have continued to receive reporting: • New reports developed for non-industry Members • New reports developed for Government Members • Quality of reports has improved	→	Reports circulated to Members within the agreed timeliness (align with Board cycle)	Reports circulated to Members within the agreed timeliness (align with Board cycle)
	16.9 Timeliness of internal financial reporting	Monthly within 1 month and within annual audit timeframes	Monthly within 2 weeks	Financial reports have been made available, but not all have been in the time required - quality of reports have improved	→	Monthly within 2 weeks	Monthly within 2 weeks

↗ Above target → On target ↘ Not on target

END OF PROGRAM OUTCOME

NEW & ENHANCED PARTNERSHIPS & SUSTAINABLE PROGRAMS

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	15/16 Baseline	16/17 Target	16/17 Actuals	How did we track?	17/18 Targets	2020 Targets
17. A capable, engaged, innovative and agile workforce	17.1 Engaged workforce	71%	Maintain	72%	→	≥ 75% industry benchmark	Better than industry benchmark
	17.2 Improved internal and external collaboration	79% internal	Maintain	84%	↗	Maintain (69% industry benchmark)	Better than industry benchmark
		89% external	Maintain	91%	↗	Maintain (82% industry benchmark)	
	17.3 Positive trends in professional/career and learning development	40% professional/career development	50%	49%	↗	55% (47% industry benchmark)	Better than industry benchmark
		71% learning development	75%	74%	→	75% (65% industry benchmark)	
	17.4 A well led and well managed workforce	77% management	Maintain	82%	↗	> 84% industry benchmark	Better than industry benchmark
		79% leadership	Maintain	77%	→	80% (67% industry benchmark)	
	17.5 Innovation is practiced and valued	75%	Maintain	82%	↗	Maintain (67% industry benchmark)	Better than industry benchmark
	17.6 Staff retention	80%	Maintain	92%	↗	≥ 80%	≥ 80%

↗ Above target → On target ↘ Not on target

COMMITTEE PARTICIPATION

Animal Health Committee
Animal Health Quadrilateral Group 3D Network
Australian Pork Limited Biosecurity Reference Group
Australian Pork Limited Specialist Group for Biosecurity, Food Safety and Quality Assurance Research Development & Extension Group
Australian Strategic and Technical Advisory Group on Antimicrobial Resistance
Cattle Council of Australia Animal Health Welfare Biosecurity and Environment Consultative Committee
CSIRO – Health and Biosecurity Committee
Evaluation and Lessons Management Specialist Task Group
Federation of Australian Wool Organisations’ Emergency Animal Disease Preparedness Working Group
Governance and Steering Committees for Rural Research & Development for Profit Project - Improved surveillance, preparedness and return to trade for EAD incursions using FMD as a model
International Foot-and-Mouth Disease Vaccine Strategic Reserve Network
Livestock Data Link Working Group
National Animal Health Surveillance and Diagnostics Business Plan Implementation Task Group (of Animal Health Committee)
National Biosecurity Committee (observer)
National Biosecurity Emergency Preparedness Expert Group
National Biosecurity Information Governance Expert Group
National Communications Network
National Laboratory Task Group (of Animal Health Committee)
National Veterinary Epidemiology and Surveillance Task Group (of Animal Health Committee)
National Farmers Federation Biosecurity Task Group
National Farmers Federation Welfare Task Group
National Livestock Identification Scheme Cattle Advisory Committee
National Livestock Identification Scheme Monitoring Committee
National Livestock Identification Scheme Pigs Advisory Committee
National Livestock Identification Scheme Sheep and Goat Advisory Committee
National Livestock Identification Scheme Standards Committee
Northern Australia Biosecurity Framework Reference Group
Northern Australia Biosecurity Framework Working Group
National Vendor Declaration Working Group
Health for Wealth Project Management Committee
Queensland Biosecurity Capability Implementation Program Board
Queensland Biosecurity Strategy Working Group
Review of Post-mortem Inspection and Disposition Judgements Steering Group
Rural Research & Development for Profit ‘Health 4 Wealth’ Project Management Committee
Rural Research & Development for Profit Project Peri-mortem Project Working Group
SAFEMEAT Executive
SAFEMEAT Partners
Training Specialist Task Group
Vaccination Expert Advisory Group (Animal Health Committee)
Wildlife Health Australia Coordinator Group





**STRATEGIC
PRIORITY
ONE**

STRATEGIC PRIORITY ONE

INTRODUCTION

Having a strong, robust framework and the necessary tools readily available to effectively and successfully deal with EADs is an asset to AHA's Members, the economy and the community. AHA safeguards the integrity of the EADRA, to enhance Members' responses to EADs and EAD preparedness and response arrangements generally, as well as strengthening government-industry partnerships.

KEY HIGHLIGHTS

- AUSVETPLAN information mapping consultancy completed.
- Publication of new guidance document on tracing and surveillance.

MAJOR ACHIEVEMENTS

- Major review of the response policy brief for Hendra virus
- Proposal for risk mitigation framework requirements endorsed at EADRA workshop
- FMD Risk Management Project Phase 2 completed

*Effectively manage
and strengthen
Australia's emergency
animal disease response
arrangements through
successful partnerships
with Members.*

**OUTLOOK
2017-18**

- Review of AUSVETPLAN disease strategies and response policy briefs to update scientific and technical information and address inconsistencies in approach.
- Develop a new template for enterprise manuals.
- Continue communications about FMD Risk Management Phase 2 research projects.
- Improved surveillance, preparedness and return to trade for EAD incursions using FMD as a model.
- Endorsement of variation to the EADRA Clauses and amendments to Schedule due for completion in October 2017.
- Third five-year review of the EADRA due for completion in December 2017.
- Begin process of seeking expert technical advice for planning, contractual arrangements and implementation of a new FMD Vaccine Bank for 2019-2024.

Response Framework and Obligations Program

PROJECTS	DELIVERABLES	TARGET	OUTCOME	PROJECT BUDGET	COMMENTS
EADRA	Complete 85% of the deliverables of the 2016 – 17 EADRA work plan	Jun 2017	Achieved	237,739	
	Updated version of EADRA endorsed and published	Oct 2016	Achieved		New version of EADRA published ahead of time
	Guidance documents prioritised in the 2016-17 EADRA work plan endorsed and published	Jun 2017	Achieved		
Aquatic EAD Response Arrangements	Year two work plan for the development of aquatic EAD response arrangements completed	Jun 2017	Achieved	125,000	
	A report that evaluates the likely costs of administering an aquatic EAD agreement prepared for consideration by governments and industry	Jun 2017	In progress		An AHA business case for the Aquatic Deed is under development
	A report that examines options for industry contribution/repayment mechanisms relating to management of aquatic EAD incidents	Jun 2017	In progress		The Aquatic Deed Working Group has developed a discussion paper and consultation with industry participants is underway

PROJECT DELIVERABLE OUTCOMES	ACHIEVED	IN PROGRESS	DELAYED/NOT ACHIEVED
	67%	33%	0%

Response Tools Program

PROJECTS	DELIVERABLES	TARGET	OUTCOME	PROJECT BUDGET	COMMENTS
AUSVETPLAN	Complete 85% of the deliverables of the 2016-17 AUSVETPLAN work plan	Jun 2017	Not achieved	479,623	Approximately 70% of work plan delivered. Availability of personnel (both within AHA and externally) limited progress on some work plan items
	Incorporation of key findings from Exercise Odysseus into relevant components of AUSVETPLAN where appropriate	Jun 2017	Achieved		Animal Health Committee [AHC] advised there were no key findings to be included in AUSVETPLAN
FMD Vaccine Bank Management	Progress reporting to funding parties	Six monthly	Achieved	92,666	
	Provision of specific technical advice to Members to enhance their understanding of FMD virus, diagnostic tests, vaccine selection and FMD vaccination tactical options	Jun 2017	Achieved		
Anthrax Vaccine	Progress reporting to funding parties	Six monthly	Achieved	18,935	
	Assess inventory, batch expiry dates and sales of anthrax vaccine	Jun 2017	Achieved		
FMD Risk Management	Progress reporting to funding parties	Six monthly	Achieved	1,039,983	
	Annual review and program meeting	Feb 2017	Achieved		
Capripox Research and Development	Complete Capripox test development	Jun 2017	Achieved	82,231	

PROJECT DELIVERABLE OUTCOMES	ACHIEVED	IN PROGRESS	DELAYED/NOT ACHIEVED
	89%	0%	11%



STRATEGIC PRIORITY TWO

STRATEGIC PRIORITY TWO

INTRODUCTION

Having AHA Members understand their roles and responsibilities in the event of an EAD, compliance with the requirements of EADRA and that they have the capacity, capability and skills to effectively contribute to an EAD response is vital.

KEY HIGHLIGHTS

- Invited to manage the National Biosecurity Response Team (NBRT).
- Biosecurity Emergency Response Training Assessment (BERTA) materials project underway.
- Contributed to Exercise Athena; an international EAD simulation exercise led by the Department of Agriculture and Water Resources (DAWR).
- Professional development for EAD trainers was delivered on evaluation for emergency management.
- Delivered four training workshops for Consultative Committee on Emergency Animal Diseases (CCEAD) and National Management Group (NMG) to Members.
- Coordinated the evaluation of private veterinarian EAD awareness/surveillance training workshops.

MAJOR ACHIEVEMENTS

- Designed and conducted the first aquatic EAD exercise
- The success of liaison – livestock industry function training resulted in six requested workshops for 2017-18

*Enhance the
emergency animal
disease preparedness and
response capability of
AHA and its Members.*

OUTLOOK 2017-18

- Five industry liaison workshops are scheduled, targeting the horse and dairy industries and including regional workshops.
- The new NBRT will participate in Exercise Border Bridge, a NSW/QLD joint biosecurity simulation exercise.
- BERTA materials project on track to be completed by December 2018.
- CCEAD and NMG training scheduled for 2017-18, with new resources and delivery format being developed to enhance training.
- A specialised CCEAD workshop for pig vets will be held in 2017.
- Exercise program for introduced marine pest emergencies will be delivered by June 2018, funded by DAWR.

EAD TRAINING

PROJECTS	DELIVERABLES	TARGET	OUTCOME	PROJECT BUDGET	COMMENTS
National EAD Training	Complete 85% of the deliverables of the 2016-17 EAD Training work plan	June 2017	Achieved	682,404	
	Develop and/or update at least one prioritised set of training resources to support national consistency in EAD awareness and response training	June 2017	Achieved		
	Training resources are shared and accessible to stakeholders on a new trainers' extranet	March 2017	Not achieved		Materials have been made available on the PHA Biosecurity Portal
	Deliver training events to enhance Members' preparedness to respond to EADs	June 2017	Achieved		
RRT Training	In consultation with a host jurisdiction, design and deliver an RRT training activity	June 2017	Achieved	220,020	

PROJECT DELIVERABLE OUTCOMES	ACHIEVED	IN PROGRESS	DELAYED/NOT ACHIEVED
	80%	0%	20%



STRATEGIC PRIORITY THREE

INTRODUCTION

A unified national approach to biosecurity, surveillance and animal welfare strengthens the overall integrity and confidence of the national animal health system to support market access from which all Members benefit. AHA strives to enhance Member capability to implement effective biosecurity and animal welfare practices, identify disease events in a timely manner and to trace animals along the supply chain. Ensuring domestic and international markets have the continuing confidence to purchase our Members' products due to the performance of these measures, as underpinned by robust surveillance, laboratory, reporting and verification processes, is paramount to what we are trying to achieve.

KEY HIGHLIGHTS

- Farm Biosecurity Program reviewed and recommendations initiated.
- National adoption of a communications plan on Johne's disease in cattle delivered and shared with government, industry and state farming organisations for their delivery.

MAJOR ACHIEVEMENTS

- Negotiated the successful transfer of LBN as a subsidiary company to AHA
- Farm Biosecurity Project received the 2017 Australian Biosecurity Award
- *Animal Health in Australia* report was published in 2016

*Strengthen biosecurity,
surveillance and animal
welfare to enhance animal
health and support market
access and trade.*

- AgSOC endorsed NLIS Cattle and NLIS Pig Standards.
- Subsidised disease investigations and/or subsidised private practitioner disease investigation training for NSDI program.
- A nationally endorsed, revised Accreditation Program for Australian Veterinarians (APAV) registration course.
- Revision and distribution of screw-worm fly (SWF) awareness materials and maggot collection kits.
- Revision of online NAMP interactive map to support understanding of the distribution of bluetongue virus zones.

OUTLOOK 2017-18

- Drafting of NLIS Sheep and Goat Standards.
- Complete Exercise Cowcatcher III, a cattle tracing exercise.
- Review of the SheepMAP and GoatMAP projects.
- Review of the Goat Health Project.
- Implement recommendations arising from Exercise Sheepcatcher II.
- Complete review of all industry biosecurity plans.
- Work with governments on meeting their EADRA commitments for Clause 14.
- Implementation of the *National Surveillance and Diagnostics Business Plan*.
- Implement Australian Animal Health Laboratory's STARS (Sample Tracking and Reporting System) for national sharing of laboratory general surveillance data.
- Enhance the NAHIS and AHSQ publication.
- Delivery of APL Evidence of Absence Surveillance Project.
- Monitoring the efficacy of general surveillance investments – a reassessment of Australia's sensitivity to detect FMD.

On-Farm and Supply Chain Biosecurity Program

PROJECTS	DELIVERABLES	TARGET	OUTCOME	PROJECT BUDGET	COMMENTS
Farm Biosecurity Project	Increase producer awareness of the Farm Biosecurity Project by 5%, by October 2017, through the implementation of targeted media plans and advertising campaigns in 2016-17	Oct 2017	Achieved	206,790	
	Increase from 49% to 60% in the number of producers who undertake a biosecurity action as a result of coming into contact with the Farm Biosecurity Project (as measured in the 2017 joint Farm Biosecurity Producer Survey)	Jun 2017	Not achieved		2017 survey results showed a decline to 40% of producers undertaking activities. The most popular reason producers did not undertake an action was "no need/no problem", indicating the Farm Biosecurity Project needs to focus on reminding producers about biosecurity threats and the danger of complacency
Biosecurity Planning and Implementation	Assist Members meet their biosecurity commitments as listed in Clause 14 of the EADRA	Jun 2017	Achieved	65,024	
EAD and Biosecurity Awareness for New and Emerging Industries	Measure existing levels of biosecurity and EAD awareness within these industries	Jul 2016	Achieved	25,000	
	Produce and distribute targeted material that will raise awareness of biosecurity and EAD	Jun 2017	Achieved		
Prohibited Pig Feed Compliance and Awareness	Complete 90% of the deliverables of the project activities in the business plan	Jun 2017	Achieved	18,000	
Newcastle Disease Management Plan	Complete 90% of deliverables of the Newcastle Disease Management Plan 2013 - 2016	Jun 2017	Achieved	36,050	
	Develop the Newcastle Disease Management Plan	Oct 2016	Delayed		Placed on hold by steering committee

Cont'd

Animal Biosecurity RD&E Strategy	Hold the third Biosecurity RD&E Forum	Apr 2017	Achieved	200,000	
	Complete 90% of the milestones as listed in the business plan	Jun 2017	Achieved		
Alpaca Biosecurity	Work with AAA to identify their biosecurity requirements	Apr 2017	Achieved	10,000	
Cattle Production Conditions	The provision of two tools or information collateral to cattle producers to facilitate behavioural change on-farm	Jun 2017	Achieved	581,330	
	Develop business plan and complete 90% of the 2016-17 project activities	Jun 2017	Achieved		
Sheep Health Project	The provision of two tools or information collateral to sheep producers to facilitate behavioural change on-farm	Jun 2017	Achieved	1,542,079	
	Complete 90% of the 2016-17 project activities	Jun 2017	Achieved		
	Implement agreed recommendations from the National Sheep Health Monitoring Project Review	Jun 2017	Achieved		
Goat Production Conditions	Complete 90% of the deliverables of the business plan	Jun 2017	Achieved	108,982	
	Complete an assessment of the current systems that provide disease assurance for goat producers	Dec 2016	Delayed		GICA reviewing resourcing for this project
Meat Inspector Training	Deliver an online training course in EAD and biosecurity awareness to the processing sector	Jun 2017	Not started	80,503	No funding obtained
Online Biosecurity Training	Deliver an online training course in EAD and biosecurity awareness to the production sector	Jun 2017	Not started	67,897	No funding obtained



Surveillance and Laboratory Program

PROJECTS	DELIVERABLES	TARGET	OUTCOME	PROJECT BUDGET	COMMENTS
Surveillance and Laboratory Enhancement Support	Implementation of the Surveillance Business Plan with 80% of AHA led deliverables underway:	Jun 2017	Not achieved	206,790	Approximately 34% of deliverables completed
	<ul style="list-style-type: none">A documented revision of surveillance data needs of AHA Members	Dec 2016	In progress		AHA contributing to AHC task groups and DAWR
	<ul style="list-style-type: none">An accessible national index of animal health databases	Jun 2017	Stopped		Dependent upon documentation of national surveillance data needs. See above
	<ul style="list-style-type: none">National utilisation of a revised NSDI Program	Jun 2017	Achieved		
	<ul style="list-style-type: none">An expert report outlining requirements and recommendations for delivering disease investigation training through the NSDI program	Jun 2017	Not started		Reprioritised by National Surveillance Business Plan Implementation Working Group
	<ul style="list-style-type: none">A pilot-ready version of the Animal Health Alerts project (smartphone app and web portal)	Dec 2016	Delayed		Technical development issues
	<ul style="list-style-type: none">A release-ready version of the Animal Health Alerts project	Jun 2017	Delayed		Dependent upon previous
NSDIP	Effective, subsidised disease investigations led by private practitioners in every state and territory and/or subsidised private practitioner disease investigation training	Jun 2017	Achieved	231,972	
National Animal Health Laboratory Coordination	Efficient management of contracts and issues to maintain and improve diagnostic services for specific diseases that have market access relevance	Jun 2016	Achieved	30,628	
SWF	Complete 90% of the deliverables of the 2016-17 fly trapping	Jun 2017	Achieved	173,671	
	Complete 90% of the deliverables of the targeted myiasis monitoring	Jun 2017	Achieved		
	A non-specialist user interface package for modelling SWF incursion spread	Dec 2016	Delayed		Product undergoing user testing
	An agreed program business plan for 2017 onwards	Dec 2016	Achieved		

Cont'd

Australian Animal Pathology Standards Program	Quarterly histopathology proficiency testing for subscribing laboratories	Quarterly	Achieved	107,278	
	An annual training workshop (the Roadshow)	Sep 2016	Achieved		
Reference Laboratories	Management of contract for reference laboratory services for Johnne's disease and Anthrax reference laboratories	Jun 2017	Achieved	160,000	
EAD Abattoir Surveillance	Collection of nominated samples from abattoirs for testing of EADs	Jun 2017	In progress	97,428	On hold by funding party and will be reviewed in 2017-18
NAMP	Complete 90% of the deliverables of the virology and entomology plans	Jun 2017	Achieved	1,366,616	
	Maintain a current, interactive, web-based bluetongue zone map	Jun 2017	Achieved		
	Process 90% of notified bluetongue zone change requirements within 10 working days	Jun 2017	Achieved		
	Publish annual NAMP report	Jan 2017	Achieved		
TSEFAP	Timely monitoring and communication of Australia's freedom from bovine spongiform encephalopathy and classical scrapie combined with our highest level of international rating, to support market access for cattle, sheep and goats	Jun 2017	Achieved	1,182,902	
Cadmium Study	Complete collection of samples	Sep 2016	Delayed	13,558	Difficult to obtain samples due to reduction in sheep slaughter numbers
	Present final report to Meat and Livestock Australia	Sep 2016	Delayed		Difficulty sourcing samples from direct lines of sheep, originating from low rainfall areas, at participating abattoirs
	Prepare draft research paper	Dec 2016	Delayed		Difficulty sourcing samples from direct lines of sheep, originating from low rainfall areas, at participating abattoirs
Veterinary Practitioner Enhanced General Surveillance (VPEGS)	Deliver pilot activities as defined by the VPEGS working group	Nov 2016	Not started	52,867	Funds redirected by DAWR

PROJECT DELIVERABLE OUTCOMES	ACHIEVED	IN PROGRESS	DELAYED/NOT ACHIEVED
	54%	8%	38%

Market Access Support Program

PROJECTS	DELIVERABLES	TARGET	OUTCOME	PROJECT BUDGET	COMMENTS
Livestock welfare	Facilitate welfare discussions and collaboration between industry and government Members for a harmonised approach to welfare standards implementation and improved welfare outcomes	Jun 2017	Achieved	79,951	Provided input in the draft proposal to establish an Australian Farm Animal Welfare Council – a National Farmers’ Federation/ RSPCA and AVA initiative
	Collaboratively develop animal welfare tools/systems that will validate the animal welfare credibility of Members	Jun 2017	Achieved		Promote Member and stakeholder welfare initiatives. Collaborated industries direct involvement in the AHIA publication
NAHIS	A secure, validated, web accessible database of agreed national surveillance data requirements	Jun 2017	Achieved	647,602	Future requirements under revision by AHC and DAWR
	Produce AHSQ reports	Quarterly	Achieved		
	Produce the AHIA report	May 2017	Achieved		
NLIS Program	Collaboratively develop implementation and compliance rules for the four NLIS species programs (sheep, goats, cattle, pigs)	Jun 2017	Achieved	63,000	
Tracing Exercises	Undertake national tracing exercises for pigs and cattle to assess their performance against the <i>National Livestock Traceability Performance Standards</i> as identified by their respective advisory committees	Jun 2017	Not started	70,000	Cattle tracing and pigs tracing exercises delayed until 2017-18 and 2019 respectively, both at request of relevant steering committees
Goat Tag Trial	Continuation of a three year trial to identify devices suitable for the identification of dairy goats	Dec 2018	Stopped in July 2016	22,943	GICA postponed project

Cont’d

Alpaca Traceability	Manage contracts that enable the AAA's responsibilities relating to traceability to be met	Jun 2017	Not started	15,000	AAA postponed project
National Johne's Disease Project	Manage the cross-sectoral issues associated with the administration of the Market Assurance Program (e.g communication and database management)	Jun 2017	Achieved	240,422	
Australian Government Accredited Veterinarian (AAVet)	Administer AAVet for the accreditation of veterinarians involved in live exports	Jun 2017	Achieved	3,691	
APAV	A nationally endorsed revised APAV training module	Dec 2016	Achieved	40,000	
	An accurate public register of accredited vets	Jun 2017	Achieved		
	An efficient database management system to deliver training and related business services	Jun 2017	Achieved		
Sheep Cooperative Research Centre (CRC) Wellbeing Program	Support and ensure the wool industry's investment in the sheep CRC delivers value	Jun 2017	Achieved	161,985	
Livestock Welfare - Poultry	Develop <i>National Australian Animal Welfare Standards and Guidelines for Poultry</i>	Nov 2017	Delayed	182,946	Delays experienced due to drafting of Regulation Impact Statement and Office of Best Practice Regulation providing feedback past the agreed timelines
Australian Animal Welfare Standards and Guidelines for Goats Communications Plan	Develop and implement a communication strategy to increase awareness among fibre and dairy goat producers on the <i>Goat Industry Welfare Standards and Guidelines</i>	Apr 2017	Achieved	45,708	

Cont'd

Australian Animal Welfare Standards and Guidelines for Goats	Develop first draft standards and guidelines	Aug 2015	Achieved	N/A	
Katstone Heat Load Project	Management of the contract for the refinement and delivery of heat load advisory service	Jun 2017	Achieved	243,199	
National Wild Dog Action Plan	Support the <i>National Wild Dog Action Plan</i> via the Stakeholder Consultative Group	Jun 2017	Achieved	5,469	
Poultry Game Species	Develop welfare standards and guidelines specifically for game bird species for inclusion into the <i>National Australian Animal Welfare Standards and Guidelines for Poultry</i>	Apr 2017	Delayed	18,838	Due to the major project <i>Australian Animal Welfare Standards and Guidelines for Poultry</i> having delays, this has caused a flow on effect to the game species project



STRATEGIC PRIORITY FOUR

PROJECT DELIVERABLE OUTCOMES	ACHIEVED	IN PROGRESS	DELAYED/NOT ACHIEVED
	76%	0%	24%

STRATEGIC PRIORITY FOUR

INTRODUCTION

AHA strives to deliver 'value for money' services to its Members, contributing to and supporting their respective deliverables to their Members and constituents. AHA's strategic planning and Member engagement is designed to ensure the diligent utilisation and management of Member contributions. Transparent and relevant reporting on our programs is focused on providing the correct information at the right time to enable AHA and its Members to make informed decisions about the allocation of scarce resources to animal disease and biosecurity issues of the nation. AHA aims to operate with better practice standards in corporate governance, financial and human capital management, technology, communications and, at its core, collaboration and engagement to maximise its sphere of influence, with solutions tailored to suit its Members' financial constraints.

KEY HIGHLIGHTS

- Collective social media following was at 4,961 at 30 June 2017 up from 1,739 at 1 July 2016¹².
- Staff satisfaction survey undertaken; baseline data set created.
- Performance of AHA meets Members requirements as reflected in Member survey and other feedback mechanisms.
- Enhanced levy Member reserve reporting and unearned revenue report developed for non-levy Members.
- Provision of registered office services for Harness Racing Australia.
- Provision of services to LBN.
- AHA positions classification structure and work level standards developed.
- AHA Board Charter rewritten.

*Deliver Member value,
organisational performance
enhancement and
sustainable resourcing.*

MAJOR ACHIEVEMENTS

- 90% of all communications and partnerships and events activities completed
- 300,000 website views in one year, in part driven by new management of John's disease communications plan
- Members unanimously adopted changes for AHA's constitution
- MLA endorsed as an associate member at the 2017 General Meeting
- Internal audit reviews of overhead cost allocation methodology, service level agreements and ceased projects' unearned revenue

OUTLOOK 2017-18

- Enhance AHA's digital presence and reach to producers and stakeholders.
- Collaborating with Members and stakeholders in the sharing of resources and knowledge to reduce duplications.
- Implement Member survey adjustments.
- Improved event facilities promotion and uptake, including to external organisations.
- Establishment of the Aquatic Deed with AHA custodianship, which will enable aquatic livestock industries to become Members.
- Customer Relationship Management System (CRMS) implementation.
- Migrate AHA data and ICT operations to cloud storage.
- New business opportunities development - first stage implementation.
- Review of financial systems to assess adaptability and whether upgrade or replacement is required.
- Corporate overhead cost simplification.

¹² AHA's social media channels were implemented 26 June 2016.

Corporate Governance and Services Program

PROJECTS	DELIVERABLES	TARGET	OUTCOME	PROJECT BUDGET	COMMENTS
Board	Best practice governance in accordance with Australian Institute of Company Directors guidance	Jun 2017	Achieved	419,890	New Board Charter and a new directors selection process introduced
	Implementation of independent Board performance review recommendations	Jun 2017	Achieved		
	Compliance with AHA constitution (and constitution review)	Jun 2017	Achieved		Members unanimously adopted changes for AHA's constitution
Executive and Management	Strategic plan implementation and reporting against deliverables	Jun 2017	Achieved	491,418	M&E training undertaken to support implementation
	FBT/PAYG and other legislation compliance	Jun 2017	Achieved		
	Effective and transparent cost allocation to operational projects	Jun 2017	Achieved		
	Performance of AHA meets Members requirements as reflected in Member survey and other feedback mechanisms	Jun 2017	Achieved		
	Program outcomes delivered and reported to Board and Members	Jun 2017	Achieved		
	Effective operational management of company	Jun 2017	Achieved		Placed on hold by steering committee
	Adoption of AOP and reporting against deliverables	Jun 2017	Achieved		Enhanced levy Member reserve reporting and unearned revenue report developed for non-levy Members

Cont'd

Finance and Facilities	Effective financial management and regular reporting of program performance	Jun 2017	Achieved	N/A	Finance and facilities costs are applied as a corporate overhead charge to operational projects
	Unqualified audit opinion on annual financial statements	Sep 2017	Achieved		
	Risk management mitigation and reporting	Jun 2017	Achieved		
People Capability	Company-wide targeted training and professional development	Jun 2017	Achieved	137,273	
	Improved staff survey response	Jun 2017	Achieved		Baseline set
	WHS committee is effective in supporting a healthier and safer workplace	Jun 2017	Achieved		
	Implementation of Human Resource Strategic and People Plans	Jun 2017	Achieved		Detailed People Plan Project Plan under development for 2017-18
	Delivery of staff collaboration and knowledge sharing events	Jun 2017	Achieved		
Information and Communication Technology	Complete 85% of the deliverables of the ICT Strategy review recommendations	Jun 2017	In progress	247,569	0% achieved due to resourcing and budget restrictions. A number of recommended activities have been delayed for completion until the first half of 2017-18
	Deliver a records management software review and business case	Jun 2017	Not achieved		De-prioritised in favour of CRMS scoping and specification
	Deliver effective technology tools to AHA staff, Board and Members with limited downtime	Jun 2017	Achieved		
	Effective management of contracted ICT service provider	Jun 2017	Achieved		Review of technology partner services (e.g. hosted websites) undertaken resulting in consolidations and cost reductions

PROJECT DELIVERABLE OUTCOMES	ACHIEVED	IN PROGRESS	DELAYED/NOT ACHIEVED
	90%	5%	5%

Business Services and New Business Opportunities Program

PROJECTS	DELIVERABLES	TARGET	OUTCOME	PROJECT BUDGET	COMMENTS
New business opportunities	Develop and implement a strategy for the identification of new business opportunities	Jun 2017	Achieved	50,000	
Cattle Disease Contingency Fund Trust	Timely and effective financial management and reporting	Jun 2017	Achieved	12,000	
	Treasury/investment management in line with agreed policy	Jun 2017	Achieved		
	Company secretarial and administrative support	Jun 2017	Achieved		
	Effective regulatory compliance with ATO and ASIC	Jun 2017	Achieved		
Sheep Industry Health and Welfare Trust	Timely and effective financial management and reporting	Jun 2017	Achieved	12,000	
	Treasury/investment management in line with agreed policy	Jun 2017	Achieved		
	Company secretarial and administrative support	Jun 2017	Achieved		
	Effective regulatory compliance with ATO and ASIC	Jun 2017	Achieved		
Honey Bee Disease Contingency Fund Trust	Potential for carried forward dissolution/audit costs	Jul 2016	Achieved	7,640	Honey Bee Disease Contingency Fund Pty Ltd deregistered by ASIC on 11 September 2016 following application lodged in June 2016
Industry Initiated Expenditure (Service Level Agreements)	Business plans met	Jun 2017	Achieved	1,557,478	

PROJECT DELIVERABLE OUTCOMES	ACHIEVED	IN PROGRESS	DELAYED/NOT ACHIEVED
	100%	0%	0%

Communications and Partnerships Program

PROJECTS	DELIVERABLES	TARGET	OUTCOME	PROJECT BUDGET	COMMENTS
National Partnerships	Representation on national committees and submission of policy papers to strengthen the national animal health system	Jun 2017	Achieved	282,672	The following submissions were made: <ul style="list-style-type: none">Response to the Intergovernmental Agreement on Biosecurity Review Draft Report, addressing key areas that impacted on AHA and the wider national biosecurity system; worked with PHA to have shared messaging on the areas in the draft report which related to both organisationsAustralia Farm Institute Journal submission "Can Australia's biosecurity standards survive in a free trade era?"Response to the Productivity Commission: Draft Report on the Regulation of AgricultureSupport provided to the QLD WSD ResponseContinued involvement in the National Communications Network
	Enhanced government, industry and stakeholder liaison, consultation and engagement	Jun 2017	Achieved		
	Deliver three Member Forums	Jun 2017	Achieved		Member survey rated 96.5% positive rating of usefulness of Member Forum content

Cont'd

Communications	Complete 90% of the deliverables of the 2016-17 communication and partnership activities	Jun 2017	Achieved	264,847	
	Establish a social media presence on Facebook, Twitter and LinkedIn	Jul 2016	Achieved		As of 30 June 4,961 people have followed AHA across the three platforms: <ul style="list-style-type: none"> Facebook: 1049% increase Twitter: 672% increase LinkedIn: 13% increase
	Regular CEO, Board and cross-stream communication to improve staff engagement	Jul 2016	Achieved		
Event Management	Promote usage of an information, policy and networking hub that adds value to our Members and AHA's business and services	Jun 2017	In progress	64,574	Further promotion of the venue to external organisations will take place in 2017-18
	Complete 90% of the deliverables of the 2016-17 Events marketing activities	Jun 2017	Achieved		
Industry Forums	Deliver two Industry Forums	Jun 2017	Achieved	32,000	
	Deliver one joint PHA/ AHA Industry Forum	Jun 2017	Achieved		
	Enhanced collaborations with PHA to maximise and report benefits to Members	Jun 2017	Achieved		
	Consultative and timely development of agenda papers and responses to issues, to support and improve the national animal health system	Jun 2017	Achieved		Two requests for agenda items were sent to all delegates Approximately 90% of delegates indicated the Forum meeting content was useful and met their organisational needs

**PROJECT
DELIVERABLE
OUTCOMES**

ACHIEVED

92%

IN PROGRESS

8%

DELAYED/NOT ACHIEVED

0%



CORPORATE GOVERNANCE

FOUNDATIONS FOR GOVERNANCE

BOARD SELECTION

AHA's constitution prescribes the selection criteria for directors appointments and an independent selection committee comprised of representatives from the Commonwealth, State/Territory and Industry Member groups, as well as a representative of the National Farmers Federation, which recommend appointments for Members' approval in the general meeting.

BOARD CHARTER

All responsibilities and activities of the Board are covered in detail in the Board charter. The charter delineates the responsibilities and role of the Board, the Chairperson, the CEO and the Company Secretary and addresses all aspects of Board appointments, activity and performance. Directors have the right of access to all company information and to the company's Executive and, subject to prior consultation with the Chairperson, may seek independent professional advice at the company's expense. The Board meets in person at least five times during the year, and additionally via teleconference or through consideration of out-of-session papers as required.

CONFLICTS OF INTEREST

Directors declare at each Board meeting any changes to their statement of interests, which are prepared annually affirming that they have no specific interests that will impact on their ability as a Director and that any potential or perceived conflicts of interest will be declared to the Board.

LEGAL COMPLIANCE

Both the Corporate Governance Committee and the Audit and Risk Management Committee are charged with different aspects of monitoring assurance systems. The Company Secretary manages compliance, reporting to both committees, which

in turn provide advice and recommendations to the Board. The responsibilities of the committees are included in the Board charter. Membership comprises at least three directors. The committees meet at least twice each year. Auditors are provided notice of general meetings of Members and are invited to present to the Audit and Risk Management Committee when annual financial statements are considered.

AUDIT AND RISK MANAGEMENT COMMITTEE

FINANCIAL POLICIES AND PROCEDURES

Comprehensive practices are established and included in the company's policy and procedure manuals such that all unbudgeted expenditure and commitments require prior Board approval; financial exposures are controlled; investment of funds is governed by a specific investment policy; work health and safety standards and management systems are monitored and reviewed; and business transactions are properly authorised and executed.

CONTRACTING AND TENDERING

The company has adopted comprehensive policies and procedures in respect of purchasing, contracting and tendering. All contracts exceeding \$40,000 in value are subject to competitive quotation. Where proposed expenditure exceeds \$100,000 a formal open contracting process is used to seek competitive quotations.

RESPECTING THE RIGHTS AND INTERESTS OF MEMBERS AND STAKEHOLDERS

MEMBER CONSULTATION AND COMMUNICATIONS

The Board aims to ensure that all Members are informed of all major developments affecting the company.

COMPANY GENERAL MEETINGS

The Board encourages full participation of Members at the AGM. Full participation is also encouraged at a general meeting held by the company in June each year at which the AOP is presented and core subscription levels are formally agreed on by Members for the upcoming financial year.

CODE OF CONDUCT

The Board Charter contains a directors' Code of Conduct with which each director is expected to comply. In addition, the company has documented standards that each manager and employee of the company is expected to operate within. The requirement to comply with these ethical standards is communicated to all employees. Directors, managers and employees are expected to strive at all times to enhance the reputation and performance of the company.

RECOGNITION AND MANAGEMENT OF RISK

RISK MANAGEMENT

Monitoring of corporate and program risks is a specific responsibility of the Audit and Risk Management Committee. The company's process of periodic risk assessment and review covers the business environment, work health and safety, property, financial reporting and internal control. Internal audit reviews are undertaken periodically at the direction of the Audit and Risk Management Committee.

ENHANCEMENT OF PERFORMANCE

BOARD PERFORMANCE EVALUATION

The Board is committed to the ongoing development of both individual directors and the Board as a whole. Evaluation regularly involves the engagement of independent external expertise.

COMPANY PERFORMANCE EVALUATION

AHA has commenced a monitoring and evaluation framework, in consultation with Members, to report on key deliverables as outlined in the *Strategic Plan 2015-2020*.

STAFF PERFORMANCE EVALUATION

Each staff Member is employed under an employment contract that specifically calls for an annual performance agreement against which performance is measured by the staff member's manager. The performance of the CEO is evaluated on the same annual basis by the Chairperson and Board.

FAIR AND RESPONSIBLE REMUNERATION

DIRECTORS' REMUNERATION

The remuneration payable to directors is approved at a general meeting of the company as stipulated in the constitution. There are no schemes for retirement benefits, aside from statutory superannuation.

EMPLOYEE REMUNERATION

The remuneration of the CEO is set by the Board and reviewed annually as part of the CEO performance review. The remuneration of all other staff is set and reviewed by the CEO as part of their annual performance review.

A large flock of white swans swimming in water, with the text "FINANCIAL STATEMENTS" overlaid in white.

FINANCIAL STATEMENTS

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED

ABN 86 071 890 956

FINANCIAL STATEMENTS

For the year ended 30 JUNE 2017

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED

DIRECTORS' REPORT for the year ended 30 JUNE 2017

The directors present their report together with the financial report of the Australian Animal Health Council Limited ("the Company") for the year ended 30 June 2017 and the auditor's report thereon.

Information on directors

Name:	Peter Milne
Title:	Non-Executive Chairperson
Qualifications:	DipBus, FIPA, Member AICD
Experience and expertise:	Extensive experience in the cattle industry and as a company director, including of AHA since 2002 (and Chairperson since 2011).
Special responsibilities:	Member of the Audit & Risk Management Committee.
Name:	Dr Bruce M Christie
Title:	Non-Executive Director
Qualifications:	BVSc, MANZCVS, GAICD
Experience and expertise:	Extensive experience in government leadership and development of biosecurity and disease mitigation policy and strategies. Deputy Director-General Biosecurity and Food Safety NSW. AHA director since 2012.
Special responsibilities:	Member of Audit & Risk Management Committee.
Name:	Dr Bill (William) Darmody (ceased 23 November 2016)
Title:	(former) Non-Executive Director
Qualifications:	BVMS(Hons), MACVS, FAICD
Experience and expertise:	Extensive national and international consulting experience on animal health and food production. AHA director since 2012.
Special responsibilities:	Member of Corporate Governance Committee
Name:	Paula Fitzgerald (commenced 23 November 2016)
Title:	Non-Executive Director
Qualifications:	BA (Comms), Member AICD
Experience and expertise:	Extensive experience, nationally and internationally, in government and stakeholder relations, regulatory affairs and advocacy in the science and agriculture sectors, with board and committee positions on agriculture, science and training organisations. AHA director since 2016.
Special responsibilities:	Member of Corporate Governance Committee

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED
DIRECTORS' REPORT for the year ended 30 JUNE 2017

Name: Michelle Gorman (commenced 23 November 2016)
 Title: Non-Executive Director
 Qualifications: BScAg (Syd), MSc(Reading), MMgt (MGSM), GAICD
 Experience and expertise: Extensive national and international experience in food and agriculture, including market access, business development and industry systems. AHA director since 2016.
 Special responsibilities: Member of Audit & Risk Management Committee

Name: Prof Martyn Jeggo (ceased 23 November 2016)
 Title: (former) Non-Executive Director
 Qualifications: BVetMed, MSc, PhD, FAICD, MRCVS
 Experience and expertise: Extensive national and international experience in animal health policy development, governmental interfaces and strategic planning. AHA director since 2008.
 Special responsibilities: Member of Corporate Governance Committee

Name: David Palmer
 Title: Non-Executive Director
 Qualifications: DipFarmMgmt, GradDipBusMgmt, FAICD
 Experience and expertise: Extensive mixed farming experience. Extensive national and international experience in market access, food safety, stakeholder relationships and corporate leadership. AHA director since 2011.
 Special responsibilities: Chairperson of Corporate Governance Committee

Name: Sharon Starick
 Title: Non-Executive Director
 Qualifications: BAgSci (Hons), Member AICD
 Experience and expertise: Extensive experience in livestock farming, industry organisation, stakeholder relationships and as a company director. AHA director since 2010.
 Special responsibilities: Chairperson of Audit & Risk Management Committee

Name: Dr Len Stephens (commenced 23 November 2016)
 Title: Non-Executive Director
 Qualifications: Dip Agr Sci, BVSc, MSc, PhD, GAICD
 Experience and expertise: Extensive experience in pathology and microbiology with CEO and directorships across livestock, seafood and R&D sectors. AHA director since 2016.
 Special responsibilities: Member of Corporate Governance Committee

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED
DIRECTORS' REPORT for the year ended 30 JUNE 2017

Directors' meetings

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

	Board Meetings		Audit & Risk Management Committee		Corporate Governance Committee	
	No of meetings held ¹	No of meetings attended	No of meetings held ¹	No of meetings attended	No of meetings held ¹	No of meetings attended
Peter Milne	5	5	3	3		1
Dr Bruce M Christie	5	5	3	3		
Dr Bill Darmody	3	3			1	1
Paula Fitzgerald	2	2			1	1
Michelle Gorman	2	2	1	1		
Prof Martyn Jeggo	3	3			1	1
David Palmer	5	4	2	2	1	0
Sharon Starick	5	5	1	1	1	1
Dr Len Stephens	2	2			1	1

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 AHA is a resilient Australian animal health system through effective partnerships, known for its integrity, and recognised nationally and internationally.

AHA's mission is to assist our members and partners to enhance, strengthen and protect animal health and the sustainability of Australia's livestock industries.

Strategic Priorities

AHA's four strategic priorities, as set out in its strategic plan for 2015-2020 are:

- Effectively manage and strengthen Australia's emergency animal disease response arrangements through successful partnerships with members;
- Enhance the emergency animal disease preparedness and response capability of AHA and its members;
- Strengthen biosecurity, surveillance and animal welfare to enhance animal health, and support market access and trade; and
- Deliver member value, organisational performance enhancement and sustainable resourcing.

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 system. AHA plays an active role in maximising the effectiveness of government, industry partnerships and consultative mechanisms to manage livestock biosecurity risks which helps 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 2017

Review and result of operations

AHA's income declined to \$15.54 million from \$16.25 million in 2015/16. Industry member levies were down \$1.0m on the prior year at \$6.95 million reflecting market conditions and budget. The impact of reduced levy income was offset to some extent by the increases in core subscriptions and special project funding. The one-off recognition of income from taking up 51% of the equity in LBN Pty Ltd, \$0.45m, and closing the book on long-completed projects, \$0.33m, made up for the one-off Sheep Industry Health & Welfare Trust transfer in 2015/16.

Core operations were \$4.49 million, up from \$4.07 million in 2015/16, following members' agreement to annual inflationary increases to core subscriptions, ensuring continued quality of key service delivery.

Special program expenditure of \$9.17 million was substantially lower than 2015/16 at \$12.64 million, and lower than budget of \$9.59 million. In 2016/17, six projects did not commence, others were substantially under budget. By contrast, in 2015/16 there were substantial over budget positions for surveillance projects in particular, relating to prior year disease cycles. The 2016/17 under-budget projects result has led to a corresponding increase of \$2.26 million in the unearned revenue balance, now \$4.81 million.

An operating surplus of \$1.81 million has been delivered against a budgeted deficit of (\$0.26 million), and 2015/16 deficit of (\$0.52 million). The surplus is reflected in cash, investments and total equity.

State of affairs

On 2 September 2016, AHA acquired 51% of the share capital in Livestock Biosecurity Network Pty Ltd for nil consideration. In the opinion of directors this is the only 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 24 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.

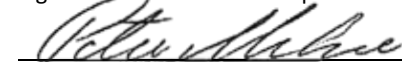
Directors' interests and benefits


Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received by or due to directors shown in the financial statements) by reason of a contract made by the company or a related company with a director or with a firm of which they are a member, or have a substantial financial interest.

Insurance of officers and directors

Insurance premiums of \$6,842 have been paid in 2016/17 on behalf of its directors and officers for professional liability insurance. The policies relate to costs incurred in defending proceedings, civil or criminal, whatever their outcome, and other liabilities arising from their position with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

Signed in Canberra on 20 September 2017 in accordance with a resolution of directors:


Peter Milne
Chairman


Sharon Starick
Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

	NOTES	2017 \$	2016 \$
Revenue from members	2(a)	14,136,393	15,604,398
Interest income		339,234	382,672
Receipts of investment in associate		454,026	-
Other income	2(b)	607,559	259,048
TOTAL REVENUE		15,537,212	16,246,118
Core activities		(4,491,200)	(4,071,051)
Special activities		(9,172,545)	(12,642,555)
Share in loss of associate		(5,131)	-
Levy collection costs		(56,997)	(53,425)
TOTAL EXPENDITURE	3	(13,725,873)	(16,767,031)
OPERATING SURPLUS /(DEFICIT) BEFORE INCOME TAX EXPENSE		1,811,339	(520,913)
Income tax attributable to operating surplus	1(f)	-	-
NET OPERATING SURPLUS / (DEFICIT)		1,811,339	(520,913)

BALANCE SHEET AS AT 30 JUNE 2017

	NOTES	2017 \$	2016 \$
CURRENT ASSETS			
Cash and cash equivalents	4	6,056,769	1,656,966
Held-to-maturity investments	4	13,282,180	12,513,805
Inventory held for distribution	5	3,651,446	3,651,446
Trade and other receivables	6	1,314,347	1,989,326
Other	7	49,609	28,610
TOTAL CURRENT ASSETS		24,354,351	19,840,153
NON-CURRENT ASSETS			
Property, plant and equipment	8	300,679	360,977
Investment in associate	9	448,895	-
TOTAL NON-CURRENT ASSETS		749,574	360,977
TOTAL ASSETS		25,103,925	20,201,130
CURRENT LIABILITIES			
Trade and other payables	10	3,491,872	2,675,391
Unearned revenue	11	4,808,031	2,545,401
Lease restoration provision		36,371	36,371
Employee benefits	12	322,191	189,297
TOTAL CURRENT LIABILITIES		8,658,465	5,446,460
NON-CURRENT LIABILITIES			
Employee benefits	12	43,588	164,137
TOTAL NON-CURRENT LIABILITIES		43,588	164,137
TOTAL LIABILITIES		8,702,053	5,610,597
NET ASSETS		16,401,872	14,590,533
EQUITY			
Accumulated members' funds		16,401,872	14,590,533
TOTAL EQUITY		16,401,872	14,590,533

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2017

	NOTES	2017 \$	2016 \$
CASHFLOW FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		18,135,506	14,418,292
Cash payments in the course of operations		(13,248,003)	(15,623,349)
Interest received		303,931	382,672
NET CASH FLOWS GENERATED FROM/ (USED IN) OPERATING ACTIVITIES		5,191,434	(822,385)
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of held-to-maturity investments		(768,375)	(6,813,805)
Purchase of property, plant and equipment		(23,256)	(381,507)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(791,631)	(7,195,312)
Net increase /(decrease) in cash and cash equivalents held		4,399,803	(8,017,697)
Cash and cash equivalents at the beginning of the year		1,656,966	9,674,663
Cash and cash equivalents at the end of the year	4	6,056,769	1,656,966

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

	ACCUMULATED MEMBERS' FUNDS \$	TOTAL EQUITY \$
Balance at 30 June 2015	15,111,446	15,111,446
Operating deficit for the year	(520,913)	(520,913)
Balance at 30 June 2016	14,590,533	14,590,533
Operating surplus for the year	1,811,339	1,811,339
Balance at 30 June 2017	16,401,872	16,401,872

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

1. SIGNIFICANT ACCOUNTING POLICIES

The financial reports of Australian Animal Health Council Limited for the year ended 30 June 2017 are issued in accordance with a directors' resolution of 20 September 2017. 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.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements ('AASB-RDRs') and Interpretations issued by the Australian Accounting Standards Board ('AASB'), and associated regulations and the Corporations Act 2001, as appropriate for 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.

(b) Statement of Compliance

The company is a not-for-profit, private sector entity. Therefore the financial statements of the company are tier 2 general purpose financial statements which have been prepared in accordance with AASB-RDRs (including Australian Interpretations) adopted by the AASB and the *Corporations Act 2001*.

(c) Use of estimates and judgements

The preparation of financial statements in conformity with AASB-RDRs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on experience and other factors that are believed to be reasonable in the circumstances, the results of which form the basis of judgements regarding the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the company.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

(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 (Live-stock 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.

Direct member subscriptions - Core subscriptions for all classes of members are set by the company at general meeting. Subscriptions are recognised as income when the subscription becomes receivable.

- 10 -

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Special programs revenue - Special program funding is agreed on a project by project basis, on 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 liability – 'unearned revenue'.

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) Operating leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified. Payments made under operating leases are recognised in the statement of comprehensive income on a straight line basis over the term of the lease.

(f) Income tax

Under the provisions of Section 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).

(g) 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.

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.

(h) Foreign currency

Foreign currency transactions are translated to Australian currency at the rate of exchange at the dates of the transactions.

(i) Treasury policy

AHA's treasury policy is to invest funds with a minimum of two financial institutions which have a credit rating of at least AA equivalent, in guaranteed products.

(j) Inventories held for distribution

AHA 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 due to the guaranteed delivery over the multi-year provisioning contracts.

(k) Trade and other receivables

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

- 11 -

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Impairment

AHA assesses whether there is any indication that an asset may be impaired. If so, an estimate of 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 AHA were deprived of the asset, its value in use is taken to be its depreciated replacement cost. For 2016/17 no assets are considered to be impaired.

(m) Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Non-capital repairs and maintenance are recognised as expenses as 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 diminishing value basis over the estimated useful life of the specific assets as follows:

	2017	2016
• Furniture and fittings	20%	20%
• Office equipment	20-33 ¹ / ₃ %	20-33 ¹ / ₃ %
• ICT	33 ¹ / ₃ %	33 ¹ / ₃ %
• Office Fitout	14.29%	14.29%

(n) Trade and other payables

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

(o) 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 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 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.

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Equity accounting

Although AHA holds 51 percent of Livestock Biosecurity Network Pty Ltd shares and has significant influence, AHA does not have 'control'. The investment in LBN is therefore equity accounted (refer to note 9). Significant influence is the power to participate in the financial and operating policy decisions of the investee but it is not control over those policies. The results and assets and liabilities of associates are incorporated in the financial statements using the equity method of accounting. The equity investment is initially recorded at cost and subsequently adjusted to reflect the investor's share of the net assets of the associate (investee).

(q) New Accounting Standards

AASB 15 Revenue from contracts with customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2019 for not-for-profit entities. Replaces all existing standards on revenue, and establishes a five-step process for revenue recognition:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations
- Recognise revenue when the performance

AHA currently accounts for project revenue in line with performance obligations and therefore does not foreshadow a significant implementation challenge, nor a greater deferral of revenue.

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. A comprehensively revamped lease accounting model, which largely ends the previous distinction between operating and finance leases:

- All leases greater than 12 months must be recognised on balance sheet as a lease liability and a related right to use asset, based on the present value of future lease payments.
- A new requirement to consider renewal options which are reasonably likely to be exercised when calculating the lease term.
- The expenses related to leases will appear in the income statement as interest on the lease liability and depreciation on the right-to-use asset – not as a rental expense.
- No significant change for accounting by lessors

AHA will be impacted by this standard in particular for the lease of its premises in Turner.

AASB 1058 Income of Not-for-Profit Entities

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. Substantially alters the requirements of the existing AASB 1004 Contributions and clarifies the treatment of the receipt of income by not-for-profit entities. Income where there is an associated performance obligation should be recognised in line with the principles of AASB 15, whereas donations with no future obligation may be recognised immediately. In addition, assets or services received at below market value (such as peppercorn leases) must be recognised at fair value.

AHA typically has performance obligations for its receipts and is therefore not likely to be impacted by this standard.

2. REVENUE

	2017 \$	2016 \$
2(A) REVENUE FROM MEMBERS¹		
Levy Collection ²	7,414,699	8,360,305
Transfers from Trusts	-	898,182
Direct member subscriptions	2,939,526	2,767,644
Other revenue for special programs	3,782,168	3,578,267
TOTAL REVENUE FROM MEMBERS	14,136,393	15,604,398
2(B) OTHER INCOME		
Completed projects surplus funding	331,487	-
Duck industry voluntary levy ³ .	80,000	-
Subscriptions and private grants	121,631	47,536
Gate signs	25,883	-
Training resources	15,000	
Event room hire	10,815	9,362
Reimbursement of industry contribution for R&D matched funds	-	185,868
Other	22,743	16,232
	607,559	259,048

1 Member groups consist of the Commonwealth, State/Territory governments, industry, service providers and associates. AHA's core programs are funded according to member resolution at general meeting. Special 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 (Live-stock Industries) Act 1996*, contribute by that means.

2 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 AHA in program delivery and EADRA levies, to repay previous emergency disease response events the Commonwealth has underwritten. Levies for use by Industry amounted to \$6.945 million and EADRA levies for the repayment of avian influenza events amounted to \$0.47 million (chicken and egg industries).

3 The duck industry also made a voluntary levy contribution in 2015/16 of \$80,000 in accordance with the provisions of the deed entered into with AHA during that year for the management of funds in the duck industry levy reserve, accounted for under a different account code.

3. EXPENSES

	2017 \$	2016 \$
EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and accrued leave entitlements	2,735,630	2,737,281
Workers compensation insurance	11,406	10,030
Superannuation - defined contribution plans	311,913	224,129
TOTAL EMPLOYEE BENEFITS EXPENSE	3,058,949	2,971,440
ADMINISTRATION AND PROGRAM EXPENSES		
Audit fees	26,400	29,663
Directors fees	221,912	256,226
Consultants and contractors	3,778,097	8,782,224
State member services delivery ⁴ .	2,452,070	-
Commonwealth member services delivery ⁴	138,503	-
Property operating	341,967	369,280
Levy collection costs	56,997	53,425
Share in loss of associate	5,131	-
Other administration and program expenses	3,562,293	4,259,309
Depreciation and amortisation	83,554	45,484
	10,666,924	13,795,611
	13,725,873	16,767,051

4 Prior year 'State member services delivery' and 'Commonwealth member services delivery' was included in Consultants and contractors.

4. CASH AND HELD TO MATURITY INVESTMENTS

	2017 \$	2016 \$
Cash on Hand	400	400
Cash at Bank – Cheque account	19,156	1,363,707
Cash at Bank – Reserve account	6,037,213	292,859
	6,056,769	1,656,966
6 Month Term Deposit at 2.60% p.a.	4,000,000	-
6 Month Term Deposit at 2.60% p.a.	6,000,000	-
6 Month Term Deposit at 2.60% p.a.	3,200,000	-
12 Month Term Deposit at 2.50% p.a.	82,180	82,180
90 Day Notice Deposit at 2.60% p.a.	-	9,208,743
3 Month Term Deposit at 2.95% p.a.	-	3,222,882
	13,282,180	12,513,805
	19,338,949	14,170,771

5. INVENTORIES HELD FOR DISTRIBUTION

	2017 \$	2016 \$
Anthrax antigen bank inventory at cost (2012/13)	75,667	75,667
Foot & mouth disease antigen bank inventory at cost (2014/15)	3,575,779	3,575,779
	3,651,446	3,651,446

6. RECEIVABLES

	2017 \$	2016 \$
Trade receivable	837,955	1,374,828
Other receivables	35,303	-
Industry levies receivable	441,089	544,850
GST Receivable	-	69,648
	1,314,347	1,989,326

7. OTHER ASSETS

	2017 \$	2016 \$
Prepayments	49,609	28,610
	49,609	28,610

8. PROPERTY, PLANT AND EQUIPMENT

	OFFICE EQUIPMENT	FIXTURES AND FITTINGS	ICT	OFFICE FITOUT	TOTAL
COST					
Balance at 1 July 2015	83,525	210,087	-	-	293,612
Additions	8,978	71,036	47,232	254,261	381,507
BALANCE AT 30 JUNE 2016	92,503	281,123	47,232	254,261	675,119
Balance at 1 July 2016	92,503	281,123	47,232	254,261	675,119
Additions	23,256	-	-	-	23,256
BALANCE AT 30 JUNE 2017	115,759	281,123	47,232	254,261	698,375
DEPRECIATION AND IMPAIRMENT LOSSES					
Balance at 1 July 2015	58,572	210,087	-	-	268,659
Depreciation for the year	8,935	5,868	11,070	19,610	45,484
BALANCE AT 30 JUNE 2016	67,507	215,955	11,070	19,610	314,142
Balance at 1 July 2016	67,507	215,955	11,070	19,610	314,142
Depreciation for the year	14,973	16,517	15,729	36,334	83,554
BALANCE AT 30 JUNE 2017	82,480	232,472	26,799	55,944	397,696
CARRYING AMOUNTS					
At 30 June 2016	24,996	65,168	36,162	234,651	360,977
AT 30 JUNE 2017	33,279	48,650	20,433	198,317	300,679

9. INVESTMENT IN ASSOCIATE

	2017 \$	2016 \$
51% equity in Livestock Biosecurity Network Pty Ltd	448,895	-
	448,895	-

10. TRADE AND OTHER PAYABLES

	2017 \$	2016 \$
Trade accounts payable	1,010,969	115,724
Accrued expenses	2,202,153	2,559,667
GST Payable	278,749	-
	3,491,872	2,675,391

11. UNEARNED REVENUE

	2017 \$	2016 \$
Opening Balance	2,545,401	3,783,328
Aged and completed projects income recognised	(902,801)	-
Core & special project subscriptions in advance	800,429	34
2016/17 receipts for incomplete projects	2,464,645	-
Other movements	(99,643)	(1,237,961)
Special program receipts not yet recognised as income	4,808,031	2,545,401
	4,808,031	2,545,401

12. EMPLOYEE BENEFITS

	2017 \$	2016 \$
Employee Benefits	365,780	353,434
Carrying amount at end of financial year - Current	322,191	189,297
Carrying amount at end of financial year - Non-Current	43,588	164,137
A) NUMBER OF EMPLOYEES AT YEAR END	31	26

13. RECONCILIATION OF CASH FROM OPERATING ACTIVITIES TO OPERATING RESULT

	2017 \$	2016 \$
OPERATING RESULT	1,811,339	(520,913)
<i>Non-cash flows in operating result</i>		
depreciation & amortisation	83,554	45,484
receipt of investment in association	(454,026)	-
share in net loss	5,131	-
OTHER MOVEMENTS	-	-
<i>Net changes in working capital:</i>		
change in inventories	-	-
change in trade & other receivables	674,979	(322,009)
change in other assets	(20,999)	2,226
change in trade & other payables	816,481	1,305,315
change in subscriptions in advance	(34)	(118,795)
change in unapplied special program funds	2,262,664	(1,237,980)
change in provisions	12,345	24,287
NET CASH FROM OPERATING ACTIVITIES	5,191,434	(822,385)

14. RELATED PARTIES

a). Cattle Disease Contingency Fund Pty Ltd

The company has a 25% shareholding in Cattle Disease Contingency Fund Pty Ltd (CDCF), 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. AHA is entitled to appoint a director and this is included in the CEO's duties. Transactions with the CDCF as trustee were as follows:

	2017 \$	2016 \$
REVENUE		
Received from CDCF for administrative services	11,280	18,371
	11,280	18,371

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:

	2017 \$	2016 \$
REVENUE		
Received from SIHW for administrative services	11,280	8,807
	11,280	8,807

15. COMMITMENTS

The company's future minimum operating lease payments are as follows:

	2017 \$	2016 \$
REVENUE		
Within one year	295,832	286,597
After one year but not more than five years ⁵	1,274,778	1,570,610
After more than five years ⁵	-	-
	1,570,610	1,857,207

16. KEY MANAGEMENT PERSONNEL

In addition to the Board of directors, the follow key management personnel during the year were:

KEY MANAGEMENT PERSONNEL:

Kathleen Plowman – Chief Executive Officer

Tony Marks – Executive Manager, Corporate & Member Services & Company Secretary

Peter Dagg – Executive Manager, Emergency Preparedness & Response Services

Duncan Rowland – Executive Manager, Biosecurity & Product Integrity Services

DIRECTORS AND KEY MANAGEMENT PERSONNEL REMUNERATION FOR YEAR WAS \$928,355 (2016: \$1,116,002)

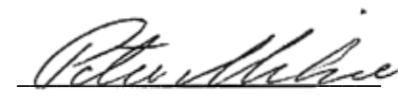
⁵ Lease commitments include those for the AHA's office premises in Turner. The lease commenced 1 July 2015 and will terminate on 30 June 2022.

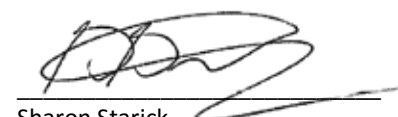
AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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 2017 and of their performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Reduced 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 Executive Manager – Corporate & Member Services for the financial year ended 30 June 2017.

Signed in accordance with a resolution of the directors:


 Peter Milne
 Chairman


 Sharon Starick
 Director

Dated at Canberra, ACT this 20th day of September 2017



RSM Australia Partners

Equinox Building 4, Level 2, 70 Kent Street Deakin ACT 2600
 GPO Box 200 Canberra ACT 2601

T +61(0) 2 6217 0300
 F +61(0) 2 6217 0401

www.rsm.com.au

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 2017, 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



Canberra, Australian Capital Territory
 Dated: 20 September 2017

G M STENHOUSE
 Partner

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.
 RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

24



RSM Australia Partners
Equinox Building 4, Level 2, 70 Kent Street Deakin ACT 2600
GPO Box 200 Canberra ACT 2601
T +61 (0) 2 6217 0300
F +61 (0) 2 6217 0401
www.rsm.com.au

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 2017, 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 2017 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements 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 2017, but does not include the financial report and the auditor's report thereon.

THE POWER OF BEING UNDERSTOOD AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

25



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 – Reduced Disclosure Requirements 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. This description forms part of our auditor's report.

RSM AUSTRALIA PARTNERS

Canberra, Australian Capital Territory
Dated: 20 September 2017

GM STENHOUSE
Partner

26

ABBREVIATIONS

AAA	Australian Alpaca Association Inc.
AAVET	Australian Government Accredited Veterinarian (Livestock) AAVet Training
ACMF	Australian Chicken Meat Federation
ADF	Australian Dairy Farmers
ADMA	Australian Duck Meat Association
AGM	Annual General Meeting
AgSOC	Agriculture Senior Officials Committee
AHA	Animal Health Australia
AHC	Animal Health Committee
AHiA	Animal Health in Australia
AHSQ	Animal Health Surveillance Quarterly
ALFA	Australian Lot Feeders Association
AOP	Annual Operating Plan
APAV	Accreditation Program for Australian Veterinarians
APL	Australian Pork Limited
AVA	Australian Veterinary Association
AUSVETPLAN	Australian Veterinary Emergency Plan
BERTA	Biosecurity Emergency Response Training Assessment
CCA	Cattle Council of Australia
CCEAD	Consultative Committee on Emergency Animal Diseases
CEO	Chief Executive Officer
CRC	Cooperative Research Centre
CRMS	Customer Relationship Management System
CSIRO	Commonwealth Scientific and Industrial Research Association
DA	Dairy Australia
DAWR	Department of Agriculture and Water Resources
DPI	Department of Primary Industries
EAD	Emergency Animal Disease
EADRA	Emergency Animal Disease Response Agreement
FMD	Foot-and-Mouth Disease
GICA	Goat Industry Council Australia

HRA	Harness Racing Australia
IAHER	International Animal Health Emergency Response
ICT	Information and Communications Technology
JD	Johne’s Disease
LBN	Livestock Biosecurity Network
LiveCorp	Australian Livestock Export Corporation Ltd
LPA	Livestock Production Assurance
M&E	Monitoring and Evaluation
MLA	Meat & Livestock Australia
NAC	National Aquaculture Council Inc.
NAHIS	National Animal Health Information System
NAMP	National Arbovirus Monitoring Program
NBRT	National Biosecurity Response Team
NLIS	National Livestock Identification System
NLTG	National Laboratory Task Group
NMG	National Management Group
NSDI	National Significant Disease Investigation
NSDIP	National Significant Disease Investigation Program
PHA	Plant Health Australia
RA	Racing Australia
R&D	Research and Development
RD&E	Research, Development and Extension
RRT	Rapid Response Team
S&G’s	Standards and Guidelines
SCA	Sheepmeat Council of Australia
SWF	Screw-Worm Fly
TSEFAP	Transmissible Spongiform Encephalopathy Freedom Assurance Program
WHA	Wildlife Health Australia
WPA	WoolProducers Australia
WSD	White Spot Disease
VPEGS	Veterinary Practitioner Enhanced General Surveillance