



2019-20

Annual Report





© Australian Animal Health Council Ltd 2020
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

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Welcome to our 2019-20 Annual Report

Guide to the interactive PDF

This interactive PDF allows you to navigate between sections easily. Clicking on one of the tabs at the top of each page takes you to the start of each section.

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About AHA

OUR ROLE

Animal Health Australia (AHA) is a not-for-profit public company that facilitates innovative partnerships between governments, major livestock industries and other stakeholders to deliver world-class livestock health outcomes, safeguarding the sustainability of our livestock sector and ensuring access to key markets.

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 livestock* industries.

OUR VALUES

As a service and member-oriented enterprise, AHA strives to make a difference by modelling five key behaviours:

- Innovation and excellence
- Leadership through collaboration
- Integrity and accountability
- Commitment to our people
- Embracing diversity in people, views and ideas.

* 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.

Why our work matters



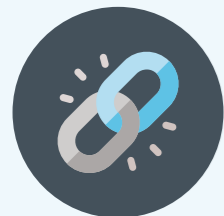
The changing world in which we live is having a profound effect on animal health and biosecurity, posing complex challenges which transcend traditional boundaries.



Over the past 12 months, we've seen emergency animal disease (EAD) threats such as African swine fever (ASF) and African horse sickness (AHS) spread to new locations.



We've also dealt with non-traditional animal crises, from the 2019-20 summer bushfire crisis to the COVID-19 pandemic.



These challenges reinforce how interconnected and interdependent our biosecurity systems are. AHA has always worked closely with our members and partners to drive projects which will have the greatest impact on the animal health and biosecurity system. This work has never been more important as we move to future-proof our biosecurity system against the challenges that lie ahead.

AHA boosts Australia's emergency animal disease preparedness, strengthens its biosecurity system and supports farmers' access to domestic and international markets by investing:

\$1.5m
on emergency preparedness

\$1.0m
on EAD training

\$2.3m
on biosecurity

\$3.3m
on surveillance

\$0.7m
on market access

We strengthen biosecurity

3

industry biosecurity manuals have been reviewed and published

100%

of government members have a biosecurity strategy or statement in place

3

industry animal welfare statements that AHA was involved in developing



Farm Biosecurity Producer Survey revealed information on how producers manage biosecurity risks

We increase EAD preparedness

15

new or revised AUSVETPLAN manuals published

5

new training resources/workshops developed

947

completions of the EAD Foundation online course



contemporary version of the EADRA published

We enhance market access

832

disease investigations subsidised

34

organisations involved in an AHA-led COVID-19 animal welfare group

100%

of industry members have a welfare plan/strategy in place



National Surveillance Business Plan 2020-25 in development

We collaborate and commit

19+

events held on-site and virtually

34

tailored financial and project reports distributed to members

15+

collaborative activities completed with members and stakeholders



multiple initiatives undertaken to help members and partners respond to emergencies

Board of Directors

AHA's Board comprises seven non-executive part-time Directors, all committed and passionate about shaping AHA's future and the Australian animal health system. 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.

At the 2019 November Annual General Meeting (AGM), we farewelled our highly regarded

and respected Chairman, Mr Peter Milne AM, after 17 years of service on the AHA Board (as a director from 2002-2011 and then Chair from 2011-2019). Peter's significant contribution to Australian agriculture and the animal health and biosecurity sectors was also acknowledged at the meeting. At the conclusion of the meeting, Ms Sharon Starick became AHA's Chair and newcomer Ms Renata Paliskis was welcomed to the AHA Board.

Much was achieved over the past year. For me, the most notable output was the new Strategic Plan because it was a whole-of-company effort, it reinforces AHA's underlying biosecurity responsibilities, and it creates opportunities for AHA to broaden its support for our members.



Ms Sharon Starick
Chair



Dr Bruce Christie



Ms Michelle Gorman



Ms Paula Fitzgerald



Dr Len Stephens



Ms Catherine Cooper



Ms Renata Paliskis

2019–20 highlights

Strategic Priority

1

- Completed a rapid review of the AUSVETPLAN *Response strategy: African swine fever*
- Renewed Australia's FMD vaccine bank supply arrangements
- Established a perpetual vaccination equipment stockpile for use in the event of an EAD
- Published a new version of the EADRA



Published 15 new or revised AUSVETPLAN manuals

Strategic Priority

2

- Contributed to the planning and delivery of scenario-based training
- Delivered five Liaison - Livestock Industry workshops to 83 participants across nine industry sectors
- Developed and delivered EADRA and AUSVETPLAN awareness training



Delivered National Biosecurity Response Team workshops, utilising the Biosecurity Emergency Response Training Australia materials

Strategic Priority

3

- Completed the National Arbovirus Monitoring Program review and implemented its recommendations, leading to new agreements on governance and strategy matters
- Delivered the Transformational Change to Animal Health Surveillance workshop in partnership with Animal Health Committee
- Piloted saleyard and transporters biosecurity initiatives in Qld to strengthen biosecurity through red meat supply chains.



Inspected nearly 9.5 million sheep in the National Sheep Health Monitoring Project

Strategic Priority

4

- Won Voice Project's Best Workplace for 2019
- Provided support to members related to the ASF and AHS threats, the 2019-20 bushfire crisis, and the COVID-19 outbreak
- Pivoted during COVID-19 to offer virtual services to members and partners and introduced processes to ensure business continuity during this period
- Implemented new cloud-based financial management and payroll systems



Developed the AHA Strategic Plan 2020-25

Our members

The key factor behind the success of AHA is the ability of members to work together through partnerships, in order to strengthen animal health in Australia and maximise confidence in the safety and quality of Australia's livestock products in domestic and international markets.

Australian, State and Territory Governments



Livestock Industries



Service Providers



Associate Members



Members' year in review

2019-20

 <p>Members have worked together to ensure business continuity and the security of Australia's agricultural supply chain during the COVID-19 outbreak.</p>	 <p>The Zoo and Aquarium Association created an informational video on the five domains of animal welfare.</p>	<p>The Victorian Farmers Federation, in conjunction with Australian Pork Limited and Agriculture Victoria, hosted a series of free ASF webinars.</p>
<p>The Australian Veterinary Association developed a series of mental health resources to support veterinarians.</p>	 <p>Australian Chicken Meat Federation launched a new resource for school students called <i>Chicken Farming in the Living World</i>.</p>	<p>Meat & Livestock Australia (MLA) and Integrity Systems Company announced a new electronic National Vendor Declaration system for goats, sheep and cattle.</p>
<p>Animal Health Committee convened government-industry working groups to improve the response policy for ASF.</p>	 <p>The Department of Agriculture, Water and the Environment (DAWE) reinvigorated their 'Don't be a Jeff' campaign, teaching good biosecurity practices.</p>	<p>Sheep Producers Australia (SPA) and Wool Producers Australia (WPA) led the development of a Sheep Sustainability Framework.</p>
 <p>WPA and AHA delivered a foot-and-mouth disease (FMD) discussion exercise to wool stakeholders.</p>	<p>Rupert Wood, CEO of Wildlife Health Australia, was appointed to the World Organisation for Animal Health Working Group on Wildlife.</p>	 <p>AHA's four horse industry members responded rapidly to the growing threat of African horse sickness in Southeast Asia.</p>

From the Chair

Sharon Starick



It's been a year that none of us could have dreamed about, let alone predicted – and certainly one we won't readily forget. As I reflect on Peter Milne's last report as Chair of AHA in 2019 and his significant contribution to agriculture and biosecurity, I am sure that he too did not foreshadow what was to come, particularly when he said "I speak for all of us at AHA when I say I hope kinder seasons aren't too far away."

Instead, the year will be forever known as the year of devastating events – impacting on livelihoods and life as we know it.

AHA, along with our members and partners, have faced many challenges over the past 12 months:

- The spread of ASF in south-east Asia. AHA worked closely with our members and partners to prevent ASF from arriving in Australia and to ensure we were prepared and ready to respond to an ASF outbreak should it occur. The threat of ASF served as a timely reminder of the importance of biosecurity – it is not a "nice to have" but essential for the welfare of our animals, the economy and agricultural industries.



Another day on the farm for Sharon, who is a pork and grains producer.

- The devastating Black Summer bushfires, which threatened homes, lives and livelihoods, and choked our cities with smoke. A huge thank you to all of the emergency services personnel who worked tirelessly to protect our communities, our animals (including wildlife) and our environment.
- The COVID-19 pandemic, which has completely disrupted our economy and our way of life.

However, against this backdrop of increasing threats and challenges, AHA has had several key successes. First and foremost, AHA completed its *AHA Strategic Plan 2015-20*, with significant achievements and new approaches that will pave the way for the newly launched *AHA Strategic Plan 2020-25*.

"I am also impressed by the resilience of the agriculture industry and our rural and regional communities..."

At its core, the *AHA Strategic Plan 2020-25* is all about AHA building upon our cross-sectoral connections, leveraging our collective knowledge and resources, and working to meet the needs of our industries and our communities. In particular, it focuses on assisting our members and partners to build resilience, seize opportunities and tackle shared challenges.

The priorities and objectives in the *AHA Strategic Plan 2020-25* are more important than ever as we adapt to a world that is constantly changing, now even more so due to COVID-19. AHA, along with its partners – the Invasive Species Council (ISC), the Centre for Invasive Species Solutions (CISS) and Plant Health Australia (PHA) – have recognised this need and are working to address this through the Australian Biosecurity 2030 Workshop in November 2020. This workshop will focus on how to mobilise a 25-million strong biosecurity mass movement to future-proof Australia's biosecurity. It forms part of the broader Biosecurity 2030 Project, which aims to transform Australia's biosecurity systems to better protect our economy, environment and way of life.

Whilst it has been a tumultuous year, I am exceptionally proud of the way AHA staff have adjusted

Chair's key points



It's been a tumultuous year where we have faced numerous threats and crises.



Proud of AHA staff and how they have continued to support members and partners during these challenges.



AHA completed its *Strategic Plan 2015-20*, and launched the strategic plan for the next five years.

their operations during these crises to offer further support to our members and partners. In particular, the AHA team pivoted quickly during COVID-19 to ensure meetings, events and training could be held digitally and key work priorities could continue to progress.

I am also impressed by the resilience of the agriculture industry and our rural and regional communities – despite facing enormous challenges, they continue to work hard and adapt to ensure the sustainability and success of Australian agriculture as well as contributing to the economy.

As AHA Chair, I look forward to working with our members and partners, the AHA Board and AHA staff in the year ahead.

CEO foreword

Kathleen Plowman



It has been a challenging 12 months for AHA, our members and partners and the broader Australian community, with both animal disease threats and other crises significantly impacting the way we work and live. Yet AHA, with the support and guidance of our members and partners, has continued to boost Australia's EAD preparedness and response capabilities, strengthen our biosecurity system, enhance market access and respond to the needs of our members and partners.

There are important lessons we can learn from these difficult situations which can help us

prepare for future challenges. These crises have demonstrated how rapidly change can occur and how important it is to be nimble, adaptable and resilient. They have highlighted how interdependent our animal health and biosecurity system is with other sectors. The issues we are facing go beyond the traditional boundaries determined by state borders and individual production systems and bring about challenges and opportunities that are too big for AHA or any one entity to address alone. Instead a united, multisectoral approach is required



Kathleen (front centre) networking with members and partners prior to the COVID-19 outbreak.

- working together as a biosecurity collective¹ - to prioritise effort to improve biosecurity resilience and capacity.

As the trusted and independent national animal health body in Australia, AHA is well positioned to strengthen our animal health and biosecurity system by helping our members and partners determine the national action required to meet the increasingly complex challenges we face. The work we do at AHA exemplifies the value of public-private partnerships and the significant difference these partnerships make to strengthening Australia's animal health and biosecurity systems.

Developed in consultation with members and partners, the finalisation of the *AHA Strategic Plan 2020-25* was a key achievement over the past 12 months. The strategy outlines what AHA and our members see as key steps to creating a national biosecurity system that provides every opportunity for Australian agriculture to succeed at home and overseas.

My sincere thanks to the Board for their advice and guidance during this challenging time. I especially would like to acknowledge all the staff at AHA who have worked tirelessly and patiently to support our members and partners during this past year, designing creative and innovative approaches and solutions to strengthen our animal health and biosecurity system and enhance our deliverables to you. Their tenacity and drive to make a difference, their passion for what they do and willingness to go the extra mile embodies the very spirit we need to marshal to transform our national biosecurity system to secure its resilience and the sustainability and prosperity of agriculture.

I look forward to working closely with our Board, staff, members and partners as we implement the first phase of our new *AHA Strategic Plan 2020-25* and hope that the next 12 months brings some reprieve to our livestock industries and our communities.

¹ The biosecurity collective refers to the livestock, plants, environment, pests, weeds, aquatic, wildlife and human sectors.

2019-20 highlights



Unveiled the Biosecurity 2030 Project to galvanise the momentum generated at the 2019 Symposium to transform Australia's biosecurity system.



Provided support to members related to the ASF and AHS threats, the 2019-20 summer bushfire crisis, and the COVID-19 outbreak.



Pivoted during COVID-19 to offer virtual services to members and partners and introduced processes to ensure business continuity during this period.



Completed a rapid review of the AUSVETPLAN Response strategy: African swine fever.



Published 15 new or revised AUSVETPLAN manuals and published a new version of the EADRA.



Developed and delivered EADRA and AUSVETPLAN awareness training for our horse industry members.



Completed the National Arbovirus Monitoring Program review and implemented its recommendations.



Piloted saleyard and transporters biosecurity initiatives in Qld to strengthen biosecurity through red meat supply chains.



Won Voice Project's Best Workplace for 2019.

Financial overview

Ashley Turner, AHA's Financial Controller



The 2019-20 financial year has been like no other. In the face of such unprecedented environmental and economic conditions, AHA has delivered a strong operating result for its members. The operating result of \$4.8 million surplus primarily reflects the five-year \$3 million investment in the FMD vaccine bank refresh, coupled with a \$1.7 million excess of industry levy income over industry levy member expenditure. Sheep, lamb, and cattle reserves all increased over the 2019-20 financial period bolstered by a 3% increase in levies, although some of the \$1.7 million industry levy members reserve increase can be attributed to stifled activity in many programs due to the economic and environmental conditions of COVID-19.

Income

Income for core subscriptions received from government, non-levy industry and associate members was \$3.1 million. The 2019-20 increase in other program income from these members and partners was \$1.4 million to \$6.2 million, with \$2.4 million relating to the funding of the 2019-24 FMD vaccine bank refresh and leaving a \$1 million projected decrease in all other program income.

The 2019-24 FMD vaccine bank refresh was successfully renewed in December 2019 with an additional antigen added to the collection of strains covered. The new bank of now eight antigens vary between 500,000 and 1,000,000 doses at a net cost of \$3.6 million including a VAT receivable of \$0.6 million. The vaccine bank was funded by the Commonwealth, states and territories, and red meat industry members. The 50% residual value of the 2014-19 vaccine bank asset, resulted in a \$0.25 million gain, after the sale was converted from Euro

to AUD. This value has been carried forward into the vaccine bank reserve to offset any future adverse movements in vaccine bank assets.

Levy income of \$7.6 million was received, slightly up from \$7.4 million in 2018-19. This included an EADRA (chicken meat) levy stream of \$0.2 million, which is repaid to the Commonwealth for its underwriting of the 2012-13 avian influenza outbreaks. The Emergency Animal Disease Response Agreement (EADRA) levy will see a reset in 2020-21 due to a new avian influenza outbreak occurring in Victoria in July 2020.

Interest of just under \$0.4 million was earned and as a result of continued reductions in the RBA cash rates, fell below budget by \$0.15 million and was the impetus for a revision in the AHA investment strategy currently being formulated for Board review.

Other income of over \$0.2 million was received including \$40,000 for a voluntary levy from the duck industry and \$100,000 cash boost from the Australian Taxation Office as a part of the Australian Government's COVID-19 stimulus package. These funds are held in AHA reserve to supplement future core program activities and biosecurity system improvements that are aligned with the *AHA Strategic Plan 2020-25* and which would benefit all our members.

Expenditure

Total expenditure was \$13 million, \$0.6 million less than budget and \$1.5 million less than 2018-19. The non-budgeted reduction in activity in many programs was because of changed economic and environmental conditions due to COVID-19. The core program expenditure, however remained on track,

comprising 41% of total expenditure and was up 6% from 2018-19.

AHA expenditure included salary and related costs of \$4.3 million compared with \$4.1 million in the prior year, of which half this increase is related to an increase in leave entitlements with minimal leave taken due to the impact of COVID-19, state government member service delivery of \$2.3 million, for sample collection and lab services and industry member service delivery of \$1.2 million. Non-staff travel was 50% down on 2018-19 and staff travel down 37% on budget in 2019-20. The corporate overhead (finance and facilities charge) was reduced in 2019-20 to reflect the reduction in program activity.

Balance sheet

There was a favourable operating result of a \$4.8 million surplus, compared to budgeted \$3.4 million. The operating surplus represents a \$3 million FMD vaccine bank asset and a \$0.6 million VAT increase against a \$1 million reduction in accrued expenditure as a result of reduced activity between March and June due to the current economic climate. The excess of sheep, lamb and cattle industry levy income over industry levy member expenditure increased their reserve holdings in 2019-20 by \$1.7 million. During the 2019-20 financial year, AHA adopted the new and revised Australian Accounting Standards and interpretations applicable to operations, adding a \$0.5 million right-of-use asset and a \$0.6 million lease liability to the balance sheet. AHA has another two years to run on the building lease whereby both the asset and liability will be fully depreciated.

Summary

The 2019-20 operating result is consistent with recent years after taking into consideration the revenue generated by the FMD vaccine bank refresh and the projected decrease in program income. Although there was a better than expected increase in levy receipts, with the easing of the drought members are forecasting this to reverse in 2020-21 and strong levy receipts returning from there on.

Challenging conditions arising from the continuing impact of COVID-19 are likely to continue to affect all our members and will feature in our ongoing engagement with members and partners.

Financial overview

17.8m
TOTAL
INCOME

7.6m
LEVIES

13m
TOTAL
EXPENDITURE

5.1m
CORE

7.4m
OTHER

0.4m
ASSET WRITE-
DOWNS

4.8m
OPERATING
SURPLUS

Strategic Plan 2015–2020

AHA's overarching strategic direction is a resilient Australian animal health system through effective partnerships, known for its integrity, and recognised nationally and internationally. A mid-term review of the Plan was undertaken in consultation with AHA members in November 2017. Adjustments were made to ensure it remained current, continued to align with AHA's mission and supported the expectations of members. This is the final year of the Plan.

The Strategic Plan is supported by four strategic priorities:



STRATEGIC PRIORITIES

STRATEGIC PRIORITY

1

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

A strong framework, and the tools to deal effectively with EADs, are assets to AHA's members, the economy and the community. AHA safeguards the integrity of the EADRA and other response arrangements to enhance members' responses to EADs, and preparedness and response arrangements generally.



Key 2019–20 highlights

-  Completed a rapid review of the AUSVETPLAN *Response strategy: African swine fever*.
-  Published 15 new or revised AUSVETPLAN manuals.
-  Established a perpetual vaccination equipment stockpile for use in the event of an EAD in livestock.
-  Renewed Australia's FMD vaccine bank supply arrangements.
-  Published a new version of the EADRA.

Outlook 2020–21

-  Revolutionise AUSVETPLAN to bring it into a new era with linkages throughout the broader biosecurity collective.
-  Incorporate learnings from COVID-19 and the avian influenza responses into a more contemporary EADRA.
-  Work with members to develop *AnimalPLAN* and the *National Surveillance Business Plan 2020-25*.
-  Work with members and signatories to the EADRA to enhance their understanding of their investment in biosecurity risk mitigation and other obligations and responsibilities under the EADRA.

Response Framework and Obligations Program

PROJECTS	DELIVERABLES	OUTCOME	COMMENTS
EADRA Budget: 299,859	Publish updated version of the Deed	●	
	Publish updated versions of EADRA guidance documents	●	
	Convene and manage the annual EADRA workshop in March 2020 with further meetings as required	●	
	Ensure currency and maintain lists of authorised signatories and contact officers	●	
	Complete 85% of the EADRA workplan	●	
	Engage with aquatic industry stakeholders to promote understanding of biosecurity and support for an aquatic emergency response deed	●	On hold pending additional funding and renewed interest from potential Parties to the Aquatic Deed
	Develop and prepare to deliver Custodian services to the Aquatic EAD Response Deed once ratified by the Parties	●	AHA developed and refined Custodian services; however, the Aquatic Deed is yet to be finalised
OTHER			
Aquatic Industry Liaison Officer Budget: 157,814	Build partnerships and foster collaboration between industry, science and government	●	
	Identify biosecurity training and awareness opportunities and coordinate workshops or events	●	
	Promote awareness of biosecurity response arrangements to aquatic industry stakeholders and promote the benefits of the Aquatic EAD Response Deed	●	

Project deliverable outcomes



Response Tools Program

PROJECTS	DELIVERABLES	OUTCOME	COMMENTS
AUSVETPLAN Budget: 607,024	Review approach to movement controls in response strategies	●	
	Review approach to on-farm biosecurity measures in response strategies	●	
	Engage with national committees (e.g. Animal Health Committee) and working groups to achieve AHA objectives in preparedness and response priority areas	●	
FMD Vaccine Bank Management Budget: 135,000	Maintain a current FMD vaccine supply agreement for use in an FMD response in Australia	●	
	Implement the recommendations from Exercise Dragonglass with regard to vaccine supply and logistics arrangements	●	
FMD Vaccine Bank Capital Budget: 2,681,834	Refresh the FMD Vaccine Bank within the five-year cycle	●	
Anthrax Vaccine Supply Budget: 18,935	Maintain a current anthrax vaccine supply agreement to ensure vaccine is available in an emergency situation	●	
FMD Ready Research and Development (R&D) Budget: 95,800	Support and ensure the FMD-susceptible industries' investment in the FMD Ready Project delivers value	●	
FMD Ready Project Support Budget: 129,433	Support communication, monitoring and evaluation (M&E) activities and project management for the project	●	
	Host and facilitate an annual stakeholder engagement workshop for the project	●	
	Coordinate reports on progress in R&D project 'FMD Ready'	●	

Project deliverable outcomes



STRATEGIC PRIORITY

2

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

It is vital that all AHA members understand their roles and responsibilities in the event of an EAD, they comply with the requirements of the EADRA, and they have the capacity, capability and skills to effectively contribute to an EAD response. This program supports all these essential requirements.



Key 2019–20 highlights

-  Contributed to the planning and delivery of scenario-based training, allowing participants to practice decision-making in a simulated response.
-  Delivered two inaugural workshops for the National Biosecurity Response Team (NBRT), utilising the Biosecurity Emergency Response Training Australia (BERTA) materials.
-  Developed EADRA and AUSVETPLAN awareness training and delivered it to members of the horse industry.
-  Delivered five Liaison - Livestock Industry (LLI) workshops to 83 participants across nine industry sectors and developed training materials for the LLI function.

Outlook 2020–21

-  Develop tailored and flexible training resources that can be delivered to members in virtual formats.
-  Collaborate and engage with stakeholders on training products and services across the biosecurity collective.
-  Increase the emphasis on scenario-based exercise activities to improve response capability and capacity and test policies, plans and procedures.

EAD Training

PROJECTS	DELIVERABLES	OUTCOME	COMMENTS
EAD Training Budget: 634,369	Develop, deliver and review core training to assist members meet their obligations under the EADRA	●	
	Deliver an additional contemporary channel or resource that can be delivered remotely	●	
	Maintain annual partnership with registered training organisation and online course platform provider	●	
	Coordinate a trainers' professional development networking activity	●	The Biosecurity Response Leadership skill set (BELBER) was postponed due to COVID-19 travel restrictions. Training materials are being reformatted and BELBER will be delivered online in 2020-21
	Convene the National Animal Health Training Reference Group as a key consultative group for EAD preparedness and response training	●	
	Strengthen relationships with members and stakeholders through representation on national training and communication committees	●	
OTHER			
NBRT Arrangements Budget: 574,520	Undertake recruitment activities to fill NBRT vacancies (maintain membership)	●	Due to COVID-19 travel restrictions the planning team postponed the exercise. Subsequently, the NBRT Advisory Group decided to delay the major recruitment and induction of new members until the start of 2021-22
	Induct new members into the NBRT	●	
	Plan and conduct an exercise or professional development activity for up to 80 people	●	
	Complete governance and reporting	●	

Project deliverable outcomes



STRATEGIC PRIORITY

3

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

AHA aims to enhance its members' capability to implement effective biosecurity and welfare practices, identify disease events in a timely manner and to trace animals along the supply chain. AHA also works to ensure domestic and international markets have the continuing confidence to purchase our members' products based on the performance of these measures, as underpinned by robust surveillance, laboratory, reporting and verification processes.



Key 2019–20 highlights

-  Completed the National Arbovirus Monitoring Program (NAMP) review and implemented its recommendations, leading to new agreements on governance and strategy matters.
-  Delivered the Transformational Change to Animal Health Surveillance workshop in partnership with Animal Health Committee.
-  Implemented the National Sheep Industry Biosecurity Strategy project, supported by a new Biosecurity Extension Manager in SA.
-  Completed the fourth Farm Biosecurity Producer Survey, assessing awareness, understanding and implementation of biosecurity principles on-farm.
-  Updated chicken meat and duck biosecurity reference manuals.
-  Completed the Animal Biosecurity Research, Development & Extension (RD&E) Snapshot Report and developed a new business plan for the national strategy.
-  Conducted a review of the EAD Watch Hotline to assess its effectiveness and identify areas for improvement.

Outlook 2020–21

-  Complete proof of freedom study for bovine viruses in support of trade and market access.
-  Complete beef processor study monitoring for sarcosporidiosis and *Cysticercus bovis* and to boost evidence of absence from bovine tuberculosis.
-  Review smallholder producer groups and networks in Australia to assess their value to members, governance, and funding.
-  Finalise the *Farm Biosecurity Project 2020-25 Implementation Strategy*, ensuring alignment to the new AHA and Plant Health Australia (PHA) strategic plans.
-  Co-invest with MLA in a range of red meat sector priorities.
-  Develop new virtual reality tools for remote delivery of biosecurity and endemic disease management training.
-  Strengthen our engagement with Indigenous Land and Sea Corporation through new projects that strengthen terrestrial and aquatic biosecurity.

On-Farm and Supply Chain Biosecurity Program

PROJECTS	DELIVERABLES	OUTCOME	COMMENTS
Farm Biosecurity Project and Engagement Budget: 212,631	Implement >85% actions from the program plan, incorporating recommendations from the review of the program	●	
	Contribute to strengthening biosecurity along the livestock supply chain to facilitate the adoption of cross-sectoral biosecurity practices	●	
	Contribute to strengthening biosecurity on-farm so that it meets member needs and enhances the welfare and food safety of Australian livestock production	●	
	Engage with national committees e.g. SAFEMEAT	●	
Biosecurity Planning and Implementation Budget: 59,210	Work with members to ensure biosecurity principles and commitments as listed in Clause 14 of the EADRA are met	●	
	Work with members to develop contemporary industry biosecurity plans and government strategies that are risk-based, effective and practical for producers to implement	●	All governments have statements in place; work continues towards governments also having strategies in place (six out of nine currently do). All livestock industries have biosecurity manuals/plans; work continues towards making them contemporary
Prohibited Pig Feed Compliance and Awareness Project (PPFCAP) Budget: 12,000	Complete 90% of the deliverables of the project activities in the project plan	●	
Animal Biosecurity RD&E Strategy Budget: 200,000	Implement the National Animal Biosecurity RD&E strategy for greater coordination, co-investment and reduced duplication	●	
	Promote the value of co-investing to achieve the RD&E priorities, to AHA members and more broadly	●	
Sheep Health Project Budget: 1,327,665	Complete 90% of the deliverables of the 2019-20 Project Plan activities	●	
	Provide two tools or information collateral to sheep producers to facilitate behavioural change on-farm	●	

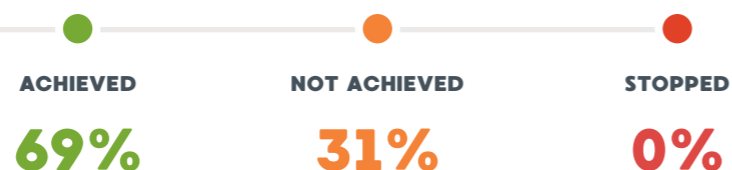
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PROJECTS	DELIVERABLES	OUTCOME	COMMENTS
Goat Production Conditions Budget: 60,000	Complete 90% of the deliverables of the 2019-20 Project Plan activities	●	Revision of GoatMAP is still underway. Expect completion December 2020
	Provide two tools or information collateral to goat producers to facilitate behavioural change on-farm	●	Revision of Goat Health Declaration and communications to follow the above
Cattle Production Conditions Budget: 60,000	Complete 90% of the deliverables of the 2019-20 Project Plan activities	●	
	Provide two tools or information collateral to cattle producers to facilitate behavioural change on-farm	●	
Biosecurity Extension Officers Budget: 283,000	Boost capacity for early detection of exotic disease in livestock in northern Australia	●	
	Enhance understanding of biosecurity practices, including risk management principles and strengthened on-farm biosecurity	●	
	Increase ability of producers and supply chains to investigate, sample and report disease incidents	●	
PROJECTS OUTSIDE THE AOP			
Feedlot Sheep Health Budget: 118,485	Better understanding of the health issues affecting sheep in feedlots of varying sizes	●	Project commenced late in the year and will leverage a related MLA Donor Company project
	More sheep feedlotter are using appropriate information and tools to improve health outcomes of sheep in feedlots	●	
National Sheep Industry Biosecurity Strategy (NSIBS) Project Budget: 42,500	Work with SPA and WPA to deliver the NSIBS	●	
	Identify gaps within the sheep industry related to biosecurity and either address them directly or leverage other projects to do so	●	
Sheep Reproduction Impact Review Budget: 56,349	Fund (together with MLA and Australian Wool Innovation) an independent impact assessment of sheep reproduction RD&E in Australia since 2012	●	
Footrot Genetics Project Budget: 45,433	Commence an R&D project on sheep to help generate a footrot breeding value for Australian merino sheep	●	
Health for Wealth Factsheets Budget: 25,000	Develop a set of factsheets for five beef and 20 pork diseases and conditions found during abattoir inspection	●	

Cont'd

PROJECTS	DELIVERABLES	OUTCOME	COMMENTS
Trust in Australian Wool Budget: 108,000	Produce a wool industry overview for our trading partners that provides information on aspects of the wool industry, which are all intrinsically linked to raise awareness, increase market access and build understanding and consumer trust in Australian wool	●	Substantial work completed and will be finalised next quarter
Saleyards and Transporters Biosecurity Project Budget: 59,000	Run three stock standstill simulation exercises with Qld saleyards to develop biosecurity management plans based on the risks and decision points that were flagged by the exercise	●	Two out of three exercises were completed pre-COVID-19. A third exercise is on hold
	Determine the level of awareness of biosecurity amongst transporters and the best communication channels to target transporters	●	Transporters biosecurity project survey was delayed because of COVID-19 and cancellation of national conference. Survey and project outputs have been delivered via digital formats
	Create relevant biosecurity signage that highlights key biosecurity risks mitigated by correct use of truck wash down facilities and install at truck washdown facilities in Qld and northern NSW	●	

Project deliverable outcomes



Surveillance and Laboratory Program

PROJECTS	DELIVERABLES	OUTCOME	COMMENTS
Surveillance and Enhancement Support Budget: 94,485	Represent AHA on national surveillance working groups	●	
National Significant Disease Investigation Program (NSDIP) Budget: 279,114	Ensure private livestock veterinarians have adequate opportunity, through subsidised training and investigations, to gain the knowledge, skills and resources to investigate significant disease events	●	
National Animal Health Laboratory Coordination Budget: 18,141	Represent AHA members on the National Laboratory Task Group (a working group of Animal Health Committee)	●	
Screw-worm Fly Surveillance and Preparedness Program (SWFSPP) Budget: 156,324	Complete 90% of planned fly trapping and targeted myiasis monitoring	●	
	Promote and maintain awareness and general surveillance for myiasis	●	
	Monitor the risk profile of SWF for Australia	●	
Australian Animal Pathology Standards Program (AAPSP) Budget: 126,500	Deliver proficiency testing program quarterly and meet requirements for registration by National Association of Testing Authorities Australia	●	
	Maintain an online digital database of reference materials, and update and expand technical content	●	
	Deliver an annual continuing education roadshow across Australia	●	
Reference Laboratories Budget: 194,817	Ensure provision of reference laboratory services for paratuberculosis and anthrax	●	
Transmissible Spongiform Encephalopathies Freedom Assurance Program (TSEFAP) Budget: 957,214	Timely monitoring and communication of Australia's freedom from bovine spongiform encephalopathy and classical scrapie, combined with the highest level of international rating, to support market access for cattle, sheep and goats	●	
	Implement the recommendations from the 2018 project review	●	

Cont'd

PROJECTS	DELIVERABLES	OUTCOME	COMMENTS
Accreditation Program for Australian Veterinarians (APAV) Budget: 39,332	Maintain a contemporary online APAV training course	●	
	Maintain a database management system to deliver training and related business services, including a public register of accredited veterinarians	●	
NAMP Budget: 1,395,866	Complete 90% of virology and entomology plans	●	Approximately 85% completed. Some monitoring activities impacted by bushfire or COVID-19 restrictions
	Maintain a secure, web-accessible database of NAMP surveillance data and reports and publicly available interactive online bluetongue virus zone map	●	
	Publish an annual NAMP report	●	
	Implement agreed recommendations from the NAMP program review	●	
Northern Australia Biosecurity Surveillance Budget: 100,000	Hold an annual workshop for northern Australian veterinarians to build disease investigation skills and recognition of priority emergency diseases	●	Project did not proceed with AHA.
	Develop training resources to assist with field investigations of disease events by veterinarians	●	
	Coordinate a professional support network for northern Australian veterinarians to facilitate professional development and surveillance data sharing	●	
Grazing Beef Industry Surveillance Project Budget: 183,141	Develop and implement surveillance projects on an agreed list of priority diseases of relevance to grazing beef production	●	
AAVET Budget: 8,466	Administer online AAVet training course	●	

Project deliverable outcomes



Market Access Support Program

PROJECTS	DELIVERABLES	OUTCOME	COMMENTS
Livestock Welfare Budget: 79,610	Provide leadership through collaboration and coordination to facilitate solutions for livestock welfare issues where requested by members	●	
	Manage collaborative projects for livestock welfare on behalf of members	●	
	Contribute to the review and implementation of animal welfare regulation and governance	●	
National Animal Health Information Program Budget: 662,083	Maintain a secure, validated, web-accessible database of agreed national surveillance data and reports	●	
	Publish <i>Animal Health Surveillance Quarterly</i> , <i>Animal Health Surveillance Epi-digest</i> , and <i>Animal Health in Australia</i> reports	●	The decision to redevelop the format and frequency of publication of the <i>Animal Health in Australia</i> report meant that the 2019 information will be included as part of a combined 2019-2020 report. The <i>Animal Health Surveillance Epi-digest Report</i> was suspended due to lack of support at Animal Health Committee
	Respond to member needs for tailored reports, analysis and data requirements	●	
OTHER			
National Livestock Identification System (NLIS) Program Budget: 57,626	Collaboratively develop implementation and compliance rules for the four NLIS species programs	●	
Australian Pork Limited (APL) Evidence of Absence of Exotic Disease Project Budget: 25,219	Exotic disease exclusion information for pig disease events	●	
National Wild Dog Management Budget: 53,636	Co-invest with MLA and Australian Wool Innovation for greater coordination between producer groups managing impacts of wild dogs	●	
Alpaca Traceability Budget: 8,417	Work with Australian Alpaca Association (AAA) to develop and implement NLIS (Alpacas and Llamas)	●	AAA Board agreed to progressing with development of the NLIS database for alpaca and llama traceability. Progress then slowed due to stakeholder delays

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PROJECTS	DELIVERABLES	OUTCOME	COMMENTS
Livestock Welfare Poultry Budget: 71,296	Finalise the development of <i>Australian Animal Welfare Standards and Guidelines (S&Gs) for Poultry</i>	●	The S&Gs are still in development; however, AHA's management role is complete
Livestock Welfare Pigs Budget: 195,000	Develop <i>Australian Animal Welfare S&Gs for Pigs</i>	●	Delayed until AgSoc's Animal Welfare Task Group forms a decision regarding a commencement date
Australian Meat Processor Corporation (AMPC) Abattoir Comms Project Budget: 33,817	Develop and implement a communication plan to maximise awareness among AMPC members and stakeholders of the existence of related welfare standards and guidelines	●	Project did not go ahead at the mutual decision of AMPC and AHA
National Johne's Disease Project Budget: 15,000	Manage the cross-sectoral issues associated with JD in alpacas, cattle, goats and sheep.	●	Most activities completed but attendance at the International Colloquium on Paratuberculosis not possible when it was postponed due to COVID-19

Project deliverable outcomes



STRATEGIC PRIORITY

4

Deliver member value, organisational performance enhancement and sustainable resourcing.


AHA seeks to deliver 'value for money' outcomes for its members and ensure the corporate support for its strategic and operational delivery programs is fit-for-purpose and delivered efficiently and effectively. 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.



Key 2019-19 highlights

-  Won Voice Project's Best Workplace for 2019.
-  Provided support to members related to the ASF and AHS threats, the 2019-20 summer bushfire crisis and the COVID-19 outbreak.
-  Pivoted during COVID-19 to offer virtual services to members and partners and introduced processes to ensure business continuity during this period.
-  Developed the *AHA Strategic Plan 2020-25* and a new M&E Plan to accompany it.
-  Enhanced cybersecurity through the introduction of multi-factor authentication.
-  Implemented new cloud-based financial management and payroll systems.

Outlook 2020-21

-  Implement a new records management information architecture and relocate SharePoint to the cloud.
-  Explore the strategic direction of the biosecurity system and progress the biosecurity mass movement concept via the Australian Biosecurity 2030 Workshop and 2021 Symposium.
-  Launch the *2020-25 Communications and Engagement Plan*.
-  Continue to develop tailored and timely communications for members.
-  Rebrand the AHA event facilities with a focus on virtual services.

Corporate Services Program

PROJECTS	DELIVERABLES	OUTCOME	COMMENTS
Corporate Governance (Board and Executive) Budget: 1,017,172	Deliver best practice governance in accordance with Australian Institute of Company Directors guidance	●	
	Comply with AHA Constitution and Corporations Law	●	
	Ensure currency of succession plans for the CEO and executive management	●	
	Work with members and stakeholders on the development and finalisation of the <i>AHA Strategic Plan 2020-25</i>	●	
	Finalise M&E report outlining AHA's performance and delivery of the <i>AHA Strategic Plan 2015-20</i>	●	The deadline for this has been revised to September 2020.
	Deliver a members' survey and make adjustments to work practices to adjust feedback	●	
	Deliver effective operational management of the company	●	
	Deliver effective risk identification and management	●	
Finance and Facilities (F&F) Services Strategic Priorities One, Two and Three Budget: 1,020,000	Deliver effective financial management and transparent financial reporting to staff and members	●	
	Deliver unqualified audit opinion on annual financial statements	●	
	Provide safe, comfortable and appropriate facilities and administrative support for staff and members	●	
People Capability Budget: 169,150	Implement the <i>People Strategy and Plan 2017-2020</i> ensuring a well led workforce leading to positive career development trend	●	
	Provide company-wide training leading to positive trend in professional development	●	

Cont'd

PROJECTS	DELIVERABLES	OUTCOME	COMMENTS
Information and Communication Technology (ICT) Budget: 298,789	Implement next stage of the <i>ICT Strategic Plan</i> , in particular cloud solutions for SharePoint and information management system and Office suite	●	The MS Office suite cloud implementation was achieved but difficulty in sourcing a developer has delayed the SharePoint move to cloud to 2020-21.
	Implement new financial management information system	●	
	Effective management of ICT service provider and delivery of effective technology and communication tools	●	
	Compliance with, and annual review of, business continuity plans and disaster recovery plans	●	
Business Development (core and special) Budget: 228,617	Implement the business development strategy to grow AHA core business, leveraging existing capabilities and returning value to members in areas such as aquatics, back office, consulting, extension and training	●	
	Pursue grant funding and sponsorships appropriate to AHA business model	●	
Business Services Budget: 141,589	Deliver company secretariat, taxation, treasury and financial management services to the companies (and trust funds) ensuring compliant and effective delivery of business	●	
Services delivered by industry members Budget: 1,521,100	Effective and efficient delivery of services funded from producer levies by peak industry bodies, as per their agreed workplan to deliver AHA strategic priorities	●	

Project deliverable outcomes

ACHIEVED
90%

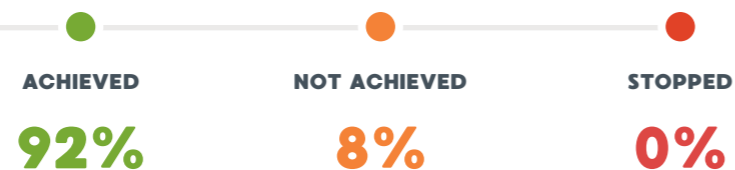
NOT ACHIEVED
10%

STOPPED
0%

Communications and Training Program

PROJECTS	DELIVERABLES	OUTCOME	COMMENTS
National Partnerships Services Strategic Priority One, Two and Three Budget: 39,500	Represent on, and contribute to, national committees and submit policy papers to support and strengthen nationally consistent arrangements and policy approaches to the national animal health system	●	
	Facilitate sustainable partnerships with members and stakeholders	●	
Communications Budget: 308,328	Develop the <i>Communications and Engagement Plan 2020-25</i> , ensuring it complements the <i>AHA Strategic Plan 2020-25</i>	●	Development of the <i>Communications and Engagement Plan 2020-25</i> could not commence until the <i>AHA Strategic Plan 2020-25</i> was completed. The <i>Communications and Engagement Plan</i> will be developed by November 2020.
	Complete 90% of deliverables from the 2019-20 communication and partnership activities	●	
	Facilitate the adoption of the AHA Member Charter, by both AHA staff and members, leading to enhanced outcomes	●	
	Deliver collaborative communication/engagement activities with members and stakeholders	●	
	Deliver two Members Forums that meet the needs of our members	●	
Event Management Budget: 91,934	Complete 90% of deliverables from the 2019-20 events communication and marketing activities	●	
	Increase use of facilities, enhancing its value as a networking and biosecurity hub	●	
Australian Biosecurity Symposium Budget: 10,439	Develop the <i>Australian Biosecurity Symposium</i> report	●	
Industry Forums Services Strategic Priority One, Two and Three Budget: 34,993	Deliver two Industry Forums	●	
	Deliver one joint AHA/PHA Industry Forum	●	
	Industry Forums meet member needs	●	

Project deliverable outcomes



2019–20 committee membership

ABARES General Surveillance Project Steering Committee

Animal Health Committee (observer)

Animal Welfare Task Group (observer)

Australian Alpaca Association Biosecurity Working Group

Australian Livestock Industry Studies Implementation Group

Australian Strategic & Technical Advisory Group on AMR

Cattle Council of Australia Animal Health Welfare and Biosecurity Committee

CSIRO Health and Biosecurity Advisory Committee

EADRA Workshop

Environment and Invasives Committee (subcommittee of National Biosecurity Committee) (observer)

FMD Vaccine Bank Contract Advisory Committee

FMD Ready Project Governance Committee

FMD Ready Project Steering Committee

Live Export Animal Welfare Advisory Group

Livestock Communication Network Group

National Animal Health Surveillance Business Plan Implementation Task Group (of Animal Health Committee)

National Animal Health Training Reference Group

National Biosecurity Committee (observer)

National Biosecurity Communication and Engagement Network

National Biosecurity Emergency Preparedness Expert Group

National Biosecurity Response Team Advisory Group

National Primary Industries Animal Welfare RD&E Strategy Committee (observer)

National Biosecurity Website Working Group

Northern Australia Biosecurity Framework Implementation Committee

Northern Australia Biosecurity Framework Reference Group

Northern Australia Biosecurity Surveillance Working Group

SAFEMEAT Advisory Group (observer)

SAFEMEAT Partners (observer)

Sub-committee Animal Health Laboratory Standards (of Animal Health Committee) (observer)

Wildlife Health Australia Coordinator Group

Wool Industries Australia Emergency Animal Disease Preparedness Working Group

Wool Producers Australia Animal Health and Welfare Committee

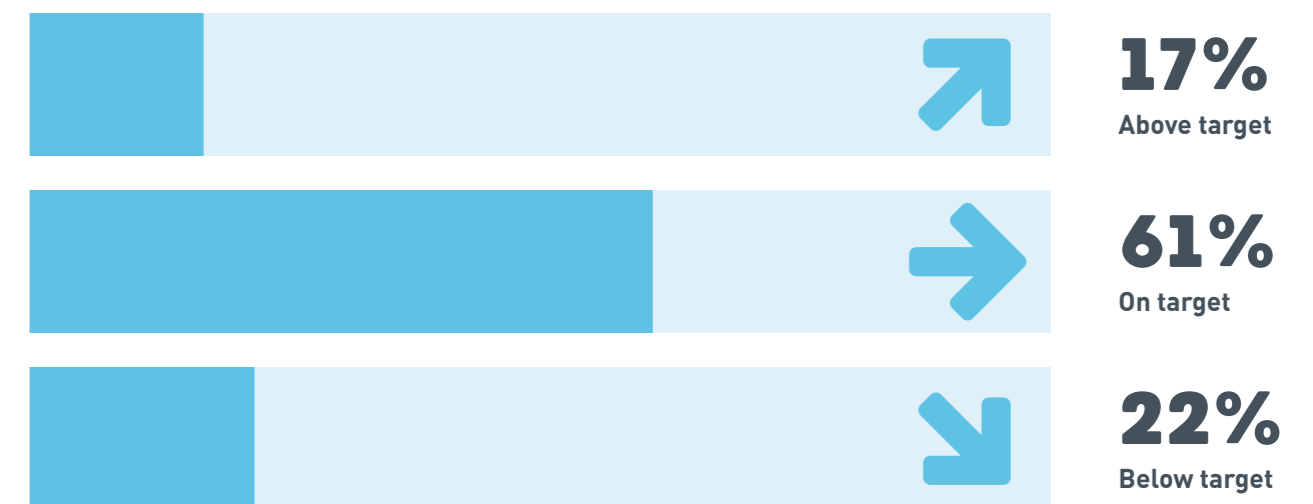
Monitoring and evaluation report 2019–20

Another successful year of M&E has seen us embracing the results-based culture we strive for, allowing us to learn and grow from our successes and challenges and improve our performance and deliverables to our members.

Our four high-level outcomes, which align with our strategic priorities, have been closely monitored and reflected on, allowing for modification to our business practices and reporting on our findings, leading to full accountability to our members.

Overall outcomes

64 M&E INDICATORS*



↗ Above target → On target ↘ Below 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.

HIGH LEVEL OUTCOME

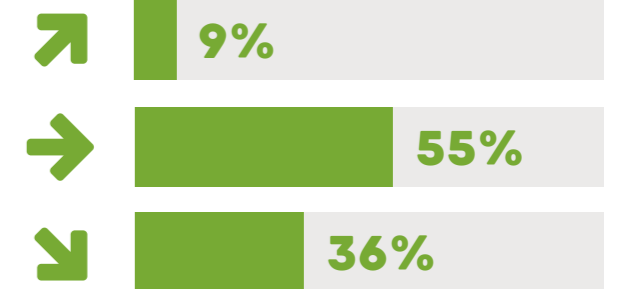
Producers reduce disease entry onto farms

Primary Strategic Priority Source

Strategic Priority Three:

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

11 M&E INDICATORS*



What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	19-20 Target	19-20 Actuals	How did we track?
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	Qualitative assessment based on feedback is mostly positive	<ul style="list-style-type: none"> New network developed with Woolworths and Waste CRC staff around the need to avoid swill feeding of pigs and the ruminant feed ban Pilot projects in Qld across saleyards and livestock transporters in progress to strengthen biosecurity along the supply chain New Biosecurity Extension Manager appointed to SA Expectation around the importance of biosecurity is increasing across a range of stakeholders and so expectations for practice change is also increasing 	➔
	1.2 AHA's contribution to strengthening biosecurity on-farm meets the needs of members	Qualitative assessment based on feedback is mostly positive	Findings from the Farm Biosecurity survey show a disconnect between what our members think of AHA's performance in this space and reveals that their members are influenced in their biosecurity practices by the AHA Farm Biosecurity Project and other programs of work that AHA invests in	⬇️
2. Practice change on-farm	2.1 Percentage of producers that adopt biosecurity practice(s) resulting from contact with the Farm Biosecurity Project	85%	56% The Farm Biosecurity Producer Survey found that: <ul style="list-style-type: none"> 70% of livestock producers surveyed had come into contact with the Farm Biosecurity Project. Between 70-90% of those rated the information as 'very useful' or 'quite useful' 56% said they had put some measure suggested in the material in place on-farm 87% of those who had contact with the project but had not made many changes believed they were already doing enough on-farm and had no need to do anything further 	⬇️
	2.2 Total Farm Biosecurity app downloads	15,000 total	Result: 5,734 downloads <ul style="list-style-type: none"> Stakeholder feedback indicates that the app could use some additional functionality to make it a full-service biosecurity planning tool A review of the app's features and competitors has been conducted, with a view to redevelop the app in 2020-21 	⬇️
3. Increased awareness of biosecurity practices at the farm level	3.1 Number of Farm Biosecurity Essentials video views	13,000 annually	14,447 views	➔
	3.2 Number of Farm Biosecurity website views	250,000 annually	243,170 views	➔
	3.3 Percentage of farm owners who have an understanding of biosecurity practices	80%	75%	➔

Continued >

➔ 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.

HIGH LEVEL OUTCOME

Producers reduce disease entry onto farms

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	19-20 Target	19-20 Actuals	How did we track?
4. Members & partners disseminate biosecurity messages	4.1 Percentage of industry members with a biosecurity plan and/or strategy in place	100%	100% <ul style="list-style-type: none"> Over the last 12 months, the pig, chicken and duck farm biosecurity manuals have been reviewed, designed and finalised for industry implementation. The egg production biosecurity manual is under review by EADRA signatories 	→
	4.2 Percentage of industry members with biosecurity standards incorporated into a compliance/verification scheme/checklist	75%	73%	→
	4.3 Percentage of government members with a biosecurity statement/strategy in place	100%	100% have a statement, 67% have a strategy <ul style="list-style-type: none"> For Tas and Vic that don't have current strategies, an offer to help them with developing one was made, or at least to update their strategy AHA to start the discussion with the Commonwealth about the need for a national biosecurity strategy 	→
	4.4 Percentage of members disseminating biosecurity standards/plans/checklists on their websites	90%	77% <ul style="list-style-type: none"> This has improved by 10% - it will be focussed on further in the new Strategic Plan. 	↘

↗ Above target → On target ↘ Not on target

HIGH LEVEL OUTCOME

Prompt detection of notifiable disease outbreaks and effective EAD response

Primary Strategic Priority Source

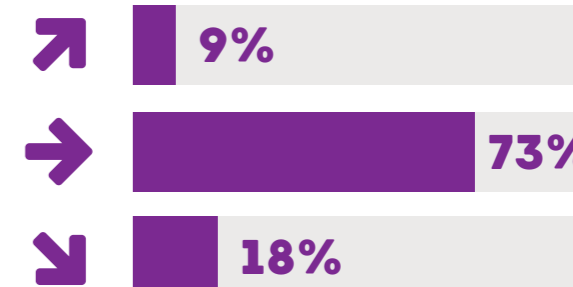
Strategic Priority One:

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

Strategic Priority Two:

Enhance the EAD preparedness and response capability of AHA and its members

22 M&E INDICATORS*



What do we want to achieve? <small>(Intermediate outcomes)</small>	How do we monitor this? <small>(Monitoring indicators)</small>	19-20 Target	19-20 Actuals	How did we track?
5. Australia's EAD response arrangements are effective & efficient	5.1 EADRA and required guidance documents are updated annually	New version published October 2019	<ul style="list-style-type: none"> New version of the EADRA published on 3 September 2019 - 2 months ahead of schedule Delays in progress in EADRA project are due to the COVID-19 response 	➔
	5.2 AUSVETPLAN documents are fit for purpose	100% updated in past 5 years 100% of Disease Strategy Manuals (DSMs) & Response Policy Briefs (RPBs) annually monitored 100% enterprise manuals updated	<ul style="list-style-type: none"> 27% updated in the past 5 years 44% enterprise manuals updated Implementation of new and improved processes have enabled finalisation of 15 new or revised manuals to ensure the AUSVETPLAN project continues to deliver its commitment that the manuals are current, accurate and fit-for-purpose 	➔
	5.3 Endorsed AUSVETPLAN documents are readily available on the AHA website	100% DSMs & RPBs in new templates	<ul style="list-style-type: none"> 18% DSMs and RPBs in new templates Approximately 70% of the high priority manuals in the work plan were updated and published Good progress has been made on transposing content from revised and new AUSVETPLAN manuals into the completely renewed Edition 5 design and format, which incorporates building hyperlinks within and between each resource to assist reader useability 	➔
	5.4 Emergency disease vaccine banks (FMD and anthrax) are fit for purpose	FMD - new contractual arrangements and vaccine bank in place and ready for use Anthrax - new contractual arrangements and vaccine bank in place and ready for use	The new anthrax vaccine storage and supply agreement will no longer be time-limited and will remain in place until a review is requested by either of the parties	➔
	5.5 AHA's contribution to the effective management and strengthening of Australia's emergency response arrangements	Qualitative assessment based on feedback is mostly positive	The 2019 Member Survey results revealed AHA's contribution to the effective management and strengthening of Australia's emergency response arrangements was considered AHA's most important contribution and also AHA's best performing area	➔

Continued >

➔ 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.

HIGH LEVEL OUTCOME

Prompt detection of notifiable disease outbreaks and effective EAD response

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	19-20 Target	19-20 Actuals	How did we track?
	5.6 Emergency disease vaccine banks (FMD and anthrax) manufacture, storage and delivery arrangements are in place	FMD – new contractual arrangements and vaccine bank in place and ready for use Anthrax – to be advised following consultation with funding parties.	Receipt of data from supplier on issues related to one antigen has been delayed by COVID-19 impacts on laboratories and workforces. Vaccine bank is in place and ready to use	➔
6. The EAD preparedness & response capability of AHA & its members is enhanced	6.1 Signatories meet their EADRA obligations for managing an EAD	Risk mitigation framework agreed and in place	<ul style="list-style-type: none"> Industry and government Parties are expected to report back to the EADRA Workshop XIX (Part 2) planned for July 2020 on the current status of their EADRA obligations for managing an EAD A new EADRA Guidance Document: Normal Commitments will be presented to the EADRA Workshop XIX (Part 2) Risk Mitigation Project on track for progression in 2020-2021 to 2023-2024 	➔
	6.2 AHA's contribution to the enhancement of the response preparedness capabilities of our members	Qualitative assessment based on feedback is mostly positive	<ul style="list-style-type: none"> The African horse sickness issues update and the EADRA and AUSVETPLAN awareness sessions have increased engagement with the horse industries. These sessions received great feedback from attendees BELBER for National Animal Health Training Reference Group and industry members is still yet to have a confirmed date, but will be in the 2020-21 financial year F2F training services have been converted into a digital format and delivered virtually 	➔
	6.3 Members have ready access to training	3 new training channels delivered	<ul style="list-style-type: none"> Due to COVID-19 physical distancing restrictions, the training team have been promoting existing training courses 2 channels of training are in development - work is being conducted on developing a condensed webinar version of F2F Consultative Committee on Emergency Animal Diseases (CCEAD) training, to be piloted in July 2020 and delivered by early August 2020 Developing a WPA digital exercise to be delivered in October 	➔
		90% of participants indicate training: 1. is readily accessible 2. meets their needs	87% <ul style="list-style-type: none"> Training was delivered to more than 4 different sectors, so this is above the original target. 	➔
		At least 4 different sectors receive industry liaison training	The NBRT exercise initially scheduled for May 2020 has been postponed until May 2021 as a result of COVID-19	➔
		1 exercise with 90% of NBRT attending, and all jurisdictions represented		➔
		700 annually	947 learners completed the EAD Foundation online course	➔
	6.4 Personnel who receive training understand policies, legal requirements and roles and responsibilities in an EAD.	100%	87% - this represents feedback that suggests that the training participants (both LLI and CCEAD/NMG) felt better prepared to act in these functions/roles than they were prior to training	➔
100% of participants from all AHA EAD response training programs understand policies, legal requirements and roles and responsibilities for an EAD response.		92%	➔	

Continued >

➔ Above target ➔ On target ➔ Not on target

HIGH LEVEL OUTCOME

Prompt detection of notifiable disease outbreaks and effective EAD response

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	19-20 Target	19-20 Actuals	How did we track?
	6.5 The participation and cooperation of government and industry EADRA partners either in a simulated EAD response exercise and/or by review of an actual EAD response is improved.	By 2020, 100% of Industry members and 100% of jurisdictions have participated in EAD responses and/or simulation exercises.	<ul style="list-style-type: none"> 100% of jurisdictional and Commonwealth members participated in a simulated EAD response (CCEAD) - Exercise Razorback 50% of industry members either participated in a simulated response or were educated on tools and roles used in a response. During this year, Training Services also facilitated a broadly focussed EAD exercise for WPA which included participants across the entire supply chain of the wool industry including the Commonwealth 	➔
7. Significant disease events are investigated early	7.1 Member understanding of general surveillance system performance/timeliness	Initiation of 2020-21 assessment of general surveillance system timeliness	AgVIC hosted a national workshop on use of scenario-tree analysis. National adoption of this method has the potential to overcome the challenge of defining the level of surveillance and data required by agreeing nationally on the target outcome rather than the surveillance inputs. Despite the positive outcome of this workshop, this has not progressed to an Animal Health Committee (AHC) discussion and no progress has been made on national use of the method for ongoing monitoring	➡
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.	Subsidised annual training opportunity offered in every state/territory (through NSDI program or other)	90% <ul style="list-style-type: none"> Subsidies for significant disease investigations provided in each state and territory (>260 investigations subsidised). An online SDI training and awareness webinar was conducted by NSW. Challenges in face to face SDI workshops for Qld and NT due to COVID-19 restrictions means under achievement of activity for 2019-20, however plans have been made to progress deliverables once restrictions have eased 	➔
9. Improved national policy and procedures for surveillance, traceability and welfare	9.1 Percentage of Industry members who have traceability standards included into a compliance/verification scheme/checklist	100%	73% <ul style="list-style-type: none"> This indicator was always going to be a difficult one to meet for AHA as we are only one of many players in the traceability space. AHA has participated in many committees, workshops and communications around promoting traceability. AHA have also been working with the alpaca industry on trying to implement an NLIS for them and have engaged in discussions with the deer industry 	➡
	9.2 AHA's contribution to the strengthening of traceability meets the needs of members	Qualitative assessment based on feedback is mostly positive	Achieved	➔
	9.3 Percentage of members promoting traceability on their website	90%	71%	➡
	9.4 Improved traceability performance (against national short term traceability standards 1.1 and 1.2 for NLIS cattle)	AgSOC traceability standard benchmark	Recommendations included in the CowCatcherIII report to improve cattle traceability against the national performance benchmarks are being addressed through investment in national traceability initiatives driven by SAFEMEAT on which AHA sits as an observer. This demonstrates that traceability exercises are informing policy and performance improvements to strengthen Australia's NLIS. NLIS is a necessary tool for effective EAD responsiveness	➔
	9.5 Animal Welfare S&Gs project milestones delivered efficiently and effectively	The S&Gs process is revised resulting in fewer delays and positive feedback from stakeholders.	<ul style="list-style-type: none"> Over the last 12 months, the Animal Welfare Task Group has been inactive, thus significantly impeding AHA's ability to deliver on this indicator AHA provided briefings to the National Farmers' Federation (NFF), APL and AHA Industry Forum 	➔

➔ Above target ➔ On target ➡ Not on target

HIGH LEVEL OUTCOME

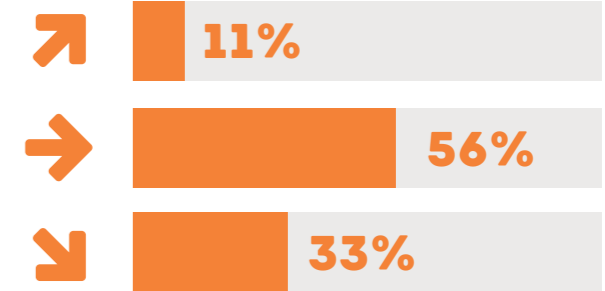
National surveillance and animal health reports are considered robust by our markets

Primary Strategic Priority Source

Strategic Priority Three:

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

9 M&E INDICATORS*



What do we want to achieve? <small>(Intermediate outcomes)</small>	How do we monitor this? <small>(Monitoring indicators)</small>	19-20 Target	19-20 Actuals	How did we track?
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, Animal Health Surveillance Quarterly (AHSQ)) are credible and robust	Satisfied the publication requirements of AHC members.	Continuing work to improve clarity on AHSQ reporting and working with DAWE on a revised AHiA (into two reports - a system and annual report)	→
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	<ul style="list-style-type: none"> No outstanding data standard requirements of NAHIP. AHC directive missing re: NMDS implementation NAHIS has continued to support enquiries from members on their own reporting 	→
		NAHIS data set satisfies surveillance information needs of members	<ul style="list-style-type: none"> NAHIS data set satisfies surveillance information needs of members AUSPestCheck trial assessing NMDS and data standards to continue to 2021 Development on <i>National Surveillance Business Plan 2020-25</i> initiated, with workshop in June 2020 Transformational Change to National Animal Health Surveillance Workshop undertaken in June. Feedback from the workshop: <i>Very well managed and coordinated - this would have been very challenging and the organizers definitely pulled it off. Everybody I spoke to thought it was a very valuable exercise</i> 	→
	11.2 Satisfied the national surveillance data and reporting of needs of members	Qualitative assessment based on feedback is mostly positive	NAMP review completed, including agreement on revised business and operations plans	→

Continued >

↗ 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.

HIGH LEVEL OUTCOME

National surveillance and animal health reports are considered robust by our markets

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	19-20 Target	19-20 Actuals	How did we track?
12. Animal welfare is strengthened on-farm & in supply chain	12.1 AHA's contribution to strengthening animal welfare meets the needs of members	Qualitative assessment based on feedback is mostly positive	<ul style="list-style-type: none"> Together with representatives from the Animal Welfare Group, AHA instigated the COVID-19 Animal Welfare Response Reference Group to facilitate the sharing of information, with various positive feedback on the importance and relevance of this group has been received. As a direct result of this group formation, AHA is now contributing in an Australian COVID-19 Animal Welfare Case Study AHA finalised the Five Domains welfare infographic, with positive feedback received: <i>Thanks this is a very helpful infographic. I like how it clarifies the environment and behaviour domains as in our sector this terminology is often used under a different context which then confuses understanding of how the Five Domains works</i> 	↘
	12.2 Number and value of welfare projects that AHA funds or has carriage of	\$1m funding	Three projects - \$345,906 <ul style="list-style-type: none"> AHA has been actively seeking funding and new projects in this area over the last 12 months; we are progressing three new projects 	↘
	12.3 Percentage of industry members that have an animal welfare strategy or a plan which includes animal welfare	100%	AHA drafted a Goat Industry Council Australia (GICA) welfare statement and was directly involved in the development of the NFF welfare statement	↗
13. Improved awareness and adoption of animal welfare standards	13.1 Number of jurisdictions to mandate animal welfare S&Gs in state and territory legislation	All jurisdictions to mandate animal welfare S&Gs as agreed by AGMIN	<ul style="list-style-type: none"> One less than target for land transport and no increase on sheep and cattle Land transport - 7; Sheep and cattle - 2*; Saleyards - 0 Exhibited - 0* *NSW have included both the cattle and sheep S&G's as prescribed guidelines within their <i>Animal Cruelty Act</i>. SA mandated the standards incorporated in sheep and cattle S&Gs on 15 April 2017 *VIC requires compliance with the exhibited animals S&Gs for all pest animal approved (collection) zoo permits from 1 October 2019 	→
	13.2 Percentage of members and key stakeholders promoting S&Gs on their websites	90%	68%	↘

↗ Above target → On target ↘ Not on target

HIGH LEVEL OUTCOME

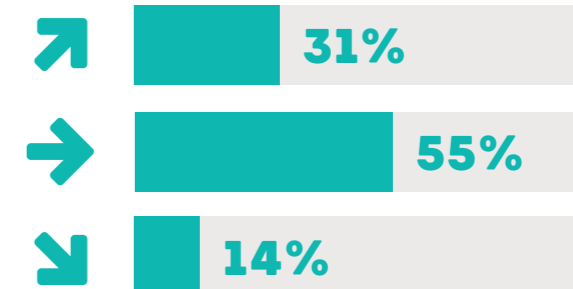
New and enhanced partnerships and sustainable programs

Primary Strategic Priority Source

Strategic Priority Four:

Deliver member value, organisational performance enhancement and sustainable resourcing.

22 M&E INDICATORS*











What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	19-20 Target	19-20 Actuals	How did we track?
14. Enhanced member capability & capacity	14.1 Extent to which AHA has facilitated sustainable partnerships (existing and new)	Qualitative assessment based on feedback is mostly positive	<ul style="list-style-type: none"> Representation on the Animal Welfare Collaborative Advisory Panel Consultancy established with Charles Sturt University to apply research on producer-led surveillance (FMD Ready Project) to smallholder networks in Australia AHA was asked to sit on a reference group for the Waste CRC and also established links with Woolworths for their food waste program AHA continues its advisory role as members of the 2020-2025 Northern Australia Biosecurity Strategy AHA's co-investment in the Sheep Reproduction RD&E Impact Assessment Review with MLA and the Australian Wool Innovation was completed in the last quarter and a report has been finalised. A new sheep reproduction partnership is the likely next step and AHA will have a seat within that forum in the future AHA engagement with horse industry members, goat industry member, and animal medicine corporations over the last quarter is also yielding positive results and reducing industry risks AHA has provided support to members and partners during the 2019-20 bushfire crisis, COVID-19 and the threat of ASF and AHS Senior management engaging with MLA and red meat PICs to ensure sustainable funding solutions to service agreements and surveillance programs 	↗
	14.2 Extent to which AHA has collaborated and tailored information for and with members	15 collaborative/partnership activities satisfactorily completed annually	<ul style="list-style-type: none"> Many collaborative activities have been completed in relation to COVID-19, ASF, the 2019-20 bushfire crisis, AHS and the industry/government communications workshop In April, AHA distributed tailored reports to all members, including associate members. Feedback received includes: <i>Thanks for these reports. I don't think we've had anything like this before, have we? Excellent idea and very well presented, thank you</i> 	→
	14.3 Extent to which AHA meeting facilities are utilised	10 member organisations hire AHA facilities annually, with repeat bookings from 4 members 10 non-member organisations hire AHA facilities annually	<ul style="list-style-type: none"> 13 events with repeat bookings from WPA, AAA and DAWE There were no member events held at the AHA office during April, May and June due to COVID-19 restrictions 6 events There were no external events held at AHA during April, May and June due to COVID-19 	↗ ↘
	14.4 Extent to which AHA is delivering value to members	Qualitative assessment based on feedback is mostly positive	<ul style="list-style-type: none"> Delivered an EADRA and AUSVETPLAN awareness session for horse industry members and some of their members. It is intended that these short awareness sessions can be delivered to other Deed signatories and peak bodies. As outlined in indicators 14.1 and 14.2, AHA has been delivering value to members through its tailored comms for a number of crises We have also published a revamped Annual Operating Plan (AOP) for 2020-21 and our new <i>Strategic Plan 2020-25</i> Due to COVID-19, some other areas of work have been delayed, such as <i>The Link</i> publication In June, AHA worked in partnership with a team from NSW DPI on a workshop to inform the next surveillance business plan 	→

Continued >

↗ Above target → On target ↘ Not on target

HIGH LEVEL OUTCOME

New and enhanced partnerships and sustainable programs

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	19-20 Target	19-20 Actuals	How did we track?
15. Strong productive relationships & information flow	15.1 Extent to which Member's Forum content is useful	90%	95% <ul style="list-style-type: none"> Due to the COVID-19 restrictions, the March Members' Forum was held via Zoom. As such, formal feedback was not collected by participants. However, the agenda was tailored to the interests of members, with a comprehensive session on the COVID-19 outbreak and a session around learnings from ASF in regards to EAD preparedness 	
	15.2 Extent to which Members' Forum meets the members' organisational needs	90%	96%	
	15.3 Extent to which AHA is responsive to members	Qualitative assessment based on feedback is mostly positive	<ul style="list-style-type: none"> Although AHA was quick to act on the COVID-19 situation (first Issue update was sent in February and Member Forum agenda sent to members on 11 March with a comprehensive agenda item addressing COVID-19) some members expressed that their expectations/needs were not met by AHA when the outbreak intensified and additional control measures (such as border closures) began to emerge. However, over the past few months, a significant body of work has been completed in relation to COVID-19 to address member needs We have reviewed the 2019 Member Survey feedback and have planned adjustments in response to member comments/feedback 	
16. AHA financial sustainability	16.1 Percentage annual increase in Gross Revenue <small>(Measured by 5 year rolling average gross revenue from audited financial statements)</small>	5% \$17,082,000	15,988.000	
	16.2 Industry member reserves are greater than their respective minimum agreed levels	Industry member reserves are greater than their respective minimum agreed levels	5/7 achieved <ul style="list-style-type: none"> The Board at its May 2019 meeting agreed a new range set across all sectors, that being a reserve of between 1-3 years of annual levy income. For those sectors with inadequate reserve levels, AHA continues to promote levy 'redirection' to ensure funding viability of critical surveillance programs. AHA has also sought proposals from portfolio investment managers to provide a greater return in current cash market climate to provide better returns on reserves 	
	16.3 Number and type of diversified funding options <small>(Exclude core, special or government funding)</small>	Continue to improve the diversified funding options by four	AHA has entered into a funding agreement with ParaBoss for communications	
	16.4 Corporate overhead charge on operational projects	43%	36% is well below the 43% target for salary recovery which is highlighted in 16.1 and 16.4	
	16.5 Timeliness of financial reporting and project progress reports to members	Reports circulated to members within the agreed timelines (align with Board cycle)	Several of our industry members are now requesting financial reports outlining their reserve position within the following month of the end of that reporting period. AHA is successfully working with them to meet their needs	

Continued >

 Above target
  On target
  Not on target

HIGH LEVEL OUTCOME

New and enhanced partnerships and sustainable programs

What do we want to achieve? (Intermediate outcomes)	How do we monitor this? (Monitoring indicators)	19-20 Target	19-20 Actuals	How did we track?
17. A capable, engaged, innovative and agile workforce	17.1 Engaged workforce	Better than industry benchmark	Due to COVID-19, the staff survey was postponed until Sept 2020. In the interim, a survey was conducted to ascertain staff sentiment during COVID-19. Key finding: We are able to continue supporting our members - 96% agree or strongly agree	→
	17.2 Improved internal and external collaboration	Better than industry benchmark (internal)	Staff provided input into the development of new AHA values, to align with the new strategic direction. COVID staff survey results: <ul style="list-style-type: none"> I have good communication with my co-workers: 96% agree or strongly agree I have good communication with my manager: 88% agree or strongly agree My team has been able to work together effectively during the disruption caused by COVID-19: 96% agree or strongly agree This organisation's communication about COVID-19 has been clear and timely: 96% agree or strongly agree 	→
		Better than industry benchmark (external)	N/A - Due to COVID-19, the staff survey was postponed until Sept 2020	→
	17.3 Positive trends in professional/career and learning development	Better than industry benchmark (professional/career development)	All staff - including remote based staff - were able to participate in virtual training related to resilience and presentation skills	→
		Better than industry benchmark (learning development)	N/A - Due to COVID-19, the staff survey was postponed until Sept 2020	→
	17.4 A well led and well managed workforce	Better than industry benchmark (management)	COVID staff survey results: <ul style="list-style-type: none"> Senior management are making effective decisions in response to COVID 19: 96% agree or strongly agree My manager gives me help and support: 96% agree or strongly agree AHA has enough flexible work arrangements to meet my needs: 92% agree or strongly agree "I think AHA's done a great job adapting to the situation and have been accommodating of staff needs" 	→
		Better than industry benchmark (leadership)	N/A - Due to COVID-19, the staff survey was postponed until Sept 2020	→
	17.5 Innovation is practiced and valued	Better than industry benchmark	Staff provided input into the development of new AHA values, to align with the new strategic direction. New values highlight the importance of innovation within AHA that we evolve and adapt, striving to find better ways and creative solutions	→
17.6 Staff retention	> 80%	94%	↗	

Corporate Governance

IN ADDITION TO CORPORATIONS LAW REQUIREMENTS AHA IMPLEMENTS THE FOLLOWING:

APPOINTMENT OF AHA'S BOARD OF DIRECTORS

AHA's constitution prescribes the selection criteria for Directors of the Board and the composition of an independent selection committee with member representatives from the Commonwealth, State/Territory and Industry, and a representative of the National Farmers Federation and the AHA Chair or director nominee, which recommend appointments for members' approval at the Annual General Meeting.

BOARD CHARTER

Responsibilities and activities of the Board are covered in detail in the Board charter. The charter sets out 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 set out in their respective charters. 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.

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 Annual Operating Plan 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 uses a monitoring and evaluation framework to report on key deliverables as outlined in the *AHA Strategic Plan 2015-2020* to members.

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.

FINANCIAL STATEMENTS

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED

ABN 86 071 890 956

FINANCIAL STATEMENTS

For the year ended 30 JUNE 2020

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED

DIRECTORS' REPORT for the year ended 30 JUNE 2020

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 2020 and the auditor's report thereon.

Information on directors

Name:	Sharon Starick
Title:	Non-Executive Chairperson
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. (Chairperson since 2019)
Special responsibilities:	Member of Audit & Risk Management Committee.
Name:	Peter Milne AM (Retired November 2019)
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 (Chairperson from 2011 to 2019).
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 the Audit & Risk Management Committee.
Name:	Catherine Cooper
Title:	Non-Executive Director
Qualifications:	LLB GDLP FAICD
Experience and expertise:	Extensive experience as a corporate lawyer and directorships across agribusiness, food & health, energy, water science and technology sectors. Broad knowledge in corporate governance, stakeholder engagement and regulatory affairs. AHA director since November 2018.
Special responsibilities:	Member of the Corporate Governance Committee (since February 2019)

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED

DIRECTORS' REPORT for the year ended 30 JUNE 2020

Name:	Paula Fitzgerald
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:	Chairperson of Corporate Governance Committee
Name:	Michelle Gorman
Title:	Non-Executive Director
Qualifications:	BScAg (Syd), MSc (Reading), MBA (MGSM), GAICD
Experience and expertise:	Extensive national and international experience in food and agriculture, including market access, business development and industry systems. AHA director since 2016.
Special responsibilities:	Chairperson of Audit & Risk Management Committee.
Name:	Dr Len Stephens
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 the Corporate Governance Committee
Name:	Renata Paliskis
Title:	Non-Executive Director
Qualifications:	Dip Ag Sci Ag (Hawkesbury), MBA, Grad Cert Professional Accounting (Curtin), Fellow AICD, Fellow Australian Rural Leadership Foundation
Experience and expertise:	Beef producer with extensive experience with 30 years' in the livestock industry, serving across a variety of sectors as a chief executive and company director, on finance and audit committees, Western Australia. AHA Director since November 2019
Special responsibilities:	Member of the Audit & Risk Management Committee

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED
DIRECTORS' REPORT for the year ended 30 JUNE 2020

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED
DIRECTORS' REPORT for the year ended 30 JUNE 2020

Directors' meetings

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

Director Name	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
Sharon Starick	7	7	4	4		
Peter Milne	4	4	2	2		
Dr Bruce M Christie	7	5	4	3		
Paula Fitzgerald	7	7			3	3
Michelle Gorman	7	7	4	4		
Dr Len Stephens	7	7			3	3
Catherine Cooper	7	7			3	3
Renata Paliskis	3	3	2	2		

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

Objectives

The vision of the Company is a resilient Australian animal health system through effective partnerships, known for its integrity, and recognised nationally and internationally.

The Company'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

The Company'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 Animal Health Australia (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. The Company plays an active role in maximising the effectiveness of government and 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.

Review and result of operations

The operating result of \$4.8 million surplus primarily reflects the one in five-year \$3 million investment in the foot-and-mouth disease (FMD) Vaccine Bank refresh, coupled with a \$1.7 million excess of industry levy income over industry levy member expenditure.

Revenue from other programs of \$6.2 million exceeded budget by \$0.7 million as sheep and wool levies were increasingly utilised to fund new sheep health and biosecurity projects. Other income of \$0.4 million exceeded budget by \$0.35 million due a \$0.25 million gain from the sale of the 2014-19 vaccine bank after the sale of the residual value was converted from EUR to AUD, and a \$100,000 cash boost from the Australian Taxation Office as a part of the Australian Governments COVID-19 stimulus package.

Core program activities were \$5.0 million, up \$0.1 million on 2018/19, following members' agreement to an inflationary increase (2%) to core subscriptions, ensuring continued quality of key service delivery, while other program activities of \$7.4 million was \$1.7 million less in 2018/19. Although other program activities were forecast to be down during 2019/20, the decrease was heightened due to the difficult economic and environmental conditions resulting from COVID-19. Training related programs were especially impacted during this period.

The increase in equity of \$4.7 million is reflected in a \$3.8 million increase in total assets (\$2.8 million increase in inventories, a \$0.6 million increase in receivables and a \$0.4 million increase in PP&E) offset by a decrease of \$0.8 million in total liabilities (\$1.0 million decrease in accrued expenses as a result of minimal activity during May and June and a \$0.1 increase in employee entitlements where minimal leave was taken through the second half of the year due to the impact of COVID-19). The mandatory adoption of the new accounting standard AASB 16 required an opening adjustment of \$0.1 million to equity, reducing the opening balance to \$19.7 million reflected in the Statement of Changes in Equity.

State of affairs

In the opinion of directors there have been no 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 25 and forms part of the directors' report. During the year, RSM, the Company's auditor, have not performed services in addition to their statutory duties.

Directors' interests and benefits

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

Insurance of officers and directors

Premiums of \$13,986 have been paid on behalf of directors and officers for professional liability insurance. The policies cover costs in defending proceedings, civil or criminal, whatever their outcome, arising from their position with exception of wilful misconduct, improper use of information/position for personal advantage.

Signed in Canberra on 19th October 2020 in accordance with a resolution of directors:



Sharon Starick
Chair of the Board



Michelle Gorman
Chair - Audit & Risk Management Committee

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	NOTES	2020 (\$)	2019 (\$)
Revenue from members, associates and service providers	2(a)	16,956,029	15,315,622
Interest income		387,652	539,638
Gain on the Sale of Fixed Assets		241,670	-
Other income	2(b)	207,628	545,273
TOTAL REVENUE		17,792,979	16,400,533
Core activities		(5,087,490)	(4,853,984)
Other activities		(7,407,716)	(9,067,146)
Share in loss of associate		-	(32,304)
FMD Inventory write down		(434,850)	(552,531)
Levy collection costs		(33,101)	(40,074)
TOTAL EXPENDITURE	3	(12,963,157)	(14,546,039)
OPERATING SURPLUS BEFORE INCOME TAX EXPENSE		4,829,822	1,854,494
Income tax attributable to operating surplus	1(f)	-	-
NET OPERATING SURPLUS		4,829,822	1,854,494

BALANCE SHEET AS AT 30 JUNE 2020

	NOTES	2020 (\$)	2019 (\$)
CURRENT ASSETS			
Cash and cash equivalents	4	942,411	1,439,359
Investments	4	20,782,180	20,382,180
Inventory held for distribution	5	4,821,738	2,026,181
Trade and other receivables	6	1,960,025	1,290,873
Other	7	97,415	32,535
TOTAL CURRENT ASSETS		28,603,769	25,171,128
NON-CURRENT ASSETS			
Property, plant and equipment	8	782,036	366,372
TOTAL NON-CURRENT ASSETS		782,036	366,372
TOTAL ASSETS		29,385,805	25,537,500
CURRENT LIABILITIES			
Trade and other payables	9	2,070,125	3,161,156
Unearned revenue	10	1,590,378	2,052,835
Lease Liability	11	305,586	7,176
Employee benefits	12	452,497	355,058
TOTAL CURRENT LIABILITIES		4,418,586	5,576,225
NON-CURRENT LIABILITIES			
Lease restoration provision		35,449	35,449
Lease Liability	11	344,684	31,706
Employee benefits	12	59,156	51,823
TOTAL NON-CURRENT LIABILITIES		439,289	118,978
TOTAL LIABILITIES		4,857,875	5,695,203
NET ASSETS		24,527,930	19,842,297
EQUITY			
Accumulated members' funds		24,527,930	19,842,297
TOTAL EQUITY		24,527,930	19,842,297

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	NOTES	2020 (\$)	2019 (\$)
CASHFLOW FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		17,329,618	16,522,751
Cash payments in the course of operations		(17,557,845)	(14,699,573)
Interest paid on Lease		(40,207)	-
Interest received		503,417	527,624
Net activities generated from/ (used in) operating expenses	13	234,983	2,350,802
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of investments		(400,000)	(1,384,273)
Repayment of Lease Liability		(274,932)	-
Purchase of property, plant and equipment		(56,999)	(133,123)
Net cash flows used in investing activities		(731,931)	(1,517,396)
Net increase /(decrease) in cash and cash equivalents held		(496,948)	833,406
Cash and cash equivalents at the beginning of the year		1,439,359	605,953
Cash and cash equivalents at the end of the year	4	942,411	1,439,359

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	ACCUMULATED MEMBERS' FUNDS (\$)	TOTAL EQUITY (\$)
BALANCE AT 30 JUNE 2018	17,987,803	17,987,803
Operating surplus for the year	1,854,494	1,854,494
BALANCE AT 30 JUNE 2019	19,842,297	19,842,297
Opening adjustment on implementation of AASB 16	(144,189)	(144,189)
Adjusted Opening balance as at 01 July 2019	19,698,108	19,698,108
Operating surplus for the year	4,829,822	4,829,822
BALANCE AT 30 JUNE 2020	24,527,930	24,527,930

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 JUNE 2020

1. SIGNIFICANT ACCOUNTING POLICIES

The financial reports of Australian Animal Health Council Limited for the year ended 30 June 2020 are issued in accordance with a directors' resolution of 19th October 2020. The principal accounting policies adopted in the preparation of the financial statements are set out below and consistently applied to the years presented, unless otherwise stated.

Adoption of New and Revised Accounting Standards

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

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

The following Accounting Standards and Interpretations are most relevant to the entity:

AASB 16 Leases:

The company has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets and an interest expense on the recognised lease liabilities. In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

AASB 15 Revenue from Contracts with Customers:

The company has adopted AASB 15 from 1 July 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 JUNE 2020

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**AASB 1058 Income of Not-for-Profit Entities:**

The company has adopted AASB 1058 from 1 July 2019. The standard replaces AASB 1004 'Contributions' in respect to income recognition requirements for not-for-profit entities. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where: an asset is received in a transaction, such as by way of grant, request or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and where the intention is to principally enable the entity to further its objectives. For transfers of financial assets to the entity which enable it to acquire or construct a recognisable non-financial asset, the entity must recognise a liability amounting to the excess of the fair value of the transfer received over any related amounts recognised. Related amounts recognised may relate to contributions by owners, AASB 15 revenue or contract liability recognised, lease liabilities in accordance with AASB 16, financial instruments in accordance with AASB 9, or provisions in accordance with AASB 137. The liability is brought to account as income over the period in which the entity satisfies its performance obligation. If the transaction does not enable the entity to acquire or construct a recognisable non-financial asset to be controlled by the entity, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income immediately. Where the fair value of volunteer services received can be measured, a private sector not-for-profit entity can elect to recognise the value of those services as an asset where asset recognition criteria are met or otherwise recognise the value as an expense.

Impact of adoption

No impact for AASB 15 and AASB 1058.

The impact of the adoption of AASB 16 is a (\$144,189) adjustment to equity.

(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

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 JUNE 2020

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Revenue from contracts with customers

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.

Other programs revenue - Other 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) 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).

(f) Other taxes

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

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.

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 JUNE 2020

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(g) Foreign currency**

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

(h) Treasury policy

The Company'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.

(i) Inventories held for distribution

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

(j) Trade and other receivables

The Company's terms are typically settlement within 30 days, though 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.

(k) Impairment

The Company 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 the Company were deprived of the asset, its value in use is taken to be its depreciated replacement cost. For 2019/20 no assets are considered to be impaired.

(l) 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:

	2020
• Furniture and fittings	20%
• Office equipment	20-33 ^{1/3} %
• ICT	33 ^{1/3} %
• Office Fitout	14.29%
• Motor Vehicle	25%
• Right of use asset	14%

2. REVENUE

	2020 (\$)	2019 (\$)
2(A) REVENUE FROM MEMBERS, ASSOCIATES AND SERVICE PROVIDERS¹		
Levy Collection ²	7,632,112	7,409,255
Direct member subscriptions	3,126,074	3,073,096
Revenue for other programs	6,197,843	4,833,271
Total revenue from members, associates and service providers	16,956,029	15,315,622
2(B) OTHER INCOME		
Gate signs	30,736	12,736
Biosecurity symposium/ workshop	4,948	415,378
Training resources	1,868	11,407
Event room hire	24,655	22,251
Duck industry voluntary levy ³	40,000	80,000
Cash flow boost ⁴	100,000	-
Other	5,421	3,501
	207,628	545,273

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. Other 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 the Company in program delivery and EADRA levies, to repay previous emergency disease response events the Commonwealth has underwritten. Levies for use by Industry amounted to \$7.423 million and EADRA levies for the repayment of avian influenza events amounted to \$0.209 million (chicken meat industries).

3 The duck industry made a voluntary levy contribution in 2019/20 of \$40,000 in accordance with the provisions of the deed entered into with AHA, and due to special circumstances arisen from the current economic climate reduced from \$80,000 from the prior year.

4 The Australian Taxation Office (ATO) provided a \$100,000 cash flow boost as a part of the Australian Governments COVID-19 stimulus package.

3. EXPENSES

	2020 (\$)	2019 (\$)
EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and accrued leave entitlements	3,909,366	3,730,086
Workers compensation insurance	20,690	24,968
Superannuation - defined contribution plans	376,056	371,455
Total employee benefits expense	4,306,112	4,126,509
Audit fees	29,500	27,200
Commonwealth member services delivery	300,663	121,002
Consultants	984,536	1,287,980
Contractors	899,839	789,571
Depreciation and amortisation	390,640	357,139
Directors fees	226,862	218,564
FMD Inventory write down	434,850	552,531
Industry member services delivery	1,245,017	1,544,086
Information Communications Technology (ICT)	191,192	291,534
Labour Hire	92,444	478,192
Levy collection costs	33,101	40,074
Non-staff Travel reimbursement	185,935	368,457
Other administration and program expenses	1,074,262	1,180,183
Property operating	67,356	126,977
R&D External Programs	110,394	276,171
Share in loss of associate	-	32,304
State member services delivery	2,251,451	2,486,619
Website / Database hosting	139,003	240,946
	8,657,045	10,419,530
	12,963,157	14,546,039

4. CASH AND INVESTMENTS

	2020 (\$)	2019 (\$)
Cash on Hand	-	400
Cash at Bank – Cheque account	55,014	55,436
Cash at Bank – Reserve account	887,397	1,383,523
	942,411	1,439,359
WBC 365 Day Term Deposit @ 1.77% p.a., maturing on 14/09/20	5,500,000	-
WBC 365 Day Term Deposit @ 1.30% p.a., maturing on 16/03/21	5,200,000	-
NAB 91 Day Term Deposit @ 0.90% p.a., maturing on 22/09/20	2,000,000	-
NAB 365 Day Term Deposit @ 1.45% p.a., maturing on 20/11/20	6,000,000	-
NAB 91 Day Term Deposit @ 1.20% p.a., maturing on 16/07/20	2,000,000	-
WBC 365 Day Term Deposit @ 1.20% p.a., maturing on 01/01/21	82,180	-
WBC 91 Day Term Deposit @ 2.50% p.a., maturing on 16/07/19	-	2,000,000
WBC 365 Day Term Deposit @ 2.67% p.a., maturing on 10/09/19	-	5,200,000
WBC 186 Day Term Deposit @ 2.84% p.a., maturing on 14/09/19	-	5,000,000
NAB 154 Day Term Deposit @ 2.37% p.a., maturing on 21/10/19	-	2,100,000
NAB 365 Day Term Deposit @ 2.75% p.a., maturing on 20/11/19	-	6,000,000
WBC 365 Day Term Deposit @ 2.30% p.a., maturing on 01/01/20	-	82,180
	20,782,180	20,382,180
	21,724,591	21,821,539

5. INVENTORIES HELD FOR DISTRIBUTION

	2020 (\$)	2019 (\$)
Anthrax antigen bank inventory at cost	75,667	75,667
Foot & Mouth Disease antigen bank inventory at cost (2019/20 - 2024/25)	5,018,296	3,575,779
Less FMD antigen bank inventory write down	(272,225)	(1,625,265)
	4,821,738	2,026,181

6. RECEIVABLES

	2020 (\$)	2019 (\$)
Trade receivable	516,039	587,019
Interest receivable	156,525	272,290
Industry levies receivable	566,412	318,249
GST Receivable	106,682	106,446
VAT Receivable	554,367	-
Other receivables	60,000	6,869
	1,960,025	1,290,873

7. OTHER ASSETS

	2020 (\$)	2019 (\$)
Prepayments	97,415	32,535
	97,415	32,535

8. PROPERTY, PLANT AND EQUIPMENT

	OFFICE EQUIPMENT	FIXTURES AND FITTINGS	ICT	OFFICE FITOUT	VEHICLE	RIGHT OF USE ASSET	TOTAL
COST							
Balance at 1 July 2018	119,415	325,955	88,337	296,911	-	-	830,618
Additions	40,492	9,208	39,320	-	44,103	-	133,123
Balance at 30 June 2019	159,907	335,163	127,657	296,911	44,103	-	963,326
Balance at 1 July 2019	159,907	335,163	127,657	296,911	44,103	-	963,326
Additions	7,630	7,034	42,335	-	-	749,305	806,304
Balance at 30 June 2020	167,537	342,197	169,992	296,911	44,103	749,305	1,770,045

DEPRECIATION AND IMPAIRMENT LOSSES

Balance at 1 July 2018	94,392	251,260	51,145	93,201	-	-	489,998
Depreciation for the year	15,387	23,264	17,138	42,429	9,153	-	107,371
Balance at 30 June 2019	109,779	274,524	68,283	135,630	9,153	-	597,369
Balance at 1 July 2019	109,779	274,524	68,283	135,630	9,153	-	597,369
Depreciation for the year	22,846	26,104	38,468	42,428	11,026	249,768	390,640
Balance at 30 June 2020	132,625	300,628	106,751	178,058	20,179	249,768	988,009

Cont'd

CARRYING AMOUNTS

At 30 June 2019	50,128	60,639	59,374	161,281	34,950	-	366,372
At 30 June 2020	34,912	41,569	63,241	118,853	23,924	499,537	782,036

9. TRADE AND OTHER PAYABLES

	2020 (\$)	2019 (\$)
Trade accounts payable	968,624	988,491
Accrued expenses	1,027,383	1,921,868
Prepaid Revenue	74,118	250,797
Trade and other payables	2,070,125	3,161,156

10. UNEARNED REVENUE

	2020 (\$)	2019 (\$)
Other program receipts not yet recognised as income	1,590,378	2,052,835
Unearned Revenue	1,590,378	2,052,835

11. LEASE LIABILITY

	2020 (\$)	2019 (\$)
LEASE LIABILITY	650,270	38,882
Current	305,586	7,176
Non-current	344,684	31,706

Accounting Policy

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

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

The lease liability is remeasured when there are changes in future lease payments arising from a change in rates, index, or lease terms from exercising an extension or termination option. A corresponding adjustment is made to the carrying amount of the lease assets.

12. EMPLOYEE BENEFITS

	2020 (\$)	2019 (\$)
EMPLOYEE BENEFITS	511,653	406,881
Carrying amount at end of financial year - Current	452,497	355,058
Carrying amount at end of financial year - Non-Current	59,156	51,823
a) Number of employees at year end	36	33

13. RECONCILIATION OF CASH FROM OPERATING ACTIVITIES TO OPERATING RESULT

	2020 (\$)	2019 (\$)
Operating result	4,829,822	1,854,494
<i>Non-cash flows in operating result</i>		
depreciation & amortisation	390,640	107,371
share in net loss	-	32,304
other movements		
<i>Net changes in working capital:</i>		
change in inventories	(2,795,557)	552,531
change in trade & other receivables	(669,152)	(296,987)
change in other assets	(64,880)	107
change in trade & other payables	(1,091,031)	1,718,948
change in unapplied special program funds	(462,457)	(1,691,776)
change in lease liability	(7,174)	38,882
change in provisions	104,772	34,928
Net activities generated from/ (used in) operating expenses	234,983	2,350,802

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. The Company is entitled to appoint a director and this is included in the CEO's duties. Transactions with the CDCF as trustee were as follows:

	2020 (\$)	2019 (\$)
REVENUE		
Received from CDCF for administrative services	12,735	12,485
	12,735	12,485

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:

	2020 (\$)	2019 (\$)
REVENUE		
Received from SIHW for administrative services	12,735	12,485
	12,735	12,485

15. COMMITMENTS

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

	2020 (\$)	2019 (\$)
Within one year	-	314,503
After one year but not more than five years ⁵	-	657,594
After more than five years ⁵	-	-
	-	972,097

Lease commitments are now accounted for in the balance sheet as a right of use asset and lease liability due to the adoption of AASB 16.

16. KEY MANAGEMENT PERSONNEL

The Company considers key management personnel for the purposes of accounting standards, as those in positions of influence in the company, as its Board of Directors and its executive management personnel, as listed below. Directors' and executive management personnel remuneration for year was \$1,456,435 (2019: \$1,410,069).

KEY MANAGEMENT PERSONNEL:

- Kathleen Plowman – Chief Executive Officer
- Tony Marks – Executive Manager, Corporate Services & Company Secretary
- Jackie Poyser – Executive Manager, Communication & Training
- Dr Simon Humphrys – Executive Manager, Biosecurity & Product Integrity Services
- Dr Samantha Allan – Executive Manager, Emergency Preparedness & Response Services

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
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 JUNE 2020

**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 2020 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 Services for the financial year ended 30 June 2020.

Signed in accordance with a resolution of the directors:

Sharon Starick
Chairperson of the Board

Michelle Gorman
Director and
Chair – Audit & Risk Management Committee.

Dated at Canberra, ACT this 19th day of October 2020

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 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

RSM AUSTRALIA PARTNERS

GED STENHOUSE
Partner

Canberra, Australian Capital Territory
Dated 21 October 2020

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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 2020, 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 2020 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 2020, but does not include the financial report and the auditor's report thereon.

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Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – 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

GED STENHOUSE
Partner

Canberra, Australian Capital Territory
Dated 21 October 2020

Abbreviations

AAA	Australian Alpaca Association Inc.
AAPSP	Australian Animal Pathology Standards Program
AAVET	Australian Government Accredited Veterinarian
AGM	Annual General Meeting
AGMIN	Agriculture Ministers' Forum
AGSOC	Agriculture Senior Officials Committee
AHA	Animal Health Australia
AHC	Animal Health Committee
AHiA	Animal Health in Australia
AHS	African horse sickness
AHSQ	Animal Health Surveillance Quarterly
AMPC	Australian Meat Processor Corporation
AOP	Annual Operating Plan
APAV	Accreditation Program for Australian Veterinarians
APL	Australian Pork Limited
ASF	African swine fever
AUSVETPLAN	Australian Veterinary Emergency Plan
BELBER	The Biosecurity Response Leadership skill set
BERTA	Biosecurity Emergency Response Training Assessment
CCEAD	Consultative Committee on Emergency Animal Diseases
CEO	Chief Executive Officer
CISS	Centre for Invasive Species Solutions
CRC	Cooperative Research Centre
DAWE	Department of Agriculture, Water and the Environment
DSMs	Disease Strategy Manuals
EAD	Emergency Animal Disease
EADRA	Emergency Animal Disease Response Agreement
F&F	Finance and Facilities
FMD	Foot-and-Mouth Disease
FTE	Full Time Equivalent
GICA	Goat Industry Council Australia
ICT	Information and Communications Technology
ISC	Invasive Species Council

LLI	Liaison Livestock Industry
LTS	Land Transport Standards
M&E	Monitoring and Evaluation
MLA	Meat & Livestock Australia
NAHIP	National Animal Health Information Program
NAHIS	National Animal Health Information System
NAMP	National Arbovirus Monitoring Program
NBRT	National Biosecurity Response Team
NLIS	National Livestock Identification System
NMDS	National Minimum Data Sets
NMG	National Management Group
NSDIP	National Significant Disease Investigation Program
NSIBS	National Sheep Industry Biosecurity Strategy
NSW DPI	New South Wales Department of Primary Industries
OIE	World Organisation for Animal Health
PPFCAP	Prohibited Pig Feed Compliance and Awareness Project
R&E	Research & Development
RD&E	Research, Development and Extension
RPBs	Response Policy Briefs
S&Gs	Standards and Guidelines
SPA	Sheep Producers Australia
SWF	Screw-Worm Fly
SWFSPP	Screw-worm Fly Surveillance and Preparedness Program
TSEFAP	Transmissible Spongiform Encephalopathy Freedom Assurance Program
WPA	WoolProducers Australia