



*Dairy***NZ**

**Annual
Report
2021/22
SUMMARY**

Our focus areas


DairyNZ exists to deliver a better future for dairy farmers. This underpins everything we do, and is at the core of our organisational strategy, launched in 2020. We are focusing our effort on the big issues, and what matters most to farmers, ensuring our services are relevant and accessible, and that we engage and listen well.

Our new strategy has been in place for one year, and there has been some exciting progress, and some challenges working for farmers across our five focus areas.

Increase profit and reduce environmental footprint by 2025 while caring for animals on-farm


1

- DairyNZ partnered with farmers to ensure they were able to respond to a review of the existing code of welfare for dairy cattle by the National Animal Advisory Committee, released as a draft for public consultation this year. We also created a template to help farmers make a submission, which was downloaded 764 times from the DairyNZ website.

 **764** downloads of the submission template

- DairyNZ has been working hard to keep farmers out of the Emissions Trading Scheme (ETS) through the Primary Sector Climate Action Partnership He Waka Eke Noa (HWEN). DairyNZ engaged with more than 3000 farmers through events, roadshows, online and in person on HWEN, and 2111 submissions of feedback were made on the two emissions pricing options developed.

 DairyNZ led the delivery of **63** events for farmers on He Waka Eke Noa


 **2,111** submissions of feedback on the emissions pricing options


Develop future farm systems and sector scale solutions

2

- In the National Breeding Objective review, farmers asked for more importance to be placed on udders in animal evaluation. DairyNZ's partnership with farmers to advocate on this issue resulted in Udder Overall being introduced in April this year as a ninth trait to Breeding Worth. This has helped farmers to lower costs associated with cows with poor udders by breeding cows with better udder quality.

- DairyNZ is involved in several research farms across New Zealand, ensuring solutions are developed that are relevant and adoptable for farmers. This includes partnerships with Dairy Trust Taranaki, Southern Dairy Hub and Northland Dairy Development Trust.

 **90%** of farmers surveyed in the National Breeding Objective noted udders as a key trait they wanted to see included in Breeding Worth TOP (Traits Other than Production) traits.

 **16** critical levy funded research projects, including Forages for Methane Reduction, Driving Forage Value, Animal-centric Farm Systems, Future Methane Solutions and Sustainable use of fodder beet.

Build capability of people on-farm

3

- DairyNZ is committed to ensuring our suite of products and services suits farmer need, which is why we have audited our service offering. Whether it be training, physical resources, or the tools we provide, our goal is to ensure farmers keep building their knowledge, whatever their experience level.

 **2,199** downloads were made across DairyNZ's seven farmer apps

DairyNZ's website received **559,860** visitors

- Our advocacy work is one of the ways we are tackling the workforce challenges we are facing, to create a thriving, sustainable future for the sector.


More than **90%** of our temporary work visa holders were eligible to apply for residency in 2021, which included more than

 **4,500** farm employees and their families.

Engage and partner better with levy payers and farmers

4


- This year, challenges brought about by COVID-19 meant that connecting with our farmers face to face was sometimes not possible. Instead, we ran more events online, increased our engagement with farmers via phone call, and supercharged our events programme once the COVID-19 restrictions were reduced to Orange.

 Our Farmer Information Service has had more than

1,600 phone-based consultations with farmers this year.

DairyNZ hosted more than **800** learning events for farmers, attracting more than

 **13,500** attendees

 **29,479** episode downloads of 22 episodes of DairyNZ podcasts

Build trust and pride in dairy farming

5

- DairyNZ's *Join Us* campaign, designed to attract more Kiwis to the dairy sector, was seen by 3.1 million people in just three months.

 **3.1 million** people saw the *Join Us* campaign

- We continue to share the dairy story in the media through positive storytelling, helping to build a favourable profile of our sector. On average, DairyNZ contributes to 200 stories a month, helping deliver 90% favourable to neutral media coverage.

 **200** stories a month

 **90%** favourable to neutral media coverage

Dairy farmers hit new highs, despite challenges



This last year has been a significant one for dairy farmers. We've seen dairy exports hit new highs, resulting in farmers contributing \$50 billion to New Zealand's economy.

In the face of some confronting challenges, Kiwi dairy farmers have once again demonstrated their resilience. We have continued to deliver despite staffing shortages, rising farming costs and COVID-19 affecting farm teams and creating supply issues.

DairyNZ has focused on supporting farmers through these immediate challenges and, more broadly, helping farmers retain our world-leading position in a fast-changing domestic and international environment.

Farmers are operating in an increasingly complex world, and we're focused on working closely together when designing solutions to farming challenges. Farmers play an active role in identifying which options work best for them, and in shaping the solutions DairyNZ delivers.

DairyNZ continues to work with He Waka Eke Noa partners on a practical alternative framework to the Emissions Trading Scheme (ETS). We know addressing our emissions is new for farmers, and we will continue to work together to ensure the solutions

work for farmers and contribute to New Zealand's commitments.

In 2022, we consulted on alternative emissions pricing options to the ETS, as part of a world-first plan to measure, manage and reduce emissions. We heard from over 3,000 farmers and 86% of those preferred a farm level pricing option. In line with this feedback, the partnership recommended this option to Government in May 2022.

The recommended option is robust, credible and has built-in incentives to reduce emissions and sequester carbon. It will help Kiwi farmers retain our position as leaders in sustainable milk production and meet the demands of international consumers.

DairyNZ also continues to focus on ensuring the government considers the practicality of proposed regulation.

We have worked to ensure winter grazing regulations are practical to implement on farm and the government made significant changes to proposed rules. We continue to work on these, as things continue to evolve.

Working alongside farmers over the past two years to lift winter grazing standards, it has been pleasing to hear councils and Government recognise that farmers have achieved significant improvements in winter grazing practices.

DairyNZ also lodged a comprehensive submission on proposed changes to the dairy cattle code of welfare. We want to ensure that the code allows farmers to keep delivering great animal care, and are backed by regulations that are clear, practical and science-based.

I'm proud of everything that farmers and DairyNZ have achieved in the past year by working together.

I'm looking forward to building on this over the next season, as we continue to deliver on our vision to create a better future for New Zealand dairy farmers.

Investing in research to support even better farming



Globally, Kiwi dairy farmers are in an enviable position of being one of the world's best producers of milk.

We're in this position thanks to decades of investment in R&D, technology adoption, and because of the hard work and innovation of New Zealand dairy farmers.

However, 2021/22 been a really challenging year for farmers on several fronts – including rising inflation, staffing challenges, COVID-19 and regulatory changes.

With our borders closed for the past two years, DairyNZ has advocated for farmers to be able to access international workers. This resulted in approval for 1,000 international workers to help out on Kiwi farms.

DairyNZ also launched a GoDairy campaign in April, encouraging young Kiwis to consider a dairy career, and connecting them to the latest dairy farm vacancies.

Long-term, we have also partnered with farmers and government to develop the Great Futures in Dairying plan. This sets out a blueprint to attract, retain and grow our farm workforce over the next 10 years.

In science, we're investing in solutions that will help us achieve

our objectives to enable farmers to become more profitable and sustainable into the future.

Our science teams are researching how to improve and adapt existing technologies to reduce emissions to suit New Zealand's unique pasture-based grazing system. This research is looking at the use of feed additives, dietary ingredients, emissions from forages, and methane inhibitors.

We also deliver New Zealand Animal Evaluation Limited's (NZAEL) work to drive genetic improvements in herds, which is so important for continued improvements.

In the regions, our teams are focused on partnering more closely with farmers.

As part of changes we're rolling out, we're connecting with more farmers and providing more opportunities to access information without leaving the farm – for example webinars and podcasts. Our regional team are always happy to assist, so I encourage you to reach out to them.

Over the past year, DairyNZ also prioritised our public audience,

partly by launching a new campaign called *Here For The Long Game*. This is a long-term initiative to continue growing trust and pride in dairy.

It aims to give Kiwis a better understanding of what it means to be a dairy farmer, and the first phase invited them to join us in dairy.

Here For The Long Game reflects the intent that dairy farmers and the dairy sector are here for the long haul – we are investing in our future by making good decisions for our environment, our animals and our people.

It's great to see that over 40% of Kiwis have seen or heard of this campaign. We know it's resulted in people seeing dairy careers and dairy farmers more favourably, and having more trust in farmers.

Alongside this work, our media team continue to share positive public stories about all the great work underway on farms.

Highlights 2021/22

Wintering well now for a better future

Significant effort from farmers to implement good wintering practices ahead of regulation is paying off, with support from DairyNZ in collaboration with primary sector partners and catchment groups.

Survey, drive-by and flyover results in Southland and South Otago show continuous improvement over the last three seasons. Regional Councils and Ministry for Primary Industries have also acknowledged ongoing improvements they have seen.

A DairyNZ submission and joint recommendations from DairyNZ and sector partners in 2021 led to changes in the Government's proposed intensive winter grazing rules, with more practical rules announced in May 2022. The changes to wintering regulations follow on from

two years of intense focus on winter grazing by councils and the Government, who recognised the significant improvements but require more progress.

Farmers around the country are getting on board to implement good practices in time to meet the new national regulations which come into effect from 1 November this year. Winter grazing is no longer just a Southland issue, and this shift was reflected in DairyNZ's 2022 winter grazing media campaign, *Good wintering is great farming*. The campaign featured North and South Island farmers who shared their wintering practices to encourage all farmers to winter well. DairyNZ continues to advocate for more pragmatic solutions to wintering rules.



Working to find an alternative to the Emissions Trading Scheme

DairyNZ has been working hard alongside our sector partners including Beef+Lamb New Zealand and Federated Farmers to keep agricultural emissions out of the Emission Trading Scheme, by designing a credible alternative through the He Waka Eke Noa (HWEN) partnership.

HWEN was our sector response to the Government's announcement that they were going to price agricultural emissions. We didn't have a say on whether emissions would be priced or not, but we did have an opportunity to influence what the system might look like. We know it's not perfect, but it's much more practical, pragmatic, and fair for farmers than the alternative.

When we consulted with farmers you told us that if emissions were to be priced, you wanted us to ensure it should be at the farm level; methane should be treated fairly; recognition needed to be given for planting you've done on your farm; and any money raised should be recycled back into the sector. All those key design elements were incorporated into our final recommendation to Government for consideration.

...the farming...ve life."



Consulting with farmers to find the best option to meet legislated emissions

Led the delivery of

63

events (mix of face-to-face and online)

2,111

submissions of feedback on the two options proposed

86%

of farmers preferred the Farm Level option

31 May

Farm level recommendation submitted to Government

Leading on breeding with NZAEL

In December 2021, New Zealand Animal Evaluation Limited (NZAEL) launched the new Animal Evaluation (AE) model called NZAEL 3.0. The model introduces new technologies, ensuring our sector remains best in class.

Changes made in December included updates to the economic values used in the creation of Breeding Worth (BW), reflecting the changing economic environment the sector is facing. In addition to the economic update, improvements were made to some of the traits that contribute to BW.

The fertility trait was improved through the inclusion of calving records, which rewards cows who calve earlier in the season. The release also introduced functional survival as a replacement to residual survival in BW. This improved trait makes use of several predictor

traits to allow for earlier predictions of survivability of an animal in a herd. Improvements were also made to how body condition score recognises the differences in breeds, improving the quality of prediction. This is especially important in New Zealand with the level of cross breeding and mixed breed herds we have throughout the industry.

In response to farmer feedback in April 2022, NZAEL introduced Udder Overall as the ninth trait in BW. Accuracy of our liveweight trait was also improved, as we changed to only using actual scale weight data in the AE output.

All changes to AE have been thoroughly tested by the Farmer Advisory Panel and internationally peer reviewed by the Scientific Advisory Committee before final approval by the NZAEL Board.

Working with farmers to reduce methane on-farm

To maintain New Zealand's world-leading emissions efficiency, and to meet national methane targets, DairyNZ is developing viable and scalable methane mitigation packages for New Zealand dairy farmers that reduce methane yield (methane per kg of feed eaten), while maintaining methane efficiency (methane per kg of product).

DairyNZ has been focused on identifying mitigations (technologies and ways of delivery) that work in pasture-based systems. This includes feed additives or dietary ingredients that reduce methane emissions (e.g., Bovaer™, bromoform, seaweed, probiotics), delivered using twice daily feeding systems, slow-release boluses, early-in-life feed management practices, and in-paddock automated feeders.

DairyNZ is also working to identify key traits and seasonality effects of New Zealand grazed forages and how these alter base methane emissions of different methane inhibitors on New Zealand farms. Ongoing collaboration both domestically and internationally will ensure these mitigations are fairly accounted for at an individual farm and national inventory level.

Knowledge gained from the research is being evaluated with farmers and industry stakeholders to develop a suite of adoptable on-farm methane mitigation packages for farm level testing. Ultimately, this work area aims to provide practical research to help New Zealand farmers to meet 2030 and 2050 methane targets in a profitable and sustainable manner.



Partnering better with farmers

DairyNZ has established two distinct roles within our regional teams that work better to meet the needs of farmers. DairyNZ's Extension Partners facilitate events where farmers can meet and learn from each other, as well as from technical specialists. Our Regional Partners have a proactive role in engaging with farmers who may not attend events, by listening, supporting and understanding their needs by phone or in person.

A challenging year, brought about by COVID-19 and vaccination mandates, has made connecting with our farmers difficult at times.

Virtual meetings, Facebook and other digital platforms have now become popular options for discussing topical issues to support farmers. DairyNZ's regional teams have focused on overcoming these challenges by delivering a range of successful events using a variety of channels, including a round of He Waka Eke Noa consultation.



Join Us

DairyNZ's *Join Us* campaign was the first campaign under *Here For The Long Game*, a long-term public-facing initiative designed to build public trust and pride in dairy.

Fronted by Whakatāne dairy farmer Shannon Munro, the goal of *Join Us* was to give Kiwis a better understanding of what it means to be a dairy farmer, inviting more Kiwis to consider joining dairy farming.

The multi-channel campaign, designed to reach a broad public audience, launched in January 2022 and created significant impact over its three month duration.

The campaign delivered successfully on the goal of helping raise awareness about working in dairy and connecting with Kiwis to help improve the favourability of dairy farmers and trust in the sector.

✔ GREAT VISIBILITY

An estimated

3.1 million

people (18+ years) saw the campaign at least once over the total campaign period.

✔ POSITIVE IMPRESSIONS OF DAIRY



The main message people took from the campaign was to join or consider a career in dairy and that there are skills to be gained from working in the sector.

✔ HIGH AWARENESS

Over **40%**

of New Zealanders say they have heard of or seen the campaign (prompted awareness).

✔ HELPING CHANGE PERCEPTIONS

30%

of people were more favourable towards the sector after seeing the campaign.

✔ STRONG RECALL

of what the campaign was about – almost three-quarters of people aware of *Join Us* say they remembered a dairy sector or farming message, with 'dairy sector as a career' being a key message recalled.



People who saw the campaign have more trust in dairy farmers than those who hadn't seen it (72% compared with 66%).



Looking Ahead

FOCUS AREA ①

Increase profit and reduce environmental footprint by 2025 while caring for animals on-farm

DairyNZ knows that farmers are feeling overwhelmed by the pace and scale of change coming at our sector – we feel it too. Yes, we need to keep striving to be better, but regulation needs to be practical, pragmatic, and fair for farmers.

There are some huge issues on the horizon for dairy farmers that we need to ensure Government gets right. We will continue to advocate strongly on your behalf as we work through issues like He Waka Eke Noa and the review of methane reduction targets to ensure you get a fair deal.

We'll also keep championing farmers' interests when it comes to the implementation of freshwater policy, winter grazing rules, and the Draft Code of Welfare for Dairy Cattle. We want to see the best possible outcomes for farmers, their animals, and the environment, but that can only be achieved through practical regulation that makes sense behind the farm gate.

FOCUS AREA ③

Build capability of people on-farm

Supporting farmers to attract and retain staff is a key goal for DairyNZ. To help build a thriving dairy sector, DairyNZ has worked with farmers, sector partners, and government to develop a plan outlining how we can source great people, great jobs, and great workplaces. The plan outlines the key challenges our workforce is facing and actions in place to build a sustainable dairy sector.

We will continue our GoDairy recruitment campaign, with a goal to attract and inspire the next generation of dairy professionals to our sector.

FOCUS AREA ②

Develop future farm systems and sector scale solutions

DairyNZ is committed to developing new solutions, based on science, to support farmers to be sustainable and competitive.

Our methane research will continue, providing options, systems and tools for farmers to reduce their environmental footprint, with a focus on developing options for methane reduction, tailored to meet the different goals, values and farm systems of farmers across New Zealand.

Research around the grazing herb plantain (Ecotain®) as an option to reduce nitrogen lost to freshwater from grazing systems will also be an important focus.

DairyNZ is committed to supporting our national breeding system to be world-leading through producing the best rates for genetic gain. Developing a new, independent animal evaluation system will be an important part of delivering on this goal. By providing improved information on Breeding Worth, the new system will support farmers by enabling increased rates of genetic gain.

FOCUS AREA ④

Engage and partner better with levy payers and farmers

To build even stronger connections with our farmers, we are continuing to revamp how we work and provide support. We are launching two new services, including a service designed to help farmers navigate complex farming challenges.

Looking ahead, DairyNZ will be even more visible in your region, offering relevant and tailored events for levy payers and their farm staff. We will continue to proactively engage with farmers who we don't see at DairyNZ events to ensure they are supported. DairyNZ has more than 900 events planned across the country. We remain committed to improving the performance of Māori dairy entities, and supporting these farmers to be world class.

A refreshed DairyNZ website and phone-based farmer support service will be an important addition in helping farmers find relevant information quickly and easily.

DairyNZ will continue to support farmers through adverse events, working alongside our partners and councils, by providing tools and resources to help farmers prepare, respond, and recover.

FOCUS AREA ⑤

Build trust and pride in dairy farming

Improving public perception is consistently one of the top three issues farmers tell us they want support on. Building trust and pride in the sector and among dairy farmers is a key focus for DairyNZ to help maintain the sector's social licence to operate.

Caring for the land, investing in the future, and making long-term plans are intrinsic to being a dairy farmer, and we want Kiwis to know and understand that. Our work in the coming year will continue to showcase dairy farmers as world-leading, and highlight their progress and commitment to become even better.

This will include the next phase of our *Here For The Long Game* public education campaign. Building on the first phase launched in January, the new campaign, *Better*, will tell the story of how Kiwi dairy farmers are world-class and always getting better. The goal of this multi-media campaign is to connect with a general public who are increasingly disconnected from rural communities by showing that city and rural communities are united by common values.

Other key workstreams to build positive public perception include positive storytelling/PR, issues management in the media, education via school kits and *Rosie's World*, strategic partnerships, and stakeholder engagement.



Our work for farmers across New Zealand

Northland

In partnership with Northland Dairy Development Trust, DairyNZ is progressing a four year research project testing whether strategies to reduce emissions are physically and financially sustainable.

After seven years of collaboration between farmers, rural consultants, and industry partners, farmer extension programme Extension 350 was completed in June 2022. This has helped farmers build resilience and improve financial sustainability.

Waikato

More than 400 one-on-one discussions were held with farmers around understanding emissions and regulatory requirements relevant to their farms. We also hosted a regional Dairy Environment Leaders forum, providing farmers an opportunity to share success stories of good farm management practices, and discuss how to navigate regulatory change in working towards a more sustainable future.

Taranaki

DairyNZ has partnered with Dairy Trust Taranaki to help identify a profitable farm system to lower emissions while retaining profit through reduced inputs and stocking rates. Carried out across four research farms, this research investigates issues most relevant to Taranaki dairy farmers, including the impact of spring vs. autumn calving.

Bay of Plenty

Almost 200 Bay of Plenty dairy farmers took part in events looking at how to measure the agricultural emissions resulting from their farming activity. From providing feedback on the proposal put forward by the He Waka Eke Noa Partnership Working Group, to identifying the sources of their emissions, these farmers stepped up to the challenge of understanding how their production system may need to be modified.

Top of South / West Coast

DairyNZ has connected with more than 300 West Coast levy payers, with a focus on deepening that connection to build stronger relationships with farmers across the region. We also supported farmers through several significant adverse weather events, including drought and flooding, by providing tools for better planning and management.

Canterbury / North Otago

An increasing number of farmers using DairyBase are working with DairyNZ to track their performance, allowing them to benchmark their achievements against other farms locally and use this data to support their decisions.

DairyNZ has also worked with farmers to assist response and recovery during and after flooding events in the Ashburton and wider Canterbury region.

Lower North Island

The Tararua Plantain Project assesses how plantain crops can reduce nitrogen loss. DairyNZ and partner organisations have been working with dairy farmers across the region to achieve community objectives and regulatory requirements associated with the project.

Southland / South Otago

DairyNZ partnered with the Southern Dairy Hub and four case study farms across Southland and South Otago, building farmer awareness of system change impacts on greenhouse gas emissions and farm profitability. By partnering with farmers, the project has recognised there is a range of solutions for improved environmental outcomes.

Financials 2021/22

Statement of Comprehensive Income

For the year ended 31 May 2022

	Consolidated	
	2022	2021
<i>In thousands of New Zealand dollars</i>		
Continuing operations		
Revenue and other income	81,935	86,002
Operational expenses	(79,700)	(76,250)
Profit/(loss) before finance activities	2,235	9,752
Finance income	147	79
Finance expenses	(5)	-
Net finance income	142	79
Profit/(loss) before income tax	2,377	9,831
Tax expense	-	-
Profit/(loss) for the period	2,377	9,831
Other comprehensive income		
Net change in fair value of available for sale financial assets	339	(69)
Income tax on other comprehensive income	-	-
Other comprehensive income for the period, net of income tax	339	(69)
Total comprehensive income/(loss) for the period	2,716	9,762

Statement of Changes in Equity

For the year ended 31 May 2022

	Consolidated			
	CONTRIBUTION BY OWNERS	INVESTMENT FAIR VALUE RESERVE	RETAINED EARNINGS	TOTAL EQUITY
Balance as at 1 June 2020	33,783	(218)	10,547	44,112
Total comprehensive income for the period				
Profit/(loss) for the period	-	-	9,831	9,831
Other comprehensive income				
Net change in fair value of available for sale financial assets	-	(69)	-	(69)
Total other comprehensive income	-	(69)	-	(69)
Total comprehensive income for the period	-	(69)	9,831	9,762
Balance as at 31 May 2021	33,783	(287)	20,378	53,874
Balance as at 1 June 2021	33,783	(287)	20,378	53,874
Total comprehensive income for the period				
Profit/(loss) for the period	-	-	2,377	2,377
Other comprehensive income				
Net change in fair value of available for sale financial assets	-	339	-	339
Total other comprehensive income	-	339	-	339
Total comprehensive income for the period	-	339	2,377	2,716
Balance as at 31 May 2022	33,783	52	22,755	56,590

Statement of Financial Position

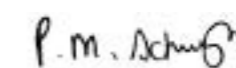
As at 31 May 2022

	Consolidated	
	2022	2021
Assets		
Property, plant & equipment	19,810	20,552
Intangible assets	4,753	5,329
Biological assets - livestock	1,460	1,420
Investment in associates	4,477	4,584
Other investments	982	1,253
Total non-current assets	31,482	33,138
Cash and cash equivalents	31,261	22,636
Inventories	69	135
Trade and other exchange receivables	2,933	2,713
Trade and other non-exchange receivables	8,188	10,255
Total current assets	42,451	35,739
Total assets	73,933	68,877
Members' funds		
Contributions received	33,783	33,783
Investment fair value reserve	52	(287)
Retained earnings	22,755	20,378
Total members' funds	56,590	53,874
Liabilities		
Employee entitlements	198	255
Total non-current liabilities	198	255
Trade and other payables	13,165	10,952
Deferred income	1,424	1,620
Employee entitlements	2,556	2,176
Total current liabilities	17,145	14,748
Total liabilities	17,343	15,003
Total members' funds and liabilities	73,933	68,877



J VAN DER POEL, CHAIRMAN

2 August 2022



P SCHUYT, DIRECTOR

2 August 2022

Statement of Cash Flows

For the year ended 31 May 2022

In thousands of New Zealand dollars	Consolidated	
	2022	2021
Net cash from/(used in) operating activities		
Cash provided from:		
Dairy industry good levies	67,530	69,785
Biosecurity response levies collected	44,769	46,799
Other funding	15,942	12,963
Income received	147	79
	128,388	129,626
Cash applied to:		
Payments to suppliers and employees	73,423	76,744
Biosecurity response levies paid	44,769	46,799
Interest expense paid	5	-
	118,197	123,543
Net cash from/(used in) operating activities	10,191	6,083
Net cash from/(used in) investing activities		
Cash provided from sales of assets, investments and livestock	219	318
Cash applied to purchase of assets, investments and livestock	1,785	2,310
Net cash from/(used in) investing activities	(1,566)	(1,992)
Net cash from/(used in) financing activities	-	-
Net increase/(decrease) in cash balances	8,625	4,091
Cash balances at beginning of period	22,636	18,545
Closing cash balances	31,261	22,636

The summary financial information has been derived from, and should be read in conjunction with, the DairyNZ annual financial statements (the "full financial statements"). The full financial statements, approved by the Board of Directors on 2nd August 2022, are available at dairynz.co.nz/annualreport from 18 October 2022. The accounting policies used in these financial statements are included in the notes to the full financial statements.

The full financial statements have been prepared in accordance with and comply with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable Financial Reporting Standards, as appropriate for Tier 1 not-for-profit public benefit entities. The full financial statements have been audited by KPMG and an unqualified opinion given. The summary financial information cannot be expected to provide as complete understanding as provided in the full financial statements.

Download the full Annual Report at dairynz.co.nz/annualreport or phone 0800 4 324 7969.

We invest dairy farmers' money into a wide range of programmes across DairyNZ's focus areas.

Our focus areas underpin our strategy, reflecting our commitment to delivering a better future for dairy farmers, for the long-term success of the sector.

Our work includes research and development to create practical on-farm solutions, supporting farmers to be profitable and sustainable, promoting dairy as a career of choice for a thriving sector, and advocating for farmers with central and regional government.

In 2021/22, a total of \$67.25 million was collected through the milksolids levy, plus DairyNZ received government co-funding.

2021/22 actual levy expenditure under focus areas

for every \$1 of DairyNZ investment



2022/23 DairyNZ planned investments expenditure under focus areas

Focus Area	Forecast spend
Increase profit and reduce footprint	\$13.9M
Future farm systems and solutions*	\$34.7M
Build capability of people	\$7.1M
Engage better with levy payers	\$11.9M
Build trust and pride	\$3.5M

*Includes \$14.5M for TB management

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