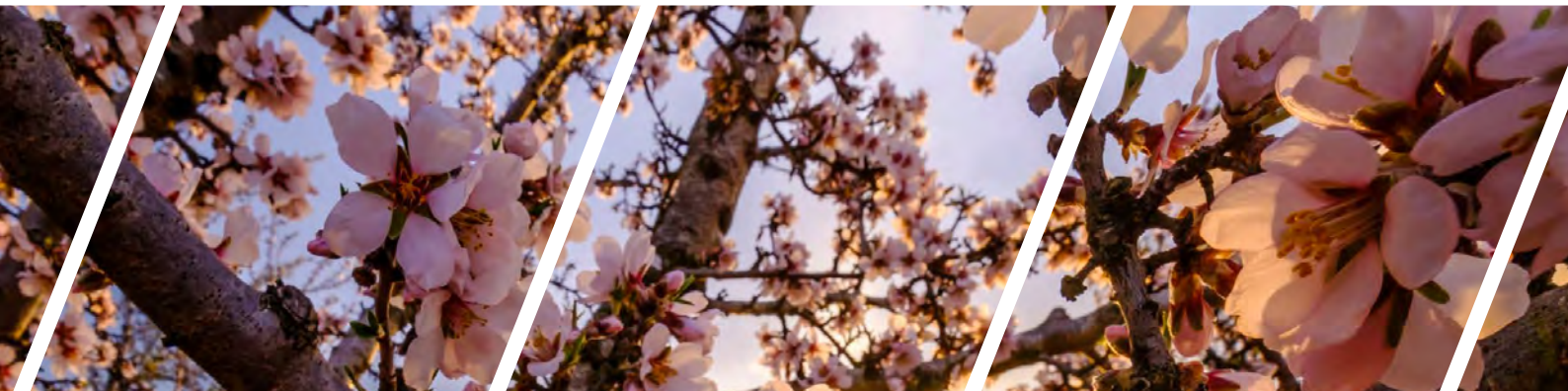




australian  
almonds

ALMOND BOARD OF AUSTRALIA



2019/20

ANNUAL REPORT



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## ABA MISSION

As the Australian almond industry's peak body, the Almond Board of Australia facilitates further development of the industry, seeks to maximise its profitability and ensure its sustainability by providing a platform for industry members to collectively respond to industry wide issues, invest in research and marketing, share knowledge, and interact with government and other stakeholders.

## ABA PURPOSE

The ABA is an incorporated association and operates as guided by its constitution to:

- represent and promote the interests of Australian almond growers, processors and marketers in matters of general interest that may affect the wellbeing and viability of the industry
- coordinate the efforts of the industry in order to give unity of purpose and strength to foster the development of the industry
- provide a channel for communication and dissemination of information between members of the industry and other sectors of the horticultural industry
- facilitate the development of a national industry development plan including the definition of national R&D priorities and generic marketing funding and priorities.

## ABA FUNDING

ABA activities are funded through a combination of sources:

- membership fees and sponsorships
- voluntary market development levy
- sales of almond budwood
- project funding from industry levies and contributions matched by the Federal Government via Hort Innovation Australia Ltd
- additional grant funding sources.







**PETER HAYES**  
Chair

In recent years, almond plantings globally have expanded and following the lead time to production are now seeing a substantial lift in world production. Australia's last three crops have all been record tonnages seeing production increase from 80,000 tonnes to 111,000 tonnes, an increase of 39%. With Australian orchard area at around 55,000 hectares following the additional plantings in the 2020 winter, the industry's productive capacity when these orchards reach full maturity will be more than 175,000 tonnes by 2026. How much more will depend on additional plantings in the years to come and improving yields per hectare that continue to be achieved. 200,000 tonnes will likely be achieved by the end of this decade.

The ABA Board has been addressing the issues that accompany such growth, the two key areas being market development and input surety.

The record crops of 2018 and 2019 have found a home at very strong returns whilst marketing the 2020 crop will be challenging due to the economic impact and uncertainty caused by the global pandemic and the falling world price resulting from the 20% increase in available supply from California.

The growing demand for almonds has been a success story for many years and 2019/20 is no different with consumers recognizing the health benefits, enjoying almonds in many new manufactured products and moving to plant based diets as concerns over animal welfare gain traction.

The retaliatory tariffs on US almonds by China has seen Australian marketers focus on this market. The Chinese market sells much of its imported almonds to consumers as in-shell product and the excellent quality of the 2019 crop resulting from the excellent weather conditions at harvest facilitated the large increase in tonnage exported to China. The wetter weather experienced in some producing regions in 2020 during harvest months has not been as kind.

The challenges of developing markets whilst overseas travel is restricted is addressed in the marketing section later in this report.

The second area of focus for the Board in recent years is input surety. The activities undertaken to address this area in 2019/20 have been:

- **Water:** Implementation of the industry policy that is addressing: deliverability of water during the peak irrigation season; unfair manipulation of the water market price; improved information provided in an accurate fashion from one platform; and the licensing of water brokers. The ABA has also sought to inform the community of the water use efficiency of almond production, a task that has proved challenging during a period of drought and media stories focused on those whose businesses are failing due to high water prices. The expansion of permanent crops such as almonds, table grapes and citrus will continue to put pressure on industries that are not as viable and are not profitable during low allocation / high water cost years. Submissions have been made to the ACCC review of the water market and to the Victorian government on the proposed changes to intervalley transfers from the Goulburn. The ABA has been active in seeking engineering solutions to the restricted flows through the Barmah Choke and the need for storages closer to the production regions.
- **Pollination:** The liaison with the beekeeping industry again covered areas such as access to public lands that became increasingly important after the bushfire devastation of bee sites over summer and addressing impediments to apiarists wanting to participate in pollinating almonds. Documenting best orchard practices whilst bees are present was an important initiative as was having experienced and respected beekeepers advise on their positive experiences with hives strengthening on the high protein source of almond pollen during bloom. The almond industry continued to contribute to the cost of eradicating Varroa Jacobsoni that has the potential to decimate European honeybee populations. Alternate technologies were investigated to assess the health of hives being delivered to orchards and ways to enhance bee pollination or mechanically pollinate trees.
- **Chemicals:** The move by governments, including European and Indian, to remove approval for use for some chemicals is threatening to leave farmers of many crops with fewer chemicals to manage pests and diseases and heightening the risk of resistance build up. The task of addressing this has involved seeking transition periods to zero MRLs to be sensible and the establishment of a group to provide advice on MRL compliance and new chemistry registration in Australia.





The ABA continued to co-fund the National Residue Survey of grower samples that again highlighted the need for caution in applying herbicides.

The expansion of the industry is also increasing the time that hulling and shelling facilities are taking to process the crop. With much larger crops forecast this is an area that needs to be addressed. The ABA has been stressing to those investing in orchards that they need to have the processing of their production in place as part of their development plan.

The ABA's communication with members has been comprehensive during 2019/20 with the industry development team comprising Industry Development Manager, Deidre Jaensch and IDOs, Josh Fielke and Ben Wiblin developing videos, fact sheets, articles and conducting field days and committee meetings to ascertain and promote best practice. In addition, this team undertakes the high health status budwood program and assists researchers with their projects.

The ABA's experimental and demonstration orchard is now well progressed towards becoming the home for the almond industry's research program. The attendance of 260 people at the R&D Forum and Field Day held at the Loxton Research Centre and orchard showcased the almond research program and the facility. The ongoing funding support of the South Australian and Commonwealth governments along with Hort Innovation is gratefully acknowledged.

The ABA's Committee structure operates with the voluntary participation of many industry members who bring their expertise and energy to addressing issues of concern and opportunity to take the Australian industry forward. The contribution of all Committee members is greatly appreciated and provides valuable input into the Board discussions via the ABA directors that Chair the Committees.

The ABA Board underwent change during the year with long standing directors Brenton Woolston and Denis Dinicola retiring along with John Maragozidis. The contributions of these three directors have been noted in the ABA publications but unfortunately the opportunity to do so at the planned 2020 Almond Conference has been thwarted by the events postponement due to the Covid-19 pandemic. The new directors elected being Tim Jackson, James Callipari and Rob Wheatley were joined by Board appointments of Stephen Beckwith to represent the Swan region in WA and Peter Hayes as the ABA independent Chair.

Peter takes on the role from Neale Bennett who provided valued industry leadership for six years and who remains as a grower director for Sunraysia under the new structure. During Neale's time as Chair, Damien Houlahan provided strong support as Deputy Chair. Peter Cavallaro was elected as Deputy Chair following Damien's decision not to continue in the position. The Board's directors continued to perform well in their roles in providing sound governance, strategic direction and monitoring performance of the organisation.

The ABA's finances remain strong as evidenced in the financial accounts published in this report.

The endeavors of the ABA staff have been of a high standard during the year and their contribution to the progress of the Australian almond industry is acknowledged.

The ongoing support of the industry's producers, processors and marketers as members of the Almond Board of Australia facilitates the role of the organisation in addressing the risks, issues and opportunities as they present in this challenging new year and further into the future.



**ROSS SKINNER**  
Chief Executive Officer





## ABA STRUCTURE

The ABA, Board, committees, staff and stakeholders are all part of a dedicated team. We form collaborative partnerships with a diverse range of organisations. Both nationally and internationally to progress the interests of almond industry members and the community.



# australian almonds

## ALMOND BOARD OF AUSTRALIA

### ABA BOARD

**CHAIR: PETER HAYES**  
**7 GROWER DIRECTORS**

( ADELAIDE (1) RIVERINA (1) SWAN (1) RIVERLAND (2) SUNRAYSIA (2) )  
**4 MARKETING DIRECTORS**

### ABA COMMITTEES

**MARKET DEVELOPMENT  
COMMITTEE**

**WATER COMMITTEE**

**PROCESSING COMMITTEES**

**CHEMICAL COMMITTEE**

**PRODUCTION COMMITTEE**

**ALMOND CENTRE  
COMMITTEE**

**PLANT IMPROVEMENT  
COMMITTEE**

**CONFERENCE COMMITTEE**

**AUDIT COMMITTEE**

**POLLINATION COMMITTEE**

**REMUNERATION COMMITTEE**

### ABA STAFF



# ABA STRUCTURE



## PARTNERSHIPS

By establishing partnerships the ABA can increase its capacity to achieve its strategic goals of increasing demand for almonds and ensuring input surety at a fair cost to industry members.

## PARTNER ORGANISATIONS

**HORTICULTURE INNOVATION  
AUSTRALIA**

**NATIONAL FARMERS FEDERATION  
HORT COUNCIL**

**AUSTRALIAN HONEY  
BEE INDUSTRY COUNCIL**

**NATIONAL IRRIGATORS' COUNCIL**

**PLANT HEALTH AUSTRALIA**

**INTERNATIONAL NUT COUNCIL**

**FRUCOM**

**AUSTRALIAN NUT INDUSTRY  
COUNCIL**

**NUTS FOR LIFE**

**DIETITIANS ASSOCIATION  
OF AUSTRALIA**

**SPORTS DIETITIANS AUSTRALIA**

**NUTRITION AUSTRALIA**



# ABA DIRECTORS



**PETER HAYES**  
Chairman

Peter was appointed as the ABA independent Chairperson in February 2020. Peter has extensive experience across education and training, R&D investment and management, viticultural operations, the irrigation sector and government and industry affairs. Peter has held various industry positions including his current positions as a council member of Charles Sturt University and a board member of Irrigation Australia. Peter operates as an independent Wine Industry Strategist and Advisor with activity in Australia, India and the UK. He is also Business Editor of the International Journal of Wine Economics and Policy.



**PETER CAVALLARO**  
Adelaide Region Grower Representative

Peter holds a Diploma in Agriculture and has been involved in the Almond Industry since 1973, when the family bought an almond orchard at Angle Vale. He has also been involved in the cut flower industry where growing and marketing were his main responsibilities and he was a director of the Adelaide Flower Market.

In 1999 Peter developed an almond orchard with the family at Angle Vale and in 2002 seeing the scope of the industry he became involved in developing an almond orchard at Walker Flat of which he is now General Manager.

Peter is a Chairman of the Production Committee and a member of the Plant Improvement Committee.



**BRENDAN SIDHU**  
Riverland Region Grower Representative

Brendan Sidhu is CEO of Century Orchards, a large almond orchard based in the Riverland, South Australia and Managing Director of Laragon Almond Processors based at Lindsay Point in Victoria.

Brendan has been involved in the Australian almond industry since 1983, holding positions as both Secretary and Chair of the Riverland region of the Australian Almond Growers' Association (AAGA). In 2007, Brendan was appointed to the ABA Board, holding the position of Chairman from 2009 – 2012. He has been a member of the Australian Almond Industry Advisory Committee (IAC), the Remuneration Committee, the Conference Committee and is the Chair of the Market Development and Almond Centre of Excellence Committees. Brendan also sits on the Hort Innovation Almond Strategic Advisory Panel and has recently been appointed as Chairman of the Australian Nut Industry Council (ANIC). Brendan holds an Advanced Diploma in Horticulture and is a graduate of the Australian Institute of Company Directors.



**ROBERT WHEATLEY**  
Riverland Region Grower Representative

Rob is currently the Group General Manager of AustOn Corporation Pty Ltd which owns Aroona Farms, that includes two properties in Victoria and South Australia. Rob has been involved in the horticulture industry for most of his career including roles in Horticulture Production and Logistics and has been involved on several industry Boards throughout that time, including the Australian Melon Association and the Australian Table Grape Association, along with various roles with Horticulture Innovation Australia Limited. Rob began his career in the almond industry in 2013 when he joined Olam Australia Pty Ltd as the General Manager of Almond Orchards. Rob is a member of the Production Committee, Pollination Committee and Almond Centre Committee.



**JAMES CALLIPARI**  
Riverina Region Grower Representative

James completed a Bachelor of Applied Science (Agriculture) degree, graduating in 2003 before returning to the family farming business in a formal capacity. He has extensive experience in all aspects of the production of a wide range of fruits, vegetables and grains, both irrigated and dryland. James commenced his involvement in the Australian Almond Industry with the development of an almond orchard in the Riverina region during 2006 where his past farming experience proved invaluable. In 2013, James was the recipient of the Phil Watters Award which recognises excellence and service to the Australian Almond Industry.



**NEALE BENNETT**  
Sunraysia Region Grower Representative

Neale has been involved with almonds since converting his family farm from vines in 1992. Neale also operates a contract almond harvesting business, Cowanna Harvesting. Neale has filled the roles of Chairman and Sunraysia Region Grower Representative on the ABA Board as well as Secretary, Treasurer and Chairman of the Sunraysia region of the Australian Almond Growers' Association (AAGA). Neale's committee positions include Chair of both the Remuneration Committee and Conference Committees and represents the ABA at Horticulture Innovation Australia.





**DARREN MINTER**

Sunraysia Region Grower Representative

Darren is Managing Director of Minter Magic, a large almond, asparagus and citrus property situated in Iraak, Victoria. Darren is a major shareholder in the Red Cliffs Almond Growers Co-op, started in 1985. He is also member of the Australian Asparagus Council and a member of Citrus Australia. Darren holds a Diploma of Production Horticulture and was the VFF Victorian Apprentice of the year in 1988 (Fruit Section). In addition to being an ABA Board Grower representative for the Sunraysia Region, Darren serves on the Plant Improvement Committee, R&D Forum Committee and Water Committee.



**STEPHEN BECKWITH**

Swan Region Grower Representative

Stephen holds a Bachelor of Business Degree and is currently the General Manager of Indian Ocean Farms, which includes three properties in Western Australia. Stephen joined the almond industry in 2019 after spending six years with the Berry Division of the Costa Group, as Regional Manager Tasmania and Regional Manager Western Australia. Prior to this Stephen was Operations Manager of the Sumich Olive Oil Division in Western Australia for 10 years. Stephen is a past Chairman, Treasurer and Director of two local Community Banks and has been involved with numerous industry and community groups, including Industry Advisory Committees. Stephen is a member of the ABA Production Committee, Conference Committee, a proxy member of the Audit Committee and the current Chair of the ABA Chemical Taskforce.



**GRANT BIRRELL**

Marketing Representative

Grant joined the nut industry in 2006 as CEO of Nut Producers Australia (NPA), managing the company's almond and pistachio businesses. Prior to this, Grant spent 20 years in the seafood industry which included involvement in several seafood industry bodies. Grant has been a member of the Market Development Committee since 2007 and became an ABA Board member in 2008. He also serves as Chair of the Audit Committee.



**DAMIEN HOULAHAN**

Marketing Representative

Damien is the Executive General Manager of Olam Orchards Australia. Damien has the responsibility of overseeing almond operations for Olam in Australia. This has included building a team to manage the orchards exclusively from 2012, the building of the new almond processing facility and the global marketing of Olam almonds from the Australian orchards. In addition to this role in Australia Damien is also a member of the Olam International Edible Nuts Management Committee which includes the global cashew and peanut businesses. Damien is a member of the Market Development Committee, Audit Committee, Remuneration Committee, Almond Centre Committee and the Conference Committee.



**TIM JACKSON**

Marketing Representative

Tim is the Group Sales and Marketing Manager of Almondco Australia Ltd and leads the company's extensive global network that generates sales across almost 40 countries as well as the traditional Australian market.

Tim has held membership of the Almond Board of Australia's Market Development Committee for the past six years and has more than 30 years' experience in agri-business through a wide range of communications and marketing roles.



**LAURENCE VAN DRIEL**

Marketing Representative

Laurence has been involved in the trading and marketing of edible nuts and dried fruits for over 25 years, providing him with a sound understanding of shipping requirements, foreign currency, trade barriers and marketing strategies.

He has also held senior purchasing and sales management positions with internationally recognised companies. He became a member of the ABA Board in 2011, has been a member of the Almond Industry Advisory Committee (IAC) and currently serves on the Market Development Committee.



## BUILDING DEMAND FOR AUSTRALIAN ALMONDS

### **MARKET DEVELOPMENT COMMITTEE:**

The Almond Market Development Committee analyses the domestic and global almond market, approves the activities that make up the marketing program, monitors the implementation of these promotions and trade events and evaluates the results. This committee acts as an industry reference group for marketing related research and development projects funded by grower levies and matched by the Commonwealth. The committee membership is drawn from the large industry marketers and members bring a wealth of expertise and experience to the broad range of marketing matters considered in building demand and maintaining market access for Australian almonds both domestically and in export markets.

Chair: Brendan Sidhu

### **PROCESSING COMMITTEE:**

The Processing Committee provides a whole of industry approach to improving product quality, hulling and shelling more cost efficiently to meet required quality specifications, and maintaining Australia's high product integrity reputation through providing input on food safety and quality issues.

Chair: Tim Jackson

### **PRODUCTION COMMITTEE:**

The Almond Production Committee provides a forum to discuss all matters related to almond production to improve yields and input efficiency, address issues of supply surety and cost. The committee considers changes to production systems and provides input on best practices. The extension program of the ABA industry development staff is guided by the committee that also acts as the industry reference group for some production related research and development projects. It has a role in identifying risks for growers and gaps in the knowledge and technologies needed to enhance the production of almonds in Australia. This assists in the development of research priorities for the industry. These broad areas of responsibility are assisted by the specialist committees covering plant improvement, pollination, water and the experimental and demonstration orchard.

Chair: Peter Cavallaro

### **POLLINATION COMMITTEE:**

The Pollination Committee deals with the surety and cost of pollination services that are a necessary element of almond production. The growth of the almond industry has placed increasing demand on the available beehives in Eastern Australia. The committee is working to address any impediments to apiarists bringing their hives to almond orchards. The ABA supports the efforts of the beekeeping associations to have access to the floral resources on public lands. In addition, the ABA provides financial support to the biosecurity programs to keep bees safe from exotic pests. The committee is also investigating ways that the health of hives can be assured so that almond producers are getting hives capable of delivering a strong pollination result.

Chair: Rob Wheatley

### **ALMOND CENTRE COMMITTEE:**

The Almond Centre Committee was established to guide the development of the Almond Centre of Excellence that has at its heart a sixty-hectare experimental and demonstration orchard that is the home of the industry's R&D activities. The Almond Centre has been established with the generous funding support of the South Australian and Commonwealth governments and the assistance of Hort Innovation. The committee also provides input into best production practices and technologies showcased on the orchard. The facility provides the opportunity to push the boundaries in search of significant developments to production systems. The Centre is a collaboration between industry, researchers and commercial suppliers.

Chair: Brendan Sidhu

## INPUT SURETY AND COST



**The ABA Board is supported by specialist committees that have their own terms of reference and are linked to the Board by an ABA Director chairing each committee and ABA staff providing support.**

**PLANT IMPROVEMENT COMMITTEE:**

The Plant Improvement Committee is the industry reference group for the almond breeding and evaluation program. It provides guidance on the desired characteristics of new varieties, assists the establishment of trial sites and with the assessment of results. It also provides input into the decisions of which selections are released as commercial varieties and the conditions of their commercialisation. The committee guides the ABA's high health status budwood program that ensures nurseries have access to pathogen tested material to produce superior nursery trees that enhance orchard establishment.

Chair: Peter Cavallaro

**WATER COMMITTEE:**

The Water Committee drafts industry policy for the ABA Board to consider and endorse. The committee also develops strategic actions to bring about positive change to the water market and other government policy that impacts on the pricing, availability and deliverability to almond and other irrigators whilst being mindful of the need for a healthy riverine system. The committee provides input into submissions prepared by the ABA. These submissions where possible seek to offer solutions to issues of concern. The ABA acts to gather the support of other Peak Industry Bodies to support our submissions.

Chair: Toby Smith

**CHEMICAL COMMITTEE:**

The Chemical Committee monitors the chemicals available to Australian almond production and identifies chemicals with the potential to expand the options for chemical rotation, efficacy and efficiency and pursue registration through APVMA. The committee will develop appropriate measures for chemical application to ensure MRL compliance in the domestic and export markets for consideration by the ABA Board. The Taskforce will comprise growers, technical staff from processors, senior technical people from major agrochemical companies and agronomists from retailers. Representatives from government bodies will be co-opted for guidance on issues as required.

Chair: Stephen Beckwith

**CONFERENCE AND R&D FORUM COMMITTEES:**

The Conference and Forum Committees provide advice on the Conference and R&D Forum themes, venue, dates, schedule, presentation topics, presenters, master of ceremonies, sponsors and monitor event finances. The committee members' input ensures the events provide a balance of learning and social networking.

Chair: Peter Hayes

**AUDIT COMMITTEE:**

The Audit Committee monitors the ABA's financial position and systems, risk and statutory/regulatory compliance including the external audit and annual budget processes. The committee reviews all ABA expenditure, accounts receivable and payable, and other elements of the extensive financial reporting that is provided to the Board meetings. The committee members also decide on the investment options available for the ABA's cash reserves. The members are also involved in the approval of large financial transactions.

Chair: Grant Birrell

**REMUNERATION COMMITTEE:**

The Remuneration Committee makes recommendations to the Board on matters relating to remuneration of the Chief Executive Officer and ABA staff in general, their performance and the staff composition, structure and operation of the organisation.

Chair: Peter Hayes

INPUT SURETY AND COST

COMMUNICATION

GOOD GOVERNANCE



# ABA STAFF



**ROSS SKINNER**

Chief Executive Officer

Ross is Chief Executive Officer of the Almond Board of Australia, holding this position since November 2010. Ross holds a Bachelor of Economics. Ross was previously Assistant General Manager of the Australian Dried Fruits Association, General Manager of the Dried Fruits Research and Development Council, and General Manager of the Australian Dried Fruits Board. Ross has 34 years' experience managing R&D and marketing programs for many Murray Valley horticultural industries. He is a member of HIA's Almond Strategic Investment Committee and HIA's Nut Industry Trade Advisory Panel.



**DEIDRE JAENSCH**

Industry Development Manager

Deidre joined the ABA in October 2019 as Industry Development Manager. She holds a Bachelor of Agricultural Science and has worked in irrigated horticulture within the government, industry and private sectors for over 27 years. Deidre manages the research and development program working with growers, researchers, suppliers and service providers as well as industry collaborators to generate the knowledge, skills and technologies required to enhance industry's competitiveness and further development in line with the almond industry strategic investment plan.



**JOSHUA FIELKE**

Industry Development Officer

Josh was appointed in October 2015 as an Industry Development Officer. Josh has been involved in the horticulture industry since 2010 working with a variety of crops. Josh began as a farm hand at QFM Productions, and then completed a Bachelor of Environmental Science at the University of South Australia. During this three-year period he worked as a supervisor/farm hand at Cooina Mixed Farm gaining experience in growing practices. Josh then gained a post-graduate job at the Mitolo Group as an agronomist. This role was based around nutrition, and pest and disease management.



**BEN WIBLIN**

Industry Development Officer

Ben joined the ABA in November 2018 after completing a Bachelor of Agricultural Science at the University of Adelaide. Ben works alongside Josh Fielke as an Industry Development Officer. Ben has previously been involved in various agricultural production systems allowing him to use his knowledge in soil and plant science to help maximise yields whilst also monitoring pests and disease. Ben's role is centered around facilitating the extension of new research in an effort to increase industry knowledge and efficiency.



**ANTHONY WACHTEL**

Almond Centre Orchard Manager

Anthony joined the ABA to manage the 60 hectare experimental and demonstration orchard that is part of the Almond Centre of Excellence established at Loxton. Anthony has extensive experience in almond production working with Century Orchards as Assistant Farm Manager. His role requires him to work closely with researchers to ensure the specific management programs required for their trials are adhered to. He has also overseen the establishment of the orchard infrastructure to provide a world class facility that suits the conduct of current and future research. Anthony is a member of the ABA's Industry Development team as the orchard will be a key part of extending best practice to producers.



**ANNA PETERSEN**

Publications Manager

Anna is engaged on a part-time basis to manage the ABA's range of publications. These include the In A Nutshell industry newsletter as well as other annual documents. She is responsible for the sourcing of articles, editing, advertising, production and distribution. Anna also works closely with other ABA staff to provide support for industry events and other communications related activities. Anna holds a Bachelor of Arts (Communication and Media Management) and a Graduate Diploma Communication (Public Relations).





**ABIGAIL QUIRKE**  
Events & Compliance Officer

Abigail joined the ABA team in July 2018. Abigail's role is diverse, including organising the Australian Almond Conference and R&D Forum, which are held biennially. Abigail produces the Almond Bytes electronic publication and works closely with the Almond Centre of Excellence Experimental Orchard in the compliance side of her role. Externally, Abigail is involved in the horticulture sector having started a collaborative dried fruit processing company with her two brothers to market the fruit they grow. Abigail has also worked as a laboratory technician with the wine industry for several years.



**LOUISA MARTIN**  
Marketing Officer

Louisa Martin was appointed to the position of Market Development Officer with the ABA in August 2019. Lou has a Bachelor's Degree in Marketing (Business) from the University of South Australia. Her role at the ABA is to promote the consumption of almonds to Australians and educate consumers about the many health benefits of regularly eating almond products. This involves organizing and attending the ABA stand at food, health and fitness exhibitions throughout Australia, liaising with health and fitness professionals and working closely with various industry stakeholders to prepare materials promoting almond consumption. Lou is responsible for the ABA's social media and digital platforms providing informative and interesting updates to our consumers and those that influence buying decisions.



**SHANNON HARKINS**  
Finance & Business Manager

Shannon was appointed as Finance & Business Manager for the Almond Board of Australia in January 2011. Shannon holds a Diploma of Business and Certificate IV in Training and Assessment. Shannon's role with the Almond Board of Australia sees his skills utilised for payroll, accounts payable and receivable, forecasting and budgeting, internal reporting, audit liaison, management of legal financial obligations, project financial management and acquittals and organisational management.



**DEBORAH McMAHON**  
Administration & Finance Officer

Debbie has been employed by the Almond Board of Australia since 2008. Her role includes general administrative and finance tasks and work in support of the Chief Executive Officer, Finance & Business Manager, and Market Development Manager. Deb has a Bachelor of Education, Diploma of Teaching (Primary) and an Associate Diploma of Editing and Proofreading. Deb also provided administrative support to the Australian Nut Industry Council.



**JOSEPH EBBAGE**  
Contacted Consultant

Joseph is engaged by the ABA to manage the Almond Market Development Program. Based in Melbourne, Joseph has worked with the ABA since 2003 and is the principal of "Consumer Insights", a market research and consultancy agency. Joseph works with industry marketers to promote almonds on the domestic market and build awareness of the Australian almond brand internationally.





# MARKET DEVELOPMENT



## GLOBAL CONTEXT

The global market for almonds was significantly impacted by the increasing size of the Californian crop and the trade uncertainty caused by the COVID-19 crisis. During December 2019 and January 2020, global almond trade adjusted to a Californian crop that was going to substantially exceed its Objective Estimate of 2.2 billion pounds. The total receipts for the 2019-20 Californian almond crop ended at 2.55 billion pounds. The Subjective Estimate for the 2020 crop released in May 2020 was 3 billion pounds which is an increase of 18% over the previous year.

The global market reacted to this increase in Californian almond supply with a significant pricing correction. The expectation is that this low-level pricing will stimulate demand over the coming year which in turn will bring the supply and demand forces of the global almond market back into balance.

The COVID-19 shutdowns around the world have also negatively impacted the global almond trade. Ports in key markets such as India were unable to operate for some months during the 2019-20 financial year.

One of the positive indicators of strong underlining global demand for almonds is the continued place of almonds as the most frequently used nut ingredient in new food and beverage products launched in 2019-20. For the twelve months to June 2020, 11,668 products were launched globally with almonds as an ingredient. The versatility of almonds as an ingredient is highlighted by the presence of almonds in 19 major food and beverage categories.

## GLOBAL NEW PRODUCTS 2019-20 June 2020

ALMONDS	11668
HAZELNUTS	7433
CASHEWS	4317
WALNUTS	1929
PISTACHIO	1262
MACADAMIA	551
PEANUTS	7775

Another indicator of the demand for almonds globally is the growth of new product categories. During the 2019-20 year, 765 non-dairy products were launched in markets around the world. Another product category to grow in 2019-20 was the almond butter segment. During 2019-20, 174 products were launched in the 'Nut Spreads' category plus another 303 products were launched with almond butter as an ingredient. 'almond flour'/'almond meal' continues to strengthen with the global market with 469 new products launched last year with almond flour or almond meal as an ingredient.

## GLOBAL NEW PRODUCTS 2019-20 June 2020

DAIRY-ALTERNATIVE DRINKS	570
SPOONABLE NON-DAIRY YOGHURT	108
NON-DAIRY ICE CREAM & FROZEN YOGHURT	87
TOTAL NON-DAIRY PRODUCTS	765







## EXPORT MARKET DEVELOPMENT PROGRAM

Australian almond exports grew from 60,894 tonnes in 2018-19 to 76,556 tonnes in 2019-20. Note these dates refer to the Australian almond industry's crop year which runs from March to February. The 15,662 tonne increase over the previous year represented a growth rate of 26%. The 2019-20 export results were driven by the growth in Australian almond exports to China which was due to the significant Australian tariff advantage caused by the US-China trade dispute. In 2019-20, 39,862 tonnes of Australian almonds were exported to China compared to 11,860 tonnes the previous year. This meant that Australian almond exports to China and Hong Kong grew from 20% of our total exports in 2018-19 to 52% in 2019-20. A consequence of this rapid growth of exports to China was the reduction in export volume to most of the Australian almond industry's other markets.

The Australian almond exporters continued to balance the immediate opportunities presented in China with a commitment to the long-term growth of the industry's Established and Emerging Markets.

Our industry exhibited at two major events for our Established Markets in 2019-20: Anuga in Cologne in October 2019 and Gulfoods in Dubai in February 2020.

The 2019 Anuga trade fair ran from October 5 to 9 in Cologne, Germany. Anuga is one of the largest fine food fairs in the world, attracting approximately 200,000 trade visitors and more than 7,000 exhibitors. Our Australian Almonds exhibition booth was situated in the Fine Foods Hall, adjacent to the USA pavilion. This location offered significant convenience to our European customers who visited both the Australian and Californian almond exporters.

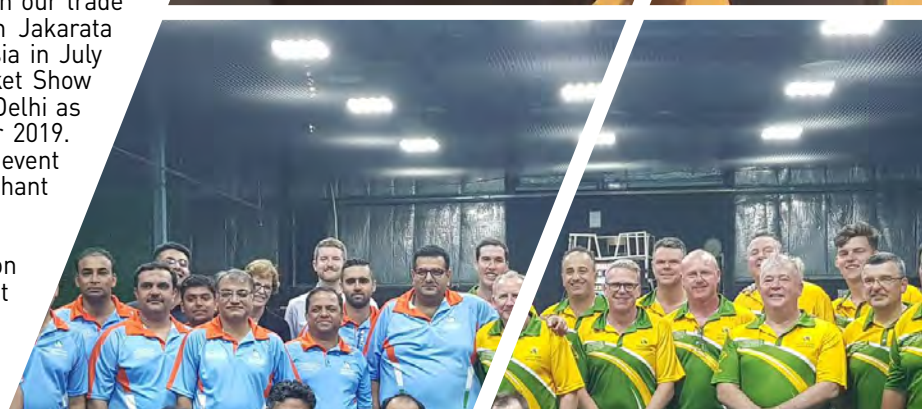
The Gulfoods exhibition ran from February 16 to 20 in Dubai. The Gulfoods trade show is one of the most important within the Australian almonds export development calendar. It attracts a significant number of our Indian customers as well as our Middle Eastern and African customers.

The core of our Gulfoods program is a 9 metre by 3 metre trade booth with executives from Almondco Australia, Olam Orchards Australia, Nut Producers Australia and Select Harvests participating. Our booth was a key feature of the Australian pavilion in the Fine Foods area of the trade exhibition. To enhance our customer relationships with our Indian customers, a game of Indoor Cricket was held on the eve of Gulfoods. While the activity was highly enjoyable, it is worth noting the unique ability of the Australian almond industry to collaborate and play as a team and the mutual love of the game of cricket to attract our Indian customers to play as a team also.

Another feature of our Gulfoods Trade Mission is our Australian Almonds Networking Event held on the third evening of the exhibition during which the CEO of the Almond Board of Australia, Ross Skinner, presented an Australian Industry Update of our 2020 crop.

One of the key features of our trade events has been our trade seminars. Over the past year, we ran seminars in Jakarta as part of our exhibition at Food and Hotel Indonesia in July 2019 and in Tokyo as part of the Japan Supermarket Show in February 2020. We also conducted a seminar in Delhi as part of a major trade mission to India in November 2019. The Australian High Commission in Delhi hosted this event and helped organise a current Indian test cricketer, Ishant Sharma, to be our seminar's guest speaker.

Another important trade event was our trade mission to China for the China Tree Nut Conference in August 2019. The Australian almond industry was promoted via an exhibition booth as well as through a presentation in the Plenary Session devoted to the global almond industry.





# MARKET DEVELOPMENT



## DOMESTIC MARKET DEVELOPMENT PROGRAM

Domestic sales of almonds in 2019-20 grew by 6% over the previous year to a total of 29,508 tonnes. This means that the average Australian consumption of almonds is 1.13 kg per person which is equivalent to the US domestic market.

Health and nutrition are key drivers of almond consumption in Australia. To this end, the Australian Almonds' nutrition program has developed three elements: a lifestyle nutrition program focusing on heart health, diabetes and healthy weight; a fitness and sports nutrition program communicating the role of the protein in almonds in sports recovery; and an industry nutrition program that addresses any relevant trade issues such as the growth of the almond milk and the non-dairy category.

Our nutrition program engages and educates a broad range of health professionals including GPs, dietitians, sports nutritionists and fitness trainers. During 2019-20, we communicated our key messages via conference exhibitions, webinars and our social media platforms.

An important component of our health professional communication relates to the sustainability of the Australian almond industry. Our sustainability credentials are essential to positively managing our industry's reputation and preserving our social licence to grow, process and market. In relation to health professionals specifically, sustainability is the foundation for their acceptance and advocacy of almonds as a healthy food.

A new feature of our domestic program in 2019-20 was a Dietitians' Orchard Tour in March 2020. This tour provided six dietitians who are active within our program with first hand experience of almond farming and harvesting. During the tour, the dietitians were provided a summary of our ABA water policy and its alignment with the Murry Darling Basin Plan. The group left with a greater understanding of the effort directed to achieve continual improvement in the sustainable farming practices of growing almonds.

Almonds in Australia remained the most frequently used nut ingredient in new products launched during our 2019-20 marketing year with 240 products being launched into the Australian market. This compares to 84 new products including cashews as an ingredient and 65 products with hazelnuts. There were more products with almonds than with peanuts, which were included in 164 new products. The five main categories for new products with almonds were cereals, snacks, bakery, confectionery and dairy.

Social media exposure for Australian almonds remained an important part of our domestic marketing program with significant growth in our industry's Facebook community. One new feature of our social media program in 2019-20 was the relaunch of the Almond Board of Australia's LinkedIn site. This platform will be an important part of projecting our industry's 'Thought Leadership' in key sustainability issues such as water use efficiency, renewable energy, non-chemical crop protection tools and bee health during pollination.





# INNOVATION AND ADOPTION



The ABA industry development (ID) team, comprised of Deidre Jaensch (ID Manager), Joshua Fielke (Senior ID Officer) and Ben Wiblin (ID Officer), work closely with the ABA communications and event management staff Anna Petersen and Abigail Quirk and the Australian Centre of Excellence Orchard Manager Anthony Wachtel to delivery a range of extension activities and products for almond industry members across Australia.

The Australian almond industry innovation and adoption program contributes towards the implementation of the industry's strategic plan and relies on the outputs from the Hort Innovation's almond research program and other sources to address gaps in knowledge and develop new technologies to support the sustainability and competitiveness of the industry. Funded through Hort Innovation, the program extends the best practices generated by the Australian and international research communities as well as drawing on the commercial sector and the expertise within the industry.

The focus of extension activities in 2019-20 was on: orchard hygiene to control pests and disease; maintaining healthy hives and pollination efficiency; developing nursery tree standards and maintaining disease free planting material; evaluating new varieties and rootstocks; improving on-farm water use efficiency and soil health; food safety and quality; biosecurity; and maintaining industry skills capacity.

Information relevant to Australian growers was sourced by industry development staff on emerging issues, research findings, breeding programs, new technology, best on-farm practices, market requirements, biosecurity, climate change and environmental issues, chemical regulation, labour issues and government policy changes.

The ABA staff maintains strong cohesive relationships with industry leaders, researchers and provider organisations, both in Australia and overseas, and has documented the community of practice illustrating the extensive and diverse networks allowing trusted communication and information sharing to ensure Australian almond growers have the information they need to adapt to the increasingly dynamic physical and economic environments and make smart business decisions.

Over the past twelve months the ID staff, supported nineteen ABA supply chain committee forums, and delivered a program of over 150 extension activities. Key achievements include:

- Three field days - 106 participants
- ABA R&D forum - 260 participants
- Four regional meetings - 120 participants
- Seven ABA hosted tours showcasing local growing regions and processing facilities
- Eight presentations to industry stakeholders
- Three economic analyses of orchard hygiene; new varieties and irrigation scheduling technologies
- Eight "In a Nutshell" magazine articles
- Three fact sheets "All About Almonds"
- Six best practice videos.

Future extension activities will continue to strengthen collaborative networks and linkages between industry leaders, partner organisations, researchers, product and service providers. A segmentation study will help identify regional specific needs, and address industry constraints to tailoring extension activities and improve onfarm adoption of new knowledge and technologies.

The efficiency, effectiveness and relevance of extension activities is monitored through targeted and regular feedback mechanisms to continually improve the activities and products created and stored on the ABA website to support the Australian almond industry.





**The following tables outline projects receiving funding derived from the almond producers' R&D levy and matching Commonwealth funding.**

## HORT INNOVATION,

Hort Innovation has Strategic Investment Advisory Panels (SIAPs) that provide strategic investment advice in relation to the research and development activities funded by industry levies and contributions from the Australian Government.

The SIAP guide the strategic priorities set out in the Almond Industry's Strategic Investment Plan.

R&D investments using the research levies are made specifically on behalf of levy payers. These investments focus on the needs identified and prioritised by the industry. In general, strategic levy investments provide outputs that have a 1-5 year delivery timeframe and in the case of R&D, span a wide scope of investment types.

Hort innovation staff are responsible for consulting with industry to determine these priorities and ensure that the correct investments are made to achieve them.

## R&D Project Summary 2019/20

<u>Project Number</u>	<u>Project Name</u>
<b>Projects with ABA as the service provider</b>	
AL16000	Australian Almond Industry Communications Programme
AL16001	Australian Almond Industry Innovation & Adoption Program
AL16003	Almond Industry Statistics & Data Collection 2017-2019
AL16006	Evaluation of Potential Prunus Rootstocks for Almond Production - Stage 2
AL16007	Educating Health Professionals
AL16010	Market Development Programme - Europe
AL16700	Australian Almond Industry Conferences & Field Days 2017-2021
AL16701	Almond Study Tour
AL17008	Market Access, Maintenance & Development Program
AL18001	Australian Almond Industry - Communications Program
AL19000	ACE Experimental & Demonstration Orchard
AL19001	Australian Almond Industry Innovation & Adoption Program
AL19002	Market Access, Maintenance & Development Program
AL19005	Almond Industry Statistics & Data Collection
AS17002	Demonstration of Functional Driverless Tractor for Aust. Horticulture
ST16000	Advanced Production Systems for Temperate Nut Crops
<b>Projects with other service providers</b>	
AL13009	Better tree performance and water use efficiency through root system resilience
AL14005	Identifying factors that influence spur productivity in almond
AL14007	Almond productivity: tree architecture and development of new growing systems
AL16002	Almond minor use permit program
AL16005	An integrated disease management program for the Australian almond industry
AL16009	An integrated pest management program for the Australian almond industry
AL17004	Almond irrigation best practice management
AL17005	National almond breeding and evaluation program
AL19003	Discovery work for international pollination dispersal options for Australian Almond industry
AL19004	Economic analysis of the almond industry
AL19899	Internal Project Expenditure and pre procurement expenses
AL19910	Industry advice and grower consultation
MT13002	Protecting pollination for the Australian horticultural industry Stage 3
MT16005	Enhanced national bee pest surveillance program
MT16010	Horticultural trade data 2017-2019
MT17015	Consumer behavioural and retail data for fresh produce
MT18011	Ex-post impact assessment
MT18018	Generation of data for pesticide permit applications in horticulture crops 2019/20
MT18019	Development and implementation of protocols to enable importation of improved honey bee genetics to Australia
MT19002	Annual reporting 2018-20
MT19005	Horticulture trade data
MT19008	Strategic agrichemical review process
MT19012	Industry-specific impact assessment program
PH17001	Development of non-invasive methods and systems for the assessment of hive health
ST16008	Proposed AgVet collaborative forum plant industry investment
ST18003	PBRI symposium





## SUMMARY REPORT

For the year ended 30 June 2020, the Almond Board of Australia reported a net surplus of \$1,611,304 based on revenue of \$6,973,567 and expenditure of \$5,362,263.

The Almond Board of Australia has four distinct internal financial reporting lines:

- General Operations and Administration
- Almond Centre of Excellence Experimental Orchard
- Industry Research and Development
- Market Research and Development.

COVID-19 had a significant effect on some aspects of the ABA's functions. Market development in particular was impacted with restrictions on domestic and overseas travel during 2019/20.

Key revenue areas for the ABA include: Project and Grant Funding (65%); Voluntary Marketing Levy (24%); Sales (3%) being primarily budwood sales; and Royalties (3%).

There was a 19% increase in overall revenue attributed an increase in grant funding for the year but offset to some extent by a significant reduction in interest, budwood sales and royalties.

Project and grant funding provides resources to undertake key ABA activities including the areas of: market access, research and development; development of industry best practice knowledge and extension; rootstock trials; experimental orchard development and research into efficient growing systems; stakeholder communications; industry statistics; and the almond conference and R&D forums held in alternate years.

These elements underpin the implementation of the Australian almond industry's strategic plan and the support of the Commonwealth and State governments, and Hort Innovation is appreciated. The ongoing support of industry producers and marketers in maintain ABA membership and contributing to statutory and voluntary levies is also key to resourcing the Board's all of industry programs.

Expenditure for the financial year increased by 10% on the previous year. It was centred in five main areas: administration and organisational management including staff undertaking projects (35%); contributions to co-fund research projects with Hort Innovation (30%); market development activities (20%); and budwood production (11%).

Marketing and market development activities include participation at domestic and international trade events held in key markets. It also includes ABA's market access and maintenance activities, targeted market research and promotional programs. These activities are funded by the ABA's voluntary marketing levy of \$20 per tonne that raised \$1.7 million during 2019/20. These funds allocated by the Market Development Committee on an agreed ratio between domestic and export activities.

The ABA Audit Committee met four times during the year and reviewed the quarterly financial reports and all ABA expenditure for the period. The Committee also directed the investment of ABA reserves in interest bearing accounts as required by our Constitution and provided guidance on financial management, reporting, relevant policies, organisational risk, governance, and procedures.

Membership of the Audit Committee at year end consisted of ABA directors Grant Birrell (Chair), Neale Bennett, and Damien Houlahan. Brenton Woolston retired as an ABA Director and was replaced on the Committee by Neale Bennett. The Board appointed Stephen Beckwith and Tim Jackson as proxies and they also attend meetings as observers. The ABA CEO and Finance Manager attend Committee meetings.

Grant Birrell will conclude his role as an ABA director and Audit Committee Chair at the 2020 AGM. His diligent contribution in leading the Committee is gratefully acknowledged.

The ABA remains in a sound financial position and there are no foreseeable concerns regarding the organisation's ongoing solvency.



# STATEMENT OF OPERATIONS

For the ended 30 June

	2020 \$	2019 \$
<b>Income</b>		
Annual Conference & R&D Forum	59,255	360,291
Budwood Sales	183,040	639,590
Grant Funding	4,561,288	2,242,110
Interest Earned	16,450	39,192
Marketing Contributions	1,697,731	1,799,932
Memberships	57,800	54,598
Recharges	67,920	74,260
Royalties	235,724	557,823
Sales	1,229	3,884
Sponsorship & Advertising	21,330	18,925
Sundry Income	71,801	55,600
Voluntary Contributions	-	(0)
	<b>6,973,567</b>	<b>5,846,205</b>
<b>Expenses</b>		
Administration Costs	261,191	148,732
Advertising	195,776	295,074
Affiliation Fees	62,936	42,199
Annual Conference & R&D Forum	32,410	229,752
Bad Debts Written Off	300	-
Budwood Costs	34,593	31,309
Chairman's Allowance	32,848	25,000
Consultancy Fees	34,900	35,651
Contractors/ Agency Staff	29,895	105,466
Depreciation	196,510	110,827
Donations & Sponsorships	25,640	65,781
Export Activities	595,967	667,382
Field Days & Workshops	1,338	9,048
Harvesting Expenses	15,700	-
Importations	1,185	1,185
International Trips & Study Tours	66,742	41,048
Market Access & QA	15,636	15,636
Market Research	51,131	57,846
Marketing Program Management	213,845	194,857
Meeting Expenses	36,431	43,102
Pest & Disease Monitoring	4,504	849
R&D Establishment	16,891	657,830
Royalties	91,761	236,106
Site Operations & Management	458,741	40,458
Staff Costs	1,164,901	910,103
Sundry Expenses	57,570	299,189
Trade Shows & Events	24,296	51,767
Training & Development	1,606	6,228
Travelling Expenses	7,217	23,377
Voluntary Contributions	1,629,802	535,129
	<b>5,362,263</b>	<b>4,880,931</b>
<b>Surplus / (Deficit) for the year</b>	<b>1,611,304</b>	<b>965,273</b>



# FINANCIAL POSITION



For the ended 30 June	Note	2020 \$	2019 \$
<b>Current assets</b>			
Cash and cash equivalents	3	6,880,933	5,570,329
Trade and other receivables	4	487,405	1,192,170
Inventories	5	27,186	35,317
Other current assets	6	180,547	147,225
<b>Total current assets</b>		<b>7,576,071</b>	<b>6,945,041</b>
<b>Non-current assets</b>			
Property, plant and equipment	7	1,764,634	1,269,873
Intangibles	8	53,086	53,086
<b>Total non-current assets</b>		<b>1,817,720</b>	<b>1,322,959</b>
<b>Total assets</b>		<b>9,393,792</b>	<b>8,268,000</b>
<b>Current liabilities</b>			
Trade and other payables	9	531,581	1,068,438
Employee Benefits Liabilities	10	159,689	117,197
Revenue Received in Advance		773	7,632
<b>Total current liabilities</b>		<b>692,043</b>	<b>1,193,267</b>
<b>Non-current liabilities</b>			
Employee Benefits Liabilities	10	94,422	78,711
<b>Total non-current liabilities</b>		<b>94,422</b>	<b>78,711</b>
<b>Total liabilities</b>		<b>786,465</b>	<b>1,271,978</b>
<b>Net assets</b>		<b>8,607,327</b>	<b>6,996,022</b>
<b>Members' funds</b>			
Retained earnings		8,607,327	6,996,022
<b>Total members' funds</b>		<b>8,607,327</b>	<b>6,996,022</b>



## CHANGES IN EQUITY

	Accumulated Surplus \$	Total \$
<b>Balance at 1 July 2018</b>	6,030,749	6,030,749
Surplus for the year	965,273	965,273
<b>Balance at 30 June 2019</b>	<b>6,996,022</b>	<b>6,996,022</b>
Surplus for the year	1,611,304	1,611,304
<b>Balance at 30 June 2020</b>	<b>8,607,327</b>	<b>8,607,327</b>

## CASH FLOWS

	Note	2020 \$	2019 \$
<b>Cash flows from Operating Activities</b>			
Receipts from Members		57,800	54,598
Receipts from Government Funding		4,561,288	2,242,110
Receipts from Customers		3,048,526	3,114,994
Payments to Suppliers and Employees		(5,682,191)	(4,823,080)
Interest Received		16,450	39,192
<b>Net Cash from Operating Activities</b>	<b>11</b>	<b>2,001,873</b>	<b>627,814</b>
<b>Cash flows from Investing Activities</b>			
Acquisition of Plant and Equipment		(691,271)	(716,150)
<b>Net Cash from/ (used in) investing activities</b>		<b>(691,271)</b>	<b>(716,150)</b>
<b>Net Increase/ (Decrease) in Cash Held</b>		<b>1,310,602</b>	<b>(88,335)</b>
Cash at Beginning of Financial Year		5,570,331	5,658,666
<b>Cash at End of Financial Year</b>	<b>3</b>	<b>6,880,933</b>	<b>5,570,331</b>



# NOTES TO THE FINANCIAL STATEMENTS



The financial statements cover The Almond Board of Australia as an individual entity. The Almond Board of Australia is a not-for-profit association incorporated in South Australia under the Associations Incorporation Act 1985 ('the Act').

The principal activity of the association for the year ended 30 June 2020 is:

Facilitate further growth of the almond industry

Comparatives are consistent with prior years, unless otherwise stated.

## 1 Basis of preparation

In the opinion of the Committee of Management, the association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the Act.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of this financial report.

## 2 Summary of significant accounting policies

### Income tax

The association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

### Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.



# NOTES TO THE FINANCIAL STATEMENTS



## **Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

## **Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

## **Property, plant and equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Property, plant and equipment is depreciated on a straight-line or diminishing value basis over the asset's useful life to the Association, commencing when the asset is ready for use.

## **Employee benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit

## **Inventories**

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

## **Other intangibles**

### **Water Rights**

Water Rights are recognised at cost of acquisition. Water rights have an infinite life and are carried at cost less any impairment losses. Water Rights are tested for impairment annually. The Association currently holds Water Rights of 25ML, which have a median net realisable value of \$6,000/ ML



### **Impairment of non-financial assets**

At the end of each reporting period, the association determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the assets is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

### **Provisions**

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.



# NOTES TO THE FINANCIAL STATEMENTS

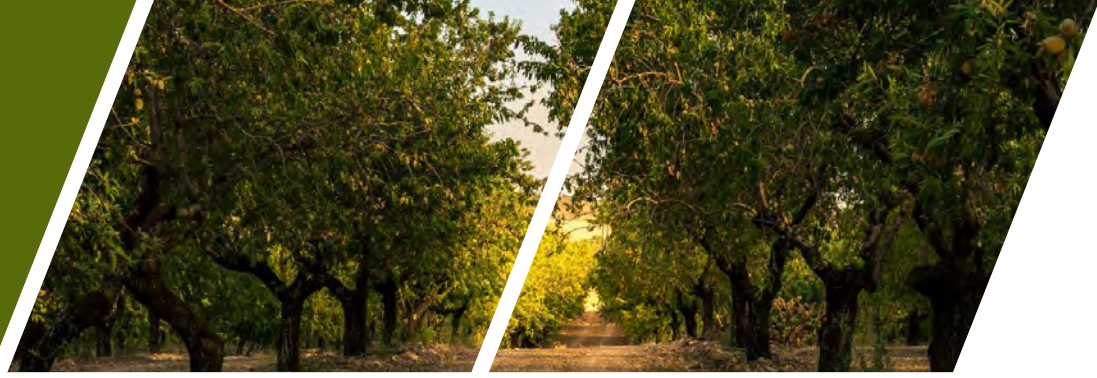
	Note	2020 \$	2019 \$
<b>3 Cash and cash equivalents</b>			
Cash on Hand		880	925
Cheque Accounts		147,266	197,796
Express Saver Accounts		6,132,787	4,671,607
Term Deposits		600,000	700,000
		<b>6,880,933</b>	<b>5,570,329</b>
<b>4 Trade and other receivables</b>			
<b>Current</b>			
Accounts Receivable		487,405	1,192,170
		<b>487,405</b>	<b>1,192,170</b>
<b>5 Inventories</b>			
<b>Current</b>			
Inventories at Cost		27,186	35,317
		<b>27,186</b>	<b>35,317</b>
<b>6 Other assets</b>			
<b>Current</b>			
Accrued Interest		2,808	15,399
Prepayments		177,740	131,826
		<b>180,547</b>	<b>147,225</b>
<b>7 Property, plant and equipment</b>			
<b>Plant and equipment</b>			
Plant & Equipment		2,291,154	1,599,883
Less: Accumulated Depreciation		(526,520)	(330,010)
		<b>1,764,634</b>	<b>1,269,873</b>
		<b>1,764,634</b>	<b>1,269,873</b>



	Note	2020 \$	2019 \$
<b>8 Intangible assets</b>			
Intangible Assets Water Rights at Cost		53,086	53,086
		<u>53,086</u>	<u>53,086</u>
<b>9 Trade and other payables</b>			
<b>Current</b>			
Credit Cards		(3,025)	(2,897)
Accounts Payable		165,855	853,216
GST Payable		340,544	205,801
PAYG Withholding		28,208	12,318
		<u>531,581</u>	<u>1,068,438</u>
<b>10 Employee Benefit Liabilities</b>			
<b>Current</b>			
Accrued Wages & Super		7,272	-
Accrued Annual Leave		152,416	117,197
		<u>159,689</u>	<u>117,197</u>
<b>Non-current</b>			
Accrued Long Service Leave		94,422	78,711
		<u>94,422</u>	<u>78,711</u>
<b>11 Reconciliation of Net Cash from Operating Activities to Surplus for the year</b>			
Surplus for the year		1,611,304	965,273
Add:			
Depreciation		196,510	110,827
Movement in Provisions		50,930	10,982
Movement in Receivables		704,765	(394,337)
Movement in Accruals & Revenue in Advance		5,732	(974)
Less:			
Movement in Prepayments		45,914	(17,094)
Movement in Payables		529,585	90,247
Movement in Inventories		(8,131)	(9,195)
		<u>2,001,873</u>	<u>627,814</u>



# COMMITTEE STATEMENT



The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

In the opinion of the committee the financial report:

- Presents fairly the financial position of The Almond Board of Australia as at 30 June 2020 and its performance for the year ended on that date.
- At the date of this statement, there are reasonable grounds to believe that The Almond Board of Australia will be able to pay its debts as and when they fall due.

In accordance with Section 35(5) of the Associations Incorporation Act (SA) 1985, the Committee hereby states that during the financial year to which the accounts relate:

- No officer of the Almond Board of Australia Incorporated, or a firm of which the officer is a member, or a corporation in which the officer has a substantial financial interest, has received or become entitled to receive a benefit as a result of a contract between the officer, a firm of which the officer is a member or a corporation in which the officer has a substantial financial interest and Almond Board of Australia Incorporated.
- No officer of Almond Board of Australia Incorporated has received directly or indirectly from Almond Board of Australia Incorporated any payment or other benefit of a pecuniary value, except for the following honorariums paid:

Chairman Allowance \$32,848

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:

Grant Birrell

Peter Hayes

Dated

10/09/2020

# STATEMENT BY MEMBERS OF THE COMMITTEE



Your committee members submit the financial report of The Almond Board of Australia for the financial year ended 30 June 2020.

## Directors

The names of the Directors throughout the year and at the date of this report are:

Peter Hayes - Chairman - Appointed 04/02/2020  
Neale Bennett - Chairman - Stepped Down 04/02/2020 (Still a Director)  
Grant Birrell  
Peter Cavallaro  
Darren Minter  
Brendan Sidhu  
Laurence Van Driel  
Damien Houlahan  
John Maragozidis - Stepped Down 30/10/2019  
Denis Dinicola - Stepped Down 30/10/2019  
Brenton Woolston - Stepped Down 30/10/2019  
Robert Wheatley - Appointed 30/10/2019  
Tim Jackson - Appointed 30/10/2019  
James Callipari - Appointed 30/10/2019  
Stephen Beckwith - Appointed 19/11/2019

## Principal activities

The principal activity of the association during the financial year is:

Facilitate further growth of the almond industry

## Significant changes

No significant change in the nature of these activities occurred during the year.

## Operating result

The profit of the Association for the financial year amounted to \$1,611,304.

Signed in accordance with a resolution of the members of the committee:

Grant Birrell

Peter Hayes

Dated

10/09/2020





## The Almond Board of Australia

ABN: 31 709 079 099

### Independent audit report to the members of association, The Almond Board of Australia



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#### Report on the audit of the financial report

##### Opinion

We have audited the accompanying financial report, being a special purpose financial report, of The Almond Board of Australia (the association), which comprises the statement of financial position as at 30 June 2020, the statement of operations, statement of changes in members' funds, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies and the statement by members of the committee.

In our opinion, the accompanying financial report of the association for the year ended 30 June 2020 is prepared, in all material respects, in accordance with the Associations Incorporation Act 1985.

##### Basis of 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 association in accordance with the auditor independence requirements of 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Emphasis of matter - basis of accounting

We draw attention to note 1 of the financial report, which describes the basis of accounting. The financial report is prepared to assist the association in satisfying the reporting requirements to members. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the association and should not be distributed to or used by parties other than the association. Our opinion is not modified in respect of this matter.



CHARTERED ACCOUNTANTS  
AUSTRALIA • NEW ZEALAND

Liability limited by a scheme approved under Professional Standards Legislation

Directors  
Ben Venning, CA  
Markos Stavrou, CA  
Paul Hall, CPA



### **Responsibility of the Committee and those charged with governance**

The Committee is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Act 1985, and for such internal control as the Committee determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the association's financial reporting process.

### **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.

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**Markos Stavrou, CA**

**BVMS Chartered Accountants**

**Date:** 19 August 2020





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