

AniMark®



# Annual Report

## 2020/21



Independence | Integrity | Transparency



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# About AniMark

**AniMark is an independent Australian public company limited by guarantee, specialising in the development and adoption of standards-based certification programs.**

AniMark's standards-setting process is based on science, research and international precedents.

AniMark's flagship certification program is the Livestock Global Assurance Program or LGAP, which aims to foster world's best practice in the welfare and management of livestock.

AniMark is governed by an independent skills-based Board with five members, including the Chair.

## Our Purpose

To set standards and monitor conformance for the ethical handling and management of livestock.

## Our Vision

To be the international leader in the certification of agricultural supply chains.

## Our Foundations

AniMark is built on the foundations of independence, integrity and transparency.

# LGAP at a glance



## ANIMALS

LGAP promotes the humane and ethical treatment of livestock. It defines consistent, evidence-based, scientific standards and provides assurances that appropriate practices are being fulfilled.



## LIVESTOCK INDUSTRY

LGAP provides an effective, direct and efficient mechanism to assist in the monitoring of animal welfare and management outcomes through the supply chain. The livestock export industry has developed LGAP to help demonstrate their compliance with the Australian Government's regulatory framework ESCAS.



## AUSTRALIAN GOVERNMENT

LGAP is the regulatory enabler which complements and demonstrates compliance with ESCAS. LGAP delivers audit independence, direct supply chain accountability and provides an evidence-based approach to managing nonconformities.



## IN-COUNTRY PARTICIPANTS

LGAP provides opportunities for facilities and operators to improve standards and conduct their operations in line with internationally accepted animal welfare requirements, while demonstrating their commitment to ethical and sustainable practices.



## COMMUNITY

The community can be confident that participants certified under LGAP are conforming to appropriate standards of animal welfare and management, are accountable for their performance and that the Australian Government maintains its regulatory oversight of the trade.

# Conforming with LGAP



## ENVIRONMENT, INFRASTRUCTURE AND EQUIPMENT

- Inspect infrastructure and equipment regularly
- Maintain in good repair and working order, to prevent injury and escape; and keep records
- Keep the site secure and livestock safe from poor weather and predation
- Keep pens, ramps and raceway surfaces non-slip and clean
- Have lighting that allows inspection of livestock and safe movement of animals



## MONITORING

- Undertake monitoring and measure performance against targets for loading, unloading, restraint, stunning and slaughter
- Take corrective action if targets are not met
- Keep records of monitoring and actions taken



## MANAGING TRANSPORT (IF ARRANGING TRANSPORT)

- Keep a list of transport operators, with safe vehicles and skilled personnel
- Keep a documented transport plan
- Ensure all livestock are fit for transport, check identification and keep records of each consignment
- Segregate non-LGAP livestock from LGAP livestock



## ANIMAL IDENTIFICATION, HEALTH AND MANAGEMENT

- Ensure all animals are identified and replace identification if missing
- Keep records of all livestock arriving, on-site and leaving the site; and account for discrepancies
- Ensure animals are handled calmly and are not harmed or injured
- Inspect livestock daily, checking health, identification and access to feed and water
- Treat sick or injured livestock and keep treatment records
- Identify and segregate non-LGAP livestock from LGAP livestock





## PERSONNEL AND TRAINING

- Ensure personnel have the necessary knowledge and skills
- Provide training where needed and keep records of personnel and training
- Appoint a person or persons to be responsible for monitoring, animal identification, welfare and management, and verifying records



## MANAGEMENT SYSTEMS

- Develop and document processes, procedures and work instructions for all operations
- Keep records of what happens on site
- Undertake internal audits to review operations
- Manage issues and take corrective action where required



## CHAIN OF CUSTODY (FOR OPERATORS)

- Only allow livestock to move between sites certified under LGAP
- Comply with all relevant local laws and regulations
- Keep records to trace animal movements through the supply chain until death
- Plan for contingencies and ensure animals can be redirected to LGAP certified sites if required



## SLAUGHTER AND PROCESSING (FOR ABATTOIRS)

- Use approved methods of restraint, stunning (if used) and slaughter
- Ensure stunning (if used) and slaughter occur without delay and are effective
- Keep records of slaughter





# LGAP Certification Roadmap

## 6 Steps to achieving LGAP Certification



# 2020/21 Report Card



## LGAP IS OPERATIONAL

LGAP is operational, with a fully-functioning IT system and has been available to exporters since October 2020



## FULL REGULATORY APPROVAL AS AN EXPORT SUPPLY CHAIN ASSURANCE OPERATIONS (ESCAO) PROVIDER

AniMark fulfilled all requirements and an Approved Arrangement has been granted by DAWE



## ESCAS EQUIVALENCE CONFIRMED

DAWE has determined that the LGAP standards and auditor guidance have been assessed as being equivalent to those required by ESCAS\*



## USE LGAP AUDITS FOR ESCAS COMPLIANCE

Since October 2020, exporters have been able to use audits against the LGAP standards to demonstrate compliance with ESCAS independent auditing requirements\*



## AUDITORS AVAILABLE

International certification bodies have been contracted and auditors trained and available in all launch markets



## LGAP TRAINING DELIVERED

LGAP training materials developed & delivered with 363 individual session logins. Materials now available "on demand"



## REGULATORY APPROACH CONFIRMED

DAWE has provided advice regarding their proposed regulatory approach for exporters using LGAP\*\*



## PHASED IMPLEMENTATION AGREED

Implementation principles and phases agreed by ALEC, LiveCorp and DAWE\*\*



## LGAP NOW! SUPPORT IN PLACE

LGAP Now! project provides exporters and facilities in-market support (via the LEP) and reduced costs to trial LGAP



## NEW TRACEABILITY STANDARD DELIVERED

New traceability standard developed in accordance with ALEC's request and AniMark's best-practice standards development processes



## SUSTAINABLE BUSINESS MODEL IDENTIFIED

AniMark's business model can be viable, but is reliant on exporters supporting LGAP and some additional, short-term funding support



## EXPORTER TAKE-UP OF LGAP

LGAP's success is now wholly reliant upon the willingness of exporters to adopt the program

\* Export Advisory Notice 2020/25. \*\* DAWE letter to exporters on LGAP Implementation 22.03.21.

# Chair Report

**AniMark was established in 2018 with the express purpose of ensuring there was a professional governance and management team in place to administer and implement the Livestock Global Assurance Program (LGAP).**

Prior to AniMark's incorporation, the members of the Australian Livestock Exporters' Council (ALEC) were united in their support of LGAP. In a further demonstration of support for the program, LiveCorp, ALEC, Cattle Council of Australia (CCA), Sheep Producers Australia (SPA) and Goat Industry Council of Australia (GICA) became AniMark's founding members.

The Department of Agriculture, Water and Environment (DAWE) has also been a strong supporter and released an Export Advisory Notice 2020/25 (EAN) on 28 October 2020, so that exporters could use reports from audits against LGAP standards to demonstrate compliance with the Exporter Supply Chain Assurance System (ESCAS).

With the completion of the AniMark IT conformance system, delivery of industry and auditor training and the release of EAN 2020/25, LGAP became fully operational in October 2020.

AniMark's foundations of independence, integrity and transparency have enabled the organisation to successfully and effectively introduce standards and pathways to monitor conformance for the ethical handling and management of livestock.

This has been achieved in a year where exporters have unfortunately faced depressed trading conditions associated with a fall in cattle supply following ongoing drought in northern Australia. A high Australian dollar and record high cattle prices have also impacted margins, which together with the ongoing challenges associated with the

COVID-19 pandemic has made it an extremely challenging year for the live export sector, particularly in relation to maintaining important customer relationships.

There were some significant changes this year to the regulatory environment in which AniMark is operating, with the Department changing its approach regarding the proposed legislative instrument to enable AniMark to operate to provide Third Party Provider Assurance (TPPA) services. The new operating framework was enacted following changes in March 2021 to the Export Control Act 2020 and the Export Control (Animals) Rules 2021. The changes allow AniMark to apply for an Approved Arrangement to be an Export Supply Chain Assurance Operations (ESCAO) provider.

Securing the necessary regulatory approvals has been an extensive process, but is now complete. The Department requires ESCAO providers, such as AniMark, to have robust, independent systems of governance and professional management, in order to fulfill the strict obligations under the Approved Arrangement. The Department will maintain a strong level of oversight over the ESCAO and AniMark will be subject to regular audits by the Department.

Before adopting LGAP exporters sought greater understanding of how the Department will maintain oversight of their operations under the new proposed ESCAO arrangements.

In recognition of the concern around a perceived potential for "double-regulation", the Department hosted



JIM CUDMORE

a series of industry roundtables with AniMark, ALEC and LiveCorp, where nine principles for LGAP's implementation were agreed. This included confirmation that where exporters use an ESCAO provider such as AniMark, double regulation will not occur. I want to recognise the significant commitment made by ALEC and LiveCorp in participating in these roundtable meetings, as the implementation principles decided were used to guide the roll out of LGAP through a series of phases and ensured there was consensus around regulation, implementation, and compliance.

The Department also indicated that because of the streamlining of ESCAS administrative functions associated with exporters utilising LGAP, exporters would have lower departmental fees and charges. Further, the Department expressed its intention to mandate the use of ESCAO providers, with markets and timelines yet to be determined.

The Minister for Agriculture, the Hon David Littleproud MP has been regularly updated on the work of AniMark and the progress of LGAP and I thank him for his continued support of the company and program. AniMark's Founding Members, LiveCorp, ALEC, CCA, SPA and GICA have also been continually apprised of our activities and their ongoing involvement has ensured alignment and consensus regarding LGAP's implementation.



## CHAIR REPORT

Throughout the year, AniMark received funding from the Livestock Export Program (LEP) for the development of a traceability system standard, training program and the IT conformance system. These activities were key to allowing the operationalisation of LGAP and this contribution has been greatly appreciated.

It has been another challenging year logistically with uncertainty created by the COVID-19 pandemic leading the Board to hold six of its eight meetings this year virtually. I thank the directors for their flexibility and commitment during this time.

I also want to thank the two committees that exist under AniMark's constitution that support the company's operation and governance. The Standards Committee, chaired by Dr Roly Nieper, is responsible for the development, improvement and maintenance of the LGAP Standards. The Committee, which consists of nine independent experts and an AniMark representative, has played a significant role in providing essential updates to LGAP that enabled the Department to publish EAN 2020/25 and the development of the new traceability system standard LGAP1004. I am appreciative of the leadership Dr Nieper provided in guiding the Committee through its technical and detailed work, while only having the opportunity to meet virtually.

The Rules & Integrity Committee is an AniMark Board Committee responsible for the development, recommendation and maintenance of the rules governing participation in LGAP, oversight of AniMark's Approved Certification Bodies (ACBs) and associated integrity operations. The Committee provided guidance regarding the procurement and selection of ACBs which was critical to the launch of LGAP; and regular oversight of the LGAP Rules.

In addition to the industry roundtable meetings mentioned, a Working Group for LGAP Implementation was convened, chaired by DAWE and included departmental representatives, ALEC, LiveCorp, MLA, three exporter representatives and AniMark. The LGAP Industry Consultative Committee also met throughout the year, chaired by MLA and consisting of representatives from MLA, LiveCorp, the LGAP Implementation Steering Committee, ALEC and AniMark. These forums provided for ongoing consultation and have ensured that AniMark's implementation of LGAP adhered to industry expectations.

AniMark has met all of the obligations required of the company under the Department's Grant Deed and met all LEP contractual obligations for the various projects funded through that avenue, via MLA. The Board and Management team have worked patiently and diligently to ensure LGAP has been successfully implemented in line with stakeholder expectations while retaining a high level of fiscal responsibility.

Notice of the decision by the Department to approve AniMark's proposed arrangement for carrying out Exporter Supply Chain Assurance Operations (ESCAO) under the requirements of the Export Control (Animals) Rules 2021 (Animals Rules) was received in August. The Approved Arrangement took effect from 20 August 2021.

The long regulatory process to approve AniMark as an ESCAO provider has meant the company has been unable to generate its own revenue streams to finance its operations. There also remains an amount of \$1,023,684 (ex GST) in Federal Government funding outstanding from the original funding commitment, which has also had an impact on future planning. These delays and the reduction in promised funding have meant AniMark is

in need of additional financial support to maintain its operations to enable it to achieve full commercial sustainability. AniMark has worked transparently with the Minister's office, the Department, ALEC and other founding members regarding these challenges and I am confident that our common understanding and shared goals will align all parties around a sensible solution.

The success of LGAP was always going to be, and still is, dependent on both industry and the government's strong support.

AniMark has always worked closely with industry. Our team will continue to seek to understand the complexities for exporters in the adoption of LGAP and attempt to create solutions so that AniMark can continue to move forward and ensure LGAP remains available for exporters to meet their ESCAS obligations.

I want to again thank the Minister for Agriculture, the Hon David Littleproud MP, AniMark's Founding Members; ALEC, LiveCorp, CCA, SPA, GICA as well as MLA, exporters and the AniMark Board and Management team. I also thank the Department and the team members in the Live Animal Export division for their ongoing commitment.

LGAP still represents a transformational opportunity for the industry to achieve meaningful reforms in the welfare and management of livestock in export supply chains.

I trust that because of our collective achievements to date and the strength of LGAP in improving accountability through livestock supply chains, AniMark will be provided the opportunity to continue its work to help support the Australian live export trade.



**JIM CUDMORE**  
CHAIR

# Understanding the differences between ESCAS & LGAP

## ESCAS

- The Australian Government is the regulator for Australian exporters
- ESCAS approvals are based on supply chains

- Exporters are required to ensure certain animal welfare standards are applied to Australian livestock in overseas markets
- Exporters are accountable for any breach of the animal welfare standards within their supply chains

- Exporters are required to maintain control of all supply chain arrangements and be able to trace all livestock through their supply chain
- If Australian animals are alleged to have been found outside an approved supply chain, the Department works with the exporter to review the incident. The exporter is responsible for ensuring animals remain in their supply chain and have a system for verifying the movement of those animals.

## LGAP

- The Australian Government remains the regulator for Australian exporters
- LGAP certification is achieved at an individual Operator or Facility level
- Exporters can use LGAP certification to help fulfill their ESCAS compliance obligations

- Certification is awarded to Operators and Facilities who are responsible for applying appropriate livestock management practices for animals under their control
- Operators and Facilities are accountable for their own adherence to the livestock management requirements
- LGAP obligations align with ESCAS requirements

- Facilities have direct responsibility for ensuring animals remain identified and movements of livestock are recorded
- Operators can only send animals to LGAP certified Facilities (in markets where LGAP is implemented)
- Operators are required to maintain a traceability system, comply with legal requirements and have contingency plans in place
- If Australian animals are alleged to have been outside a non-LGAP certified Facility, AniMark will investigate directly with the relevant party(s)

### Regulatory Framework

### Animal Welfare

### Control & Traceability

ESCAS principles

## ESCAS principles

**ESCAS**

- Feedlots and abattoirs are required to have routine external audits conducted while exporters are subject to Departmental audits. Importers are not audited
- Facilities (or importers/exporters on their behalf) arrange their own external audits
- Exporters provide their Facilities' audit reports to the Department

- The Department holds the exporter accountable for compliance with ESCAS, including applying penalties where applicable

- Breaches
- ESCAS approval
- Compliance
- Supply chain

**Audit****LGAP**

- Operators and Facilities must have regular internal and external audits conducted
- External auditing is managed by AniMark – providing greater impartiality in the audit process
- External audits are conducted by auditors approved by AniMark
- External auditors operate under the control of Approved Certification Bodies appointed by AniMark
- Certification is granted by the Approved Certification Body to the Operator or Facility

**Approach**

- The auditor may identify areas that do not fulfil the LGAP Standards and Rules – these are called nonconformities
- It is normal for nonconformities to occur – the focus is on the corrective action taken to move back into conformity
- AniMark leads investigations and public engagement where required
- AniMark has the ability to suspend or withdraw the certification of individual Operators or Facilities
- Operators and Facilities have the ability to appeal certification decisions

**Key Terms/  
Elements**

- Nonconformity
- LGAP certification
- Continual improvement
- Corrective action
- Facilities/Operators

**High performing Operators and Facilities will have existing systems and business processes that should help them transition seamlessly from ESCAS to LGAP**



# CEO Report

**AniMark is pleased to advise that the Livestock Global Assurance Program (LGAP) is fully operational, available across key export markets and has been delivered in line with the specifications originally approved by industry.**



DR ELIOT FORBES

The launch of LGAP represents the realisation of a long-term industry goal where exporters can demonstrate, in a robust and independent fashion, adherence to the requirements of the Exporter Supply Chain Assurance System (ESCAS) while distributing responsibility for compliance and improving accountability throughout livestock supply chains.

The Department of Agriculture, Water and Environment (DAWE) remains a strong supporter of both LGAP and AniMark. Exporters can already use LGAP audits to demonstrate compliance with ESCAS and it is pleasing that AniMark has now been formally recognised by DAWE as a provider of Export Supply Chain Assurance Operations (ESCAO).

LGAP provides assurances that sustainable animal welfare, husbandry and management practices are in place, which will help safeguard the trade. The program, as previously endorsed by the Australian Livestock Exporters' Council (ALEC), is now available in all target export markets. LGAP's success is now wholly reliant upon the willingness of exporters to adopt the program.

## REGULATORY ENVIRONMENT

Thanks to the work of AniMark's Standards Committee to ensure LGAP met the evolving contemporary requirements of ESCAS, DAWE

issued an Export Advisory Notice (EAN) on 28 October 2020. This meant that exporters could use reports from audits against the LGAP standards to demonstrate their compliance with ESCAS.

Important government and industry engagement occurred through the *Livestock Export Government and Industry Regulatory Committee's Working Group for LGAP Implementation*, which met on five occasions during the year. This group was instrumental in establishing the approach to implementing LGAP, which was then endorsed through a series of high-level roundtable meetings with DAWE, ALEC and LiveCorp. DAWE subsequently provided an update to industry that included the agreed nine LGAP Implementation Principles, outlining their regulatory intent and to inform industry about the way LGAP would be implemented. Industry feedback on DAWE's regulatory approach for exporters who achieve LGAP certification, has been overwhelmingly positive.

Amendments to the Export Control Act 2020 (Cth) came into force on 28 March 2021, paving the way for AniMark to apply to be a provider of Export Supply Chain Assurance Operations (ESCAO). The new approach, enabled by the legislative changes, represents an innovative and progressive framework, which will streamline

exporters' administrative processes and support best practice regulatory outcomes.

In April 2021, AniMark applied for an Approved Arrangement to become an ESCAO provider, enabled by the Export Control (Animals) Rules 2021 and that approval has now been granted by DAWE on 20 August 2021. An Approved Arrangement sets out the relationship between DAWE and AniMark, with AniMark's focus on certification of the individual, supply chain entities, management of nonconformities with LGAP and leading the investigation of complaints. DAWE retains its role as the industry regulator and will maintain oversight of AniMark's operations, auditing the company on a regular basis.

DAWE also released its Cost Recovery Implementation Statement (CRIS) for the financial year 2020-21. One proposed change will be to shift from a flat fee to time-based charging for ESCAS assessments undertaken by DAWE. Under LGAP, ESCAS functions and processes will be streamlined when exporters achieve LGAP certification. This means that exporters using LGAP will pay lower fees to DAWE compared to what would be paid for regular ESCAS assessments.

In the latter half of this calendar year, AniMark expects that a Regulation Impact Statement will be finalised that will propose the use of ESCAO providers (like

## CEO REPORT

AniMark) to become mandatory for exporters. AniMark has welcomed this proposition, as it demonstrates DAWE's confidence in both AniMark and LGAP in delivering robust outcomes for animal welfare in the export supply chain.

## STAKEHOLDER ENGAGEMENT

There was a significant level of stakeholder engagement throughout the year to communicate AniMark's activities, the agreed implementation approach and the availability of LGAP.

AniMark continued its regular engagement with DAWE and provided updates to the Inspector-General of Live Animal Exports. During the year, the Inspector-General also released an independent review of ESCAS. He identified that while ESCAS had been a successful reform that had largely achieved its objectives, there were a number of issues that needed further attention, including compliance and control and traceability.

In the same report, the Inspector-General determined that LGAP provides an opportunity to address the chronic non-compliance issues, lift the bar on audit performance, set a level playing field, more efficiently investigate and correct non-conformance, and embed responsibility for achieving standards at the appropriate facility level in the supply chain.

In terms of audit arrangements, the Inspector-General also considers that LGAP will 'improve the quality, consistency and veracity of audits and provide a level playing field'.

This report undoubtedly identifies the opportunity for LGAP to play a key role in complementing ESCAS now, as well as being suited to the new regulatory framework being devised by DAWE to administer live animal exports.

In April 2021, AniMark participated in the Strategic Response Group, whose members include ALEC, LiveCorp and MLA and which looked to analyse different scenarios when responding to crises or managing risks. In working through various scenarios, it was determined that LGAP would be beneficial when managing a crisis.

There was comprehensive stakeholder participation regarding the draft traceability system standard LGAP1004, which was funded from the Livestock Export Program (LEP) and developed at ALEC's request under the guidance of the LGAP Industry Consultative Committee. That committee met on a regular basis and presentations on LGAP1004 were also made to LEP and ALEC forums.

LGAP updates were also provided to the LiveCorp Board and the policy committee of one of AniMark's Founding Members, the Cattle Council of Australia.

## LAUNCHING LGAP

AniMark was tasked with enabling and supporting the industry's reform agenda by making LGAP operational. This has been delivered by AniMark following the specific requirements of industry, as set out in the LGAP Implementation Steering Committee (LISC) Report. In consultation with industry, AniMark has updated and adjusted the strategy where environmental changes have necessitated updates.

AniMark did not write LGAP but is permitted to use and enhance the intellectual property under a licensing arrangement with MLA and LiveCorp. There was a need to ensure that the standards, which were written in 2016, reflected the contemporary ESCAS requirements. Following a 60-day public comment period, the AniMark Standards

Committee updated and approved the LGAP standards in August 2020 to ensure equivalence. The updated LGAP standards were assessed by DAWE, who subsequently published the Export Advisory Notice 2020/25, providing exporters with an alternative avenue to demonstrate their compliance with ESCAS.

AniMark conducted an international tender for Approved Certification Bodies, ensuring the audit quality and global reach of providers met requirements. Following the negotiation of international contract fees, AniMark published its schedule of fees in September 2020.

This year, there were three significant projects undertaken by AniMark to support LGAP's operation. The projects were funded by the LEP and overseen by the LGAP Industry Consultative Committee, which met throughout the year. All three enabling projects have been delivered on time and on budget.

The first project was the IT conformance system completed in August 2020 and fully integrated with AniMark's existing IT systems. The IT conformance system is necessary to administer LGAP and allows for the centralised allocation and monitoring of audit activity, providing exporters with new levels of visibility regarding the audit performance of facilities in their supply chains.

The second project related to the development of training materials and was also funded through the LEP. The project was completed in August 2020 and included the development of materials by an external provider, along with AniMark. While COVID-19 restrictions prevented the planned face-to-face engagement from taking place, AniMark has conducted two complete rounds of online training with participants logging in for 363 unique sessions. The training is designed to assist attendees in

## CEO REPORT

understanding the requirements of the LGAP Standards and how to achieve LGAP certification. Training videos, support materials and resources have also been translated into Bahasa and Vietnamese and are all available 'on demand' from the AniMark website. All Approved Auditors have received LGAP training.

The third project was the development of a traceability standard (LGAP 1004) which was requested by ALEC. The development phase included interviews with exporters, traceability system providers and other key stakeholders. The process included a 60-day public comment phase, with AniMark receiving four formal submissions, providing 189 comments. The Standards Committee assessed the submissions and accepted or partially accepted 70% of the suggestions. The new standard and supporting changes to the other four LGAP Standards were approved by the Standards Committee and the AniMark Board in June 2021.

LGAP 1004 will distribute responsibility for traceability more equitably through the supply chain, standardise and enhance traceability performance, and provide a critical foundation to support industry's efforts to reduce incidents of leakage in-market. It can be applied voluntarily by certified Operators or Facilities wishing to have their own internal system certified under LGAP or by third party providers of traceability systems.

The implementation of LGAP 1004 will require additional work to update AniMark's IT conformance system, develop training materials and deliver updated training. An adoption date for LGAP1004 has

not been finalised but that will not impede the current availability and roll-out of LGAP.

To encourage the uptake of LGAP, a fourth LEP funded project, *LGAP Now!* was launched on 20 November 2020. The *LGAP Now!* program provides financial and onboarding support to exporters and their supply chains to showcase the program and allow participants to gain a first-hand experience of LGAP. Initial launch targets for *LGAP Now!* included Indonesia, Vietnam, Kuwait, and the United Arab Emirates.

The first LGAP audits took place in Vietnam on 8 and 9 January 2021, and it was pleasing to note the auditing arrangements and IT conformance system worked according to required specifications. It is also encouraging that both the Vietnam and Indonesian governments are interested in implementing new animal welfare standards. LGAP is uniquely positioned to assist facilities in these countries to meet their emerging requirements and AniMark is keeping a watching brief as to how we can provide assistance.

## OPERATIONS AND GOVERNANCE

During the year, AniMark secured the necessary approvals of trademarks in all key markets. An in-market brochure was published along with an explainer video that outlines the benefits of LGAP and the steps to achieve LGAP certification. Other resources developed included a series of fact sheets on LGAP which were published in both English and Vietnamese.

AniMark's website was also updated to accommodate the integration of the IT conformance system. Throughout the year, AniMark

remained diligent in documenting the key policies and procedures being developed for administering LGAP and this comprehensive suite of documents formed an integral element of AniMark's Approved Arrangement application.

The company reported a loss of \$31,569 for the year ended 30 June 2021 (2020: \$1,025,273 profit). With all committed funding from the government now received, this financial result highlights the importance of working towards a financially secure solution for the ongoing delivery of LGAP.

Cash reserves totalling \$3,160,720 (2020: \$2,949,546) are being carefully conserved to ensure the company is ready to respond to future increases in operational activity. Fixed overhead costs have been reduced across the board on our prior year levels and through the application of prudent expense management, we continue to track well under the projections within the LISC report (54% lower over years 1 – 3).

Securing the regulatory approvals necessary to operate was anticipated by the LISC authors to take one year, however the government processes to enact legislative changes and the subsequent regulatory appraisal, will mean this has been a three-year process. The company has responsibly scaled its operations and expense profile, as identified above, but nevertheless this delay has resulted in the utilisation of cash reserves. The business model is further impacted by the operational impacts of COVID-19 depressing revenue forecasts, as well as the government's redirection of previously committed funds of \$1,023,684 (ex GST) to other projects not associated with AniMark.



## CEO REPORT

Over the course of the last 12 months, AniMark has spent considerable effort informing its Founding Members and relevant stakeholders about these challenges and their financial consequences. Our messaging has been consistent and clear. The company can be sustainable if AniMark receives the remaining \$1,023,684 (ex GST) from the original funding commitment, plus additional funding support to provide sufficient time for the company to grow its commercial revenues. The quantum and timing of additional support is dependent upon the industry uptake of LGAP and the nature and timing of various government policy positions.

Following a series of high-level round table meetings, involving ALEC, LiveCorp, DAWE and AniMark, a suitable pathway was identified in March 2021. This approach includes DAWE's in-principle support to make the use of ESCAO providers mandatory at a point in the future, AniMark adjusting the LGAP membership fees, and the prompt progression of outstanding regulatory approvals. With the support of that group, AniMark moved forward with a number of initiatives, working to that remediation strategy.

It's been an exceptionally productive year for the AniMark team, despite the challenges of a global pandemic, which undoubtedly will be with us for some time to come.

I would like to thank to the Founding Members, DAWE, MLA and other stakeholders for their support during the year. In particular, I would like to express my deep appreciation to the AniMark Board for their encouragement and guidance

and our small, highly professional and dedicated team (past and present) at AniMark whose diligent work has enabled us to launch LGAP this year.

While LGAP is operational and all foundations are now in place, AniMark however received feedback (outside this reporting period) indicating that there is an industry appetite for a significant revision of the program. While this is an unexpected development, AniMark remains committed to working with industry to understand any new requirements and will work collaboratively to formulate solutions and find a way forward.

Community expectations and regulatory practice are constantly evolving, and the livestock industry must remain cognisant of the need to innovate and aim to achieve best practice. When exporters initially came together and approved LGAP, it was demonstrable evidence of a responsible industry reaffirming their commitment to animal welfare outcomes through the development of an independent, clear, and objective certification program. That is why the Federal Government committed \$8.3m in grant funding to support the establishment of AniMark and the rollout of LGAP.

Through the achievements of AniMark over the last year, exporters now have the opportunity to adopt LGAP and transform that in-principle support into genuine action. LGAP allows the industry to demonstrate their commitment to animal welfare in a meaningful, transparent, and quantifiable manner.

AniMark was formed to establish, operate, and develop certification programs, such as LGAP, to support

international trade. With AniMark's full regulatory approval finalised and LGAP now available in all target markets as agreed with ALEC, the company has successfully delivered on the critical tasks that it was assigned. It is now up to exporters to embrace the program and to encourage LGAP's adoption by importers, feedlots, and facilities in market.

Beyond the administrative and operational benefits that the program will deliver, LGAP is an investment in the future of the livestock export industry. That future will be more secure if exporters commit to adopting LGAP.



**DR ELIOT FORBES**  
CEO

## Board of Directors

### JIM CUDMORE – CHAIR

**Mr Cudmore has an extensive leadership background in commercial agriculture and a passion for continual improvement in the cattle and beef industry. He currently works with organisations in designing and implementing strategies that enhance their capabilities in the Australian cattle and beef value chain.**

Mr Cudmore's skills and experience include strategic planning, analysis, systems improvement, quality assurance, integrity systems, auditing, governance, team management, livestock management and handling.

Mr Cudmore is currently the principal of the service company AgriCircle Pty Ltd. He has previously served as a non-executive director for the Red Meat Advisory Council, Australian Lot Feeders Association (Chair 2008-12), Stockyard Pty Ltd, Canon Hayes Pty

Ltd, and as an executive director for Kerwee Lot Feeders Pty Ltd. He is a Life Member of the Australian Lot Feeders' Association.

Mr Cudmore is currently Chair of the Australian Feedlot Industry Accreditation Committee and a member of the National Livestock Identification System Standards Committee.

Mr Cudmore holds a Bachelor of Science degree (Biochemistry and Microbiology) from the University of Queensland, a Certificate in Rural Management from the Queensland Institute of Technology, is a Graduate and Fellow of the Australian Rural Leadership Program and is a Graduate and Member of the Australian Institute of Company Directors.



JIM CUDMORE

### KIM HALBERT

**Mr Halbert is a Western Australian primary producer who has operated a successful farming operation of grain and livestock for the past 38 years. He has a combination of skills and experience from grain and livestock production, government policy, corporate leadership, through to finance, risk and auditing.**

Mr Halbert has served in a number of non-executive director positions including Deputy Chair of the Grains Research and Development Corporation (GRDC), an inaugural director of Wheat Exports Australia, Director of the Grain Licensing Authority in Western Australia, Director of Wheat Quality Australia, Director of Geraldton Port Authority

and Director of Mid-West Ports Authority. Currently, Mr Halbert is a Director of Plant Health Australia.

Mr Halbert has undertaken large strategic planning processes while on the Board of GRDC and Mid-West Ports Authority. He Chaired the GRDC, Mid-West Ports Authority, Finance Risk and Audit committees, and currently is Chair of the Plant Health Australia Finance and Audit committee. He also was Chair of the Commercialisation Committee at GRDC.

Mr Halbert has a Bachelor of Commerce (Economics and Finance) from Curtin University and is a graduate of the Australian Institute of Company Directors.



KIM HALBERT

## BOARD OF DIRECTORS

## CAMPBELL HEDLEY

**Mr Hedley is a lawyer and risk professional with skills and experience including environmental, social and corporate governance, risk management, animal welfare compliance, securities and trading compliance, litigation and dispute resolution.**

Mr Hedley provides legal, risk & governance consulting services across a range of industries including Banking & Finance, Technology and the Not For Profit Sector. He was previously General Manager of Corporate Services, General Counsel and Company Secretary of Paraway Pastoral Company Limited. Prior to

this, he worked for Macquarie Group Limited (2007 – 2015) as Division Director and Head of Legal of the Macquarie Securities Group in Asia.

Mr Hedley holds Director and Company Secretary positions with a number of organisations across a variety of sectors.

Mr Hedley holds a Bachelor of Laws and Bachelor of Business from the University of Technology Sydney and a graduate diploma of Applied Corporate Governance. He is admitted as a Legal Practitioner to the Supreme Court of NSW.



CAMPBELL HEDLEY

## KATHRYN PAYTEN

**Ms Payten is a senior information technology executive with a career that spans over 25 years at IBM, Lend Lease and MLC.**

Currently the Head of Cyber Security and Technology Governance at ASIC, Ms Payten is responsible for cyber security strategy and IT corporate governance, the successful delivery of technology projects, and continuous improvement to deliver business value.

Ms Payten reports regularly to the Risk and Audit Committees, with responsibility for audit traceability, identifying and mitigating operational and strategic risks, and ensuring adherence to operational controls and compliance frameworks.

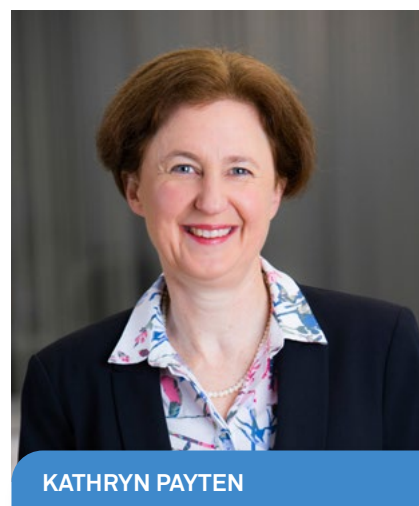
As an outstanding and respected advocate for the use of technology, Ms Payten specialises in the cyber security, governance and assurance areas. She has led information technology and cyber security strategies, and delivered complex

business transformation projects across banking, finance, construction and government.

Ms Payten is a Graduate of the Australian Institute of Company Directors (GAICD) and a member of the Artificial Intelligence and Ethics Committee – Australian Computer Society.

Ms Payten is also an active and respected member of the Faculty of Engineering and Information Technology (FEIT) Industry Advisory Board at the University of Technology Sydney (UTS) and was recognised as a Fellow of the University in 2021, in acknowledgement of her contribution to the university, the wider technology sector and her commitment to promoting STEM career options to young women.

She holds a Masters of Commerce (Financial Management and Organisational Change) from UNSW, and a Bachelor of Information Technology from UTS.



KATHRYN PAYTEN



## BOARD OF DIRECTORS

### PETER WELLS

**Mr Wells is an experienced executive and board director, has held public sector executive roles and served as CEO of CPSIIG. He has a broad government and private sector background spanning transport, natural resources, environment, customer service and land use planning. He worked in operational and policy roles responsible for regulation and compliance, licencing, IT programs, controlling and granting access rights, financial regulation and in governance and risk control.**

Mr Wells was Executive Director Safety & Compliance, at the NSW Roads and Maritime Services from 2010-2016. Prior to this he held Director and General Manager roles in the NSW Government for more than 10 years.

Mr Wells was responsible for managing the NSW customer and regulatory functions for heavy and light vehicles, licensing and

registration and business systems covering large state-wide functions now delivered in collaboration with Service NSW.

Mr Wells has a professional interest in several key areas: leadership and setting strategic direction for organisations and work teams; service delivery and continuous improvement; policy development and implementation; regulatory compliance and enforcement; collaboration with industry to improve policy and regulatory outcomes; positive engagement of top management, staff and the community; and governance and ethics.

Mr Wells is a Graduate of the Australian Institute of Company Directors (GAICD), has a Bachelor degree from UNSW, a Masters' degrees from Sydney University and possesses over 20 years' experience in customer service, regulation and enforcement.



PETER WELLS



AniMark®



AniMark Ltd

ABN 28 627 096 691

# Financial Statements

30 June 2021



**AniMark Ltd**  
**Directors' report**  
**30 June 2021**

The directors present their report, together with the financial statements of AniMark Ltd (referred to hereafter as the company) for the year ended 30 June 2021.

**Directors**

The following persons were directors of AniMark Ltd during the whole financial year and up to the date of this report, unless otherwise stated:

James Cudmore  
 Kim Halbert  
 Campbell Hedley  
 Katheryn Payten  
 Peter Wells

**Principal activities**

During the financial year the principal activity of the company has been the establishment of systems and frameworks in preparation for the provision of auditing and certification services in relation to the Livestock Global Assurance Program (LGAP).

**Review of operations**

The deficit for the year amounted to \$32,960 (30 June 2020 surplus: \$1,025,273).

The impact of the Coronavirus (COVID-19) pandemic up to 30 June 2021 has constrained operational activity, primarily through international travel restrictions preventing planned access to first markets.

The company continues to engage with industry and work on refining LGAP to meet their current requirements. Ensuring that LGAP remains relevant, effective and aligned with the regulatory framework is an ongoing responsibility and activity.

**Significant changes in the state of affairs**

There were no significant changes in the state of affairs of the company during the financial year.

**Matters subsequent to the end of the financial year**

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been unfavourable up to 30 June 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as vaccination rates, maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

**Likely developments and expected results of operations**

The company has been established by the Australian Government in collaboration with the Australian Live Export Industry to provide auditing and certification services in relation to LGAP. During the financial year ending 30 June 2022 the company will receive approval as a provider of Exporter Supply Chain Assurance Operations (ESCAO), at which point its future success will be determined by industry take up of LGAP and the ongoing implementation of a supportive policy environment by the Australian Government.

**Environmental regulation**

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.



**AniMark Ltd  
Directors' report  
30 June 2021**

**Information on directors**

Name:	<b>James Cudmore</b>
Title:	Non-Executive Chairman
Qualifications:	B.Sc. (Biochem & Micro), Dip.RM, GAICD, FARLP
Experience and expertise:	Mr Cudmore has an extensive leadership background in commercial agriculture and a passion for continual improvement in the cattle and beef industry. He currently works with organisations in designing and implementing strategies that enhance their capabilities in the Australian cattle and beef value chain.  Mr Cudmore's skills and experience include strategic planning, systems improvement, quality assurance, integrity systems, auditing, governance, team management and livestock handling and management.
Special responsibilities:	None
Name:	<b>Kim Halbert</b>
Title:	Non-Executive Director
Qualifications:	B. Com (Econ&Fin) GAICD
Experience and expertise:	Mr Halbert is a Western Australian primary producer who has operated a successful farming operation of grain and livestock for the past 38 years. He has a combination of skills and experience from grain, livestock and seedstock production, government policy, corporate leadership, through to finance, risk and auditing.  Mr Halbert has served in a number of non-executive director positions including Deputy Chair of the Grains Research and Development Corporation (GRDC), an inaugural director of Wheat Exports Australia, Director of the Grain Licensing Authority in Western Australia, Director of Geraldton Port Authority and Director of Mid-West Ports Authority. Currently, Mr Halbert is a Director of Plant Health Australia.
Special responsibilities:	Member of the Rules & Integrity Committee
Name:	<b>Campbell Hedley</b>
Title:	Non-Executive Director
Qualifications:	LLB BBus FGIA FCIS
Experience and expertise:	Mr Hedley is a lawyer and risk professional with skills and experience including environmental, social and corporate governance, risk management, animal welfare compliance, securities and trading compliance, litigation and dispute resolution.  Mr Hedley provides legal, risk & governance consulting services across a range of industries including Banking & Finance, Technology and the Not For Profit Sector. He was previously General Manager of Corporate Services, General Counsel and Company Secretary of Paraway Pastoral Company Limited. Prior to this, he worked for Macquarie Group Limited (2007 – 2015) as Division Director and Head of Legal of the Macquarie Securities Group in Asia.
Special responsibilities:	Chairman of the Rules & Integrity Committee
Name:	<b>Peter Wells</b>
Title:	Non-Executive Director
Qualifications:	BSc MScMed GAICD

**AniMark Ltd  
Directors' report  
30 June 2021**

Experience and expertise:	Mr Wells is an experienced Executive and Board Director, has held public sector executive roles and served as CEO of CPSIIG. He has a broad Government and Private Sector background spanning Transport, Natural Resources, Environment, Customer Service and Landuse Planning. He worked in operational and policy roles responsible for Regulation and Compliance, Licencing, IT Programs, controlling and granting Access rights, Financial Regulation and in Governance and Risk Control.
Special responsibilities:	Member of the Rules & Integrity Committee
Name:	<b>Kathryn Payten</b> (appointed on 26 March 2019)
Title:	<b>Non-Executive Director</b>
Qualifications:	BInfTech MCom GAICD
Experience and expertise:	Ms Payten is a Senior Technology Executive with a career that spans over 25 years at IBM, Lend Lease and MLC. Currently the Director of Cyber Security and Governance at ASIC, Ms Payten is responsible for IT corporate governance, the successful delivery of technology projects, and continuous improvement to enhance strategic delivery and drive value.
Special responsibilities:	None

**Company secretary**

Campbell Hedley (LLB BBus FGIA FCIS) has held the role of Company Secretary during the whole financial year and up to the date of this report.

**Meetings of directors**

The number of meetings of the company's Board of Directors ('the Board') held during the year to 30 June 2021, and the number of meetings attended by each director were:

	Full Board Attended	Held	Rules & Integrity Committee Attended	Held
James Cudmore	7	7	-	-
Kim Halbert	7	7	-	-
Campbell Hedley	7	7	-	-
Kathryn Payten	7	7	-	-
Peter Wells	7	7	-	-

Held: represents the number of meetings held during the time the director held office.

**Contributions on winding up**

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$100 each. The total amount that members of the company are liable to contribute if the company is wound up is \$500, based on 5 current ordinary members.

**Indemnity and insurance of officers**

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors, executives, and members of the standards committee of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

**AniMark Ltd  
Directors' report  
30 June 2021**

**Indemnity and insurance of auditor**

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

**Proceedings on behalf of the company**

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

**Rounding of amounts**

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

**Auditor**

Nexia Sydney Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



**James Cudmore  
Director**

24 August 2021  
Brisbane





**Nexia Sydney Audit Pty Ltd**

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To the Board of Directors of AniMark Limited

**Auditor's Independence Declaration under section 307C of the *Corporations Act 2001***

As audit partner for the audit of the financial statements of AniMark Limited for the financial period ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely

A handwritten signature in black ink, appearing to read "Mark Boyle".

**Nexia Sydney Audit Pty Ltd**

A handwritten signature in black ink, appearing to read "Mark Boyle".

**Mark Boyle**  
Director

Sydney

Dated: 24 August 2021

Nexia Sydney Audit Pty Ltd (ABN 77 606 785 399) is a firm of Chartered Accountants. It is affiliated with, but independent from Nexia Australia Pty Ltd. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see [www.nexia.com.au/legal](http://www.nexia.com.au/legal). Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

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**AniMark Ltd**  
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**30 June 2021**

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**General information**

The financial statements cover AniMark Ltd which had no controlled entities at the end of, or during, the period. The financial statements are presented in Australian dollars, which is AniMark Ltd's functional and presentation currency.

AniMark Ltd is an unlisted public company limited by guarantee.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 August 2021. The directors have the power to amend and reissue the financial statements.

**AniMark Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2021**

	<b>Note</b>	<b>2021 \$</b>	<b>2020 \$</b>
<b>Other Income</b>	3	1,608,001	2,764,895
<b>Expenses</b>			
Employee benefits expense		(867,571)	(923,536)
General & administrative expense		(379,255)	(386,219)
Governance expense		(258,996)	(261,485)
Conformance System expense		<u>(135,139)</u>	<u>(168,382)</u>
<b>(Deficit)/surplus before income tax expense</b>		(32,960)	1,025,273
Income tax expense		<u>-</u>	<u>-</u>
<b>(Deficit)/surplus after income tax expense for the year</b>		(32,960)	1,025,273
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u>(32,960)</u>	<u>1,025,273</u>

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*



**AniMark Ltd**  
**Statement of financial position**  
**As at 30 June 2021**

	<b>Note</b>	<b>2021</b> <b>\$</b>	<b>2020</b> <b>\$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	3,160,720	2,949,546
Trade and other receivables	6	-	421,032
Other	7	18,289	58,930
Total current assets		<u>3,179,009</u>	<u>3,429,508</u>
<b>Non-current assets</b>			
Plant and equipment	8	8,780	12,414
Right-of-use assets	9	-	87,693
Intangibles	10	607,377	404,668
Total non-current assets		<u>616,157</u>	<u>504,775</u>
<b>Total assets</b>		<u>3,795,166</u>	<u>3,934,283</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	11	124,843	91,059
Lease liabilities	12	-	87,693
Employee benefit provision	13	37,374	28,622
Other	14	9,499	70,499
Total current liabilities		<u>171,716</u>	<u>277,873</u>
<b>Total liabilities</b>		<u>171,716</u>	<u>277,873</u>
<b>Net assets</b>		<u><b>3,623,450</b></u>	<u><b>3,656,410</b></u>
<b>Equity</b>			
Retained surpluses	15	<u>3,623,450</u>	<u>3,656,410</u>
<b>Total equity</b>		<u><b>3,623,450</b></u>	<u><b>3,656,410</b></u>

*The above statement of financial position should be read in conjunction with the accompanying notes*

**AniMark Ltd**  
**Statement of changes in equity**  
**For the year ended 30 June 2021**

	<b>Retained surpluses</b>	<b>Total equity</b>
Balance at 1 July 2019	2,631,137	2,631,137
Surplus after income tax expense for the year	1,025,273	1,025,273
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	1,025,273	1,025,273
Balance at 30 June 2020	<b>3,656,410</b>	<b>3,656,410</b>
	<b>Retained surpluses</b>	<b>Total equity</b>
Balance at 1 July 2020	3,656,410	3,656,410
Deficit after income tax expense for the year	(32,960)	(32,960)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	(32,960)	(32,960)
Balance at 30 June 2021	<b>3,623,450</b>	<b>(3,623,450)</b>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**AniMark Ltd**  
**Statement of cash flows**  
**For the year ended 30 June 2021**

	<b>Note</b>	<b>2021</b> <b>\$</b>	<b>2020</b> <b>\$</b>
<b>Cash flows from operating activities</b>			
Proceeds from Government Grants		1,540,000	2,374,148
Proceeds from Industry Contributions		637,706	206,250
Payments to suppliers and employees (inclusive of GST)		(1,624,038)	(2,043,912)
Interest received		10,458	20,010
Net cash from operating activities		<u>564,126</u>	<u>556,496</u>
<b>Cash flows from investing activities</b>			
Payments for equipment and intangibles		<u>(352,952)</u>	<u>(372,714)</u>
Net cash used in investing activities		<u>(352,952)</u>	<u>(372,714)</u>
<b>Net increase in cash and cash equivalents</b>		211,174	183,782
Cash and cash equivalents at the beginning of the financial year		<u>2,949,546</u>	<u>2,765,764</u>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>5</b>	<b><u>3,160,720</u></b>	<b><u>2,949,546</u></b>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

**AniMark Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 1. Significant accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**

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

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

**Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

*Historical cost convention*

The financial statements have been prepared under the historical cost convention.

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

**Foreign currency translation**

The financial statements are presented in Australian dollars, which is the company's functional and presentation currency.

*Foreign currency transactions*

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

*Foreign operations*

The company had no foreign operations during the period.

**Revenue recognition**

The company recognises revenue as follows:

*Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

*Rendering of services*

Rendering of services revenue is recognised by reference to the stage of completion of the contracts.



**AniMark Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 1. Significant accounting policies (continued)**

Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. Where the contract outcome cannot be reliably estimated, revenue is only recognised to the extent of the recoverable costs incurred to date.

*Grants*

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

*Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

*Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

**Income tax**

The company is exempt from income tax with the exception of Fringe Benefits Tax and Goods and Services Tax payable to the ATO which are recognised as incurred and accrued.

**Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand and deposits held at call with financial institutions.

**Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

**Plant and equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of plant and equipment over their expected useful lives as follows:

Computer and office equipment	3 years
-------------------------------	---------

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

**AniMark Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 1. Significant accounting policies (continued)**

An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

**Right-of-use assets**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

**Intangible assets**

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

*Software*

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit.

**Impairment of non-financial assets**

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**AniMark Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 1. Significant accounting policies (continued)**

**Lease liabilities**

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

**Provisions**

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

**Employee benefits**

*Short-term employee benefits*

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

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

*Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

**Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

**AniMark Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 1. Significant accounting policies (continued)**

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

**Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

**Note 2. Critical accounting judgements, estimates and assumptions**

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

*Estimation of useful lives of assets*

The company determines the estimated useful lives and related depreciation and amortisation charges for its plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

*Income tax*

The company is not subject to income taxes in the jurisdiction in which it operates.

*Employee benefits provision*

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.



**AniMark Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 3. Other Income**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Government grants	1,400,000	2,168,427
Interest	11,024	26,212
Industry Contributions	196,977	570,256
	<u>1,608,001</u>	<u>2,764,895</u>
	<u>1,608,001</u>	<u>2,764,895</u>

**Note 4. Expenses**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Surplus before income tax includes the following specific expenses:		
<i>Rental expense relating to operating leases</i>		
Total rental expense relating to operating leases	<u>-</u>	<u>65,310</u>
<i>Superannuation expense</i>		
Defined contribution superannuation expense	<u>67,262</u>	<u>56,374</u>
<i>Net foreign exchange loss</i>		
Net foreign exchange loss	<u>4,281</u>	<u>10,855</u>

**Note 5. Current assets - cash and cash equivalents**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Cash at bank	402,711	1,441,537
Cash on term deposit	<u>2,758,009</u>	<u>1,508,009</u>
	<u>3,160,720</u>	<u>2,949,546</u>

**Note 6. Current assets – trade and other receivables**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Trade receivables	-	421,032
Less: Allowance for expected credit losses	<u>-</u>	<u>-</u>
	<u>-</u>	<u>421,032</u>

**AniMark Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 7. Current assets - other**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Accrued revenue	1,246	681
Prepayments	6,933	48,139
Security deposits	<u>10,110</u>	<u>10,110</u>
	<u>18,289</u>	<u>58,930</u>

**Note 8. Non-current assets - plant and equipment**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Office equipment – at cost	179	179
Less: Accumulated depreciation	<u>(103)</u>	<u>(43)</u>
	<u>76</u>	<u>136</u>
Computer equipment - at cost	17,789	15,569
Less: Accumulated depreciation	<u>(9,085)</u>	<u>(3,291)</u>
	<u>8,704</u>	<u>12,278</u>
	<u>8,780</u>	<u>12,414</u>

**AniMark Ltd**  
**Notes to the financial statements**  
**30 June 2021**

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Office equipment \$	Computer equipment \$	Total \$
Balance at 1 July 2020	136	12,278	12,414
Additions	-	2,221	2,221
Depreciation expense	(60)	(5,795)	(5,855)
Balance at 30 June 2021	76	8,704	8,780

**Note 9. Non-current assets – right-of-use assets**

	2021 \$	2020 \$
Buildings – right-of-use	87,693	87,693
Less: Accumulated depreciation	(87,693)	-
	-	87,693

During the year ended 30 June 2021, the company leased its offices under a 13-month agreement. On renewal of the lease effective 1 July 2021, the lease was renegotiated for a term of less than 12 months.

**Note 10. Non-current assets – intangibles**

	2021 \$	2020 \$
Control & Traceability Project	148,006	545
Training Materials Project	55,896	-
Conformance System Project	403,475	404,123
	607,377	404,668

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Training Materials \$	Control & Traceability \$	Conform- ance System \$	Total \$
Balance at 1 July 2020	-	545	404,123	404,668
Additions	63,243	147,461	99,022	309,726
Depreciation expense	(7,347)	-	(99,670)	(107,017)
Balance at 30 June 2021	55,896	148,006	403,475	607,377

At the end of the current financial year intangible assets relate to costs for projects that are not yet ready for use.

**Note 11. Current liabilities - trade and other payables**

	2021 \$	2020 \$
Trade payables	12,102	57,946
Accrued expenses	110,130	28,739
Credit cards	2,611	4,374
	124,843	91,059

**AniMark Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 12. Current liabilities - lease liabilities**

	2021 \$	2020 \$
Lease liability	-	87,693

**Note 13. Current liabilities - employee benefit provision**

	2021 \$	2020 \$
Employee benefit provision	37,374	28,622

**Note 14. Current liabilities - other**

	2021 \$	2020 \$
Payroll clearing	17,126	28,576
GST	(7,627)	41,923
	9,499	70,499

**Note 15. Equity - retained surpluses**

	2021 \$	2020 \$
Retained surpluses at the beginning of the period	3,656,410	2,631,137
(Deficit)/surplus after income tax expense for the period	(32,960)	1,025,273
Retained surpluses at the end of the period	3,623,450	3,656,410

**Note 16. Key management personnel disclosures**

*Compensation*

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2021 \$	2020 \$
Aggregate compensation	427,690	434,443

**Note 17. Contingent liabilities**

During the period there were no matters of a contingent nature and as such a provision has not been provided within these financial statements.



**AniMark Ltd**  
**Notes to the financial statements**  
**30 June 2021**

<b>Note 18. Commitments</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<i>Lease commitments - operating</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	44,724	-
One to five years	-	-
More than five years	-	-
	<u>44,724</u>	<u>-</u>

Operating lease commitments are contracted amounts for offices under non-cancellable operating leases expiring within one years with an option to extend. The lease has various escalation clauses. On renewal, the terms of the lease are renegotiated.

*Capital commitments*

Committed at the reporting date but not recognised as liabilities, payable:

Intangible assets	<u>30,840</u>	<u>91,254</u>
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**Note 19. Related party transactions**

*Key management personnel*

Disclosures relating to key management personnel are set out in note 16.

*Transactions with related parties*

There were no transactions that occurred with related parties.

**Note 20. Events after the reporting period**

No matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

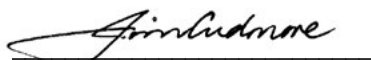
**AniMark Ltd**  
**Directors' declaration**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the financial period ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



James Cudmore  
Director

24 August 2021  
Brisbane



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## Independent Auditor's Report to the Members of AniMark Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of AniMark Limited (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- i) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.

#### Basis for opinion

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

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

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

#### Other information

The directors are responsible for the other information. The other information comprises the information in AniMark Limited's annual report for the year ended 30 June 2021, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

### **Directors' responsibility for the financial report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company'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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibility for the audit of the financial report**

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

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



**Nexia Sydney Audit Pty Ltd**



**Mark Boyle**  
Director

Dated: 24 August 2021







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front cover, page 2, page 19 and page 43.



AniMark has been established to implement the Livestock Global Assurance Program, with the support of the Australian Government.

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