



Annual Report 2015 – 2016



Formerly Goulburn Murray Hume Agcare Ltd

www.agbizassist.com.au



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Contents

EXECUTIVE OFFICER'S REPORT	3
REPORT FROM THE BOARD CHAIR.....	8
KEY ACHIEVEMENTS	11
OUR SERVICES	14
AGBIZ ASSIST PROGRAM OVERVIEW	15
RURAL FINANCIAL COUNSELLOR'S REPORT.....	17
RFCS OVERVIEW OF FARM SEASONAL AND ECONOMIC FACTORS FOR THE YEAR	19
ABOUT US	21
BOARD OF DIRECTORS.....	24
OUR STAFF	28
RFCS STATISTICAL REPORTS	34
FINANCIAL REPORT	39
FUNDING CERTIFICATION	40
ACKNOWLEDGEMENTS.....	41

Executive Officer's Report

As I reflect on the past twelve months for my fourth annual report as Executive Officer of AgBiz Assist (ABA) formerly Goulburn Murray Hume Agcare (GMHA) it has been a year of many challenges, great sadness, but also one of many accomplishments. Again I had the privilege of working with the wonderful group of people who work for AgBiz Assist and I thank them for the enormous contribution they have made and the care that they provided throughout the year. Likewise I acknowledge and thank the ABA Board for their ongoing guidance and support. In the face of some significant challenges the strength of the people and organisation shone through, enabling us to emerge as a cohesive team and as an organisation with a positive future.

RFCS Overview

The first half of the year was focused on planning for possible Rural Financial Counselling Service (RFCS) grant round scenarios and preparing for the announcement of the new RFCS Program. Whilst in the background we were finalising the current Deed of Grant and planning for the windup of the program. This was a very problematic time as we were not able to enter into any new contracts. We faced difficulties extending our pre-existing contracts and leases for short timeframes without being able to provide suppliers with any certainty around ongoing business relationships. The opening of the RFCS grant round triggered the preparation of our grant application and the need to revise our constitution in order to provide for the establishment of a "Project Board" within the organisation's Governance framework. The scope of the new RFCS program and the significant reduction in funding for the larger North East Victorian region initiated a serious review of budgets, service delivery models and risk management plans. The absence of any funding for service delivery infrastructure for the term of the program was very concerning. If successful we were facing the prospect of delivering a RFC service over a much larger region with 20% less core funding than we have received since 2006. Reductions in staffing levels, rationalisation of infrastructure, more affordable office accommodation and client visits were built into the RFCS Program application budget.

Meanwhile dry conditions in the western part of our region and high water prices were increasing demand for the RFCS; likewise in the higher rainfall areas in the east of the region many dairy farm families were looking to the service for assistance with farm transition, retirement or exit.

RFC Lindsay Brown decided he would retire on 30th October on his seventh year anniversary of commencing work with us as a Rural Financial Counsellor (RFC). On December 2nd we were all devastated on receipt of the news that our much respected colleague and friend William (Bill) Fell had suddenly passed away at home the prior evening. Bill's passing rocked our organisation to the core as we managed our collective grief, informed and consoled his clients and the people in his work networks. As a team we came together and collectively picked up Bill's client files and work commitments. A week later another RFC had to take extended family leave to care for a family member as a result of an accident, again we needed to reallocate urgent client files to be managed in their absence. I wish to acknowledge and thank the staff for the

extraordinary effort they made to keep the service going at a high level under such difficult circumstances.

The announcement of the RFCS Program funding round in mid-December was also an anxious event for us as many of the other RFCS groups around Australia had been informed of their success, but after a week of waiting we still had no news. After contacting the Department of Agriculture and Water Resources (DoAWR) we were sent an electronic copy of the Ministers letter as our original letter advising us of our success in the grant round had been incorrectly addressed and went missing. The Board considered the grant offer from DoAWR and resolved to accept it subject to the outcomes of discussion in regards to the retention of windup provisions, the use of surplus funds for transition costs and the purchase of new tools of trade as the new funding model did not include any of these costs.

Five days before Christmas a major fire started at Barnawartha in North East Victoria and burnt the entire length of the Indigo Valley over 8,000ha of farmland was burnt, many km's of fencing, three homes and over 1,000 head of livestock were destroyed. We actively participated in recovery activities over the Christmas and New Year period and we joined the local recovery committee; this work is still continuing along with RFC client support.

Following the Christmas break it was all hands on deck; securing further pro bono legal advice to progress the inclusion of a "Project Board" into the constitution as well as refresh the purposes of and remove redundant names and clauses. The Board also resolved to recommend to the Members that the organisation's name be changed to AgBiz Assist Ltd. Preparing financial statements and service delivery budgets until 31 March; developing a detailed Board Transition Plan for the first payment milestone; registering the new RFCS trading name and establishing new chart of accounts and new bank accounts, kept us very busy for the first quarter of the year. We also secured new affordable office leases at 6/45-53 Wyndham Street Shepparton and at shared facilities at Enterprise House, Stanley Street Wodonga and sought to negotiate the extension of in-kind office space in Benalla and Seymour. We closed the Kyabram office and relocated the Wodonga and Shepparton offices to the new premises. Several RFCs and I attended training in Canberra to learn how to use the new RFCS Portal database, these staff then trained our other staff in its use.

DoAWR delivered some good news; by providing additional RFC funding for 12 months to assist us to transition to the new service model, support our existing clients and transfer clients through the change process. We also received funding for a part-time client records officer to retrieve all our client records from the ARC database, transfer files to the new Portal database and electronically store non active and archived client files. DoAWR allowed us to retain our surplus funds to expend on establishing the new RFC service and purchase new tools of trade for the new service contract period. This was very welcome as it meant that all remaining staff could continue employment albeit with some reduction in hours for a year minimising any client disruption and that we had the resources to manage the old and new client record systems. Whilst on long service leave another long term employee Alan Guest-Smith advised us that he had decided to retire at the conclusion of his leave. Alan's retirement meant that all staff could maintain their core hours after 1 April 2016 for 12 months. Meanwhile we reconciled and finalised the accounts for the old Deed of grant; a full audit was conducted and all the final reports for acquittal were prepared.

The transition to the new RFCS Victoria – North East region happened with no evident disruption to client services as we worked with the RFCs from the former North Central RFC Group with joint visits to ensure a smooth hand over. We also continued to work with our existing clients in NSW to conclude their current RFC service issue. Lyn Shannon our new Client Records and RFC Administration Officer commenced with the service on 14th April. Lyn quickly commenced the immense task of downloading all the RFCS Vic – GMH client files from the DoAWR decommissioned ARC database for electronic storage, established a new client file system and assisted with the implementation, client intake and new RFC Portal file management.

In late April and early May several dairy companies announced that they would be immediately cutting the price of milk and required repayment of overpayments for milk already received. This placed many dairy farm businesses into a cash flow deficit, with difficulties servicing existing loans, paying unsecured creditors and additional unexpected debts to pay. The demand for RFC services increased immediately as dairy farmers tried to come to terms with the impacts on their businesses and their capacity to support their families. Both the Australian and State Government provided additional funding to increase RFC capacity and engage a client support officer to help manage the RFC service demand. All part time staff had their hours increased and we were able to engage a former RFC to start the following week.

We actively participated in dairy support and recovery planning activities around the region and attended many dairy farmer information and support events throughout May and June.

In late May DoAWR announced additional funding to employ two new fulltime RFCs and a client support officer for a six month period from the RFC Contingency fund. Agriculture Victoria provided further funding that we could use to extend the employment time frame of the Dairy Industry RFCs. This was very welcome news for both our clients and our RFCs who were working under intense pressure trying to respond to an overwhelming demand for assistance from the dairy industry. We finished the financial year knowing that help was on the way.

AgBiz Assist Overview

AgBiz Assist social enterprise was established to provide services other than rural financial counselling and earn income to reinvest profits to fund our charitable activities and services to fulfil our mission. Now in its second year of operation AgBiz Assist finalised a contract with Alpine Shire Council providing training and developing Business Continuity Plans for farmers and small business in the Alpine Shire.

We partnered with the Alpine Valleys Dairy Pathways Project to deliver ten First Step pre succession planning sessions with dairy farm families.

The contract to provide Connections Landholder Assistance Services (CLAS) to the Goulburn Murray Water Connection Project was gaining traction with irrigators. Bill Fell and Chris Howard both worked on this project in a part time capacity from 1 July 2015. AgBiz Assist provided an independent and confidential service to irrigators considering connection contracts or experiencing difficulties with the Connection modernisation connection process.

Warwick Philpott was also engaged from profits on a limited contract to investigate other business opportunities and prepare tenders and submissions.

Bill's sad passing in December also impacted on AgBiz Assist's work, with Warwick and Chris needing to pick up the Connection CLAS Project in 2016. We were successful in being the preferred provider for a national Financial Management skills training for Apple and Pear Australia (APAL), however APAL has delayed the roll out of this program.

We believe AgBiz Assist can fulfil a number of service gaps in the market place and develop an income stream to support our future work and sustain the organisation.

Our People and Acknowledgements

This year we farewelled Sandra Blake and Bill McCallum in July with the cessation of the Farm Finance package funding. We thank Sandra and Bill for the contribution they made to the organisation and wish them well in their future work.

Rachel Hay left us on 1st October to pursue a new career opportunity when the future of our service was still unknown, we miss Rachel's smile and thank her for all her work. Lindsay Brown and Alan Guest-Smith retired after seven years of service as rural financial Counsellors working in the Goulburn Valley. We hope that Lindsay and Alan are both enjoying their respective retirement endeavours after providing many years of service to their RFCS clients and the Goulburn Valley community, a big thank you to both of you.

Saying good bye to Bill Fell was a difficult day for all of us, Bill was an integral member of our team and was valued and deeply respected by us all. We posthumously thank Bill for his work with our clients and for being a much appreciated mentor and friend to us all.

In April we welcomed Lyn Shannon to our administration team and in May Denis Flood joined us as a RFC to assist with the dairy industry downturn.

Again I wish to personally acknowledge and thank the entire ABA staff and Board for all the support they provided to me throughout the year, especially while I needed to work remotely or was on personal leave again this year.

I acknowledge and appreciate the commitment of all the staff who continued to deliver a professional service whilst the organisation was facing a very uncertain future; for their contribution to the grant application process; supporting each other and our clients in a time of great sadness and for their response to the dairy industry down turn.

I wish to thank and recognise the enormous amount of work that Pam Shephard and Jan Robinson managed throughout the grant application process, winding up and acquitting the former Deed of Grant, closing down two offices, establishing two new offices and all the logistics that go with the task and transitioning to the new RFCS Program. Thank you also to Chris Howard who managed two different jobs and picked up a RFC caseload when the dairy industry price collapsed. Chris has played a pivotal role in supporting my work and the RFC's during the uncertain times, keeping the team together and regrouping after Bill's passing. Thank you Chris for a job very well done. To our wonderful team of rural financial counsellor's and AgBiz Assist team thank you so much for everything you have done throughout the year.

I also extend my thanks and appreciation to the ABA Board for all the support and guidance they provided to me and the professional stewardship of our organisation.

Lastly thank you to the Federal and Victorian Agriculture Ministers for providing us with funding to continue delivering RFC services for the next three years. To the RFCS teams at the Department of Agriculture and Water Resources and the Department of Economic Development, Jobs, Transport and Resources, thank you for all the support and advice that has been provided to me and ABA throughout the year. I look forward to us working together again in the coming year.

Nerida Kerr
Executive Officer



Report from the Board Chair

To encapsulate this year, it could be best described as a year of endings and beginnings and a year of optimism and distress.

Across the region weather conditions provided optimism for areas east of the Hume Freeway however west of the Freeway dry conditions and high water prices had devastating effects on the profitability of many farm business. In April and early May dairy farm businesses were shattered with the announcement of significant milk price cuts and the repayment of milk already received overpayments imposed on suppliers of several milk companies, whilst beef prices reached all-time highs creating optimism for producers.

The new Rural Financial Counselling Service(RFCS) Program grant round saw us both planning for a new beginning and preparing for the ending of the RFCS Program on 31 March 2016. On receipt of the news of our success as a provider of RFC services for the new North East Region for 2016-2019 Program we were optimistic for our future albeit on reduced funding.

The new RFCS Program and region precipitated significant organisation change when the Board revised the constitution and changed the organisation's name from Goulburn Murray Hume Agcare Ltd (GMHA) to AgBiz Assist Ltd.

Rural Financial Counselling Service

In the 2015-16 year the Board presided over the uncertainty of our future as a provider of RFC services, engaged in discussions with other Victorian RFCS providers and considered options for single State or large regional RFC service provision in line with the recommendation for the rationalisation of RFCS services in the NRAC RFCS Review. During that time the Board also planned for the windup of the RFC service in the event that Goulburn Murray Hume Agcare was not successful in the 2016-2019 grant round. The announcement of the RFCS funding round that included a North East Victorian RFCS region was a great relief however the significant reduction in funding to deliver over a much larger region was challenging. The Board and EO developed a comprehensive risk management plan for the organisation in preparation for the funding application and transition to the new North East region in financially constrained circumstances. Following the announcement of our success as a provider for the 2016-2019 RFCS Program just prior to Christmas the organisation quickly set about establishing a new management structure within our constitution in line with the RFCS Program Guidelines. This required establishing a Project Board within the governance rules of our Constitution, the Board also took the opportunity to update the Constitution to reflect the changes to the organisation and we changed the Company name from Goulburn Murray Hume Agcare Ltd to

AgBiz Assist Ltd. A new RFCS trading name was also established to provide for the new RFCS region which now trades as Rural Financial Counselling Services Victoria – North East. A detailed Board RFCS Transition Plan was prepared and submitted to the Department of Agriculture and Water Resources (DoAWR), this document was the subject of ongoing negotiations with the DoAWR in regards to the powers and operations of the RFCS Project Board within the AgBiz Assist constitution. The Board also oversaw the windup and auditing of the former RFSC Deed

of grant and we were successful in retaining surplus funds. These funds has enabled us to employ a records officer to retrieve and archive client files from the former ARC database and digitize client file and establish new client record systems, purchase critical operational infrastructure for the new RFCS Program and provide establishment funding for the new RFCS Victoria - North East service. The new RFCS service commenced on 1 April 2016 with Federal Government funding confirmed but with uncertainty of State Government funding beyond 30 June 2016.

On 29th April I attended the National RFCS Chairs and EO's Conference in Canberra where we were briefed on the ongoing implementation of the new RFCS Program and established an engagement plan for Chairs and senior DoAWR personal.

The Victorian Government's May budget brought very welcome news; a commitment of 15% RFCS core funding until 30 June 2019 and funding commitments for a full time Rural Financial Counsellor Coordination position for a further three years. Since April the RFCS Project Board commenced its oversight of the rural financial counselling program and the implementation of the new RFCS program. The announcement of the sudden dairy industry price drop in late April has resulted in the Australian and State Government providing additional funding for the employment of additional rural financial counsellors and a client support officer to help us respond to the significant increase in demand for counselling services.

The AgBiz Assist Board will continue to imbed the new RFCS Project Board into its governance structure to enable the ongoing delivery of the service in line with the Deed of Grant.

During this time of uncertainty, funding reductions and organisational change the RFC team maintained professional delivery of RFC services throughout the region. On the behalf of the Board I wish to acknowledge their sustained efforts and thank them for their contribution to the service and the farming community.

Board Activities

This year the Board's primary focus was on securing the contract to continue the delivery of rural financial counselling services for our region. A lot of effort was dedicated to ensuring the Board and the organisation had planned for and was prepared for several different RFCS grant round scenarios that included budgeting, risk analysis and management planning. A key part of this process was a Board strategic business planning day that included a single State RFCS delivery model, larger regional RFCS model and no RFCS program and what that meant for organisation. As a result the Board determined that the organisation would continue its work with or without the RFC service. To do this the organisation would need to reduce its exposure to fluctuations in Government grant funding and mapped out a business development plan to produce non-Government income to financially sustain the future of the organisation. This planning process resulted in some key strategic decisions such as changing the organisation's name from Goulburn Murray Hume Agcare Ltd to AgBiz Assist Ltd. The name change has reduced the complexity in the organisational structure and separated the rural financial counselling service into a standalone trading entity. The new structure provides focus for each area of business. The three focus areas are Rural Financial Counselling, AgBiz Assist social enterprise and AgBiz Assist charitable services.

Future Direction

The Board was very pleased to accept the offer of a new three year rural financial counselling service delivery contract from the Australian Government and the Victorian Government to ensure the delivery of the vitally important program. The challenge will be to ensure that the upfront infrastructure and establishment funding is used to set the new RFC service up for the duration of the Deed. Therefore the Board will review and renew a range of policies to enable continuity of business within the financially constrained funding environment. Similarly the Board will also review and renew the organisation's risk management plan to reflect the changed operational environment.

A key focus for the Board over the next year will be working with DoAWR and the other 12 RFCS Boards around Australia to structure and implement an effective monitoring and evaluation framework for the RFCS Program.

Likewise the Board will continue to place a strong emphasis on organisational development over the coming year.

Acknowledgements

On behalf of the Board I wish to sincerely thank all our staff for their efforts and dedication to the service and organisation again this year. We also acknowledge the contribution that William (Bill) Fell made to our organisation and the professional service he provided to his clients prior to his death in December 2015. Likewise the Board wishes to thank Lindsay Brown and Alan Guest-Smith who retired from the RFC service during the year after many years of dedicated service.

I also thank and acknowledge my fellow Board members for their continued dedication, guidance, and knowledge that they commit to ensure the success of AgBiz Assist now and in the future.

On behalf of the Board, Staff and the communities we serve we thank the Department of Agriculture and Water Resources and the Department of Economic Development, Jobs, Transport and Resources for the funding and their ongoing commitment and support for the Rural Financial Counselling Service. We look forward to the coming years under the new RFCS Program and their continued support for this important RFC service.

We also thank the many organisations and businesses who partner with us, provide in-kind support and financial help to assist us provide services and achieve our vision.

Steve Cohen
Chairperson

Key Achievements

RFCS CLIENT SERVICES

From 1 July 2015 to 31 March 2016 RFCS Vic GMH serviced 329 clients and from 1 April RFCS Vic North East serviced 190 clients. The Goulburn Valley had the highest client service demand making up 34% of clients seeking the RFCS service. Most of the clients were derived from the dairy industry (49%), followed by beef, sheep and grain growing (29%). Business planning remains the highest level of assistance given. 42% of clients across all primary enterprise types reported “Climatic variation” as their major cause of difficulty, personal factors, low sales, commodity prices and debt levels were other contributing factors.

VICTORIAN INTERDEPARTMENTAL DROUGHT COMMITTEE

In August 2015 we were invited to present to the Victorian Interdepartmental Drought Committee on the deteriorating profitability of the dairy industry and the flow on financial impacts on unsecured creditors. Since then conditions have continued to decline and banks have responded by tightening lending criteria; our RFCs have witnessed ever mounting levels of unsecured debt owed by farmers to small businesses, other farmers and non-bank lenders. In response we initiated discussion and actively collaborated with Murray Dairy, service providers and LGA’s to regularly monitor conditions and provide support to dairy farmers and dairy communities.

2016-2019 RFCS PROGRAM GRANT FUNDING ROUND

In September 2015, the Department of Agriculture & Water Resources opened the 2016 – 2019 RFCS Program grant round. This triggered a reassessment of RFCS delivery options given the unexpected four regional areas in Victoria, the redistribution of funding levels for the North East Victorian region and changes to Board governance requirements in the Program guidelines. After a significant amount of work that involved seeking legal advice and drafting changes to our constitution, reconfiguration of service delivery models and office locations and considerable cuts to operational budgets we submitted a funding application. In late December 2015 we were informed by the Department that we were the successful applicant for the RFCS North East Victorian region

CHANGE OF COMPANY NAME

Goulburn Murray Hume Agcare historically reflected the region in which the founding Member groups operated; namely GV Agcare, Murray Valley Industry Assistance Group and North East AgCare (who operated two services North East AgCare and Upper Murray AgCare in the Upper Hume Region of Victoria); and traded as RFCS Victoria – Goulburn Murray Hume from its formation in 2006. The formation of AgBiz Assist as a social enterprise and the subsequent renaming of the new larger regional RFCS service that traded as RFCS Victoria – North East, left us with a Company name that no longer traded and two trading names. Hence the Board resolved to restructure the organisation and clearly separate out the

operation of the RFCS Program within the Company structure. On this basis at an Extraordinary General Meeting on 31 March 2016, GMHA changed its name to AgBiz Assist Limited (ABA).

CONSTITUTION REVIEW

In line with the Guidelines and associated RFCS Funding Deed, ABA was required to establish a separate Project Board which operates separately to the Board. This Project Board has the primary responsibility for the corporate governance of RFCS related activities operated by ABA, including guidance of RFCS processes, monitoring relevant employees who assist in providing the services and monitoring compliance with the terms of the RFCS Funding Deed and similar arrangements. The Guidelines stated that where a constitution of an organisation receiving RFCS funding from the Commonwealth of Australia pursuant to a relevant funding deed does not allow it to meet the requirements of that funding deed then that organisation's constitution must be amended before a funding deed can be executed. The GMHA Constitution did not enable the operation of Project Boards. As such, at an Extraordinary General Meeting held on 31 March 2016, the Constitution was amended to incorporate provisions which will:

- a) broaden the objects and powers of GMHA under the Constitution so that they align with its expansion beyond the Goulburn, Murray and Hume regions of Victoria and widen the services provided by GMHA as set out in the Constitution;
- b) enshrine power under the Constitution for the establishment and operation of Project Boards in accordance with the requirements set out in the RFCS Funding Deed and similar arrangements; and
- c) change any references to the company name, Goulburn Murray Hume Agcare Limited and any similar derivations, to refer to AgBiz Assist Limited.

POLICY REVIEW & DEVELOPMENT

We continued to review and revise our policies and procedures throughout 2015-2016 to ensure currency and governance compliance. This included a significant review of OH&S policies and procedures that covered travel and client visits by the Work Safely Group and the Board Governance and Risk Subcommittee.

PLANNING

The Board focused their attention on contingency planning and preparation for the new RFCS funding round.

OFFICE RELOCATIONS

At the end of March 2016, to ensure that we were able to deliver RFC services throughout the North East Victorian region in a safe efficient and cost effective manner, we relocated our Wodonga head office to Suite 15 Enterprise House at 3 Stanley Street Wodonga and our Kyabram office to Shepparton. The premises at Unit 6, 45-53 Wyndham Street Shepparton

are at ground level and are closer to regional service providers. Our Campaspe region is serviced from Shepparton and a “hot desk” arrangement at Echuca. Seymour and Benalla clients are serviced from offices within the Department of Environment, Land, Water and Planning at both locations and our Numurkah office continues to operate from the Numurkah District Health Service location.

INFORMATION TECHNOLOGY

It Upgrade - To enable the delivery of a more mobile and flexible RFC service model we commenced upgrade of our IT system, software and hardware. Our current system had come to the end of its useable life and we commenced negotiations to increase our service delivery capability to mobile devices with “cloud” file sharing systems, internet communications and wireless IT systems.

Website Development- We commenced rebranding company websites in line with changes in company name from GMHA to AgBiz Assist Ltd and reflect changes in the rural financial counselling service region to RFCS Victoria-North East.



Our Services

Rural Financial Counselling Service Victoria- North East.

Rural financial counselling is a free, confidential and independent service providing information and support in the following areas:

- Helping farming families assess and understand their financial positions and to identify options and develop an action plan to move forward;
- Helping to identify eligibility and apply for Government and other assistance schemes including the Farm Household Allowance (FHA) programs;
- Assisting with loan and/or refinance options and provide support and mediation including formal farm debt mediation, negotiation with creditors and financial institutions;
- Facilitating decision making and support farming families through the adjustment process;
- Providing information and referrals to relevant professionals and agencies.

AgBiz Assist

AgBiz Assist operates as a social enterprise; as such we undertake a range of commercial activities where profits are reinvested in the services and charitable activities. We have successfully tendered for and delivered several projects and offer a suite of services. Including a range of affordable services to farm and small rural and regional businesses.

AgBiz Assist services include:

- **Financial Mentoring and Business Planning**

We provide financial support and guidance for family owned businesses to achieve their financial goals, through assessment of financial viability and future business planning.

- **Business Risk Planning**

We assist small businesses in rural communities manage change by collaborating with government agencies, community organisations and business, to build social capacity.

- **Landholder Engagement**

We provide professional staff for projects that require facilitation between landholders and other organisations, such as infrastructure developers and government agencies.

- **Succession Planning**

We provide expertise in succession planning preparation for farming and rural based family businesses.

AgBiz Assist Program Overview

AgBiz Assist commenced operating as a social enterprise in June 2014, where we trade commercially to earn income to enable us to provide additional services and support our charitable aims. AgBiz Assist specialises in assisting family owned small businesses, particularly those in the agribusiness sector, to achieve financial security and personal goals in addition to helping people and communities manage change whilst planning for the future through the delivery of services and programs that include but not limited to Financial Mentoring, Business Risk Planning, Landholder Engagement and Succession Planning.

Three significant projects were completed this year.

Landholder Engagement

Connections Landholder Assistance Service:

Early 2016 concluded at twelve month contract with Goulburn Murray Water (GMW) Connections Program to pilot a program to support irrigators with farm business decisions or connection matters. The Connections Landholder Assistance Services (CLAS) was a free service for Landowners engaging with the Connections Program. The service provided a range of assistance to help landholders with connection decision making; provide and clarify Connection Program Information and assists landholders to navigate through the development stages with Goulburn Murray Water Connections Program. The service was independent of GMW, voluntary and did not provide or replace professional advice.

The service was well received by landholders and we were able to help irrigators over 150 with a range of assistance. The majority of irrigators who came in contact with the CLAS were provided with information and they sought assistance procedures. We also assisted irrigators with business decision making and farm business planning associated with their future irrigation needs. Additionally a small number of irrigators sought help to resolve complex issues in relation to the Connection Program.

Business Risk Planning

Alpine Shire Business Continuity Program:

AgBiz Assist successfully tendered for the delivery of a Business Continuity Planning Program with the Alpine Shire Council in late 2014. A series of five workshop were held late 2014 and early 2015 with follow up business continuity mentoring and one on one support provided throughout 2015 to assist complete individual business continuity plans for each participating farm and small business. We engaged Jan Barsed, Financial Management Trainer to develop content, materials and templates for the workshops and business continuity plans. Thirty five people attended the workshop sessions and every business was provided with follow up mentoring and one on one visits were provided to the majority of the businesses who required

help them complete their individual business continuity plans, however some opted to not take up the service and not complete a formal plan.

Over all the program received very positive feedback from participants who identified that that the program provided them with awareness of the need to mitigate business risks through planning, provided information specific to their businesses and needs, presented them with a planning framework to consider and analyse their business risks, tools and knowledge to assess and mitigate risk and the opportunity and the support to develop a business continuity plan.

Succession Planning

Alpine Valleys Dairy Pathway Project – Dairy Farm Transition Project:

AgBiz Assist partnered with Patten Bridge, BridgeLogic to provide First Step Succession Planning support to 20 family owned dairy farm businesses in North East Victoria dairy region (Alpine Valleys). A First Step workbook was developed to assist family farm business gatherer and consider what information they needed to develop and realise an agreed succession plan for their family farm business. Every dairy farm business in the Alpine Valleys region was asked to participate in a succession planning survey and indicate their interest in participating in the First Step Succession Planning project. From the respondents 20 family farms were invited to participate with 18 completing the process. Each participating farm family was provided with the First Step Succession Planning workbook and two meetings with the facilitators to assist them to complete the workbook. The completed workbooks provided the farm families with the foundation and direction they required for the next steps such as seeking professional advice, gathering further information, understanding what conversations need to be had and what agreements were required before a succession plan could be finalised and implemented.

Rural Financial Counsellor's Report

Major Focus of Activity

The major focus of activity for Rural Financial Counsellors (RFCs) for the year was business planning, farm debt mediation and succession planning the same as the previous year. Fundamental to this assistance is helping client's understand their financial position, followed with available options and an action plan to implement. RFCs invest a significant amount of time assessing the client's situation and exploring options including communication with other service providers and stakeholders. With the milk price drop at towards the end of the financial year in what was already a challenging time for many dairy farmers, RFCs experienced an increase in Farm House Allowance and Dairy Concessional Loan enquiries.

Dairy remains the enterprise with the highest demand for the service and makes up nearly 50% of the total clientele utilising the service. Grain, Beef and Sheep entities combined was second to Dairy. Poor financial literacy, high levels of debt both secured and unsecured and small scale enterprises continue to be identified as contributing factors to the enterprises poor financial performance. Whilst climate change may have been the catalyst for the difficulties many clients are now faced with; an absence of financial management and strategic planning have since limited their ability to adapt.

Client Outcomes

When a client ceases service the RFC closes the client's file and records an outcome within the ARC database however the outcome does not identify the range of actions and milestones often achieved by the client during their time with the service. For example adjusting within agriculture could see improved risk and financial management, enhanced financial literacy skills, refinancing, debt reduction, payment plans, improved internal and external communication, improved performance management and more informed decision making. Adjusting out of agriculture could include milestones such as maximising or retaining equity, meeting unsecured debt commitments (minimising impact to local business), lifestyle changes to address health and wellbeing needs, delivering on farm debt mediation agreement terms and succession planning resulting in improved enterprise performance.

Other Activity

Income support from government continued in the form of Farm Household Allowance (FHA). RFCs continue to support FHA recipients and have an excellent working relationship with the local Department of Human Services Centrelink Farm Household Case Officers.

The service received a number of enquiries from clients in relation to the Drought Concessional Loan. Farm properties experiencing a 1 in 10 or 1 in 20 rainfall deficiency were permitted to apply for the low interest loan. Whilst some clients were successful with their loan application many more were unsuccessful as a result of doubtful loan serviceability and/or low levels of equity.

Community Development

RFCs continued to work with various community and industry groups throughout the year to promote the service and/or provide information to service providers and clients on a range of current topics such as succession planning, weather events (hail and frost) and milk price drop.

Some organisations who partnered with the RFC service during the year include Agriculture Victoria, Murray Dairy, Goulburn-Murray Water, Alpine Valley succession Planning Project Team, DHS Centrelink, Fruit Growers Victoria, Many Local Hospitals and Community Health Centres and Local Governments.

Future Outlook

Clients will continue to seek support for the same major activities identified in 2015/16 such as business planning, farm debt mediation and succession planning.

Dairy farmers will remain the largest client type seeking RFC support into the future as the financial effects of poor seasonal conditions, high water and feed costs and milk price drop are likely to remain for some time. RFCs are reporting an increasing level of unsecured debt amongst dairy farmers which will have a knock affect for local economies. Those within the industry are reporting an expected “step adjustment” and anticipate a larger than usual exit of dairy farmers from the industry thus clients seeking exit support and/or potentially farm debt mediation assistance are likely to increase in the months and years ahead.

Rural Financial Counsellors will continue to network and promote the service within the rural industry and across the broader community. As well maintain partnerships and relationships with other service providers where such arrangements are mutually beneficial to both parties.

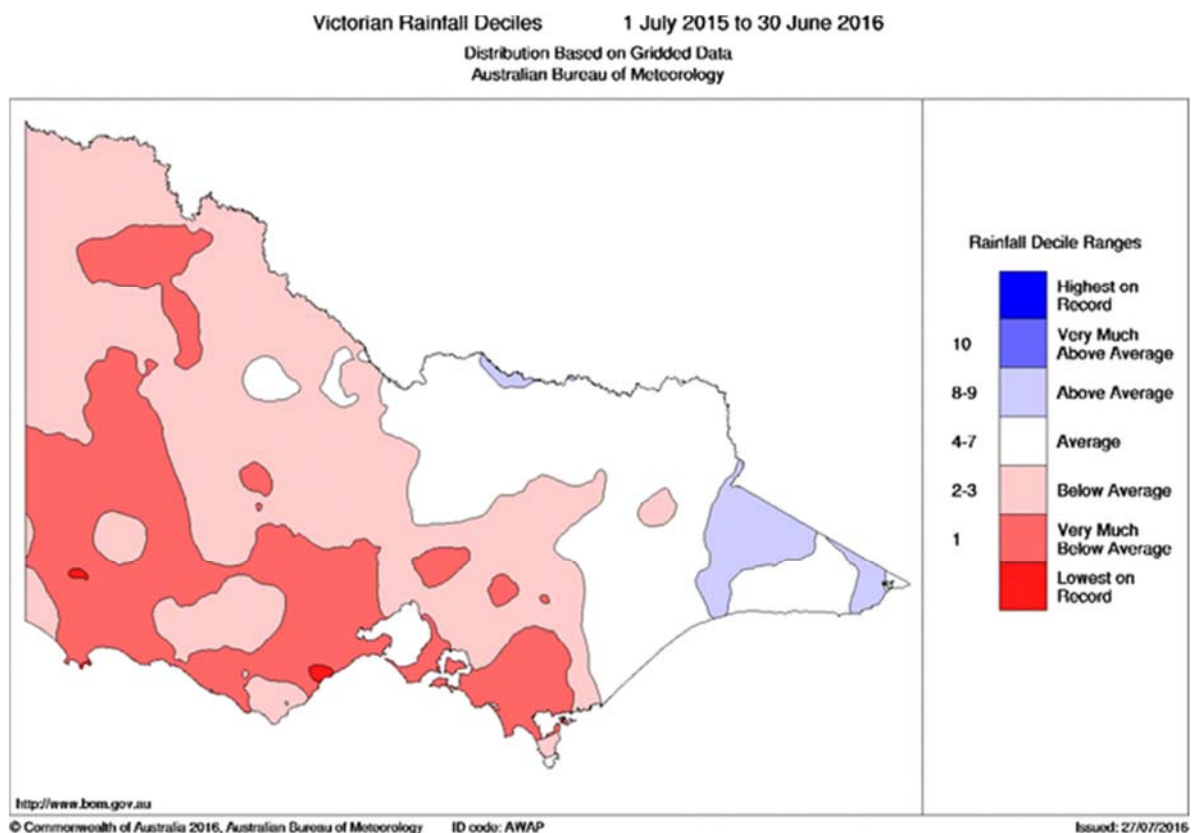
RFCs will continue to support clients who operate unviable and unsustainable businesses. Whilst there are often numerous factors stifling the success of the business some more common themes are lack of financial literacy and financial management, small scale operations, unserviceable debt and lack of risk management and planning. RFCs will help clients to understand their financial position and options available to address the situation.

Chris Howard

Rural Financial Counsellor Coordinator

RFCS Overview of Farm Seasonal and Economic Factors for the Year

Rainfall for the past 12 months to end of June in the RFCS Victoria North East region was mostly average with below average occurring in the south of the serviced area. El Nino conditions continued in the first half of the year and hot and dry conditions arrived very early in spring and these conditions continued throughout summer and well into autumn. In late autumn rainfall finally arrived with El Nino conditions abating and La Nina conditions strengthening. The outlook is for a wetter than average winter/spring for most of the serviced area.



Dam storage volumes were variable and resulted in allocations less than 100% on some irrigation systems. High Reliability Water (HRW) allocations were as follows: Murray 100%, Goulburn 90%, Campaspe 66%, Loddon 84% and Broken 26%. In June 2015 our major storage volumes ranged from 73% in Lake Dartmouth, 56% for Lake Eildon and 32% in Lake Hume all significantly lower than the same time for the previous year.

Dairy

With major milk processors forecasting a closing price of \$6.00kg/MS at the beginning of the financial year the outlook for dairy in Northern Victoria was positive however with strengthening El Nino conditions, a shortage of feed, limited water allocation and increasing temporary water prices and finally with milk processors announcing a milk price drop from

\$5.60 to \$5.00/kg/MS and overpayments of delivered milk late in the season the year went from bad to worse for many dairy farms.

Broadacre

The early arrival of a heat wave in October was the trigger for many croppers to harvest cereal and canola crops for hay. Generally the impact of the early hot dry conditions was worse in the west of the serviceable area and improved towards the East. Those that did harvest crops for grain described reported yields were generally below average. Considering the hot, dry spell leading up to harvest most growers in the North East were reasonably happy with harvest results. Most croppers including those that cut cereals for hay expected a break even to profitable year.

Beef

El Nino and when to destock remained a constant point of discussion amongst beef producers for the year. With excellent prices and affordable feed mostly in the North East, producers had greater flexibility and time to decide on stock numbers. Good news for cattle producers continued with strong demand for local cattle from northern buyers following good rainfall in some parts of the northern states, coupled with strong international demand and a falling AUD.

Sheep and Lamb

Once again sheep meat prices ended in a strong position with prices remaining firm and tracking close to the previous year prices. Demand remained positive on the export scene and prices improved later in the year. Forecast diminishing livestock levels may see prices continue to rise into the new financial year.

Horticulture

Two hail events in the Shepparton area resulted in significant fruit damage for some local Fruit Growers with total crop losses reported on some orchards. Despite promotion of the RFC service and partnering with Fruit Growers Victoria to present at workshops in response to the hail event, little enquiry was received from effected Fruit Growers. Overall the year was mixed with some stone fruit growers reporting a difficult and challenging year and others a good year. Larger growers and suppliers of supermarkets expected to be profitable.

Other

RFCs continue to facilitate the Farm Household Allowance program in partnership with local Department of Humans Services Farm Household Case Officers.

RFCs fielded numerous enquiries from clients concerning the drought concessional loan however only a few applied with even fewer successful.

About Us

Goulburn Murray Hume Agcare Ltd (GMHA) was formed in June 2006 as a non-profit company limited by guarantee. GMHA was formed as an amalgamation of three regional member groups, Goulburn Valley Agcare Inc. (GV Agcare), Murray Valley Rural Industries Assistance Group Inc. (MVRIAG) and North East Agcare Inc. In May 2010 MVRIAG ceased to be incorporated and resigned their membership of the organisation. In August 2014 the North East Agcare Group Inc. changed its registered name to Alpine Valleys Community Leadership Inc. (AVCLI). AVCLI provides a skills based program that develops leadership capacity of people and organisations in North East Victoria under the Alpine Valleys Community Leadership Program (AVCLP). AVCLI and GV Agcare have two appointed Directors on the AgBiz Assist Board.

In June 2014 GMHA established a new trading arm called AgBiz Assist. AgBiz Assist is a social enterprise that was established to provide affordable services in the market gap between the free RFCS and consultancy services and to assist GMHA to fulfill its philanthropic aims. AgBiz Assist is able to accept charitable funds, service contracts and corporate funding.

Under the trading names Rural Financial Counselling Service Victoria – Goulburn Murray Hume, (2006-2016) and Rural Financial Counselling Service Victoria – North East (effective 1/4/2016) the company is fully funded by the Federal and Victorian State Governments to provide rural financial counselling services to primary producers, fishers and small rural businesses experiencing financial hardship in the Upper North East, Murray Valley, Goulburn Valley and Campaspe regions of Northern Victoria.

In May 2016, GMHA changed its company name to AgBiz Assist Limited (ABA).

ABA operates under a Board of management comprising member representatives and independent directors drawn from private sector, industry and community groups and government agencies.

Our Vision

We assist rural and regional communities to successfully manage change.

Our Mission

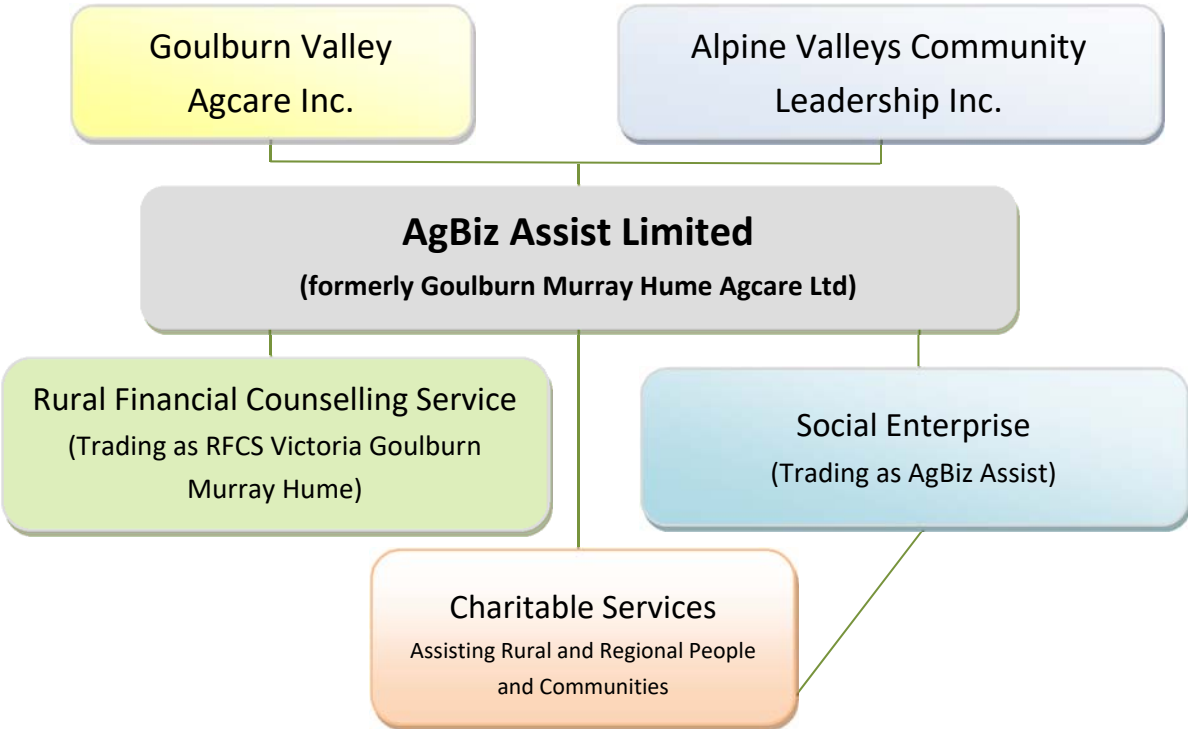
ABA works in collaboration with people, governments and organisations providing rural financial counselling and other complementary services that enable eligible rural and regional businesses to better manage the challenges of change and adjustment.

Our Values

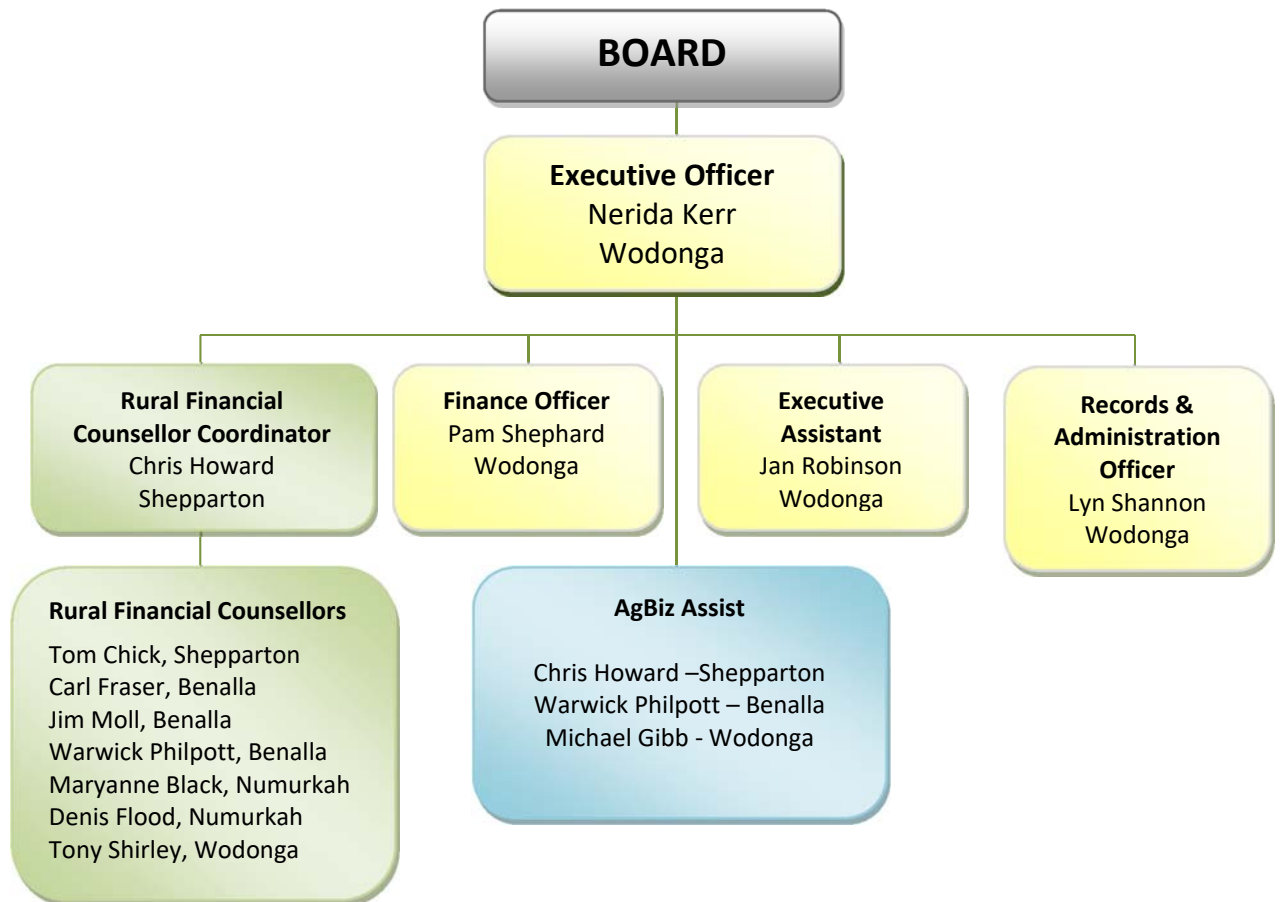
Our values reflect how we work within our organization, with stakeholders and the wider community. We will demonstrate our organisational values in the following ways:

- **Respect** - We will show respect and consideration to all those with whom we deal, by treating them with dignity, empathy, and courtesy;
- **Integrity** - We will be honest, fair, ethical and trustworthy at all times, and take responsibility for our actions;
- **Positivity** - We will encourage positivity within our organisation and discourage negativity. We will effectively adapt to changing circumstances;
- **Team Spirit** - We will work together as a team, working in partnership to achieve the goals of our organisation;
- **Clients** - Because we care about the people and community in which we live, we will provide the best service we can to our clients by ensuring that we are well trained, well qualified and work in a timely manner according to the published processes and procedures of the organisation;
- **Caring** - We will advocate and support each other and assist everyone to reach their full potential. We will contribute to ensuring that our working environment is enjoyable for all. We will encourage safe working practices in our fellow workers and actively discourage unsafe working practices;
- **Involvement** - We will encourage one another to be involved in activities within the organisation by contributing to, influencing and challenging the processes and decisions made within the organisation;
- **Communication** - We commit to open honest and timely communication within the organisation and open and transparent decision making.

Corporate Structure



Organisational Structure



Office Locations

Wodonga

(Head Office)

Suite 15 Enterprise House
3 Stanley Street
Wodonga VIC 3690

Benalla

DELWP/DSE Regional Office
35 Sydney Road
Benalla VIC 3672

Shepparton

Unit 6
45-53 Wyndham Street
Shepparton VIC 3630

Seymour

DELWP/DSE Regional Office
15 Hume & Hovel Road
Seymour Vic 3660

Numurkah

Numurkah District Health Service
2 Katamatite Road
Numurkah VIC 3636

Registered Office

Belmores Accounting
50 Belmore Street
Yarrowonga VIC 3730

Board of Directors

The AgBiz Assist Limited Board is comprised of two representatives from each member organisation and five independent directors invited to join to complement the skill set of the Board.



STEPHEN COHEN, Chairperson

GV Agcare Member Director

Steve was appointed as Goulburn Murray Hume Agcare Ltd inaugural Board Chairman in 2006. Since then he has served five terms as Chairman. After a 30 year career as a dairy farmer and dairy industry representative, Steve now owns and manages a business in Shepparton. He has been actively involved in rural financial counselling for over 20 years, as a committee member of GV Agcare and Board member of GMHA/ABA. Steve has extensive experience in Not for Profit sector corporate governance, including nine years as secretary of a local Landcare Group and 17 years on the Board of an agricultural co-operative. Steve has undertaken a wide range of training including corporate governance, strategic planning and business planning.



PETER GRAY, Company Secretary

GV Agcare Member Director

Peter is a freelance accountant, assisting agricultural businesses on strategic direction and financial management. He has worked with regional horticultural industries over many years, and has facilitated strategic reports about their future direction. He has extensive experience in Business Management, Corporate Governance, and Contract Management. Peter is also a Director on the Committee for Greater Shepparton. Peter holds a Bachelor of Business (Accounting and Economics) is a Certified Practising Account and is a Member of the Agriculture Institute of Australia. Peter has successfully completed the AICD Company Directors Diploma Course.



WAYNE DONEHUE
AVCLP Inc. Member Director

Wayne was appointed as one of the AVCLP Member Directors on the GMHA/ABA Board in 2012. Over the past 15 years he has been involved with the Landcare movement, in particular with the Ovens Landcare Network and the North East Catchment Management Authority. Wayne comes from a rural background. He currently lives on a small beef cattle property in the Upper Ovens area.

Wayne has extensive experience in Business Management and Not for Profit Community organisations. He was a participant in the 2004 Alpine Valleys Community Leadership Program. He has helped develop, support and organise many projects encouraging sustainability in the rural areas of North East Victoria. As well as being heavily involved with community groups Wayne also runs a small rural business involved in sustainable water use.



CATE KIRK
AVCLP Inc. Member Director

Cate has a strong background in agriculture. Cate holds a degree in Agricultural Science and Post Graduate qualifications in Business Management. She has worked in the agricultural service industry, as an agricultural educator and as a dairy share farmer. Cate is currently employed at GoTafe in Victoria as a Workplace Training Coordinator and operates her own book keeping business. She farms part of her family farm and assists in the management and running of the commercial beef property. Cate was a participant in the 2012 Alpine Valleys Community Leadership Program and was a finalist in the 2013 Victorian Rural Women of the year (RIDC Award) (Project - Succession Planning). Cate was awarded the Charles Green Governance Scholarship for 2013 (National Award). Cate was appointed as one of the AVCLP Inc Member Directors on the GMHA/ABA Board in 2012.



TIMOTHY CLUNE
Independent Director

Tim has spent the last decade working in consulting and management roles. He is currently the Manager Risk & Business Sustainability with North East Region Water Corporation where he is focused on developing behaviours, strategies and systems to improve water service delivery and manage business risk.

Previously, Tim was Centre Manager at the Department of Primary Industries in Rutherglen, Victoria, working in both research and science management roles. Tim has extensive experience in Corporate Governance and Strategic Planning, Policy Development

and Risk Management. Tim holds a Bachelor of Science in Agriculture (BSC Agr) and Doctor of Philosophy (PhD) and is a graduate of the Australian Institute of Company Directors.

CHRIS HOWE, ACA
Independent Director



Chris is a partner in Belmores Chartered Accountants (Registered Public Accountants) based in Yarrawonga, Numurkah, Myrtleford and Bright. He has a Bachelor of Business Accounting and is an Associate of the Institute of Chartered Accountants in Australia. Chris provides a range of accounting and business advisory services to farming and regional businesses in North East Victoria and South West NSW. He has extensive experience in Business Management, Strategic Planning, Human Resources Management, Policy Development and Risk Management. He has a broad acre farming background and is involved in many community organisations.

PETER HUZZEY
Independent Director



Peter comes from a rural family farming background in North East Victoria. He has held various management roles in a vertically integrated commercial agribusiness group. Peter holds a Bachelor of Business Degree with a major in Marketing and is the Managing Director of a locally based website development and digital marketing business. He has completed the AICD Foundations of Directorship Course in Governance, Finance, Strategy and Risk and a Non-profit Master Class in Strategic Leadership and Innovation. Peter is passionate about the environment, sustainable farming operations and strong rural communities.

RICHARD RAYMOND
Independent Director



Richard has extensive experience in the agriculture sector, in particular the Dairy Industry and is currently employed with Fonterra Australia Ltd in the Milk Supply Group. He has 25 years advisory and management roles across a diverse range of industries in the Human Resources discipline, as well as experience in the development and implementation of business strategy and change management. Richard holds a Bachelor of Commerce (Majors in Human Resource Management & Marketing). Richard accepted nomination to the GMHA/ABA Board in February 2014.



CHRIS THOMAS
Independent Director

Chris has extensive knowledge in Corporate Governance, Strategic Planning, Social Welfare/Community Development, Policy Development and Risk Management. He holds a Masters of Applied Science (Rural Regional Development); Diploma of Management Practices; Masters of Corporate Leadership. Chris works through his own consulting business in the area of people development. He has a wealth of experience in the dairy industry, regional development and community organisations.

Board & Board subcommittee meetings

The Board held six ordinary Board meetings during the 2015-2016 financial year, as well as the Annual General Meeting on 19th November 2015 and an Extraordinary General Meeting of Members on 31st March to adopt changes to the Constitution and consider changing the company name. Board subcommittees also met on four occasions throughout the year. Subcommittee members and Chairs were appointed for each subcommittee. Subcommittee meetings were open to all Directors if they were able to attend.

Board subcommittees 01/07/2015-31/03/2016

GOVERNANCE & RISK	BUSINESS DEVELOPMENT & MARKETING	FINANCE & REMUNERATION
Nerida Kerr (EO) Steve Cohen Peter Gray Tim Clune (SC Chair) Wayne Donehue Richard Raymond	Nerida Kerr (EO) Steve Cohen Peter Huzzey (SC Chair) Cate Kirk Chris Thomas	Nerida Kerr (EO) Steve Cohen Peter Gray (SC Chair) Chris Howe Chris Thomas Pam Shephard (FO)

EO-Executive Officer, FO-Finance Officer,

Board subcommittees 01/04/2016-30/06/2016

GOVERNANCE & RISK	BUSINESS DEVELOPMENT & SOCIAL ENTERPRISE	FINANCE & REMUNERATION	RFCS PROJECT
Nerida Kerr (EO) Steve Cohen Peter Gray Tim Clune (SC Chair) Wayne Donehue Richard Raymond	Nerida Kerr (EO) Steve Cohen Peter Huzzey (SC Chair) Cate Kirk Chris Thomas	Nerida Kerr (EO) Steve Cohen Peter Gray (SC Chair) Chris Howe Chris Thomas Pam Shephard (FO)	Nerida Kerr (EO) Steve Cohen (Chair) Tim Clune Peter Gray Chris Howe Peter Huzzey Cate Kirk Chris Thomas

EO-Executive Officer, FO-Finance Officer, SC-Subcommittee

Our Staff

Management & Administration

NERIDA KERR
Executive Officer

PAM SHEPHARD
Finance Officer

CHRIS HOWARD
Rural Financial Counsellor Coordinator

JAN ROBINSON
Executive Assistant-Wodonga

LYN SHANNON
Records & Administration Officer
(Effective 14/04/2016)

RACHEL HAY
Administration Assistant – Wodonga
(Resigned-1/10/2015)

Rural Financial Counsellors

WODONGA

TONY SHIRLEY

WARWICK PHILPOTT

BENALLA

CARL FRASER

JIM MOLL

SHEPPARTON/KYABRAM

TOM CHICK

LINDSAY BROWN *(Resigned effective 30/10/2015)*

WILLIAM (BILL) FELL *(Passed away 2/12/2015)*

NUMURKAH

MARYANNE BLACK

ALAN GUEST-SMITH *(Retired effective 1/4/2016)*

DENIS FLOOD *(Commenced 30/5/2016)*

Executive Officer

NERIDA KERR, Executive Officer



Nerida's involvement with rural financial counselling services commenced in 1992; when she joined the inaugural committee of management of North East AgCare Inc. Nerida was also a founding member of Goulburn Murray Hume Agcare Ltd and remained a Director until she resigned to take up the Executive Officer position in July 2012.

Nerida studied Business Management, Social Work and Dairy Farm Management. She brings a wealth of experience and a life time commitment to agriculture, economic and community development and social service provision to her Executive Officer role.

Nerida has held key regional roles with Regional Development Victoria in management, business and economic development and community capacity building. She has worked in economic development with the local government areas of Wodonga and Towong; managed home and community care services and managed Neighborhood House and adult and community education program delivery. During that time she established and maintained extensive community, agency and business relationships and networks.

Throughout her busy career Nerida has also dedicated her time and skills to voluntary work. In March 2013 Nerida was inducted into the Victorian Women's Honour Role for services to the community, of which rural financial counselling was a major component.

Rural Financial Counsellor Coordinator

CHRIS HOWARD – Shepparton Office



Chris has worked within the agricultural sector since 1990, including small business management. He commenced employment as a Rural Financial Counsellor with GMHA in July 2008 and took up the RFC Coordinator position in May 2014. Chris holds an Associate Diploma of Accounting, a Diploma of Community Services (Financial Counselling) and Business Administration, Certificate IV in Training and Assessment and formal training in Mediation Theory & Practice which gives him a thorough grounding and broad based business experience from which to draw on.

Rural Financial Counsellors



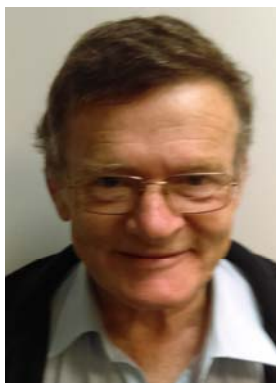
TONY SHIRLEY – Wodonga

Tony holds a Bachelor of Business and a Diploma in Community Services (Financial Counselling). Tony was previously self-employed for 25 years as a business consultant. He has considerable experience in small business and financial management, including many farming clients. After relocating to Wodonga in 2005, Tony turned his skills to mortgage brokerage before joining GMHA/ABA's Wodonga office as a Rural Financial Counsellor in October 2007.



MARYANNE BLACK- Numurkah

Maryanne has been a Rural Financial Counsellor with GMHA/ABA since 2006. Prior to that Maryanne worked as a Rural Financial Counsellor with Member Group GV Agcare. She has spent her career working in agriculture, primarily in ruminant nutrition and farm finances. She holds a Bachelor of Agricultural Science as well as a Diploma in Community Services (Financial Counselling) and is currently working towards obtaining a certificate in Bookkeeping and Accounts Administration. Her area of expertise is dairy and she has a broad knowledge of livestock, broadacre and horticultural enterprises. Maryanne relocated from our Kyabram office to the Numurkah office in June 2014.



DENIS FLOOD – Numurkah

Denis commenced work with ABA in May 2016. He had previously worked as a Rural Financial Counsellor with GV AgCare during the “millennium Drought”. During that time he had extensive experience working with Dairy Farmers and Agricultural Supply businesses in the Campaspe, Moira and Greater Shepparton regions. He has operated his own business in the Hospitality sector for over 30 years and for the last 17 years has been concurrently involved in Counselling and Men's Behavioural Change Group facilitation. He holds various Diploma and other certifications in Counselling, Couples therapy and Men's Behavioural Change, as well as a Trade certification in refrigeration. Combined with life experiences, Denis's background gives him a sound foundation to work as a Rural Financial Counsellor.



ALAN GUEST-SMITH – Numurkah

Alan, a qualified accountant, commenced employment with GMHA in 2009. Prior to commencing with GMHA he was a research fellow and manager with the Melbourne University School of Rural Health in Shepparton. Alan holds a Diploma of Community Services [Financial Counselling]; Advanced Diploma of Applied Science [Farm Management]; Bachelor of Applied Science [Rural Management]; Bachelor of Business; Master of Economics and a Master of Commerce. Alan retired from the service in April 2016.



CARL FRASER – Benalla

Carl has worked as a Rural Financial Counsellor for the past 23 years. He commenced working with GMHA/ABA from our Benalla office in 2006 and prior to this was employed with member group North East Agcare. Carl holds a Diploma of Community Services (Financial Counselling) and specialises in sheep, beef, broad-acre and horticultural farming services. His practical farming experience as a wool classer, shearer and farmer has given him a wide range of specialised knowledge.



JIM MOLL – Benalla

Jim is an agricultural scientist/economist who enjoys working with landholders and helping them run profitable and sustainable businesses. His knowledge and skills cover a wide variety of agricultural industries including broadacre grazing and cropping, and irrigated horticulture and viticulture. Jim has over 20 years experience in agricultural research and extension across NSW, QLD and Victoria, communications and project management, and specialises in farm business economics. His skills include: farm business planning and appraisal; property management planning; grazing management and farm benchmarking. Jim holds a Bachelor of Ag. Science; a Post Graduate Diploma of Ag Economics and a Diploma of Community Services (Financial Counselling). Jim commenced employment with GMHA/ABA in January 2015.



WARWICK PHILPOTT – Benalla

Warwick has been engaged in the delivery of professional services across Victoria, NSW and Tasmania for the past 30 years. He commenced working with GMHA/ABA in August 2014. He has a farming and small business background and holds a Diploma of Business; Graduate Diploma Agricultural Economics and a Graduate Diploma Applied Finance & Investment and a Diploma of Community Services (Financial Counselling). Warwick is a fellow of the Australian Financial Services Institute of Australasia and the Australian Property Institute as well as a Member of the Australian Agricultural & Resource Economics Society and the Ag Institute of Australia.



TOM CHICK – Shepparton

Tom commenced employment with GMHA/ABA in January 2015. He is a qualified accountant with a farming background. Tom has worked with farmers and rural businesses in Northern Victoria, the Goulburn Valley and the Murray Valley in both Victoria and NSW for over 30 years. His objective is to help farmers and rural businesses identify all the options to assist with their farm and business decisions. Tom holds a Diploma of Business (Accounting) and a Diploma in Community Services (Financial Counselling).



LINDSAY BROWN – Kyabram

Prior to commencing employment with GMHA in October 2007, Lindsay had worked in various roles and had a wealth of practical work experience and knowledge in both the agricultural sector and small business. He holds a Certificate IV Business Management and a Diploma of Community Services (Financial Counselling) and has completed certificate recognition courses in Mediation, Case Management and Retirement Planning. Lindsay retired from GMHA in October 2015.



WILLIAM (BILL) FELL – Kyabram

Bill had over 20 years of experience working with farming families and rural businesses before commencing employment with GMHA in October 2012. His contribution to the organization from that time up until his death in December 2015 was considerable. His work ethic and integrity as a rural financial counsellor and AgBiz CLAS Program Manager was more than outstanding. Bill was one of a kind and he is sorely missed by his colleagues, friends and clients at ABA.

RFCS Statistical reports

All statistics are based on figures provided by the Australian Rural Counselling (ARC) Database, Service Profile Report for RFCS Vic GMH. The ARC database was decommissioned on 31 March 2016 and replaced by the new RFCS Portal. There are no figures available for the period 1 April to 30 June 2016

Annual Snapshot

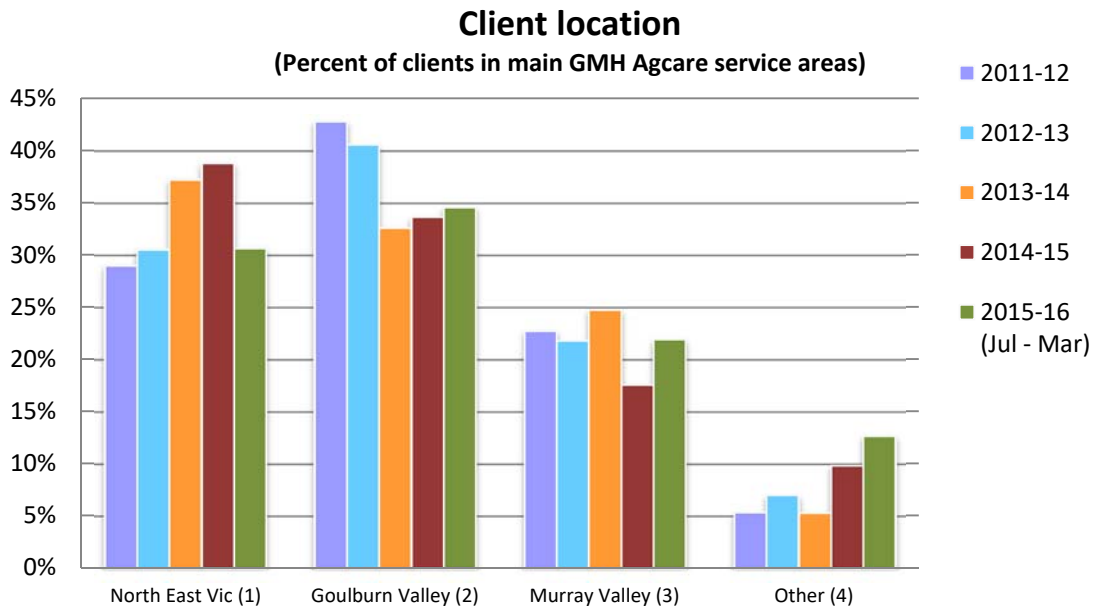
	2011-12	2012-13	2013-14	2014-15	2015-16 Jul-Mar*
Number of RFCs (FTE)	7.2	7.2	7.2	7.0	7.4
Number of clients assisted	573	399	432	403	329
Average clients per RFC	80	55	60	57	44
Primary enterprise type:					
Dairy farming	38%	39%	37%	38%	49%
Sheep, beef cattle & grain growing	27%	26%	30%	33%	29%
Major assistance type:					
Business Planning, cash flow & viability	24%	38%	33%	42%	51%
Business Debt Mediation (Inc. Farm Debt Mediation)	17%	31%	32%	24%	17%
Clients on an action plan	84%	88%	81%	85%	87%
Avg hours of assistance per client (ex travel)	7.9	13.9	16.09	14.1	13.55
Avg hours of travel per client	1.7	1.9	1.7	1.7	.72
Major cause of client difficulty - Climatic variation	69%	58%	54%	48%	42%
Client financial position:					
Average debts	\$726,405	\$535,098	\$685,620	\$639,512	\$644,053
Average bank debts	\$623,649	\$449,255	\$598,622	\$533,543	\$522,864
Average income position	-\$47,640	-\$38,933	-\$33,960	-\$21,481	-\$33,775
Client outcomes:					
Government assistance (Other)	43%	54%	20%	13%	17%
Adjusted within primary production	35%	25%	53%	61%	60%
Adjusted out of agriculture	9%	11%	20%	18%	21%
Client referrals:					
To RFCS Vic GMH	243	158	190	119	57
From RFCS Vic GMH	297	221	114	143	85

*The data used to complete this report was sourced from ARC which was decommissioned on 31 March 2016

Operating Statistics

CLIENTS SUPPORTED

Goulburn Valley had the highest client service demand making up 34% of clients seeking the service with North East clients next on 30%

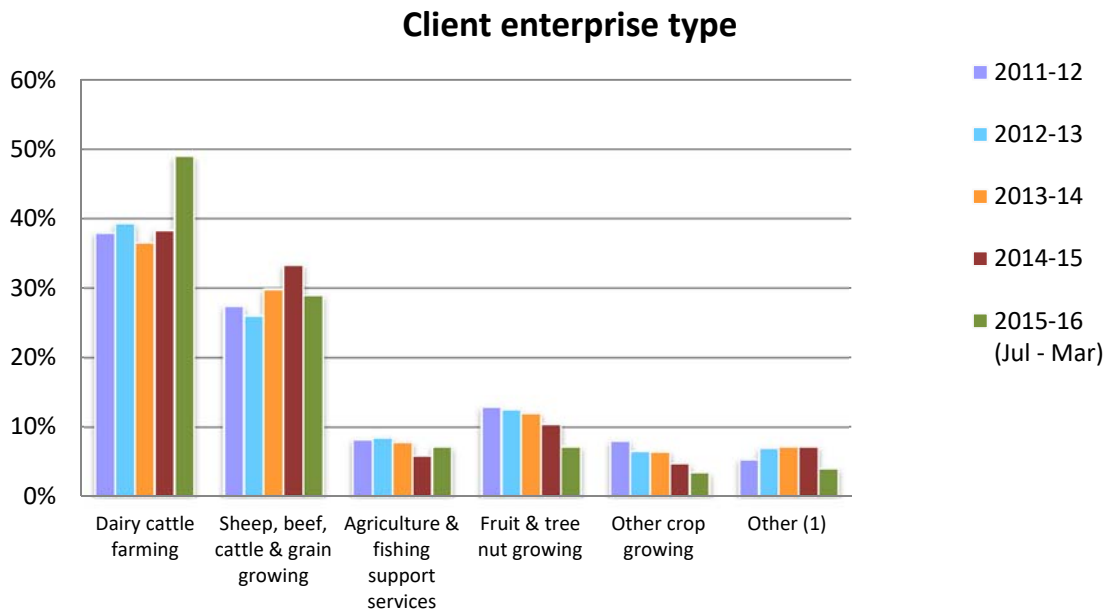


AREAS SERVICED

1. LGAs include: Vic - Wodonga, Wangaratta, Benalla, Indigo, Alpine, Towong; NSW - Albury, Greater Hume, Corowa, Tumbarumba, Berrigan. 2. LGAs include: Vic - Greater Shepparton, Strathbogie, Moira, Gannawarra. 3. LGAs include: Vic - Campaspe; NSW - Murray. 4. Other includes clients with invalid postcode or from LGAs outside the GMH service area.

INDUSTRIES SERVICED

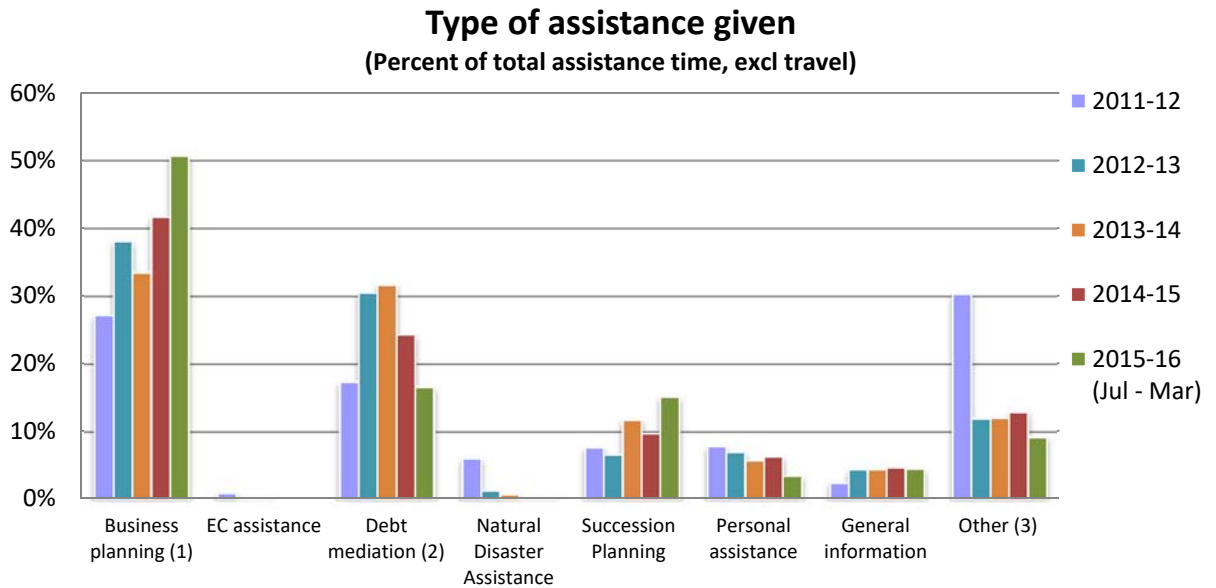
Dairy continues to be the dominant industry sector supported by Rural Financial Counsellors. Sheep, beef, cattle and grain growing clients combined are the next highest enterprises seeking support.



(1) Includes: Other livestock farming, Nursery and floriculture production, Mushroom & vegetable growing, Poultry farming

ASSISTANCE GIVEN

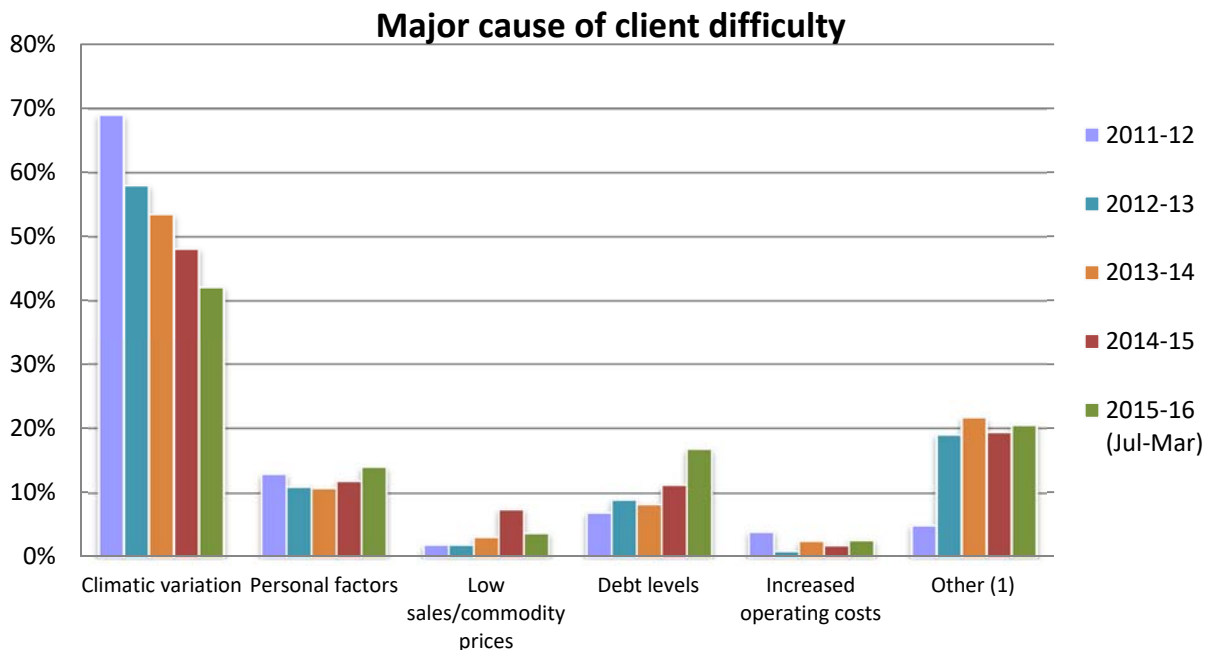
Business planning remains the highest level of assistance given. There is little difference between debt mediation and succession planning assistance.



- 1. Includes cash flow analysis and viability analysis
- 2. Includes Business and Farm Debt Mediation
- 3. Includes CCAP and TFFP

CAUSE OF DIFFICULTY

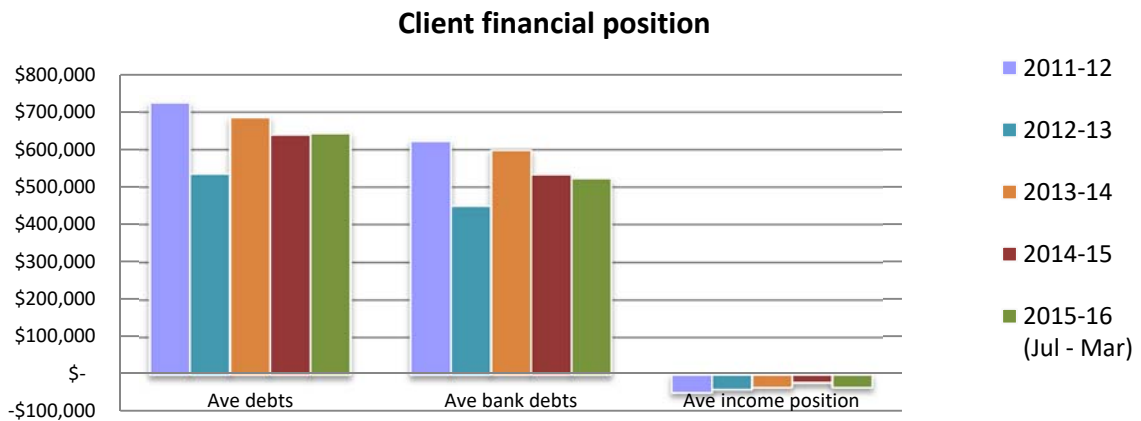
The major cause of client difficulty across all primary enterprise types was reported as “climatic variation” (42% of clients). Personal factors, low sales and commodity prices and debt levels were other factors causing difficulty.



- Includes: Management and financial skills, enterprise scale and declining asset value

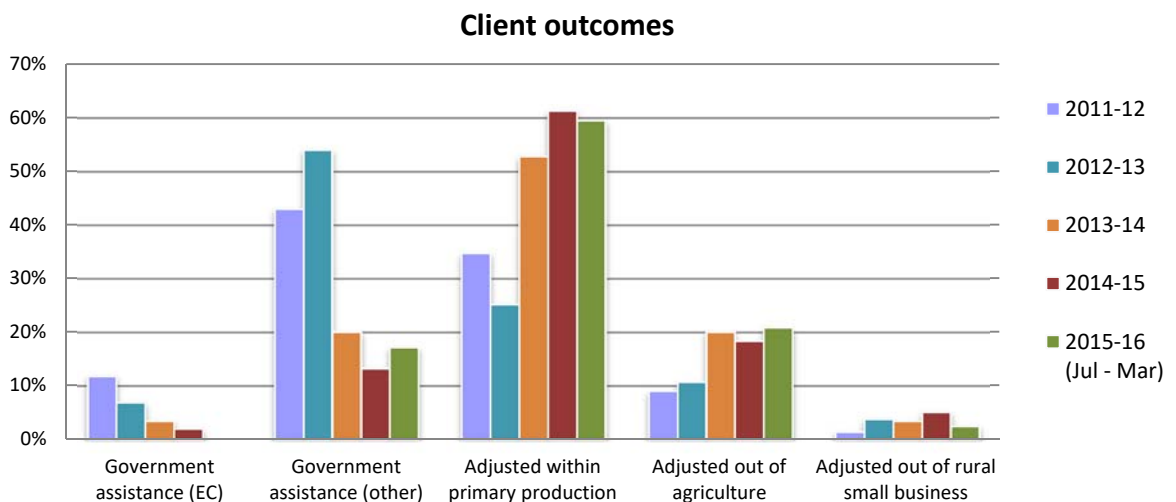
CLIENT FINANCIAL POSITION

The following graph illustrates the average debt, bank debt and income for all current clients of the service. It is difficult to interpret data trends given the variability that can occur with old files being closed and new files added however it does support reports from RFCs that many clients have made little or no progress in reducing unsecured debt.



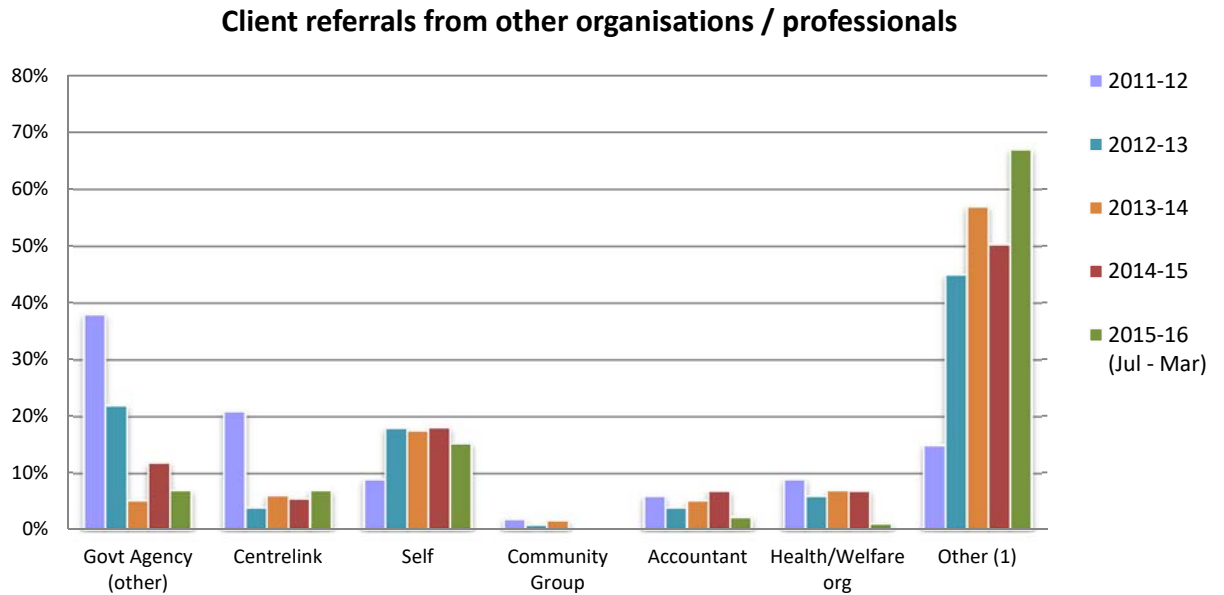
CLIENT OUTCOMES

The number of primary producers adjusting within primary production remains high and given the good commodity prices across many enterprises most farmer want to capitalize on this.



REFERRALS

Developing and maintaining the referral network is a vital responsibility of RFCs. The below chart perhaps illustrates that referrals come from a range of organisations and professionals and thus the need to maintain ongoing contact across the referral network.



1. Other includes Industry organisation, DoAWR, Financial Planner/Advisor, Rural Consultant, Water Authority, Doctor, Training organisation, Community group, Insolvency agency, Transition Support Service, MP, Another RFC, Real estate agent, Associate, Stock agents.

Financial Report

A copy of the audited financial statements for the year ended 30 June 2016 is available upon request from the head office at Wodonga.

Funding Certification

I, Stephen Cohen of 73 Tatura-Undera Road, Tatura VIC 3616, in my capacity as Chairperson for Goulburn Murray Hume Agcare Limited, hereby certify that the funding has been acquitted in accordance with the deed of grant for the past financial year.

Stephen Cohen
Chairperson

Date: 21/07/2016

Acknowledgements

AgBiz Assist Ltd (formerly Goulburn Murray Hume Agcare Ltd) acknowledges with thanks the contribution of the following organizations over the 2015-16 financial year:

Funding bodies

Department of Agriculture and Water Resources (DoAWR)

Department of Economic Development, Jobs, Transport and Resources (DEDJTR)

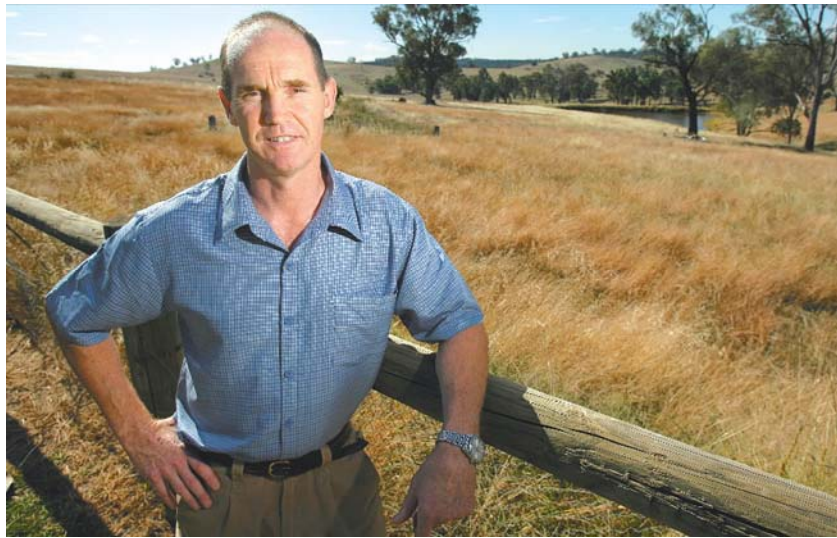
In-kind support

- Belmores Accounting
- Department of Economic Development, Jobs, Transport and Resources.
- Fonterra Australia Limited

We would also like to thank the many organisations and their staff that have worked with us in delivering valuable support services to our clients.

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