



GOULBURN MURRAY HUME AGCARE LTD, trading as
RFCS Victoria – Goulburn Murray Hume

Annual Report 2009 - 2010



Acknowledgements

Goulburn Murray Hume Agcare acknowledges, with sincere thanks, the contribution of the following organisations over the 2009-10 financial year:

Funding bodies

Department of Agriculture, Fisheries and Forestry (DAFF)

Department of Primary Industries (DPI)

In-kind support

Department of Primary Industries (DPI)

Murray Valley Rural Industries Assistance Group (MVRIAG)

Belmores Accounting

Moira Shire Council

Campaspe Shire Council

Numurkah Community Health Service

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Introducing the Board



ELAINE HIRST
Executive Officer



STEVE COHEN
Board Chair



PETER GRAY
Company Secretary

BOARD MEMBERS



NERIDA KERR



BRIAN THOMPSON



HELEN MCGOWAN



CHRIS HOWE



TIM MANNION



CHRIS THOMAS

From the Board Chair

It has been another busy year in Rural Counselling as we strive to provide a better service for clients and at the same time create a positive and enjoyable working environment for our staff.

The seasonal challenges of drought and general adverse weather continue to affect the profitability of the farming community and therefore deliver a heavy workload to the service. Hopefully the increased winter rainfall will improve the position of many farmers, but it will take time for the benefit to flow through.

We have worked hard over the year to write and implement a full list of policies to enable us to demonstrate a modern and up to date standard of Corporate Governance. We also revisited the Strategic Plan to ensure we were working together to achieve the same goals.

Our funding bodies, DAFF and DPI, continue to offer strong support, enabling GMH to provide quality service throughout our region. DAFF have provided new funding in 2010/11 for the Rural Counsellors to support farmers with succession planning. This extra money offsets the reduction in funding that was to occur in that year.

At the end of her 12 month maternity leave, Kathy Maloney informed the board that she would not return to the Executive Officer position. Barbara Strand had accepted the position for 12 months with no intent to continue for a longer period. After a recruitment process we were pleased to appoint Elaine Hirst to the position.

Elaine's previous position was as Chief Executive Officer of a NFP providing a diverse range of community services in Sydney. Elaine has fitted in extremely well at GMH making an immediate contribution.

We endeavour to have good relations with our fellow Rural Counselling groups and funding bodies and have therefore attended a number of conferences and training sessions during the year where ideas and experiences are exchanged helping us all provide better services.

I would like to thank all those who have contributed to our efforts over the year particularly directors and staff who are always willing to contribute to the betterment of GMH Aged Care and its achievements in the community.

Steve Cohen
Chairperson

Executive Officer's Report

Having joined GMH Agcare at the tail end of the financial year, I am largely reporting on the achievements of those before me. Barbara Strand resigned from the position of Executive Officer (EO) in May 2010 after a twelve-month maternity leave replacement for Kathy Moloney. It was a smooth transition into the organisation, with Barbara supporting the EO recruitment and induction process, and handover. The organisation was certainly in good shape at handover after a year of consolidation and concentration on delivery of our core service of Rural Financial Counselling and a focus on internal communication and team building.

An additional full-time Rural Financial Counsellor (RFC) was appointed in September 2009 to service clients in the Albury/Wodonga and surrounding regions. Staff turnover has been stable and provided consistent customer service delivery. Our team approach ensured a smooth handover of clients for a staff member on maternity leave and covered the gap until a temporary replacement was recruited in early 2010-11.

A review of the Senior Rural Financial Counsellor Coordinator (RFCC) role was undertaken by DPI in 2009-10. The research confirmed the positive impact of RFC involvement from a client's perspective and the value of the Coordinator's role to RFCs. The organisation supported key learning points identified in the research and staff suggestions for service improvements.

Several smaller projects reviewing IT communication systems and resources were undertaken including laptop replacement, videoconferencing, and website development. The organisation reviewed options to streamline audio visual communication to assist staff and board director communications across the region, increase staff consultation and involvement in committee's and external networks, and reduce staff and travel costs. The current website is in need of improvement to make it more informative and accessible to a wide range of stakeholders including clients and other support agencies. Laptops were replaced in June 2010 and the videoconferencing and website development projects will be addressed in 2010-11 with funding from previous years capital surplus funds approved by DAFF.

A 1300 number to coordinate phone contact across the region was implemented in July 2009. This system improved response times to client enquiries and referrals from other agencies, and provided support, better management and monitoring of referrals and support to staff by the RFCC and EO. An extensive media marketing campaign to promote the service and 1300 number throughout the GMH region was conducted in early 2009-10. This was initiated with the formal opening of the Wodonga office in

July 2009 by the Victorian Minister for Agriculture, The Hon Joe Helper. The marketing campaign involved newspaper and radio advertising, media releases, a mailout to stakeholders, promotion through other services, directory listings, and networking at key local meetings and events.

Extensive work was carried out by the Board, EO and staff in completing a comprehensive review and development of policy and procedures which has ensured sound governance and organisational and financial risk management of the organisation. Staff were consulted in policy development where appropriate and involved in OH&S requirements via a Work Safely Group that also reports to the Board. Consistent with a continuous improvement philosophy, GMH Agcare's comprehensive risk management, compliance and review system is maintained through the Board and Board Sub-committees that include Finance, Human Resources, Governance & Policy, and Internal Audit Sub-committees.

Peaks and troughs of service delivery run in parallel with deadlines for clients' funding applications, as was the case in April 2010. GMH Agcare was able to respond to seasonal requirements of high demand from farmers through a team-work approach to ensure response times were maintained and clients were able to access services as quickly as possible. The average wait time for initial client appointment over the year was less than one week.

Several themes emerged regarding major issues facing clients in our region in 2009-10, including: farmers' reliance on EC support; increase in insolvent farm businesses and bankruptcy proceedings; uncertainty of irrigation policy and plans; increase in referrals/farming families experiencing situations of poverty; and an increase in mental health issues, domestic violence etc. RFCs assisted these clients through the case management system and a coordinated multi-agency approach to supporting clients with complex issues. Clients with complex needs have been an increasing trend for RFC's as a result of drought, social, family and health related issues. These clients have required a skilled approach from experienced staff and case managed interventions from an extensive network of specialist resources.

Skills audits of staff and board directors were carried out to inform training and development plans that meet organisational needs and continuous improvement. The skills audit also supported recruitment and selection of temporary replacement staff and assisted in succession planning for board directors. Board directors undertook Board Governance training in February 2010 conducted by Chartered Secretaries Australia.

The staff Annual Training Plan was developed and implemented this year following individual staff appraisals carried out in May/June 2010. Identified training needs included mandatory OH&S training and service delivery specific training in the areas of succession planning, insolvency and bankruptcy, and complex case management. Training implemented to date has resulted in increased skills and confidence of Rural Financial Counsellors in addressing case management principles and practice. Professional development activities to address complex case management issues are planned for August and November 2010 for RFC's across Victoria, Tasmania and Southern NSW.

This year saw significant progress in Financial Counsellors' professional practice in improving client case files and adopting a case management approach. GMH Agcare achieved 98 percent case management of RFCS clients by the end of June 2010.

GMH Agcare continued to maintain strong relationships with other Rural Financial Counselling Services, particularly the Victorian and Tasmanian Rural Counselling Group (VTARCG). Counsellors attended two VTARCG training conferences during the year, one at Swan Hill and the other at Phillip Island. Administration staff attended a conference in Bendigo on 16 & 17 June 2010 to undertake training in communication skills and VECCI training in dealing with clients with difficult and aggressive behaviours. Professional networks attended to by management included VTARCG, Department of Primary Industries and Department of Human Services initiative for community organisations, Kyabram Community Learning Centre and Upper Murray Family Care.

Next year's focus will be on continuous improvement from the sound foundations created over the past year and capacity building of rural communities in our region to support continued growth and inform service development opportunities.

Finally, I would like to commend the Board, the previous EO Barbara Strand and staff for their remarkable achievements over the past year, in particular the RFCC Paul Blackshaw and Counsellors on their professionalism and support in the implementation of case management, as well as their commitment to continuous improvement of services to clients. I look forward to working with staff and the Board as we approach the opportunities and challenges of the coming year.

Elaine Hirst
Executive Officer

Our Organisation

Goulburn Murray Hume Agcare Limited (GMH Agcare) is a Rural Financial Counselling Service based in the Goulburn Murray Hume region. We provide financial counselling to primary producers, fishers and small rural businesses who are experiencing financial hardship and who have limited sources of impartial support to manage the challenges of industry change and adjustment.

Vision

Our clients are managing change and adjusting successfully to new circumstances. Our services are valued by rural family businesses and the wider community.

Mission

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

Values

Our work is underpinned by GMH Agcare's core values of trust, respect, and effective teamwork through collaboration. We aim to work as a cohesive team providing services that are prompt, respectful, practical, action orientated and responsive to client needs.

Services

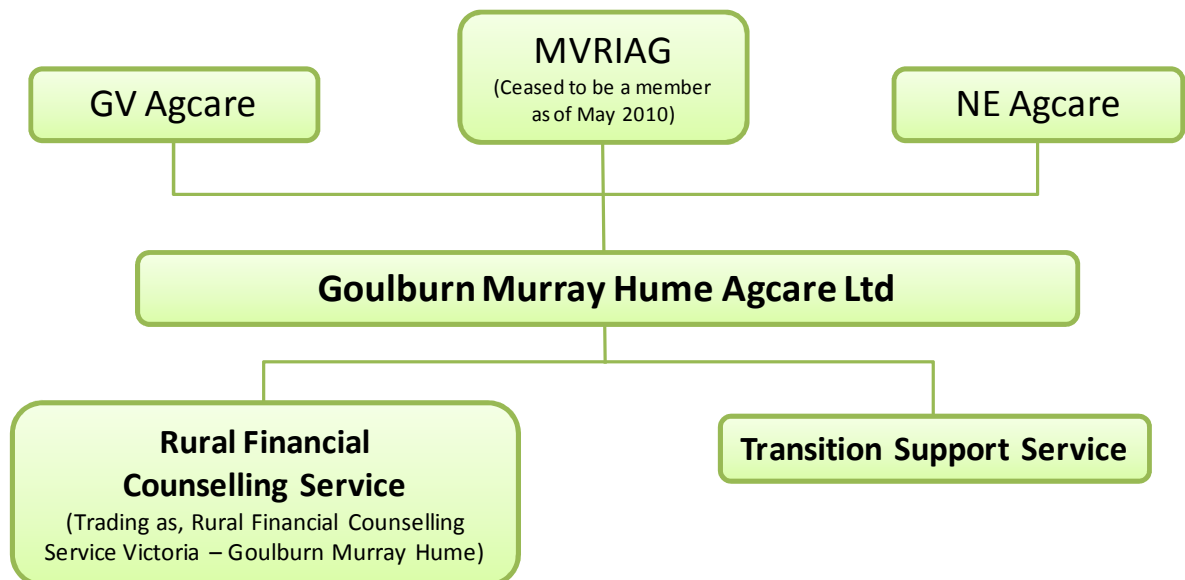
Rural Financial Counselling is a free, confidential and independent service providing information and support in the following areas:

- ◆ Help farming families assess and understand their financial positions and to identify options and develop an action plan to move forward
- ◆ Help to identify eligibility and apply for Government and other assistance schemes
- ◆ Assist with loan and/or refinance options and provide support and mediation including negotiation with creditors and financial institutions
- ◆ Facilitate decision making and support farming families through the adjustment process
- ◆ Provide information and referrals to relevant professionals and agencies.

Corporate Structure

GMH Agcare was formed in June 2006 as a non-profit company limited by guarantee. Under the trading name RFCS Victoria – Goulburn Murray Hume, the company is fully funded by the Federal and Victorian State Governments to provide rural financial counselling services to communities in the Upper North East, Murray Valley, Goulburn Valley and parts of Northern Victoria and bordering regions of Southern New South Wales.

Prior to the formation of GMH Agcare in June 2006, rural financial counselling services were provided by the community based groups GV Agcare Inc, Murray Valley Rural Industry Assistance Group Inc (MVRIAG) and The North East Agcare Group Inc (NE Agcare). These groups became the sole members of GMH Agcare and made up the Board of Management together with two invited independent directors. In May 2010, MVRIAG formally wound up and its two Board member representatives were nominated and appointed as independent directors.



Our region



Office Locations

Wodonga

(Head Office)
9/22 Stanley Street
Wodonga VIC 3690

Benalla

DPI/DSE Regional Office
35 Sydney Road
Benalla VIC 3672

Corryong

(Outreach Office - office attended part-time, by appointment only)
Upper Murray Health & Community Services
20 Kiell Street
Corryong VIC 3707

(Registered Office)

Belmores Accounting
50 Belmore Street (PO Box 200)
Yarrawonga VIC 3730

Kyabram

The Banksia Financial Group
147 Fenaughty Street
Kyabram VIC 3620

Numurkah

Numurkah Community Health Service
2 Katamatite Road
Numurkah VIC 3636

Cobram

(Outreach Office - office attended part-time, by appointment only)
DPI Regional Office
79-83 Karook St
Cobram VIC 3643

Staff Members 2009 - 10

Management & Administration

ELAINE HIRST
Executive Officer
Commenced 5 May 10

BARBARA STRAND
Executive Officer
1 Jul 09 – 5 May 09

PAM SHEPHARD
Finance Officer

PAUL BLACKSHAW
Rural Financial Counsellor
Coordinator

LINDA MARKS
Office Manager

JAN ROBINSON
Administration Officer -
Wodonga

SUE WYSE
Administration Officer -
Kyabram

Rural Financial Counsellors

CARL FRASER – Benalla



TONY SHIRLEY – Wodonga



CHRIS HOWARD – Numurkah



ALAN GUEST-SMITH – Numurkah



TIM WATSON – Kyabram



LINDSAY BROWN – Kyabram



DAVID SHEATHER – Wodonga
Commenced 5 Oct 09



MARYANNE BLACK – Kyabram
Maternity leave from 12 May 10



Year in Review

During 2009-10 GMH Agcare's strategic focus was on

- ◆ providing a high quality Rural Financial Counselling Service, leading to positive outcomes for clients and improving the level of well being within the rural communities we service
- ◆ promoting strong leadership and governance
- ◆ strengthening referral pathways and forming collaborative partnerships to extend services to clients and meet their needs, and
- ◆ extensive marketing and promotion of the service.

Highlights for 2009-10

New offices

GMH Agcare opened a new office in Wodonga and relocated their Kyabram and Numurkah offices to alternate premises. Official opening of the Wodonga office and launch of the 1300 was conducted by the Hon Joe Helper, Minister for Agriculture and Small Business on 15th July 2009.

New IT & phone systems and 1300 number

Business grade broadband was installed at the Wodonga, Kyabram and Benalla offices. IT network and mail server was installed at the Wodonga and Kyabram offices with VPN link and automated backup for local and remote users. The new phone system and 1300 number coincided with the opening of the Wodonga office and Kyabram office relocation.

Service promotion

GMH Agcare ran an extensive media marketing campaign to promote the service and 1300 number throughout the region, including: newspaper and radio advertising, media releases, mailout to stakeholders, promotion through other services, directory listings, and attendance at key local meetings and events.

Governance and leadership

The Board and Subcommittees were restructured to continue implementation of outcomes from the 2008-09 Organisational Review, and policy development. Board meeting were rotated throughout the GMH Agcare region and included local RFC representation.

New service established

Implementation of the Transition Support Service has provided more personalised and intensive case management for farmers and support tools for clients making longer-term decisions.

Formation of a Work Safely Group

The establishment of a Work Safely Group has enabled better consultation, monitoring and communication throughout the organisation on OH&S issues, as well as development and review of OH&S policies and procedures, and training and staff induction in OH&S.

HR review

GMH Agcare overhauled its HR systems with a review of HR policies and procedures including the performance review process, remuneration and salary level structures, position descriptions, induction and training.

Statistical reports

RURAL FINANCIAL COUNSELLORS

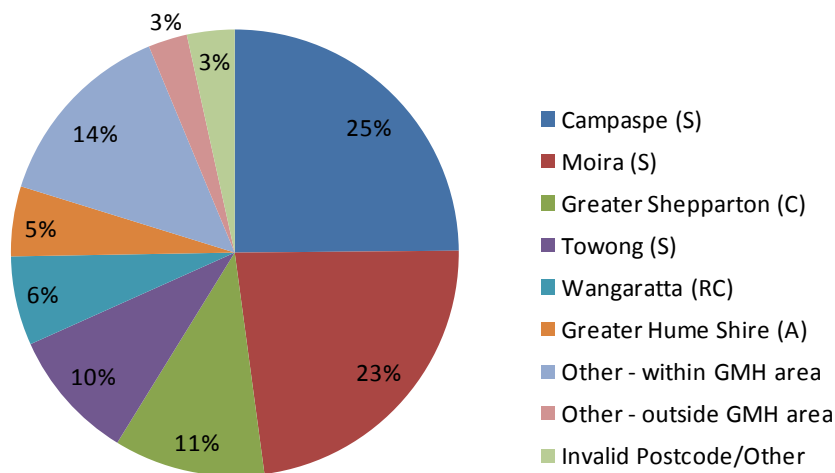
GMH Agcare had 7.2 FTE Rural Financial Counsellors as at 30 June 2010, an increase of 1 RFC from the previous financial year.

CLIENTS SUPPORTED

There were 203 new clients for the 09-10 financial year. Total number of clients receiving assistance during the year (including new clients) was 583. As expected, this was reduction of about 10% from the previous financial year due to the higher workload requirements of case management and more complex client cases. This corresponded with a 46% increase in hours of assistance given per client, from a average of 5.2 hours of assistance given in 2008-09 to 9.6 hours in 2009-10.

AREAS SERVICED

Number of clients by Local Government Area

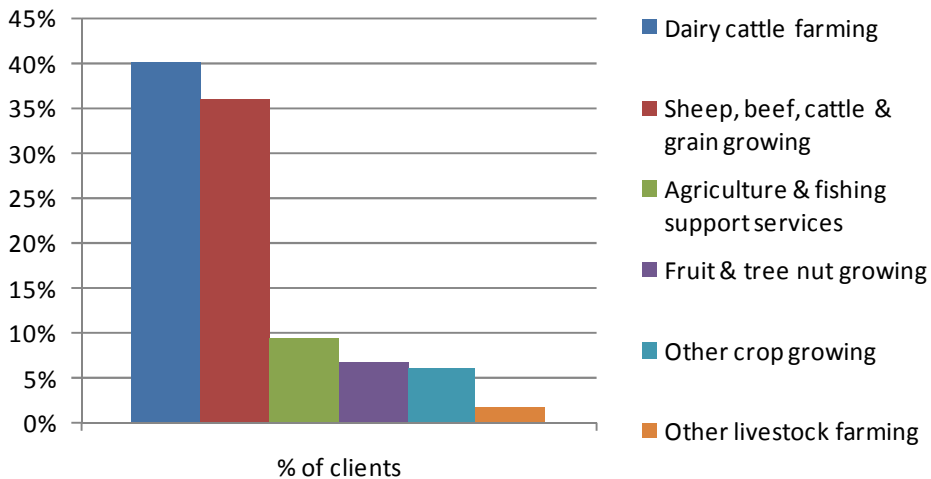


Other LGAs within GMH servalbe area include: Albury (C), Alpine (S), Benalla (RC), Berrigan (A), Corowa Shire (A), Indigo (S), Murray (A), Strathbogie (S), Tumbarumba (A), Wodonga (RC)

INDUSTRIES SERVICED

Primary enterprise type of the client serviced remained similar to the previous financial year, with the bulk of our clients coming from dairy (40%) or beef, sheep and grain growing (36%) enterprises.

Clients by primary enterprise type

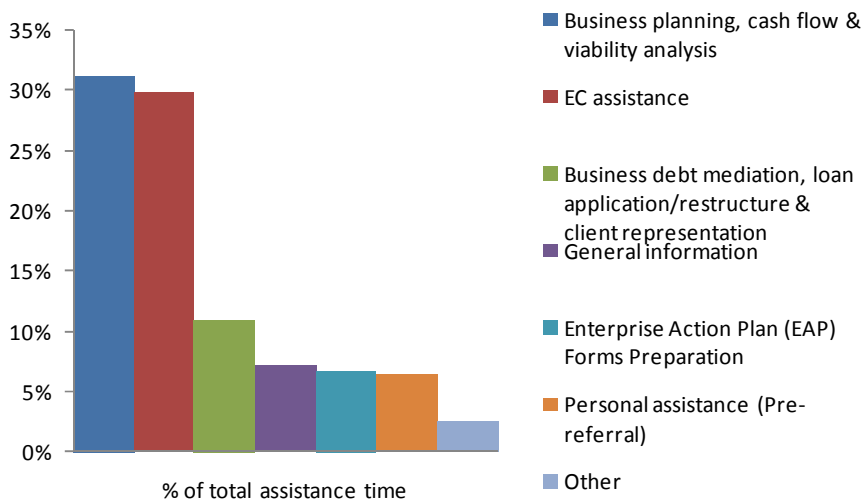


ASSISTANCE GIVEN

The average hours of assistance given per client was 9.6 hours (not including travel time). This was an increase from 5.2 in 2008-09 reflecting the move to a case management model and an increase in case complexity and assistance required. Travel also increased from an average of 1.6 hours per client to 2.3 hours in 2009-10.

Once again, the bulk of assistance given was for Exceptional Circumstances (EC) (30% of total client assistance hours) and business planning, viability and cash flow analysis (31% of total client hours). There was also an increase in assistance given for business debt mediation. New types of assistance, not provided in previous years, included natural disaster/emergency relief assistance and Farm Ready.

Type of assistance given to clients



Other includes: Government Assistance (not Centrelink), Representation with client, Natural disaster / emergency relief assistance, AAA FarmHelp program, CCAP administration, and Farm Ready.

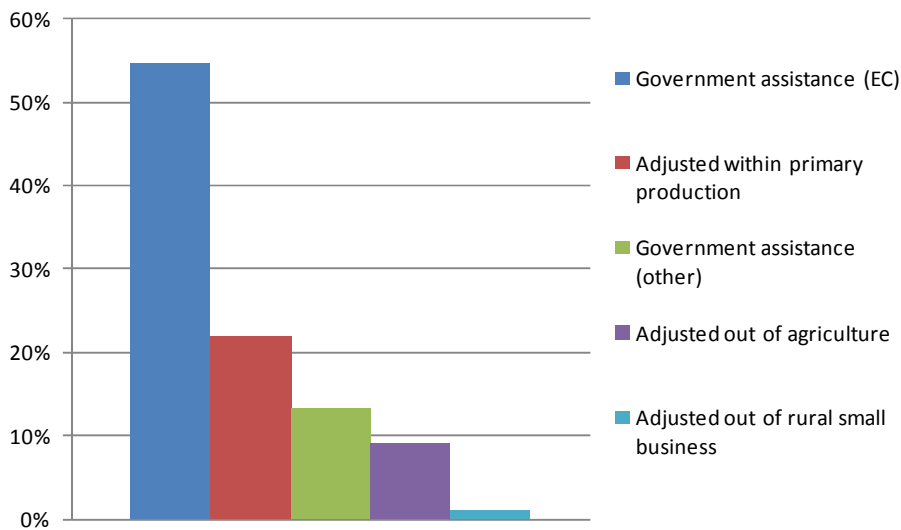
CLIENT OUTCOMES

The majority of client outcomes from counsellor assistance resulted in Government assistance (55 percent, either EC applications or other).

Eighteen (18) percent resulted in adjustment within primary production either through diversification, improved farm operation and management, improved financial management, or off farm income.

Eight (8) percent adjusted out of agriculture or rural small business (either forced or voluntary).

Client outcomes from Counsellor assistance



REFERRALS

The majority of clients (30%) were self referred to the service, with 14% of referrals coming from Centrelink and 10% from health/welfare organisations.

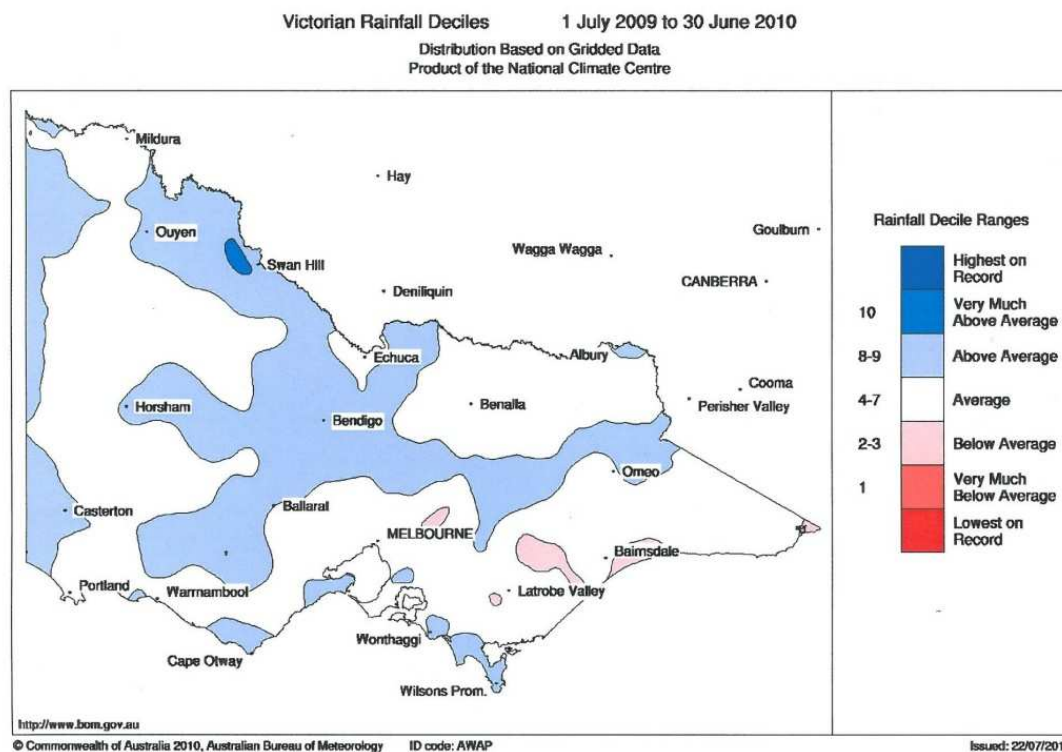
With the new case management model the number of client referrals more than doubled those made in the previous year. During 2009-10 our Rural Financial Counsellors made 464 referrals to other organisations or professionals, including Centrelink, accountants, banks, rural consultants, solicitors, DAFF, industry organisations, and health and welfare organisations.

Statistical reports are based on figures provided by DAFF in the Annual statistical report for Rural Financial Counselling Service Victoria – Goulburn Murray Hume for financial year 2009/10 (as at 3 August 2010), and the Service Profile Report for the period 1/07/10 – 30/06/10.

Rural Issues and Industry Overview

Rainfall returned to average for most of the Goulburn Valley and North East Victoria for the year ending 20 June 2010 with most areas receiving decile 4 to 7 rainfall. However various weather events such as frost, high temperature and timing of rain, led to lower than optimum conditions.

Irrigation allocations opened low and gradually increased, especially following heavy summer rain to eventually close at 100% in the Murray System, 17% in the Broken System and 71% in the Goulburn System.



The 2010 growing season has seen the best start for many years with consistent, and often heavy rainfall producing ideal growing conditions, filling dams and leading to good irrigation allocations.

Dairy

Inconsistent spring rain led to early requirement for irrigation water. Rain over the late spring and summer eased the need for irrigation and bought in feed and provided a rare opportunity for growing summer crops. As irrigation allocations increased during the season many farmers took the opportunity to renovate pasture in the

autumn or carry over water to the next season. Prices for hay and grain in late spring were considerably lower than in previous seasons.

Early season milk prices opened low, in line with the previous season. With a poor seasonal outlook, usually compounded by significant carryover debt, many farmers either made the decision themselves, or were forced to leave the industry. Milk prices steadily improved during the year with some recovery in global milk markets and the position of the AUD\$, and along with reduced input costs led many dairy farmers predicting some profitability in the second half of the year. For others the likelihood of profitability was limited, due to consecutive years of reduction of dairy herd numbers and accumulated debt.

Broadacre

A very dry May hindered crop and pasture establishment while dry periods during the critical months of August and October led to poor yielding crops. Frost in early October, unseasonably high temperatures in November and rain in late November/early December all impacted on grain harvest and hay making. Both hay and grain yields were well below average, and most grain crops were harvested with much less cereal hay cut as a fallback. Low grain prices at harvest meant many farmers stored grain, negatively impacting cash flow. For the fourth year in a row most broadacre farmers in our area were forecasting significant losses.

Beef

Beef cattle farmers in our area performed better this year. This was mainly due to a reasonable season in the upper valleys, good hay production and late spring and summer rain filling dams and producing good feed. Cattle prices were quite strong through the year, however herd numbers were down considerably, leaving farmers with difficult decisions – retain females to rebuild numbers, sell them and maintain low numbers or purchase additional cattle. All options had serious implications on cash flow and long term financial forecasts. A concern remains around the viability of smaller beef producers, especially given the increased debt loads accumulated over the last couple of years.

Sheep and Lamb

Sheep and lamb producers were one of the few shining lights in our area, often keeping mixed grain and sheep farmers afloat. Prices for all types of sheep and lambs reached record levels. However, the flock numbers are seriously depleted and the “lure” of fantastic prices has not encouraged farmers to either restock or retain females for breeding.

Horticulture

Prices for fruit remained flat and the longer term outlook unclear, especially with uncertainty surrounding the major regional processor, SPC. Some varieties were affected by frost, and the heat and intense rain in later spring. Much of our contact with fruit growers was instigated through the Victorian Department of Primary Industries Culturally and Linguistically Diverse (CALD) Program.

Other

The upper Murray and Gerogery parts of our service area were affected by bushfires in late December 2009. This created some additional work over Christmas, with some existing clients assisted, some new short term clients and referrals on to a number of other agencies.

Small rural businesses within our area have also experienced financial difficulty during the past year. Most of our small business clients are directly servicing the farming community and poor financial conditions directly translate to this sector. Many, however, have more flexibility to adjust their business, either to remain viable or to exit the business.

Paul Blackshaw

Rural Financial Counsellor Coordinator

Rural Financial Counsellors Report

Major focus of activity

Exceptional Circumstances (EC) declarations were rolled over in all Victorian areas twice during the year (once in September and once in March) and all but the Hume region in NSW in March. Given this, the majority of work continued to be based around assisting clients manage their businesses through ongoing and severe drought.

Again this year, a large part of the work was focused around assisting clients to access government support such as EC Interest Rate Subsidies, Centrelink Income Support, Professional Advice and Planning Grants and Farm Improvement Grants. While this was often the main reason clients contacted our service, it gave the Rural Financial Counsellors entry into their business, allowing them to develop trust and rapport with clients and to identify often more serious ongoing business issues. Much of this work involved budgeting, business planning etc. The Enterprise Action Plan (EAP) assisted the counsellors in this more complex case work.

A number of clients had very complex and severe issues. These usually involved some sort of financial crisis, often instigated by a third party such as a bank or creditor. In many of these cases there were also mental and physical health issues, as well as relationship difficulties, that complicated and sometimes clouded the problems facing these families. Rural Financial Counsellors maintain very strong networks with other service providers such as personal counsellors, social workers, drought support workers, and Centrelink. Clients were referred to these services when necessary. A number of these clients have applied for or received the EC Exit Grant, which is often considered an option of last resort.

New or unusual activities/trends

There appears to be a trend emerging that banks are tightening their policy regarding lending to the farming sector. Many of our clients were faced with banks refusing to extend credit and/or insisting on principal payments. The Rural Financial Counsellors were able to play a role in negotiations with banks, as well as assisting clients develop cash flow budgets and business plans.

The flow on from this situation is an increased number of clients facing insolvency and bankruptcy. In June 2010, GMH Agcare was successful in obtaining funding through the Victorian Government for an Insolvency Support and Adjustment Program that will provide both the RFC's and clients with expert external advice on matters of insolvency and bankruptcy in the coming financial year.

With another year of drought passing, the ability of clients to cope is being placed under extreme pressure. There is a trend among our clients of a “tiredness” that translates into an inability or fear about making decisions. The provision of one on one coaching through the Transition Support Service (TSS) launched in late 2009 has given the counsellors another option for clients having major difficulty with decision making. Although the uptake of this service has been low, the feedback from participants has been excellent.

Water continues to be a topic of concern for many of our irrigated clients. The Rural Financial Counsellors have played a strong role in assisting client decision making around sale of irrigation water (either privately or through government tenders), as well as the implications on their business of the Northern Victorian Irrigation Renewal Project (NVIRP). In March 2010 irrigators in the Campaspe Irrigation District voted to decommission their system and accept the NVIRP exit package. RFC’s were heavily involved in assisting clients in this area to make the necessary decisions.

Client Outcomes

Client outcomes continue to be extremely variable depending on individual financial, business and personal circumstances. Outside of clients receiving government support, the main outcome is an adjustment within the current business to improve the financial viability. This varies from changing management or enterprise, selling assets such as land or water to reduce debt, and increasing borrowings to cover trading losses. A number of clients have left agriculture either by choice or through actions of banks or creditors.

Community Development

RFC’s continued to be involved in promoting the service and maintaining networks. Various local government drought support committees played a vital role in this area. It is a concern that the frequency of these meetings is reducing and in some areas ceasing as well as attendance dwindling. The RFCS will need to be vigilant to ensure that we can maintain our very strong networks and continue to promote our service effectively in other ways.

The RFC’s also had a very strong role in the implementation and improvement of various internal policies through a willing and spirited involvement in various board subcommittees, as well as valuable feedback at regular staff meetings.

Future Outlook

The start of the 2009-10 season has been described as the best in recent memory. While continued rain, good commodity prices and reasonable input costs are all

needed for a major improvement in farm profitability, the outlook is promising. While there has already been a noticeable “spring” in the step of clients, most have been hurt too badly in recent years to be too optimistic. This is translating to a lack of confidence in decision making. Additionally, many businesses may have been financially “mortally wounded” by sustained drought and poor commodity prices and have debt levels that may not allow them to recover, whatever the seasonal conditions. This will present a challenge to the Rural Financial Counselors to assist clients make major decisions surrounding their future. This situation is compounded by a reliance on government EC support that is unlikely to continue for too much longer.

Transition Support Service

In October 2009, the Victorian Government announced a new service to support Northern Victorian dairy farmers to ease the burden for dairy farmers struggling with climate pressures, the impact of the global financial crisis and consequent low milk prices.

Initially the service was conducted as a pilot program funded through DPI Victoria and GMH Agcare. GMH Agcare engaged Coach & Co to provide intensive and personalised case management transition support (also referred to as life coaching) to dairy farmers to assist them in making longer-term decisions. The service was later extended to other farmers and offered through other Rural Financial Counselling Services in Victoria.

Clients who have accessed the service have made gains in the following areas:

- ◆ Business opportunities
- ◆ Communication/negotiation
- ◆ Exit strategies
- ◆ Alternative income streams
- ◆ Personal development
- ◆ Time management
- ◆ Brainstorming solutions
- ◆ Balanced, sustainable lifestyle
- ◆ Financial security
- ◆ Health & Wellbeing
- ◆ Business/career direction

Finance Report

GMH Agcare is an organisation whose business primarily obtains its revenue from various government bodies. During the 2009-10 financial year GMH Agcare received approximately \$1.3 million dollars in funding from the Australian Federal Government and the Victorian State Government. GMH Agcare also received in-kind support, a considerable contribution by MVRIAG toward community development and interest earned from its investments, taking the total amount of gross income for the year to just over \$1.4 million dollars.

Being a service industry, the majority of expenses in running GMH Agcare for the year remained similar to 2008-09. Employment costs, motor vehicle and communication costs being the businesses core expenses. With regard to employment costs the organisation appointed an additional full-time Rural Financial Counsellor in the Wodonga area.

During the year capital expenditure totaled \$70,018, which included the following major items:

◆ Kyabram Office Setup, including IT installation	\$ 16,889
◆ Eleven (11) Laptops	\$ 17,557
◆ Replacement Photocopier for Wodonga Office	\$ 5,379
◆ Motor Vehicle	\$ 29,692

Two (2) capital projects did not commence and have been approved for expenditure in the 2010-11 year. The projects which have been approved to continue in 2010-11 are video conferencing and website development.

Audited financial statements for the year ended 30 June 2010 are included in Appendix A.

Appendix A – Financial Statements



Providing a free, confidential and independent rural financial counselling service to primary producers, fishers and small rural businesses.



**GOULBURN MURRAY HUME AGCARE LTD, trading as
RFCS Victoria – Goulburn Murray Hume**

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